

Explanation of Key Indicators

- **GDP.** Annualized rate in trillions of dollars compared to same quarter a year ago.
- **Chicago Fed National Activity Index.** Is a composite of four categories of indicators and 84 sub categories. Three month moving average, (3MMA).
- **Consumer Confidence.** Based on a survey of 5,000 households by the Conference Board. 3MMA.
- **Net job creation.** Net non farm payroll increase or decrease. Three month moving average.
- **Bank lending standards.** Based on a quarterly survey of senior loan officers of major banks by the Federal Reserve. Negative is good because it means less banks are tightening standards.
- **Loan demand.** Based on same survey as lending standards. Source document is well worth reading.
- **Consumer debt to income.** Historically consumer revolving debt ranged from 16 to 20% of disposable income based on the economic cycle. In 2002 it reached 24% and stayed there until early 2008. It is now undergoing a major correction that will retard the economic recovery.
- **Broad Index.** This is a trade weighted measure of the value of the US \$ against the currencies of major trading partners. Monthly. Change highlighted red means \$ getting stronger.
- **Capacity utilization** Long product shipments as a % of rolling capacity. Does not include SBQ because of lack of data for that product group. Three month moving average.
- **Shipments 3 months.** Same basis as capacity utilization.
- **Net imports** This is long product imports minus exports. 3 month moving average. Currently at a very low level, this is supporting domestic steel production.
- **Service center shipments and inventories.** Figures presented are the total of structural and merchant bar products. Shipments are three month moving average, inventories are current.
- **Total construction** Data published by the Commerce Department. Chained \$s 3MMA. Since this is so seasonal comparison is with same period last year.
- **Commercial property price index** Source Moody's. Three month moving average
- **Non res. Starts** Source McGraw Hill Dodge. Three month moving average, compares with same period last year to remove seasonality which is extreme.
- **Housing starts.** Total of single and multi family. Three month moving average.
- **Construction employment.** Monthly change
- **Commodities price index.** Reuters / Jefferies CRB Index. Leading index for industrial construction, mining and materials.
- **ISM manufacturing index.** Institute of Supply Management monthly survey. 3MMA
- **Auto production NAFTA.** Rolling 12 months. Used NAFTA data because this industry so integrated throughout North America.
- **Manufacturing capacity utilization.** Federal Reserve G 17. Monthly
- **Durable goods orders.** This is one of the earliest indicators of both consumer and business demand for US manufactured equipment. Three month moving average.
- **Inventory to shipment ratio.** The number presented is only for manufactured products. Considering only inventory or only shipments can be very misleading. Monthly.
- **Industrial production index.** Also from Federal Reserve G 17. Three month moving average.