

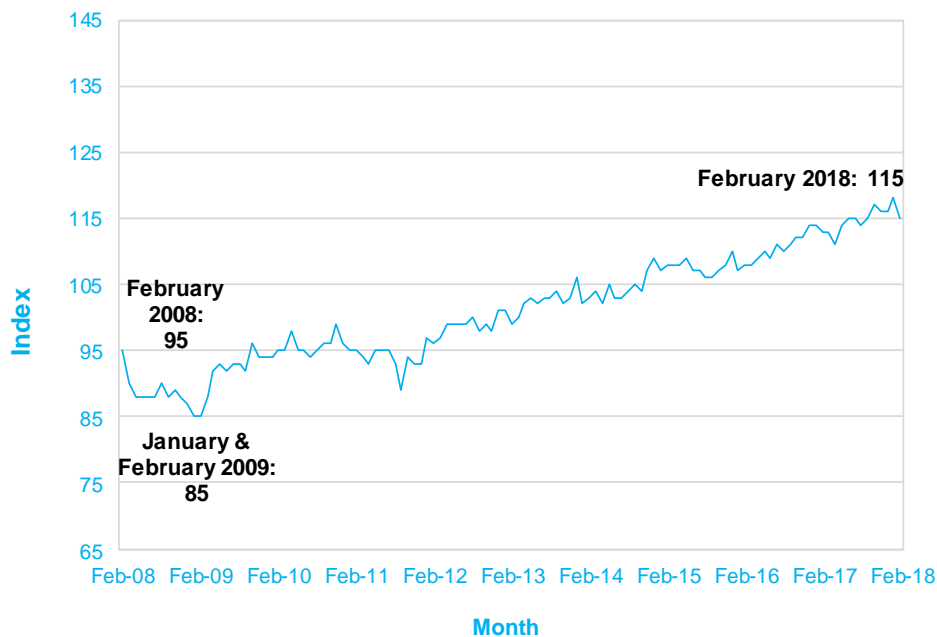
# Decision Analyst Economic Index

February 2018

## U.S. Economic Index Indicates Continued Economic Growth For The Start Of 2018

Arlington, Texas—The Decision Analyst U.S. Economic Index stands at **115 in February 2018**, a 3-point drop from January 2018. Year over year, however, the Economic Index is up 2 since February 2017. The U.S. stock market swoon in early February 2018 largely explains the declines in the U.S. Economic Index. It's likely the Index will bounce back in March. The Economic Index tends to lead overall 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 February 2018



Past-12-Month Change  
(From Feb. 2017 to  
Feb. 2018)




“The U.S. Economic Index is up 2 points over the past 12 months, an indication of slow economic expansion and an indicator of continued GDP growth,” said Jerry W. Thomas, President/CEO of Decision Analyst. “The greatest risks to the U.S. economy in coming months, apart from political uncertainties in Washington, D.C., are ultra-low real interest rates and the cumulative effects of quantitative easing. The river of cheap money that the Federal Reserve has poured into the U.S. economy over the past 6 to 8 years has created a number of asset bubbles. Asset bubbles are difficult to see, and difficult to believe, when stock prices are rising and everyone is making money. Unfortunately, asset bubbles don’t last forever, and when they pop, a recession is often triggered. Other major risk factors are the

likelihood that real interest rates will move upward during 2018 and that inflation will likely accelerate. The risks of a major economic downturn are rising,” said Thomas.

## Global Indices

The following chart compares the U.S. Economic Index to its Economic Indices for other countries. Spain increased by 7 points in the past 12 months, while Germany increased by 4 points. Meanwhile, Italy declined by 1 point. In South America, Brazil increased 11 points in the past 12 months, and Chile increased 6 points. Colombia declined by 2 points. Australia increased by 4 points.

