2010 Indiana Economic Outlook

Indiana's Opportunity in a Global Crisis

Sponsors: First Merchants Bank, First Merchants Trust

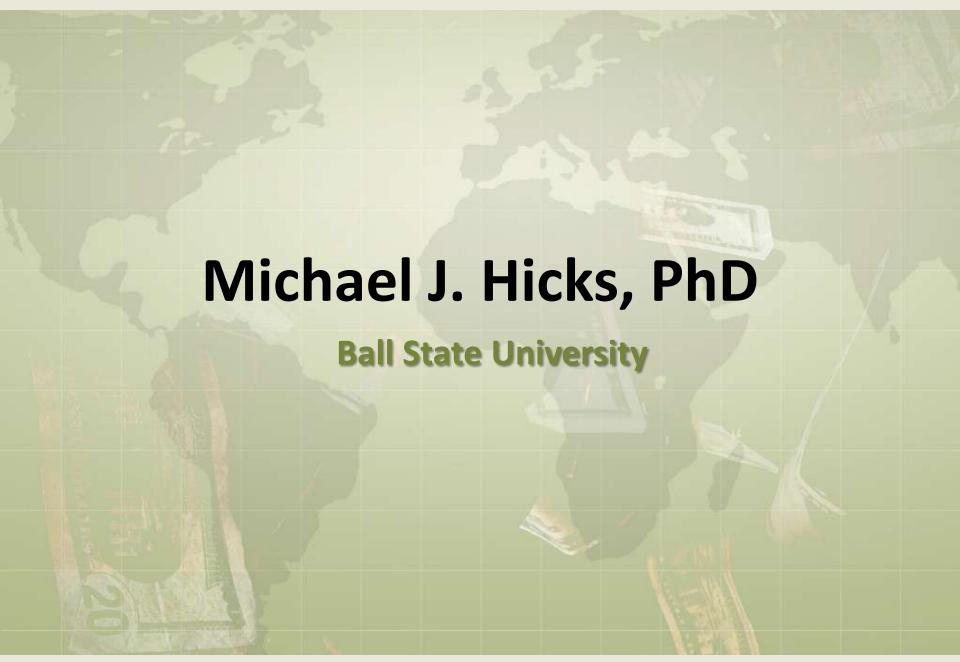
Contributors: Ball State Business Forecasting Roundtable,

Center for Business and Economic Research

Supporters: Ball State Miller College of Business

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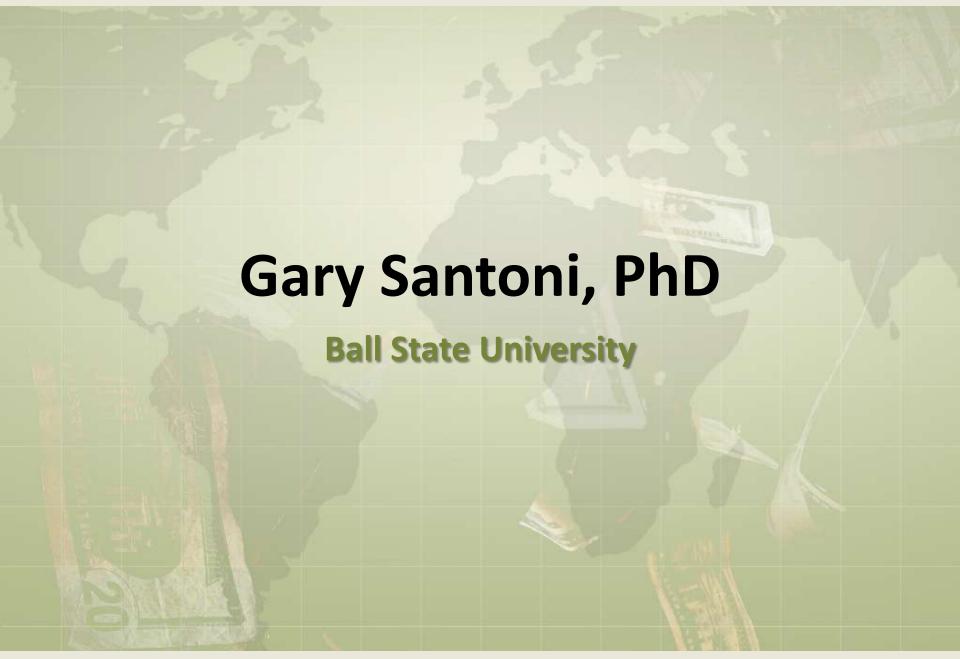


