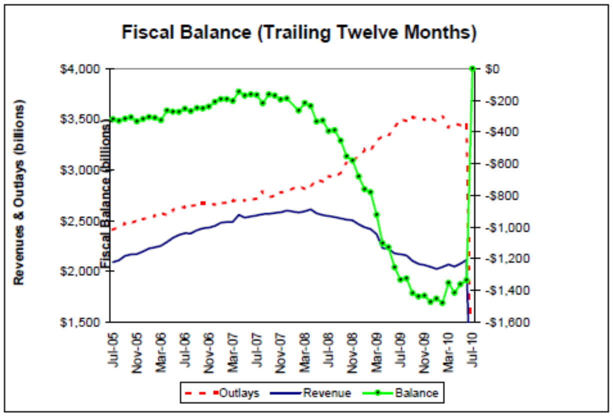
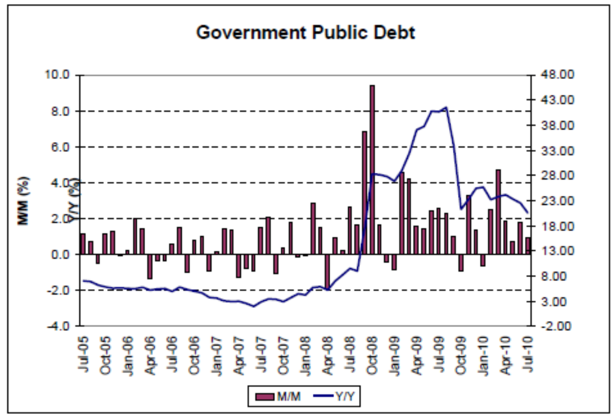
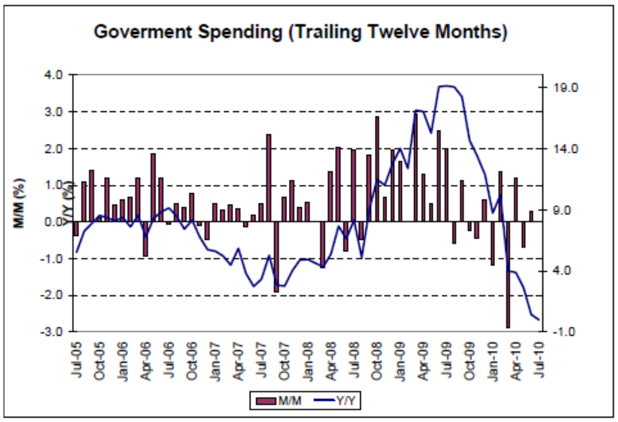
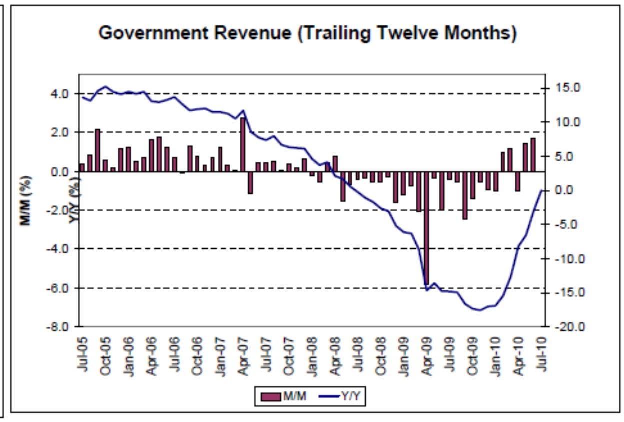
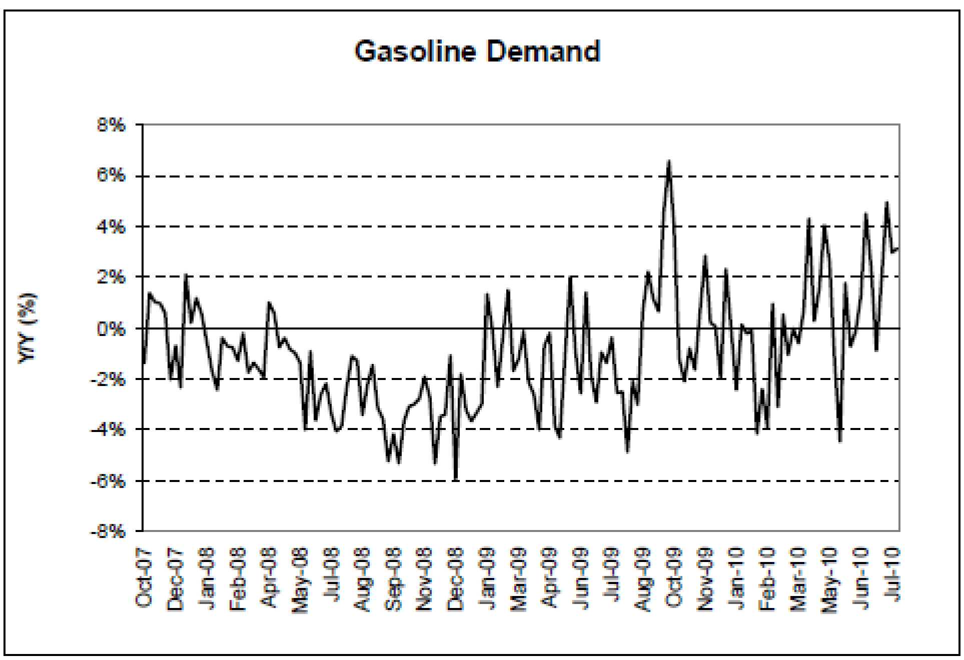




