

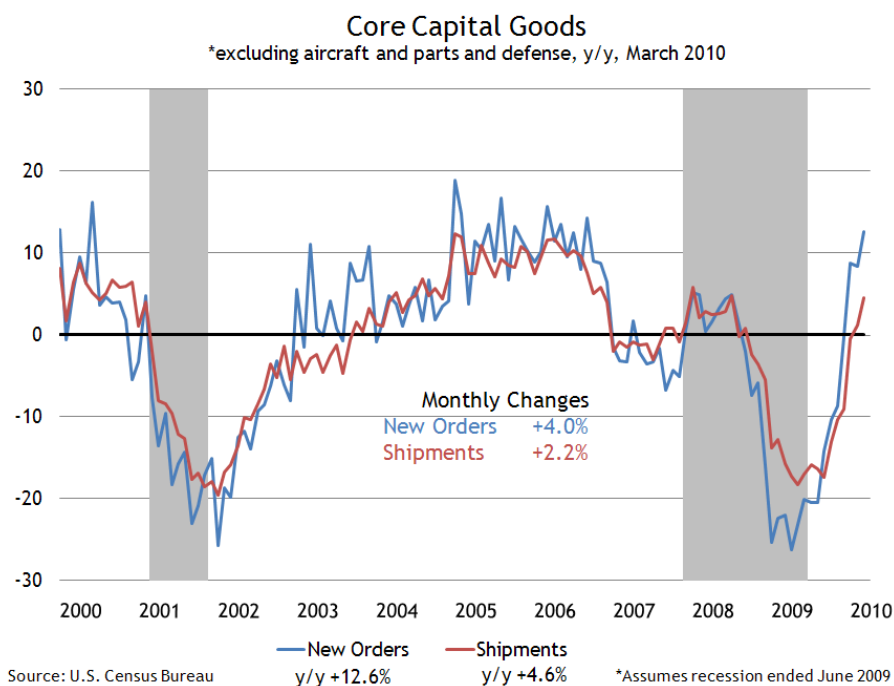
Economic Highlights

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Manufacturing

Summary

New orders for core capital goods surged ahead 4% in March despite a poor headline durable goods figure dragged down solely by commercial aircraft.



Core Capital Goods (\$000)

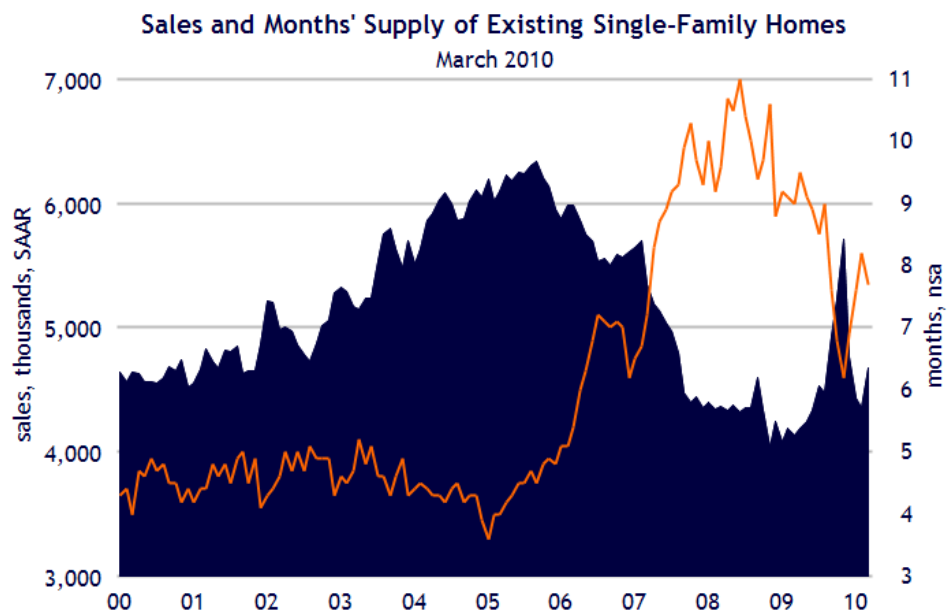
	March 2010	56,047	% change
1-month change	Feb. 2010	53,895	4.00%
6-month change	Oct. 2009	51,920	7.95%
12-month change	March 2009	49,773	12.61%

