

2010 Indiana Economic Outlook

Indiana's Opportunity in a Global Crisis

Sponsors: First Merchants Bank, First Merchants Trust

Contributors: Ball State Business Forecasting Roundtable,
Center for Business and Economic Research

Supporters: Ball State Miller College of Business

The background of the slide is a collage. It features a world map in a light green color. Overlaid on the map are several items: a US dollar bill (partially visible, showing the number 100) and a 20 Euro banknote. There are also some abstract, textured shapes in shades of green and brown.

Steve Smith

Midwest Metals, Inc.

Michael J. Hicks, PhD

Ball State University

2009 Forecast

	2009 : Q1	2009 : Q2	2009 : Q3	2009 : Q4
Employment	↓ -0.2%	↓ -0.6%	↓ -0.1%	↑ 0.1%
Personal Income	↓ -0.1%	↑ 1.8%	↑ 0.6%	↑ 2.1%
Construction Income	↓ -0.4%	↓ -0.1%	↑ 1.7%	↑ 4.2%
Financial Serv. Income	↓ -4.9%	↑ 0.5%	↑ 4.8%	↑ 0.6%
Healthcare Income	↑ 2.9%	↑ 3.1%	↑ 1.6%	↑ 3.3%
Info Tech. Income	↓ -0.4%	↓ -0.3%	↓ -3.3%	↑ 3.9%
Manufacturing Income	↓ -3.3%	↓ -0.8%	↑ 1.7%	↑ 4.4%
Retail Income	↓ -0.5%	↑ 0.1%	↑ 2.9%	↑ 0.7%
Wholesale Income	↓ -0.7%	↑ 1.4%	↑ 2.1%	↑ 2.3%

2010 Forecast

	2010 : Q1	2010 : Q2	2010 : Q3	2010 : Q4
Employment	↑ 0.03%	↑ 0.24%	↑ 0.39%	↑ 0.60%
Labor Force	↓ -0.14%	↓ -0.10%	↓ -0.07%	↑ 0.01%
Personal Income	↑ 1.22%	↑ 1.38%	↑ 1.47%	↑ 0.81%
Manufacturing Income	↑ 1.24%	↑ 1.96%	↑ 2.41%	↑ 1.76%
Utilities Income	↑ 0.39%	↑ 0.21%	↑ 0.10%	↑ 0.48%
Construction Income	↑ 1.43%	↑ 2.05%	↑ 2.42%	↑ 1.66%
Wholesale Income	↑ 1.14%	↑ 1.46%	↑ 1.65%	↑ 1.27%
Retail Income	↑ 0.71%	↑ 0.90%	↑ 1.02%	↑ 0.61%
Finance & Insurance Income	↑ 1.04%	↑ 1.25%	↑ 1.36%	↑ 0.51%
Health Care Income	↑ 0.90%	↑ 0.91%	↑ 0.68%	↑ 0.59%
Information Income	↑ 1.20%	↑ 1.52%	↑ 1.72%	↑ 1.14%
Transportation Income	↑ 1.42%	↑ 1.89%	↑ 2.17%	↑ 1.85%

The background of the slide is a collage. It features a light green world map. Overlaid on the map are several items: a US dollar bill (partially visible, showing '100'), a 20 Euro banknote, and a small, clear, rectangular object that looks like a piece of glass or a small container. The overall color scheme is muted greens and browns.

