

W-2, C&I Briefing

Friday, November 21, 2008

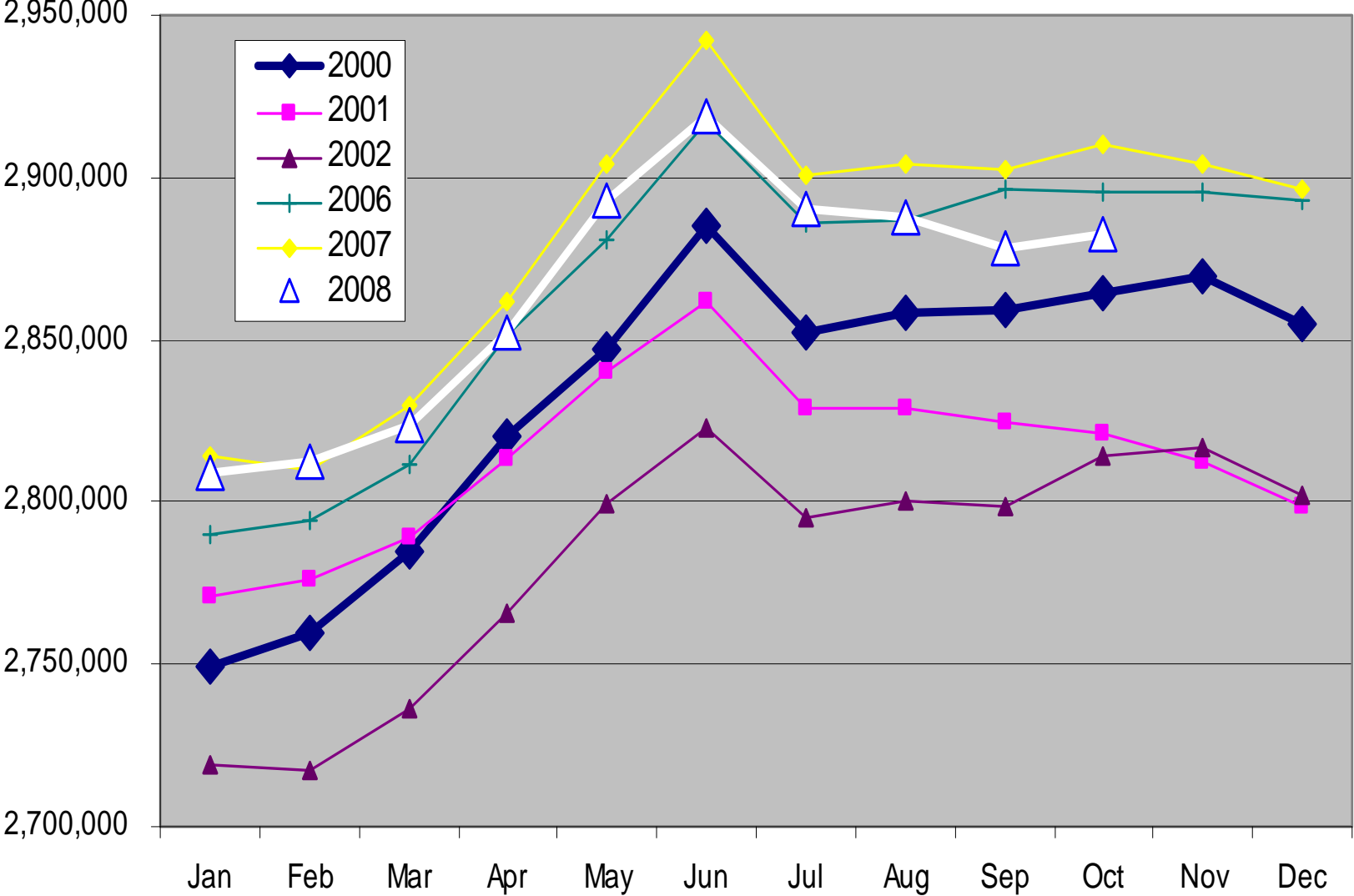
Outline for W-2, C&I Briefing

- No sugar coating the situation.
- Here's what we know
 - Jobs are down,
 - UI claims are up
 - Can't figure out WI UR
- Consumer confidence and spending down
 - Bah Humbug season in store
- Autos wrecked
- Exports demurraged
- Business investment cool
- Housing markets cold
- Credit markets frozen
 - Treasury plan did work, going to consumer