- In March, new orders for core capital goods jumped 4% month-over-month. Compared with March 2009 levels, new orders are up 12.6%.
- Computers and related products saw the biggest gain in new orders, surging 12.9% over the month prior. (“Computers and related products” here includes electronic computers, computer storage devices, other computer peripheral equipment, and communications equipment.)
- The machinery category had substantial (6.5%) continued growth of new orders in March, building on February’s large (8.6%) gains. Orders for machinery were up 16.1% for the first quarter. (“Machinery” here includes farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending, laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; and other machinery.)
- Shipments also saw a healthy rise in March, adding 2.2% to February’s level of shipments.

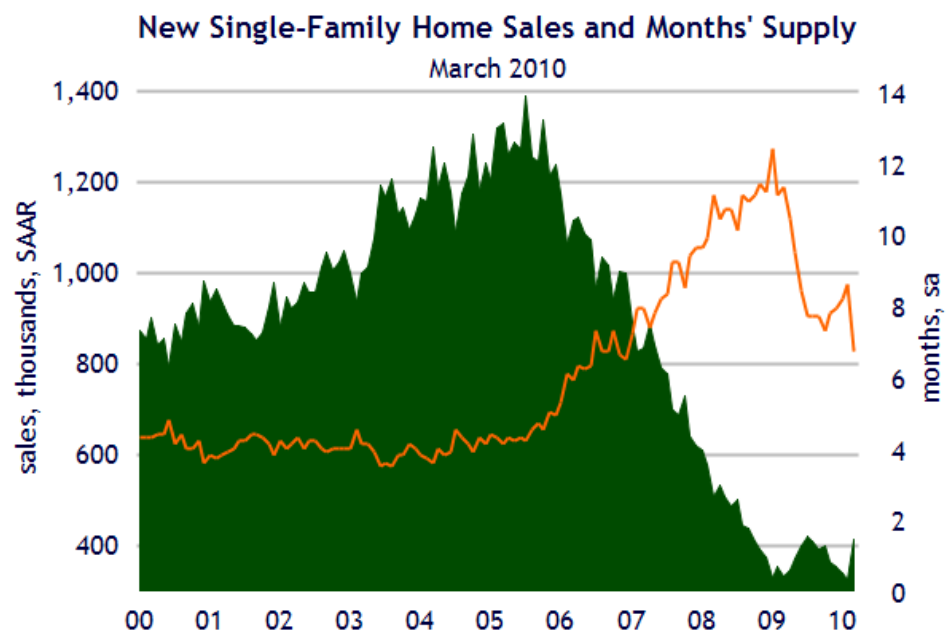
Summary

The National Association of Realtors reported that home sales increased 6.8% in March, slightly ahead of consensus expectations, while the months' supply of homes available for sale fell to 7.7 months, driven by rising sales.

The U.S. Census Bureau reported that new single-family home sales jumped sharply in March, rising 26.9%, well ahead of consensus expectations. The months' supply of homes available for sale dropped to 6.7 months as sales increased and inventories continued to dwindle.