Gary Santoni, PhD

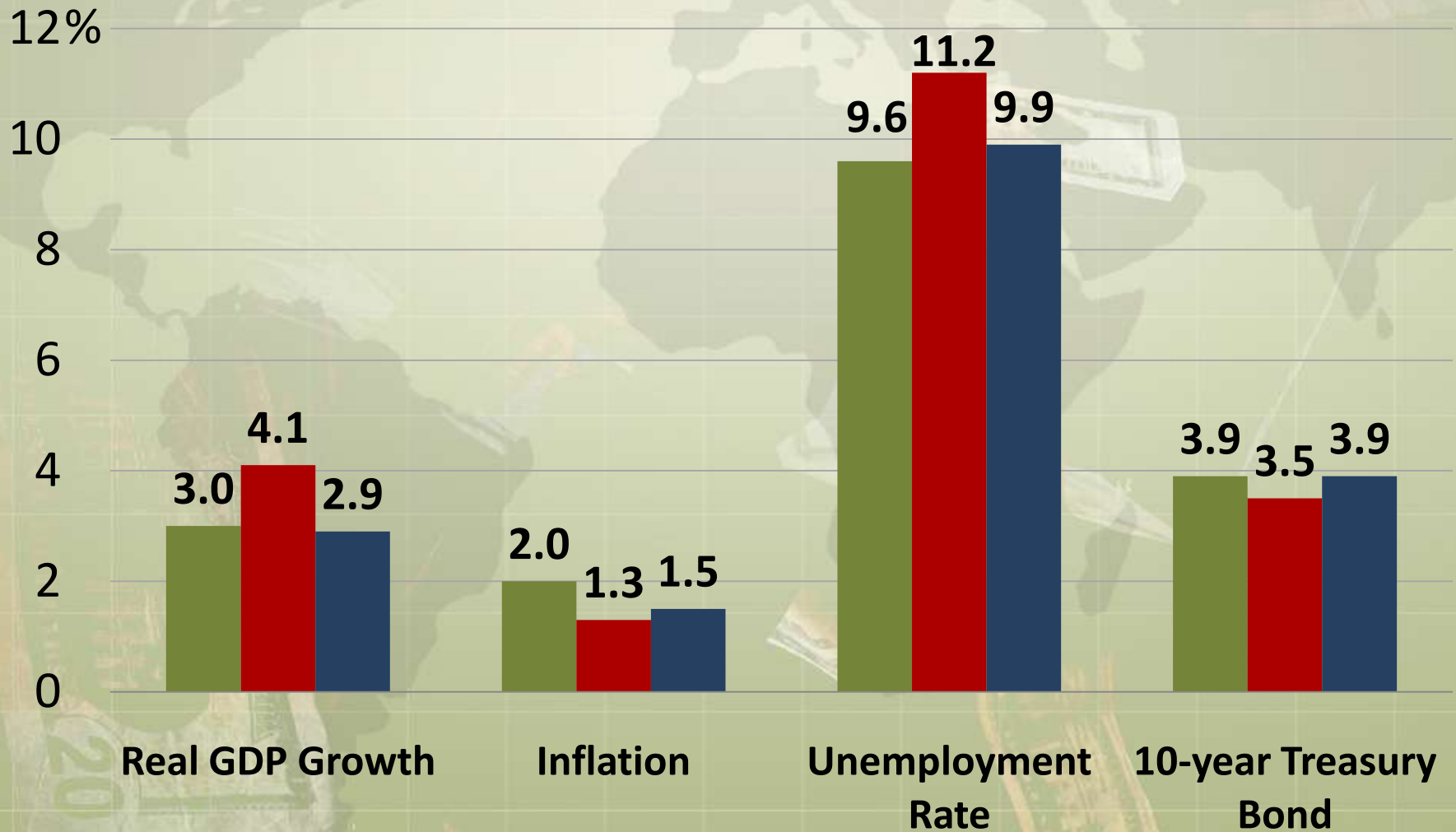
Ball State University

Recessions: The Last 50 Years

					Duration (Months)	Avg. Growth Real GDP (%)	Avg. Unempl. (%)
Apr	1960	–	Feb	1961	10	- 2.1	6.0
Dec	1969	–	Nov	1970	11	- 0.5	4.7
Nov	1973	–	Mar	1975	16	- 1.5	5.9
Jan	1980	–	Jul	1980	6	- 2.5	7.1
Jul	1981	–	Nov	1982	16	- 0.9	9.0
Jul	1990	–	Mar	1991	8	- 1.8	6.1
Mar	2001	–	Nov	2001	8	0.1	4.7
Dec	2007	–	Jun	2009	18	- 2.4	6.5