Outline for W-2, C&I Briefing

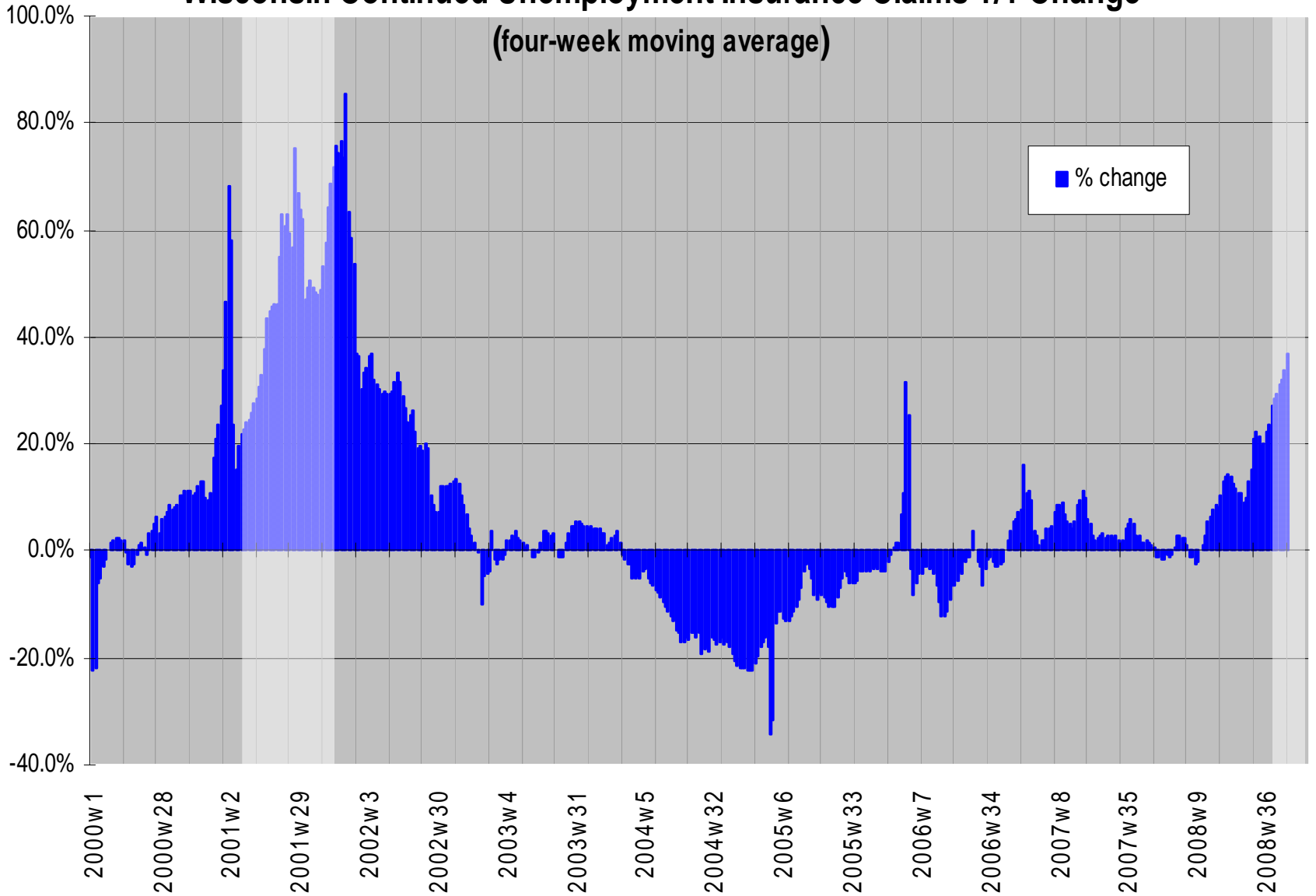
- A little economic lesson
 - $GDP = C + I + M + G$
 - C going down
 - Savings going up; $S = I$, but few are investing
 - Trade deficit mixed
 - Gov spending going wild
 - Consumer credit actually growing slower
- Outlook
 - Nothing seen to pin our hopes on
 - Turn around range wide; Q2 '09 to Q2 '11
- What needs to happen
 - Toxic assets worked out
 - Credit extended
 - Rebound in wealth
 - Housing prices
 - Personal portfolios