Source: National Association of Realtors



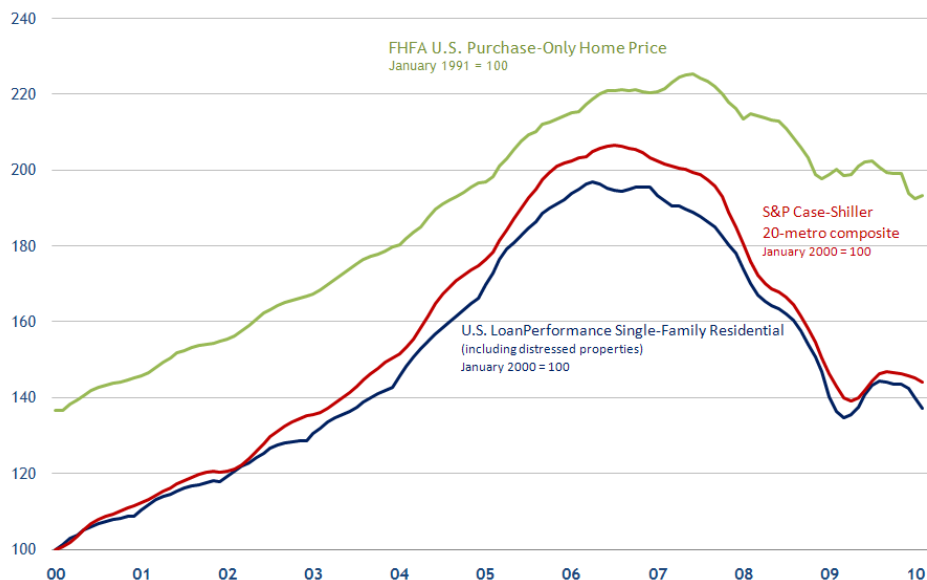
Source: U.S. Census Bureau

March Existing Home Sales	thousands, SAAR	y/y change	m/m change
Total	5,350	16.1%	6.8%
Single-family	4,680	13.3%	7.3%
Multifamily	670	39.3%	3.1%
March Single-Family Home Sales	411	23.8%	26.9%

Summary

Unadjusted price indexes were a bit mixed in February. The FHFA Purchase-Only Index rose slightly, while both the S&P/Case-Shiller and LoanPerformance indexes indicated home prices weakened.

February 2010 Home Price Indexes nonseasonally-adjusted



Source: First American CoreLogic; Standard & Poor's and Fiserve Inc., Federal Home Finance Authority

	Feb. (NSA)	Feb. (SA)	M/M (NSA)	M/M(SA)	Y/Y
Case-Shiller					
20-city index	144.0	146.1	-0.9%	-0.1%	0.7%
10-city index	156.8	158.8	-0.6%	0.1%	1.5%
Atlanta	105.7	107.6	-1.3%	-0.9%	-0.9%
Miami	147.5	147.2	-0.5%	-0.3%	-4.4%
Tampa	136.5	138.1	-1.2%	-0.3%	-6.0%
U.S. FHFA Purchase-Only	193.3	193.7	0.5%	-0.2%	-3.4%
U.S. LoanPerformance					
Combined*	138.9		-2.0%		0.4%
Combined* excl. distressed	153.9		-0.2%		0.6%
Single-family detached	137.1		-2.1%		0.5%
Single-family attached	148.0		-1.9%		-0.6%

*Combined refers to single-family and single-family detached homes.

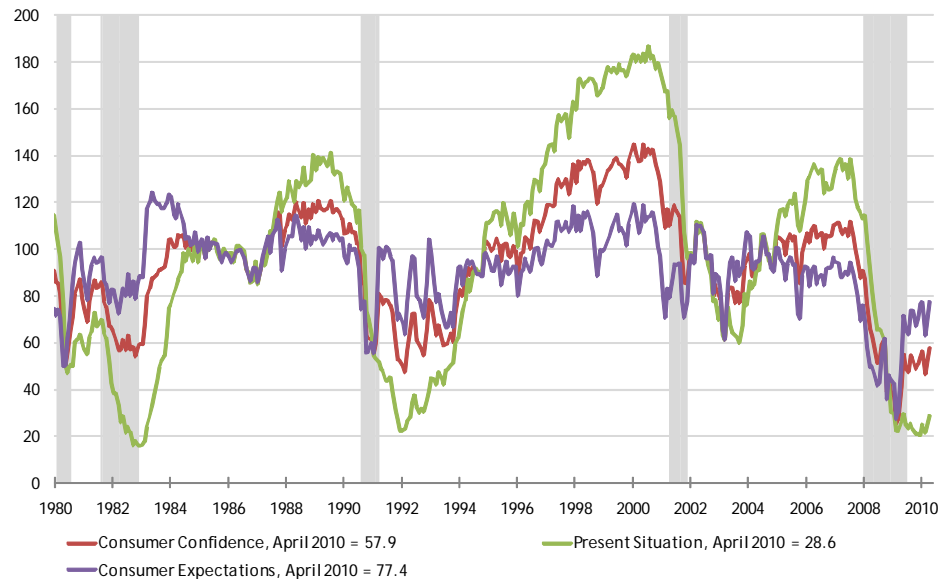
Consumer Spending

Summary

The Conference Board Consumer Confidence Index rose more than expected in April.