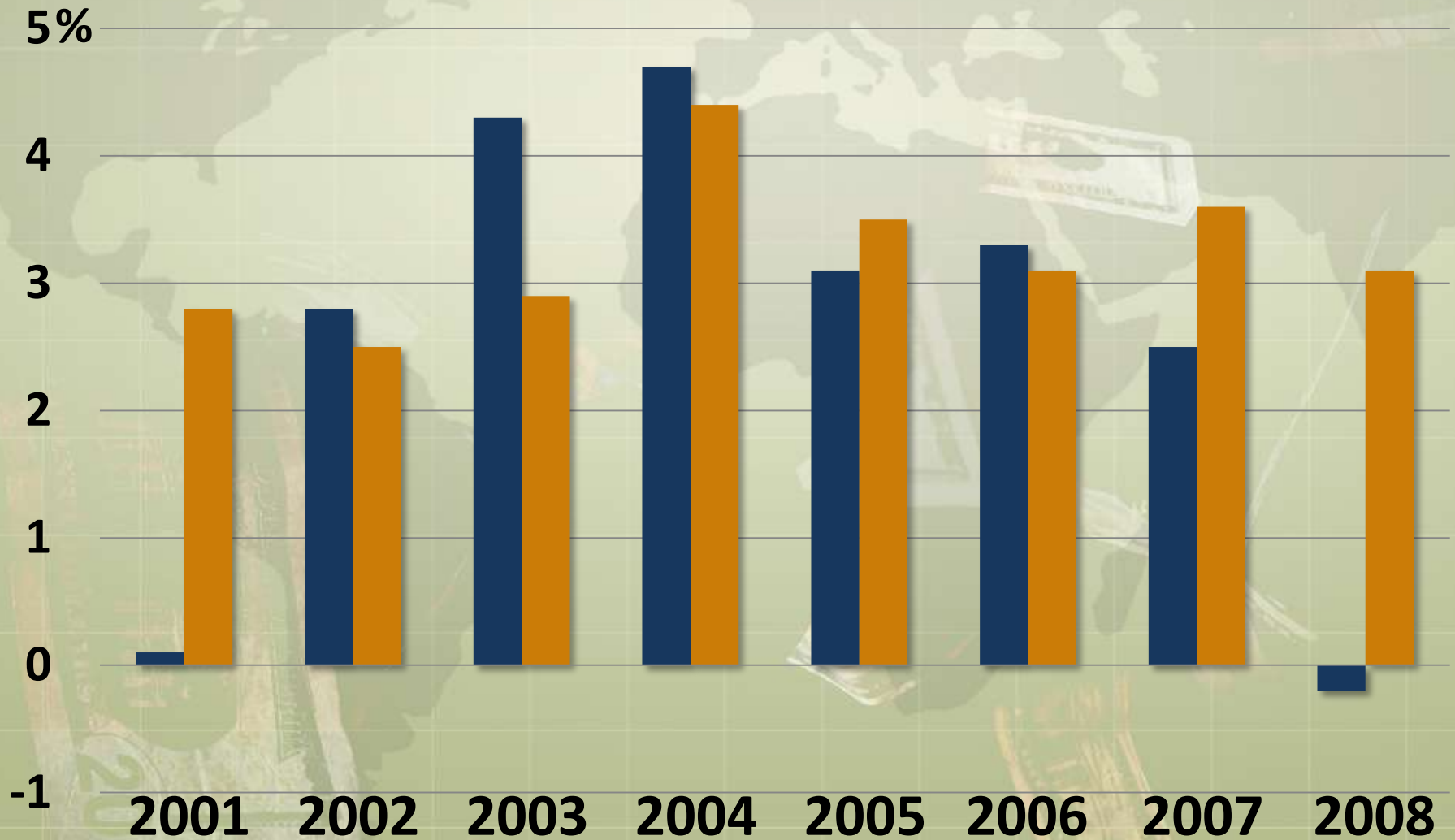
2010 Forecast

■ Roundtable ■ BSU Model ■ Blue Chip



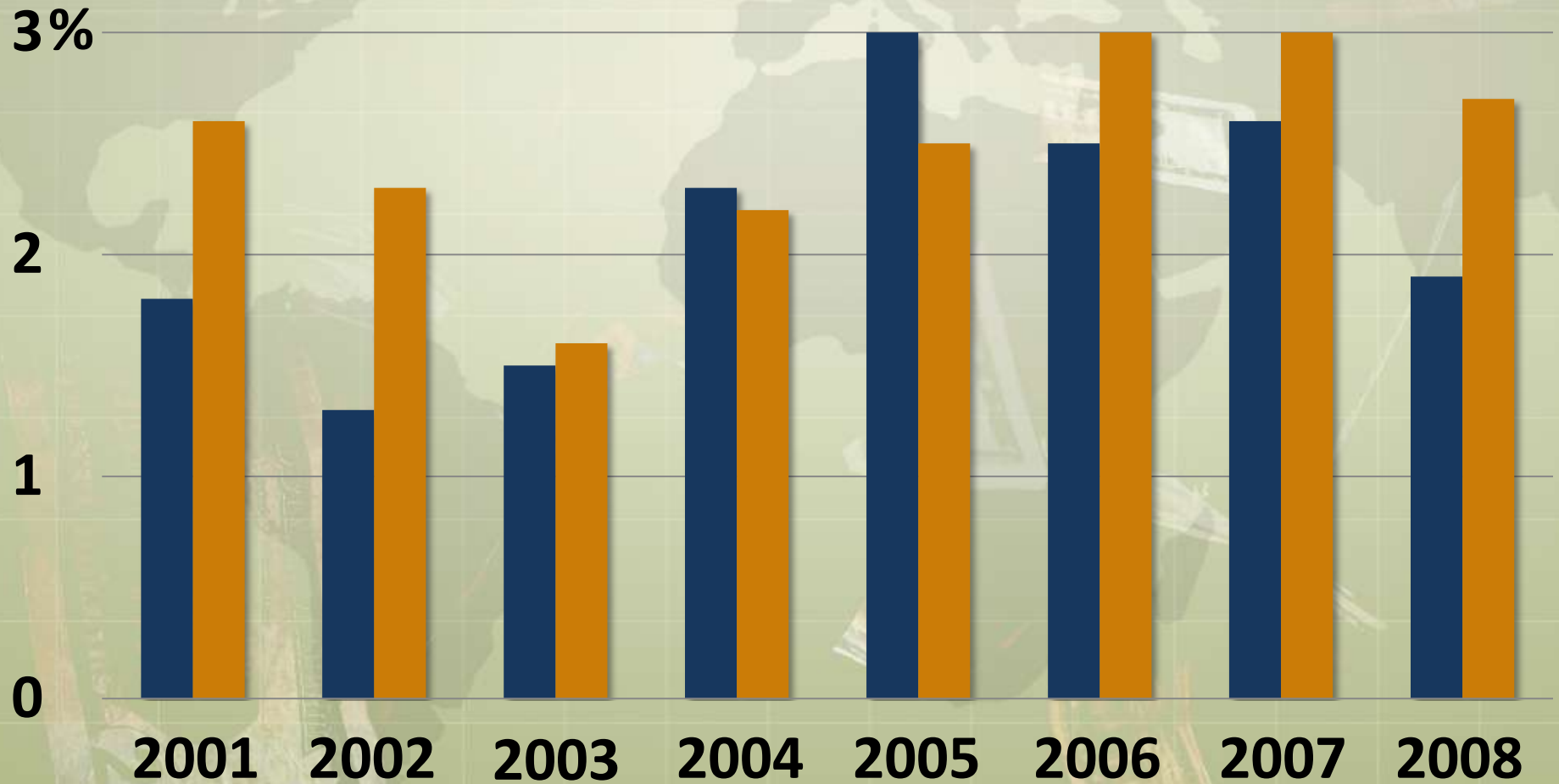