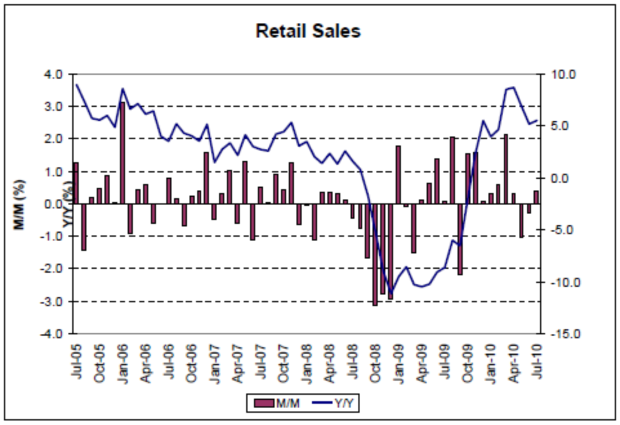


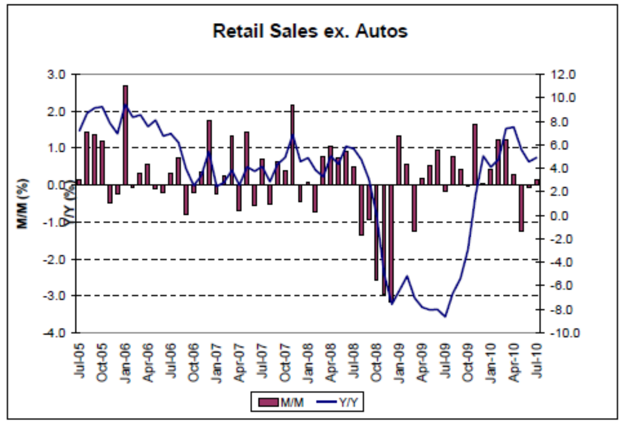


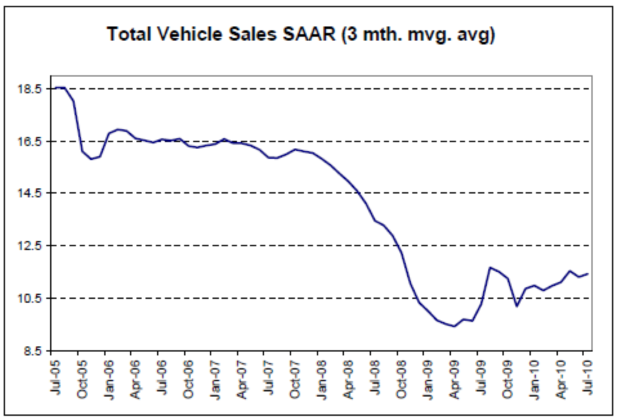
Govt deficit spending got high enough to turn the tide and continues at high levels as increasing revenues indicate firming incomes. No sign of a double dip here.