Both components of the index, present situation and expectations, increased over the month, pointing to some improvement in consumer confidence.

The Conference Board Consumer Confidence Index
1985 = 100, SA



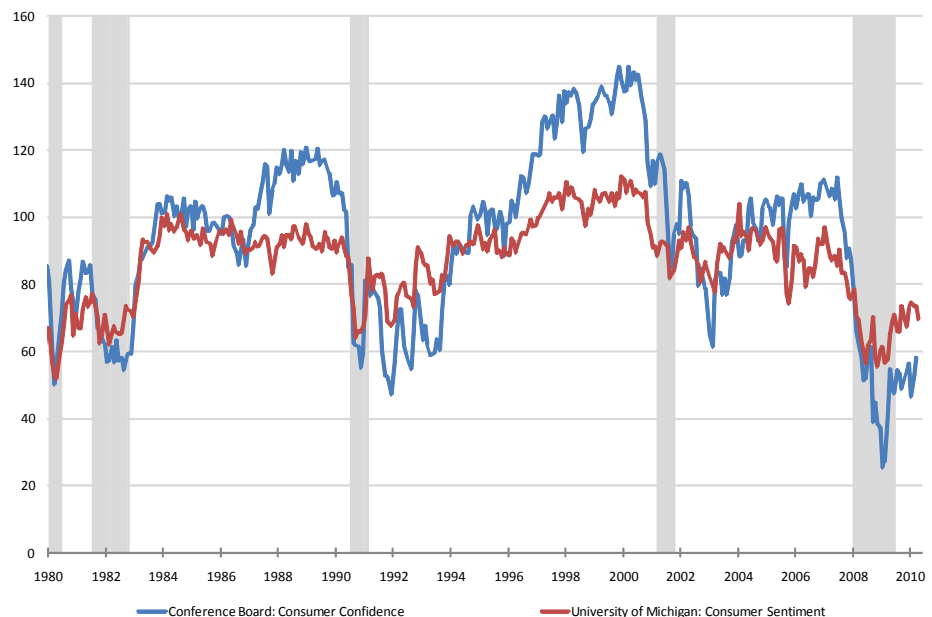
Source: The Conference Board

Assumes recession ended June 2009

- In April, the Conference Board Index of Consumer Confidence increased from 52.3 to 57.9, the highest level since September 2008. The Bloomberg consensus expectations were for an increase to 53.5.
- Both components of the index experienced an increase in April. The consumer expectations component increase by 7 points to 77.4 in April. The present situation component increased 3.4 points in April to 28.6 but remains at a relatively low level.

While the gain in the Conference Board's index contrasts with the decline in the University of Michigan's index for April, both have been oscillating within 10 points since last summer.