Real GDP Growth

■ Actual ■ Forecast



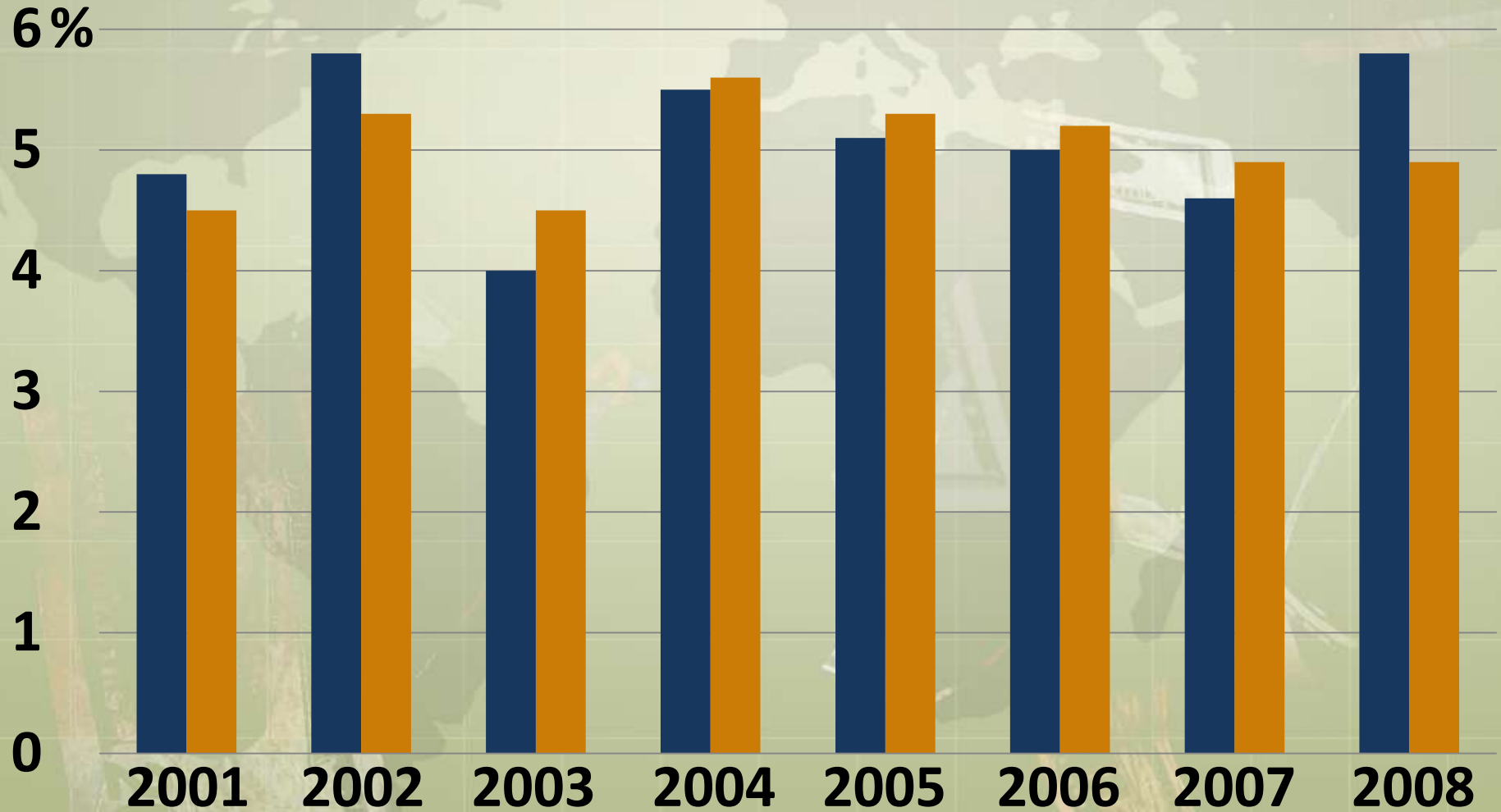
Inflation