2009 Forecast

- THE	2009 : Q1	2009 : Q2	2009 : Q3	2009 : Q4
Employment	-0.2%	-0.6%	-0.1%	1 0.1%
Personal Income	-0.1%	1.8%	1 0.6%	2.1 %
Construction Income	-0.4%	-0.1%	1.7%	1 4.2%
Financial Serv. Income	-4.9%	1 0.5%	1 4.8%	1 0.6%
Healthcare Income	1 2.9%	3.1%	1.6%	1 3.3%
Info Tech. Income	-0.4 %	- 0.3%	-3.3%	1 3.9%
Manufacturing Income	-3.3%	-0.8 %	1.7%	1 4.4%
Retail Income	-0.5%	1 0.1%	1 2.9%	1 0.7%
Wholesale Income	-0.7%	1.4%	2.1%	1 2.3%

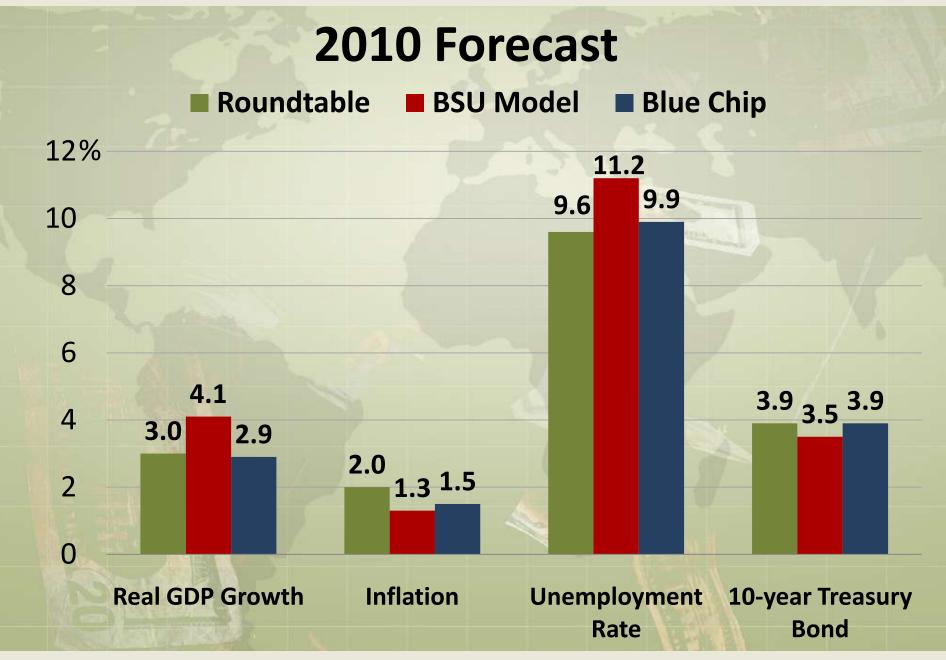
2010 Forecast

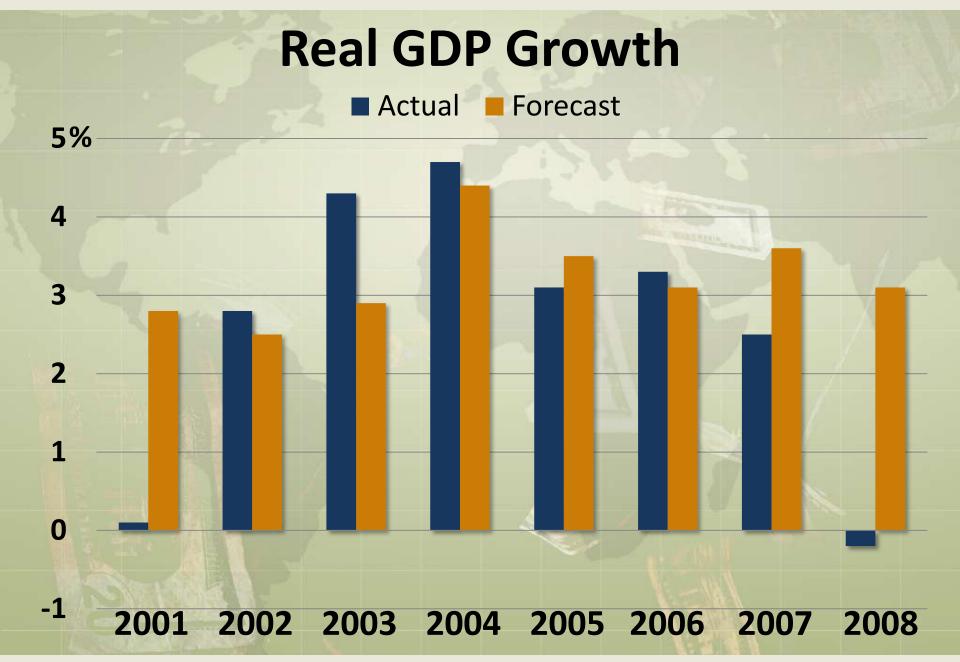
	2010 : Q1	2010 : Q2	2010 : Q3	2010 : Q4
Employment	0.03%	1 0.24%	1 0.39%	1 0.60%
Labor Force	-0.14%	-0.10%	-0.07%	1 0.01%
Personal Income	1.22%	1.38%	1.47%	1 0.81%
Manufacturing Income	1.24%	1.96%	1 2.41%	1.76%
Utilities Income	0.39%	1 0.21%	1 0.10%	1 0.48%
Construction Income	1.43%	2.05%	1 2.42%	1.66%
Wholesale Income	1.14%	1.46%	1.65%	1.27%
Retail Income	0.71%	0.90%	1.02%	1 0.61%
Finance & Insurance Income	1.04%	1.25%	1.36%	1 0.51%
Health Care Income	1 0.90%	0.91%	1 0.68%	1 0.59%
Information Income	1.20%	1.52%	1.72%	1.14%
Transportation Income	1.42%	1.89%	2.17%	1.85%