Reuters/University of Michigan versus The Conference Board

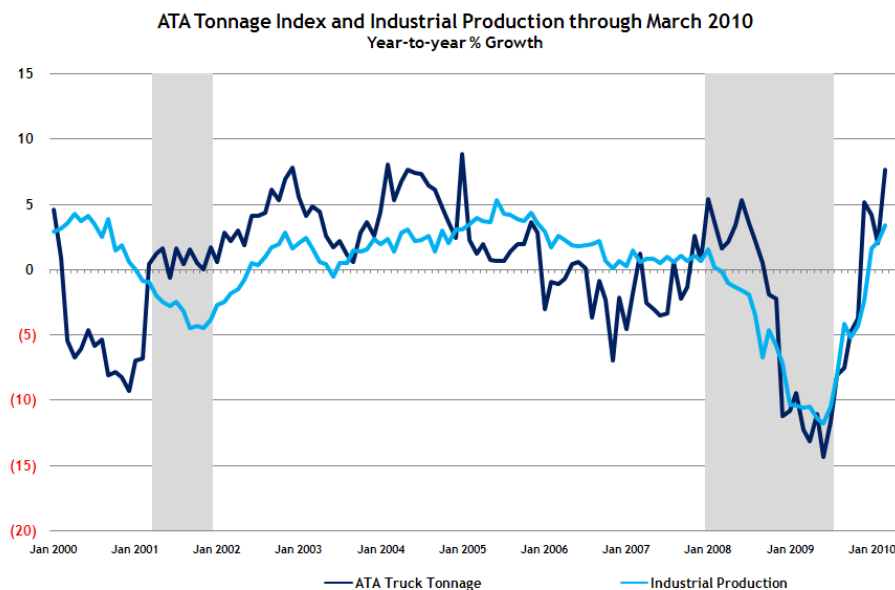


Source: The Conference Board, Reuters/University of Michigan

Assumes recession ended June 2009

Summary

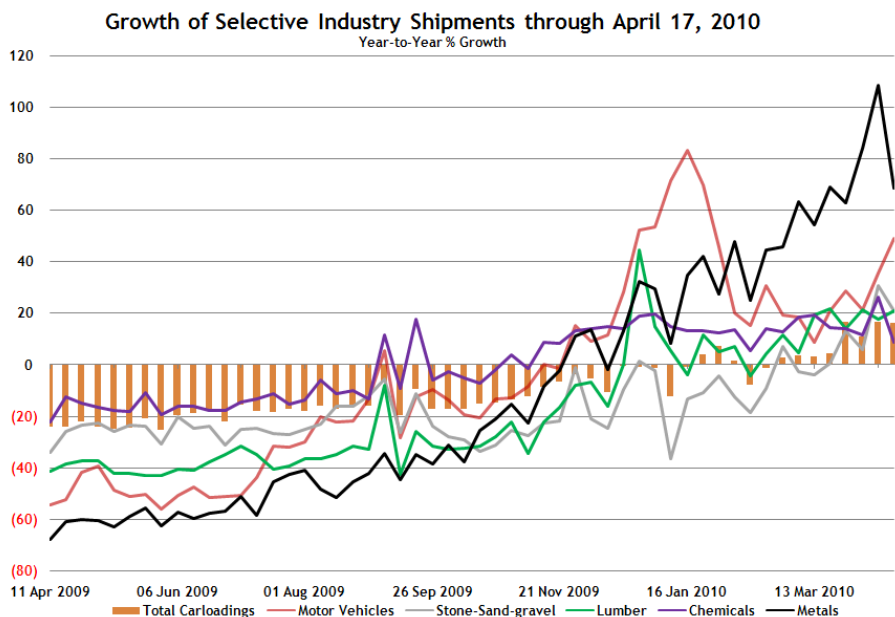
The American Trucking Associations (ATA) tonnage index improved in March in agreement with recent trends in industrial production. Although trucking contacts are more optimistic about their industry's recovery, this will depend on more stable inventory flows.



Source: American Trucking Associations and Federal Reserve Board

- ATA tonnage levels in March increased for the fourth consecutive month, posting the largest year-over-year gain since January 2005. ATA economists are now more optimistic about the motor carrier industry's recovery in the current year.
- According to contacts, both demand and supply situations are steadily improving, but most expect a moderate freight outlook that will depend on stable inventory flows.

Railroad shipments through mid-April continued to climb far ahead of low year-earlier levels. The recent pickup in key industrial shipments suggests that the manufacturing and construction sectors are moving in the right direction but have a long way to go to recover business lost during the recession.



Source: American Association of Railroads

- The Association of American Railroads reported that rail shipments through mid-April continued to climb far ahead of depressed levels a year earlier. All industry groups improved sharply from 2009 levels, but the pace of metals and motor vehicles continued to lead growth in total carloads.
- In recent weeks, construction-related shipments have continued to post double-digit gains from low 2009 levels. However, these gains do not offset double-digit declines in carload volumes posted since early 2008.