Wisconsin Total Nonfarm Jobs

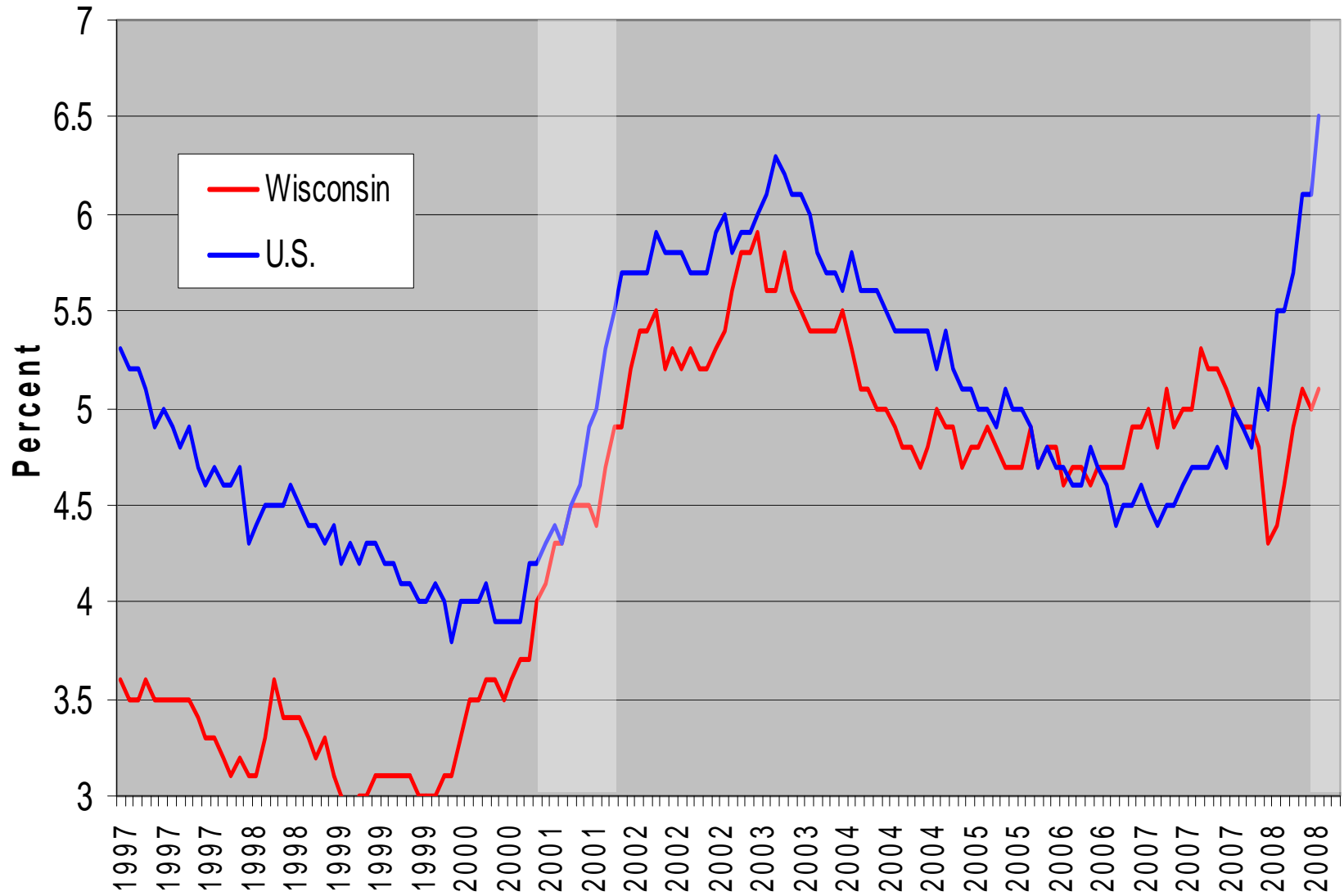


Wisconsin Continued Unemployment