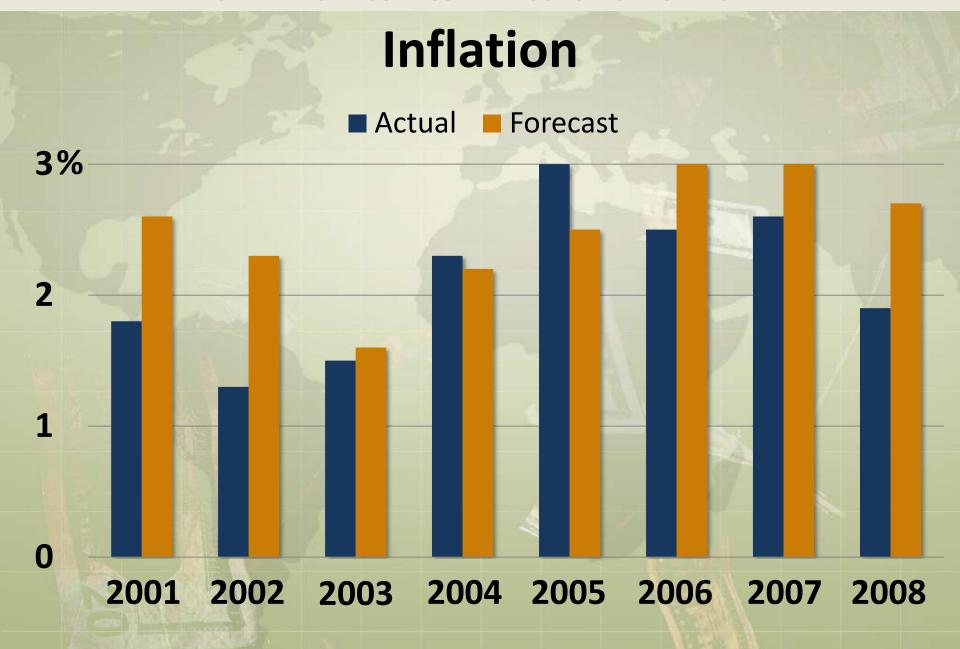


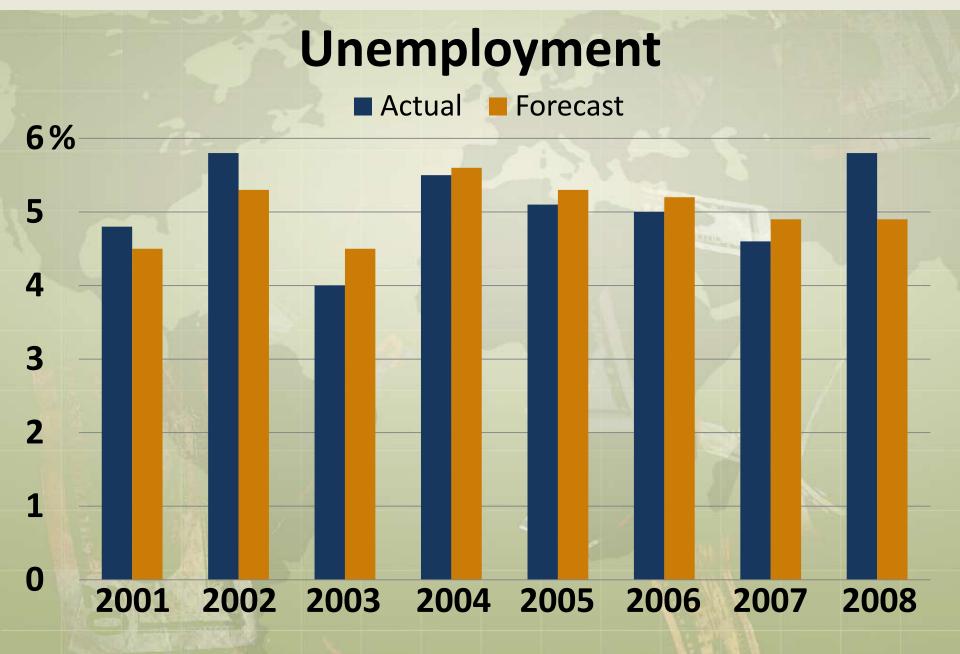
Recessions: The Last 50 Years

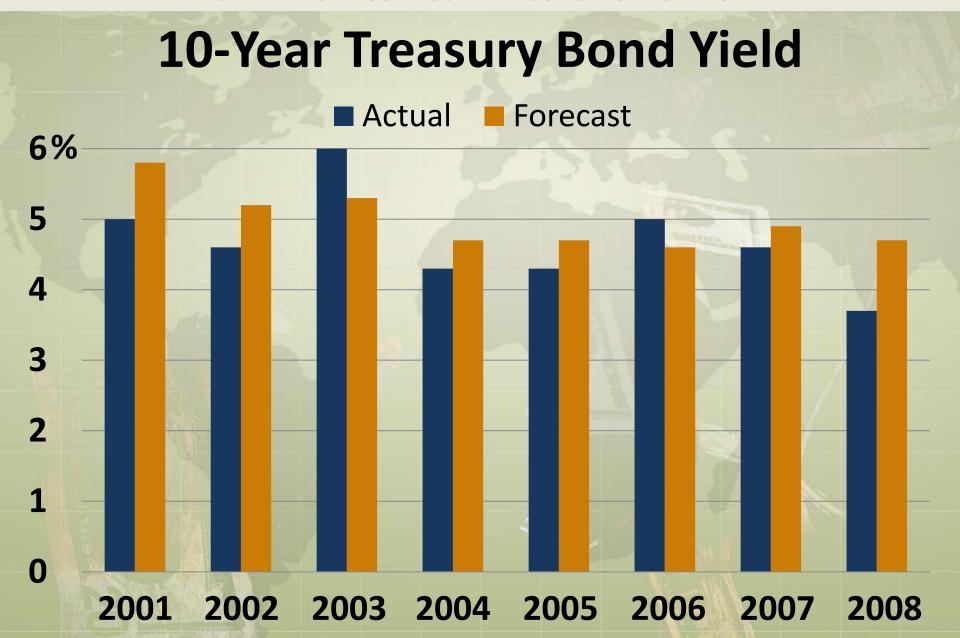
					Duration (Months)	Avg. Growth Real GDP (%)	Avg. Unempl. (%)
Apr	1960	1	Feb	1961	10	- 2.1	6.0
Dec	1969	-	Nov	1970	11	- 0.5	4.7
Nov	1973	4	Mar	1975	16	- 1.5	5.9
Jan	1980	4	Jul	1980	6	- 2.5	7.1
Jul	1981		Nov	1982	16	- 0.9	9.0
Jul	1990		Mar	1991	8	- 1.8	6.1
Mar	2001		Nov	2001	8	0.1	4.7
Dec	2007		Jun	2009	18	- 2.4	6.5











Root Mean Squared Error (RMSE)

