

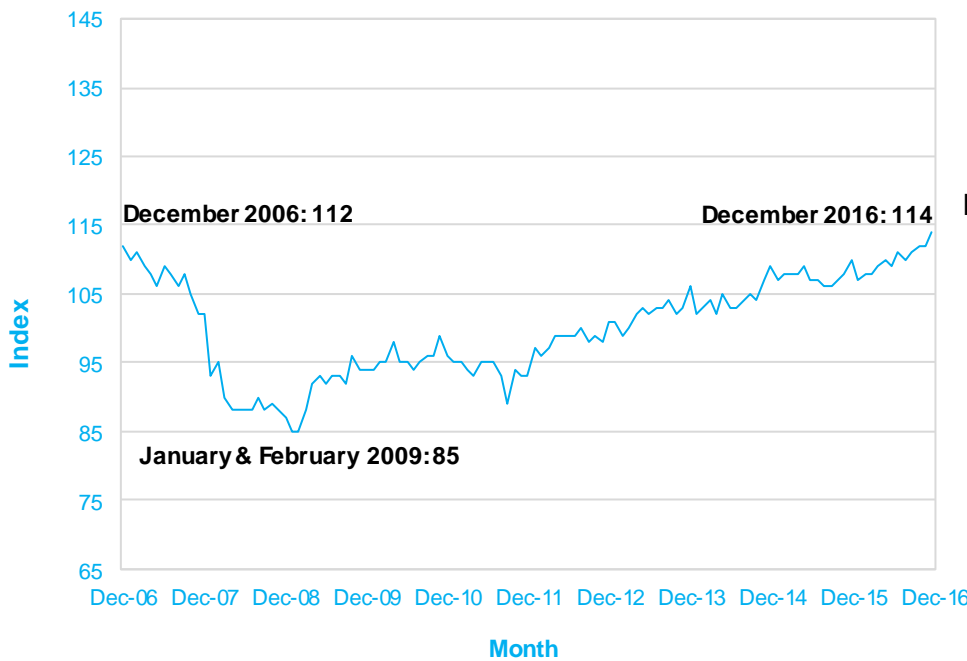
Decision Analyst Economic Index

December 2016

The U.S. Economy Ending 2016 Signals Growth, According To Decision Analyst's Economic Index

Arlington, Texas—The Decision Analyst U.S. Economic Index ended 2016 at **114 (December 2016)**, a 4-point increase from December 2015. This year-over-year increase in the Economic Index signals continued U.S. economic growth during the first half of 2017. The Economic Index tends to lead U.S. economic activity by 6 to 12 months. Below is the past-10-year history of the U.S. Economic Index.

United States Economic Index December 2016



Past-12-Month Change
(From Dec. 2015 to
Dec. 2016)



















“The overall trend of the U.S. Economic Index over the past few months suggests that 2017 will likely get off to a positive start,” said Jerry W. Thomas, President/CEO of Decision Analyst. “However, the change of political power in Washington carries with it risks of economic distractions and economic turmoil. Disruptions in the flow of imports and exports could have major negative effects on the U.S. economy if the Trump Administration pursues trading restrictions, and the possible cancellation of the Affordable Care Act likewise carries economic risks. A continuing drag on the economy is the failure of large U.S. corporations to adequately invest in new equipment, new products, new people, and new facilities. We continue to believe that higher rates of interest

would be good for the U.S. economy long-term,” said Thomas. “More normal interest rates would help reduce corporate financial engineering and would reduce speculative investments in marginal opportunities.”

Global Indices

The following chart compares Decision Analyst’s U.S. Economic Index to the Economic Indices for other countries. Globally, many countries show no change in the past 12 months; Canada, Mexico, Chile, Spain, and the United Kingdom all have the same Index score in December 2016 as they had in December 2015. On the positive side the Russian Federation has increased 9 points in the past 12 months, France has increased 7 points, and Brazil has increase 5 points. Argentina has declined 7 points in the past 12 months, while Colombia has declined 6 points.