■ Actual ■ Forecast

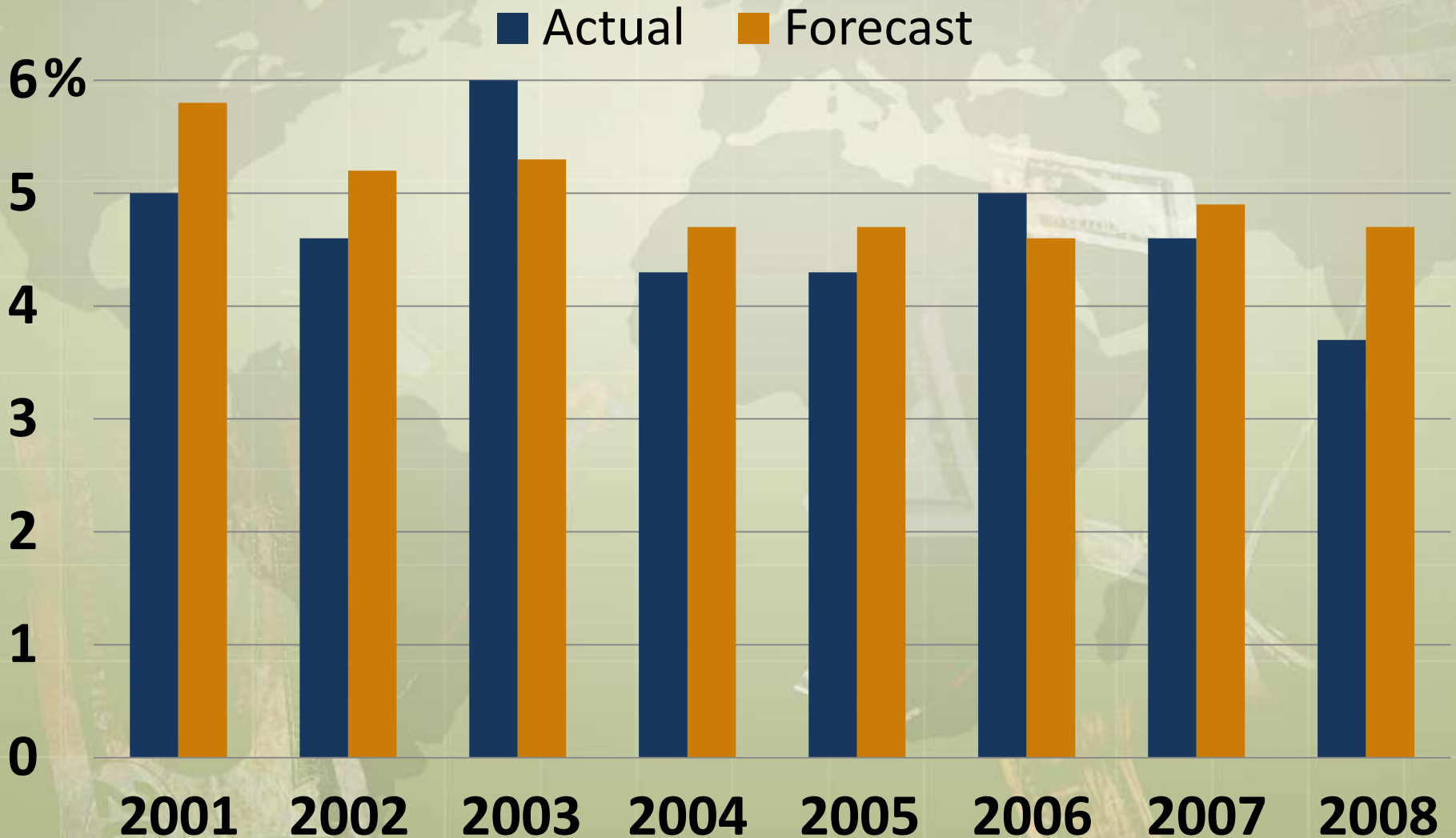


Unemployment

■ Actual ■ Forecast

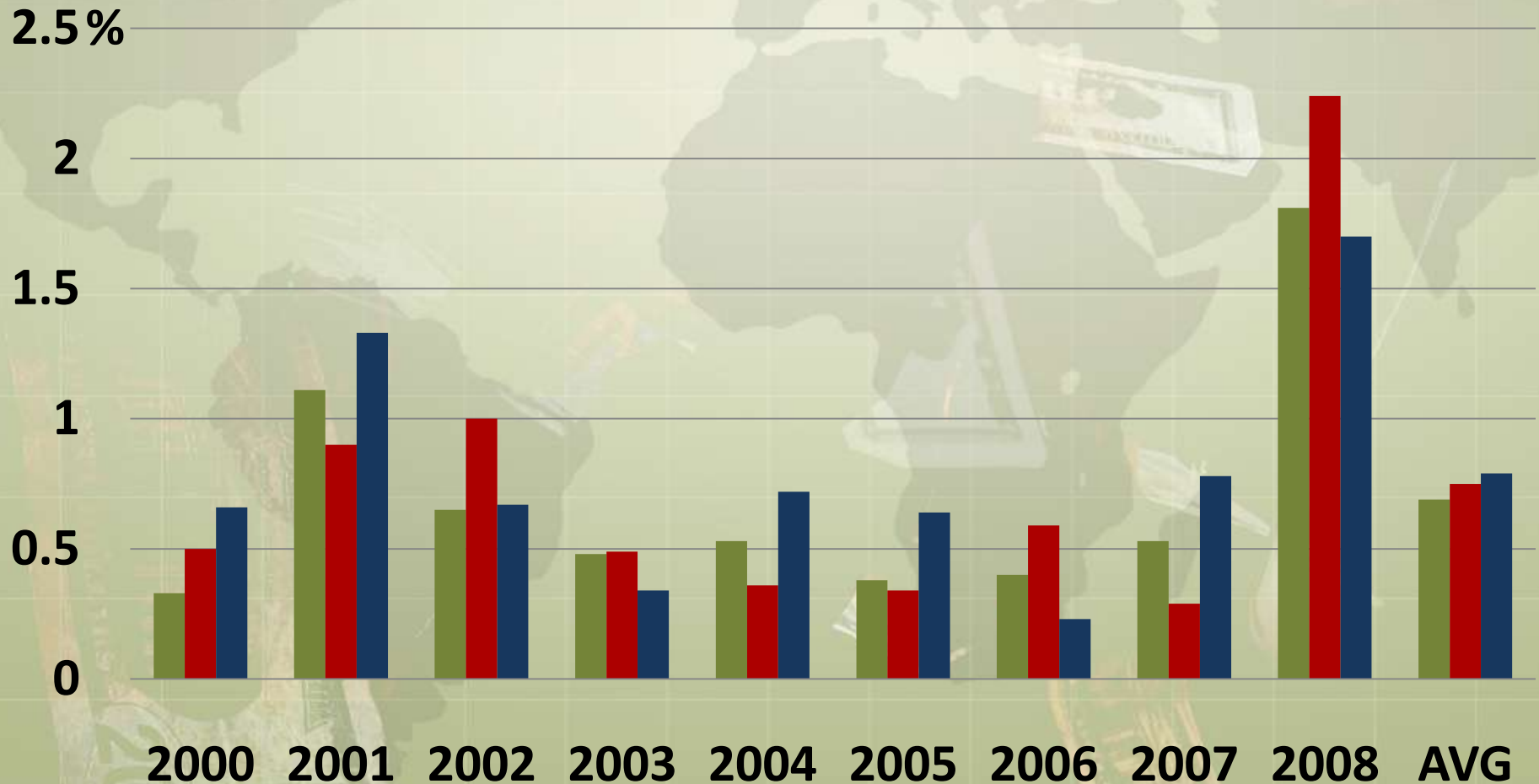


10-Year Treasury Bond Yield



Root Mean Squared Error (RMSE)

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Richard Mourdock

Treasurer, State of Indiana

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