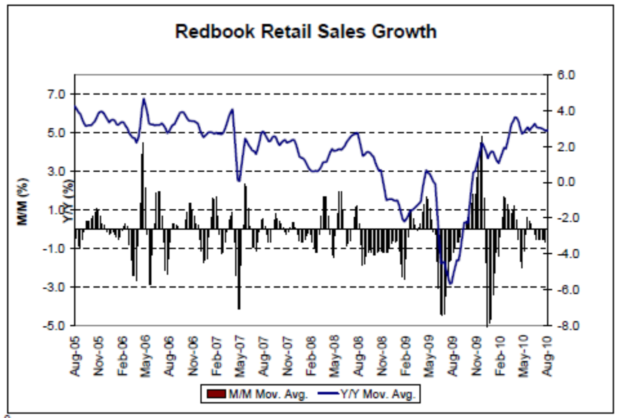


Gasoline demand also remains firm even as fleet mileage improves.

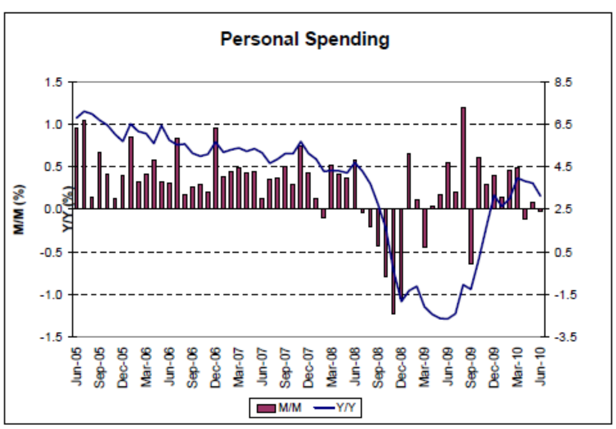


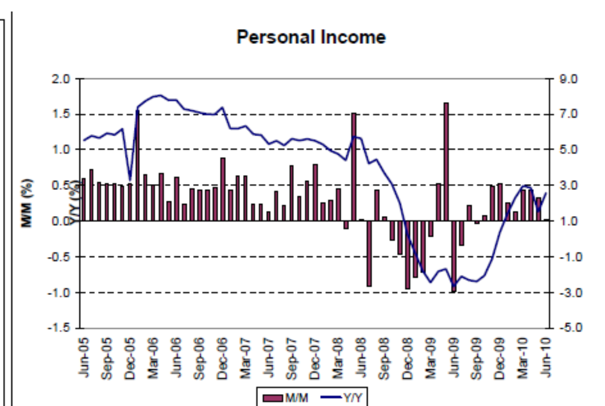




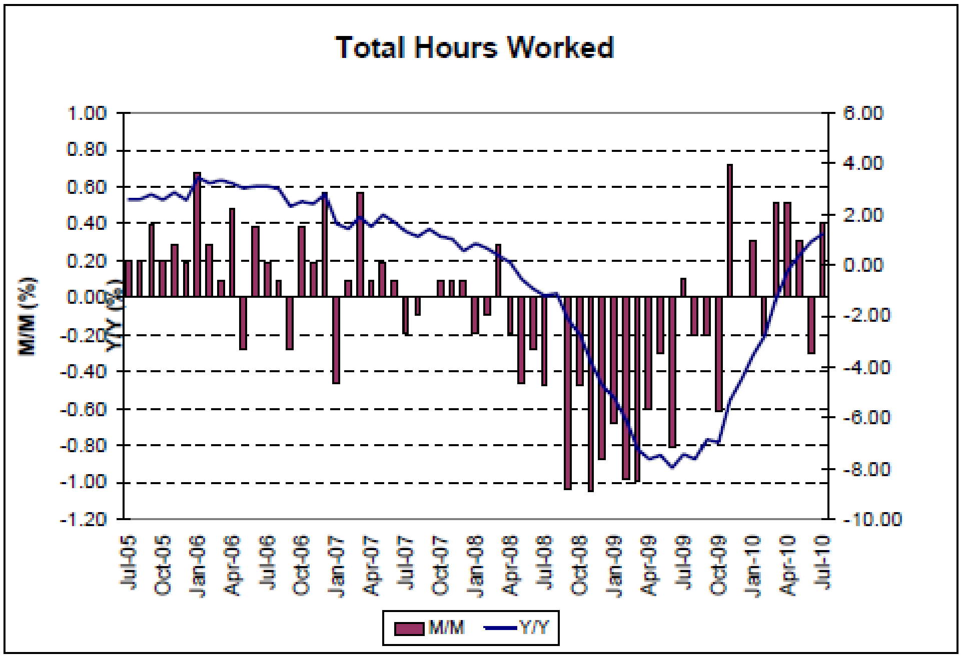


Retail sales continue their return to modest growth, with vehicle sales showing underlying modest growth which, as it continues, can be the beginning of a slowly accelerating domestic credit expansion that drives growth, and replaces govt deficit spending as that growth increases tax revenues.