Insurance Claims Y/Y Change

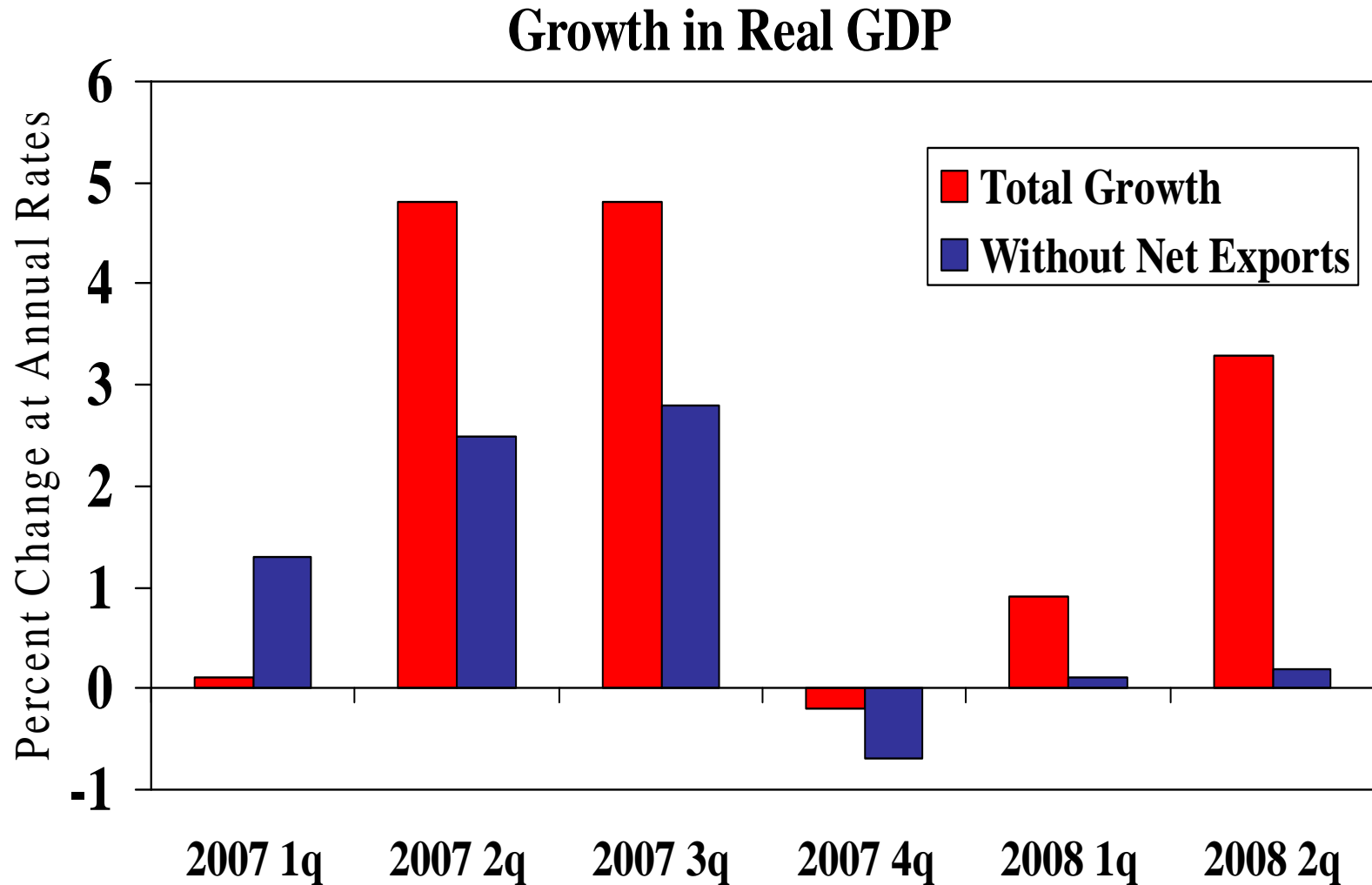
(four-week moving average)