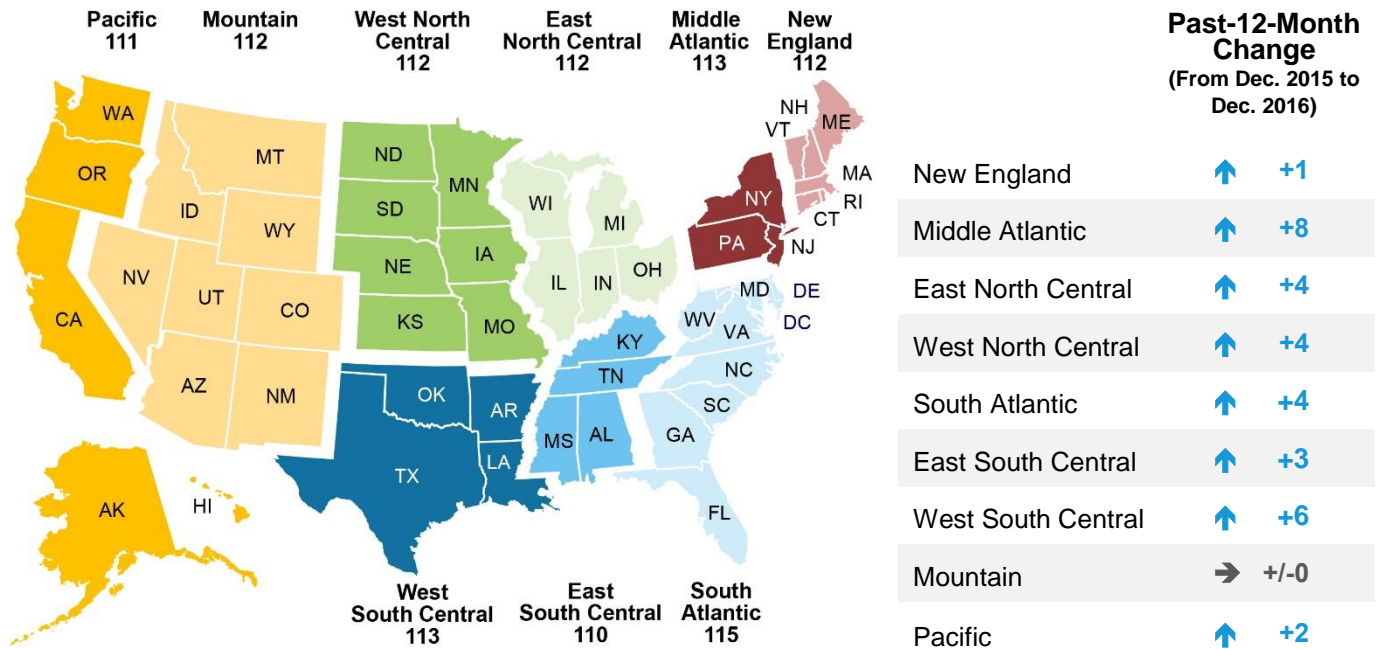
Decision Analyst Global Economic Indices December 2016			Past-12-Month Change (From Dec. 2015 to Dec. 2016)
North America		December 2016 Index	
	United States	114	↑ +4
	Canada	91	→ +/-0
	Mexico*	95	→ +/-0
South America			
	Argentina*	87	↓ -7
	Brazil*	95	↑ +5
	Chile*	94	→ +/-0
	Colombia*	99	↓ -6
	Peru*	103	↓ -4
Europe			
	France	91	↑ +7
	Germany	105	↓ -4
	Italy	98	↑ +4
	Russian Federation*	98	↑ +9
	Spain*	98	→ +/-0
	United Kingdom	105	→ +/-0
Australia/Asia			
	Australia*	92	↓ -3
	India*	126	↑ +1

* The Index numbers for Argentina, Australia, Brazil, Chile, Colombia, India, Mexico, Peru, the Russian Federation, and Spain are 3-month moving averages to smooth out month-to-month fluctuations. The reported Index number averages the current month with the previous 2 months.

U.S. Census Divisions

The U.S. Census Divisions have increased in the past 12 months, except for the Mountain Division, which remained the same as a year ago. The South Atlantic Division had the highest score of all the Census Divisions. It registered an Index score of **115 for December 2016**; that is an increase of 4 points from December 2015. The East South Central Census Division had the lowest Index score, a **110 for December 2016**, which was an increase of 3 points from December 2015.

United States Census Divisions Economic Indices December 2016*



* The Index numbers for the Census Divisions are 3-month moving averages to smooth out fluctuations due to smaller sample sizes. The reported Index number averages the current month with the previous 2 months.

Methodology

The Decision Analyst Economic Index is based on a monthly online survey of several thousand households balanced by gender, age, and geography. The scientific survey is conducted in the last 10 days of each month. The Economic Index is calculated from 9 different economic measurements using a sophisticated econometric model. The result is a snapshot of coming economic activity in each country surveyed, as seen through the eyes of representative consumers living in the respective countries.

Decision Analyst conducts its concurrent economic surveys each month in Argentina, Australia, Brazil, Canada, Chile, Colombia, France, Germany, India, Italy, Mexico, Peru, the Russian Federation, Spain, the United Kingdom, and the United States. Whenever the Decision Analyst Economic Index is greater than 110, it tends to signal an expanding economy. An Index value of 90 to 110 suggests a no-growth or slow-growth economy, and near or below 90 generally indicates economic contraction. These guidelines vary by country, however.

About Decision Analyst

Decision Analyst (www.decisionanalyst.com) is a global research and analytical consulting firm specializing in strategy research, new product development, advertising testing, and advanced modeling for marketing decision optimization. For more than 35 years the firm has delivered competitive advantage to clients throughout the world in consumer packaged goods, high technology, retail, medical, automotive, and other industries.