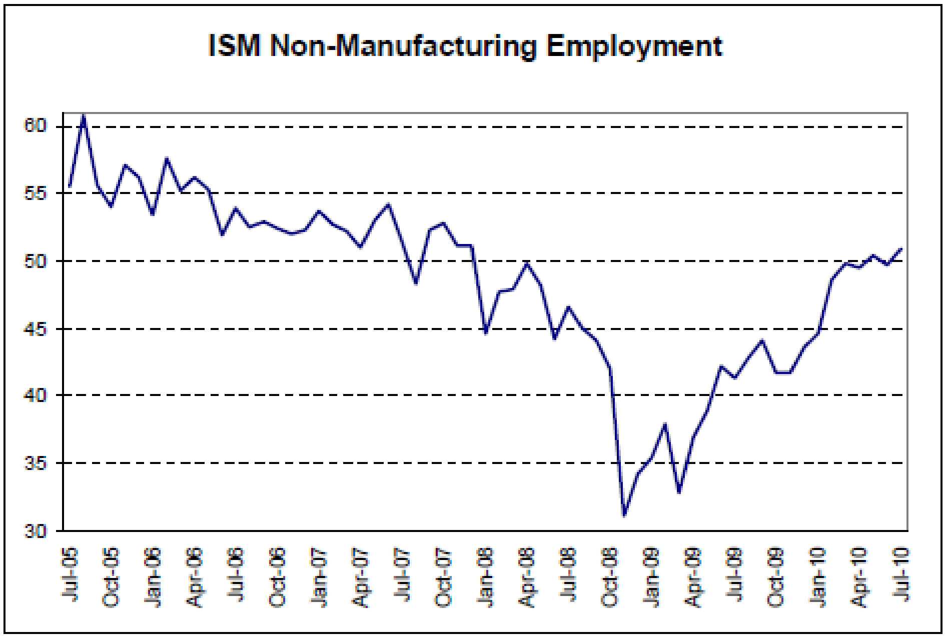


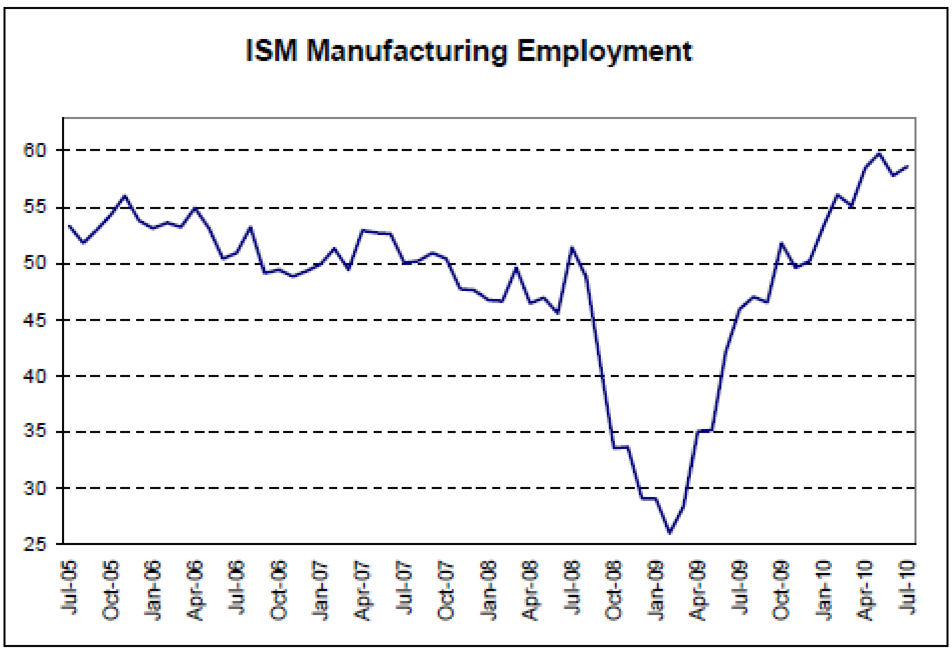


Personal income, supported by the ongoing deficit spending, continues to support modest gdp growth.

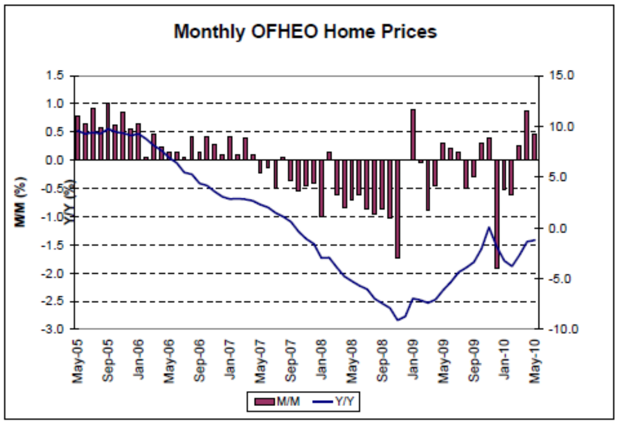


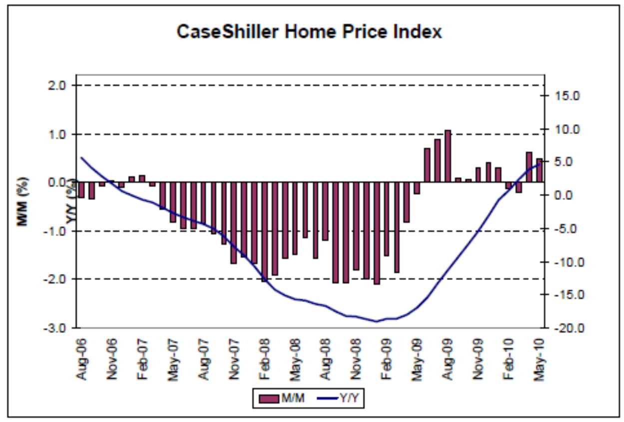
This is where the recovery in employment first shows up, and continues to show modest improvement.