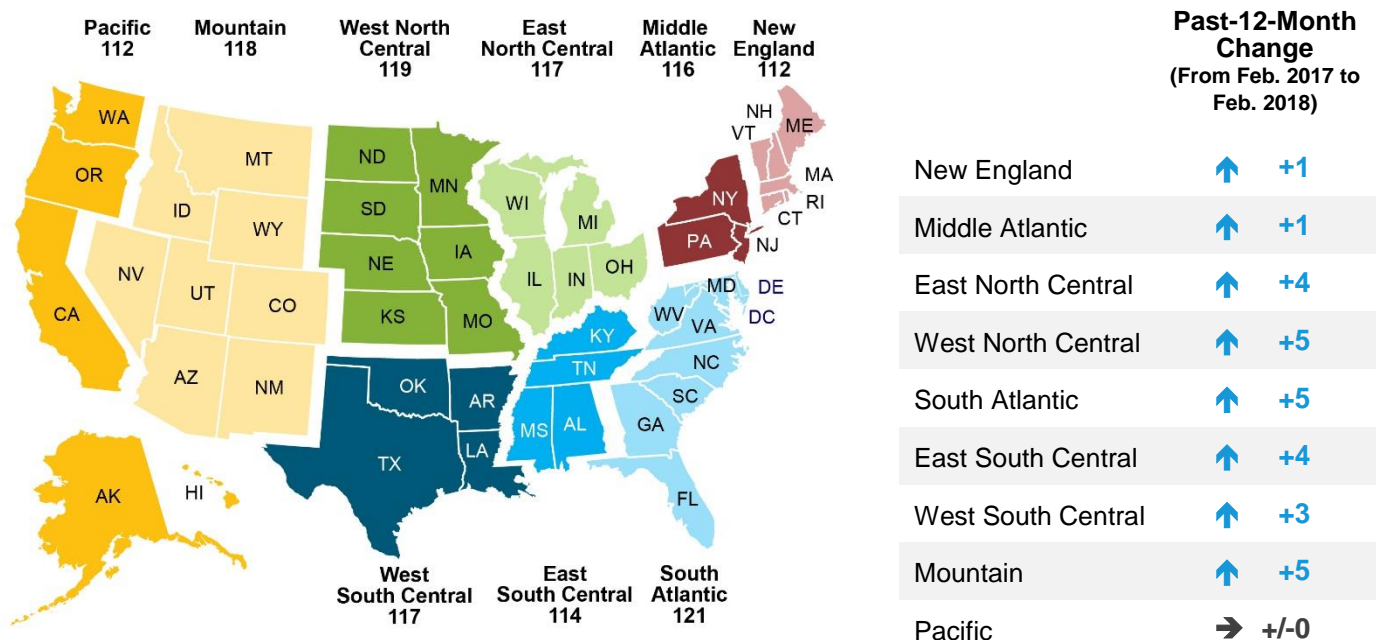
Global Economic Indices February 2018			Past-12-Month Change (From Feb. 2017 to Feb. 2018)	
	February 2018 Index			
<b>North America</b>				
 United States	115	↑	+2	
 Canada	95	↑	+2	
 Mexico*	98	↑	+12	
<b>South America</b>				
 Argentina*	89	↑	+1	
 Brazil*	106	↑	+11	
 Chile*	103	↑	+6	
 Colombia*	101	↓	-2	
 Peru*	107	↑	+3	
<b>Europe</b>				
 France	93	→	+/-0	
 Germany	107	↑	+4	
 Italy	95	↓	-1	
 Russian Federation*	101	↑	+3	
 Spain*	102	↑	+7	
 United Kingdom	108	↑	+3	
<b>Australia/Asia</b>				
 Australia*	98	↑	+4	
 India*	126	↑	+3	

\* 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

All the Economic Indices for the U.S. Census Divisions have either increased or stayed the same in the past 12 months. The South Atlantic Census Division has the highest score in February 2018 with a **121**, which is an increase of 5 points in the past 12 months. The West North Central Census Division has an index of **119**, which is an increase of 5 points in the past 12 months. The New England and Pacific Census Divisions have tied for the lowest score in February, each with a **112**.

### United States Census Divisions Economic Indices February 2018\*



\* 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, 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](http://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.