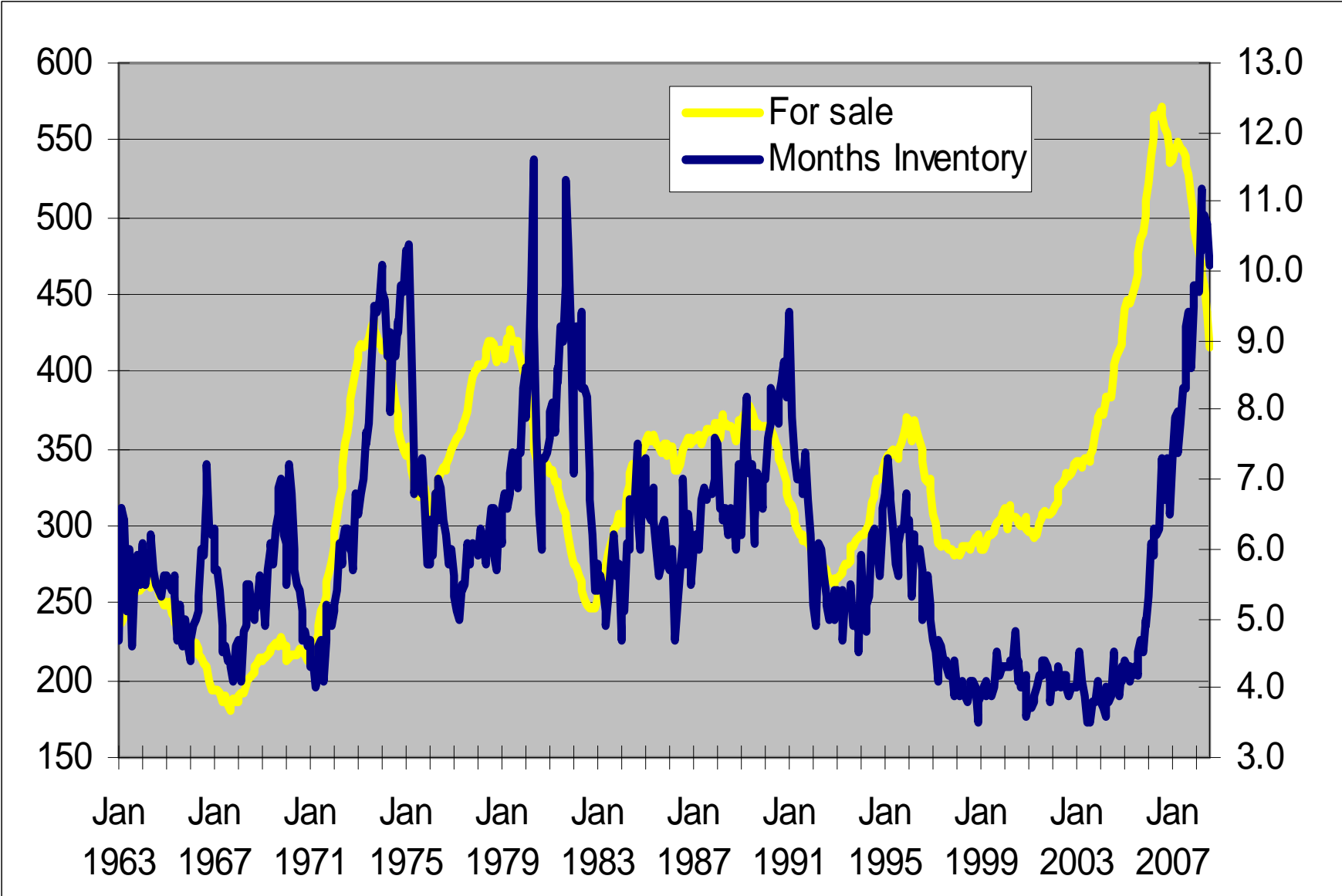
Unemployment Rates for Wisconsin and U.S.



Growth From Net Exports Averted Recession in First Half 2008



U.S. Housing Sales and Inventories



$$\text{GDP} = \text{C} + \text{I} + \text{M} + \text{G}$$