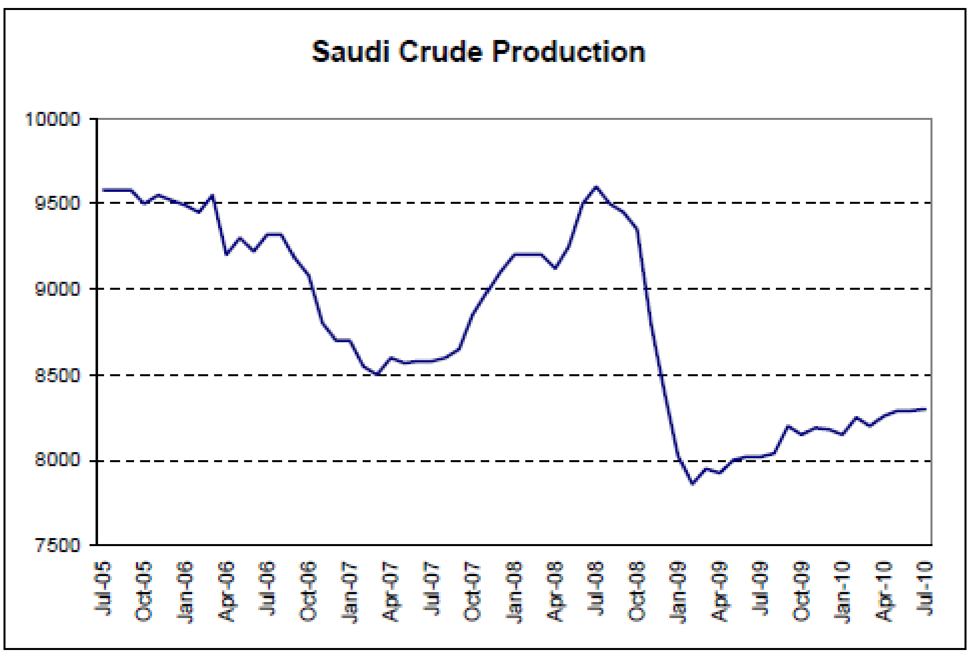


Manufacturing led, with both now above 50

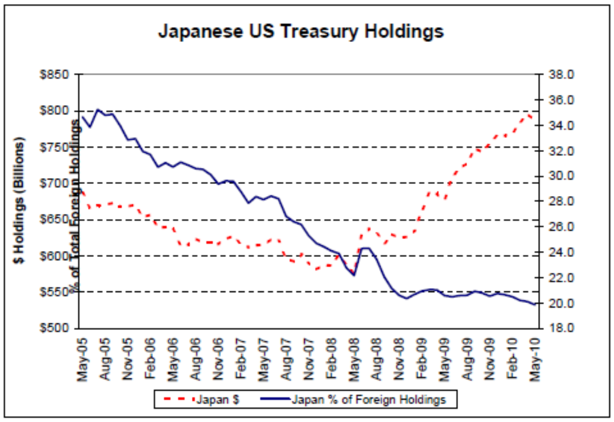


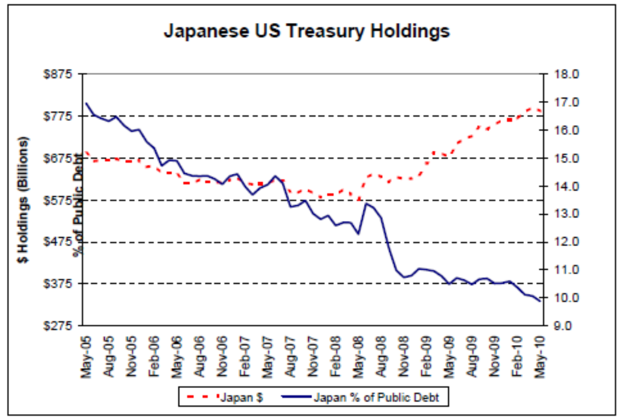


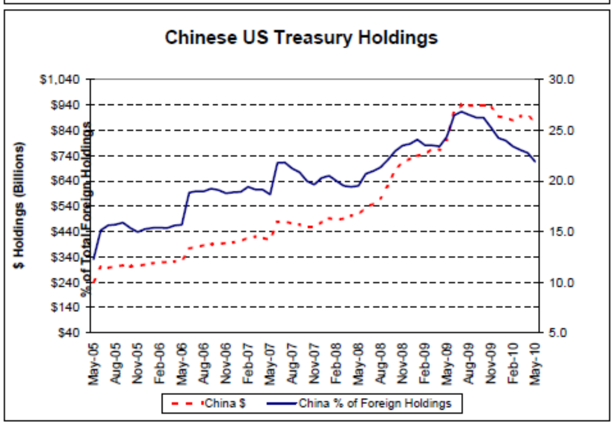
The overall fall in prices appears to be over, also supported by the automatic fiscal stabilizers that did most of the work to increase deficit spending to levels sufficient to turn the tide.

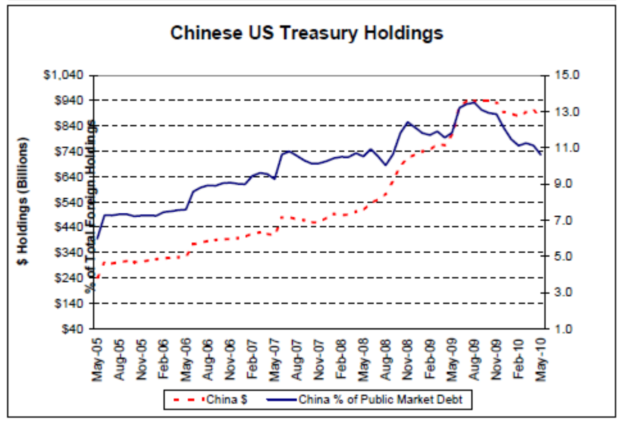


Still lots of excess capacity, but looks like net demand is slowly rising. With no energy policy to reduce consumption of crude products we remain vulnerable to Saudi price hikes.









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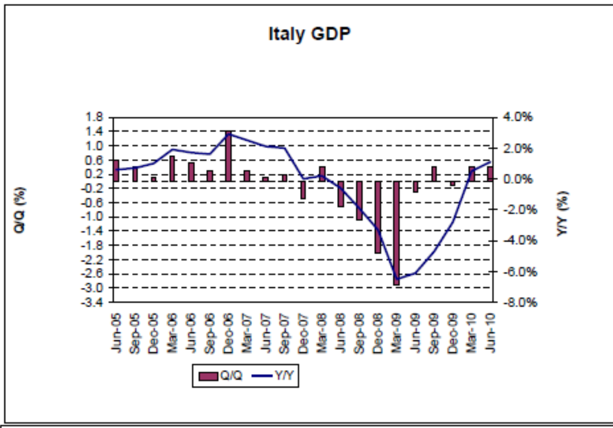
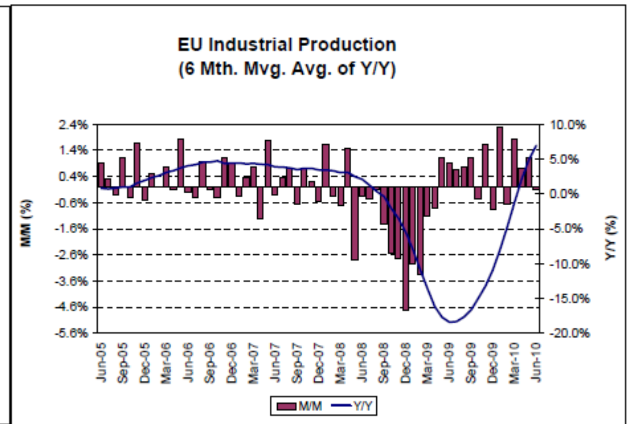
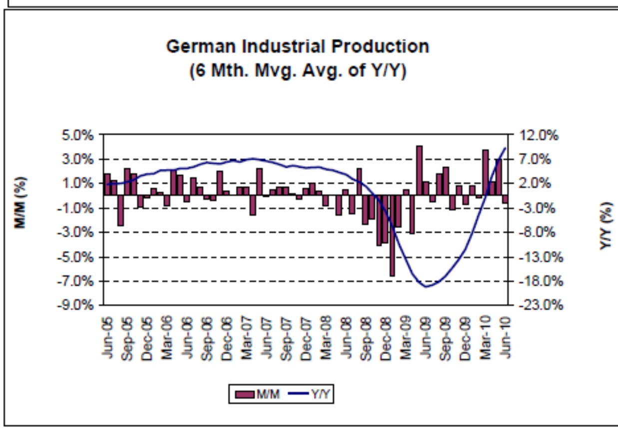
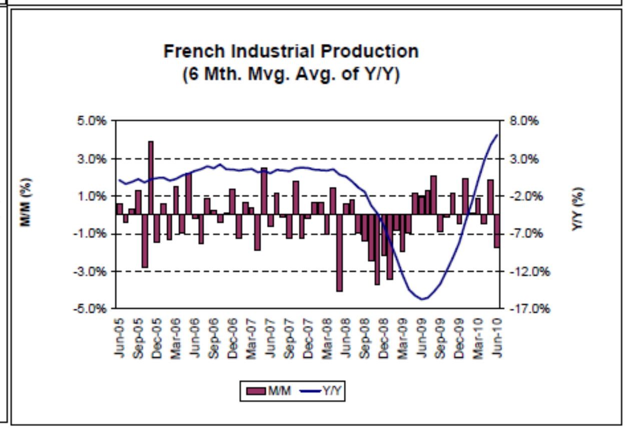
Japan's holding going up, maybe indicating they are secretly buying dollars? Would not surprise me.

China's holding s not going up, and falling a bit, maybe indicating the foreign direct investment flows have turned and their currency in fact has weakened? No way to tell for sure from this chart, but something to keep in mind.









Europe is pretty much the same. Automatic stabilizers drove deficits high enough to turn the tide.

And also high enough to trigger solvency alarms, which the ECB finally writing the check to save the day.