



HERE THERE BE MONSTERS
AND
SOMETHING WICKED THIS
WAY COMES

Public Land Acquisition & Management

December 4th, 2008





Recent Business Cycle Data



REFERENCE DATES		DURATION IN MONTHS	
Peak	Trough	Contraction	Expansion
<i>Quarterly dates are in parentheses</i>		<i>Peak to Trough</i>	<i>Previous trough to this peak</i>
April 1960(II)	February 1961 (I)	10	24
December 1969(IV)	November 1970 (IV)	11	106
November 1973(IV)	March 1975 (I)	16	36
January 1980(I)	July 1980 (III)	6	58
July 1981(III)	November 1982 (IV)	16	12
July 1990(III)	March 1991(I)	8	92
March 2001(I)	November 2001 (IV)	8	120



Historical Business Cycle Data



REFERENCE DATES	DURATION IN MONTHS	
	Contraction <i>Peak to Trough</i>	Expansion Previous Trough to Peak
Average, all cycles:		
1854-2001 (32 cycles)	17	38
1854-1919 (16 cycles)	22	27
1919-1945 (6 cycles)	18	35
1945-2001 (10 cycles)	10	57

Something Wicked This Way Comes



U.S. Forecast



- U.S. Currently in a Moderate Recession
 - Recession: **2007Q4 to 2009Q2**
- Housing, credit freeze, financial turmoil and energy prices have made for an environment that is toxic for economic growth.
- The Threat of Sustained Inflation Subsiding:
 - Energy prices - bursting bubble
 - Stimulative fiscal and monetary policies.
 - Fed free to cut rates further?
 - Another stimulus package - \$500 billion

Economic Outlook U.S.

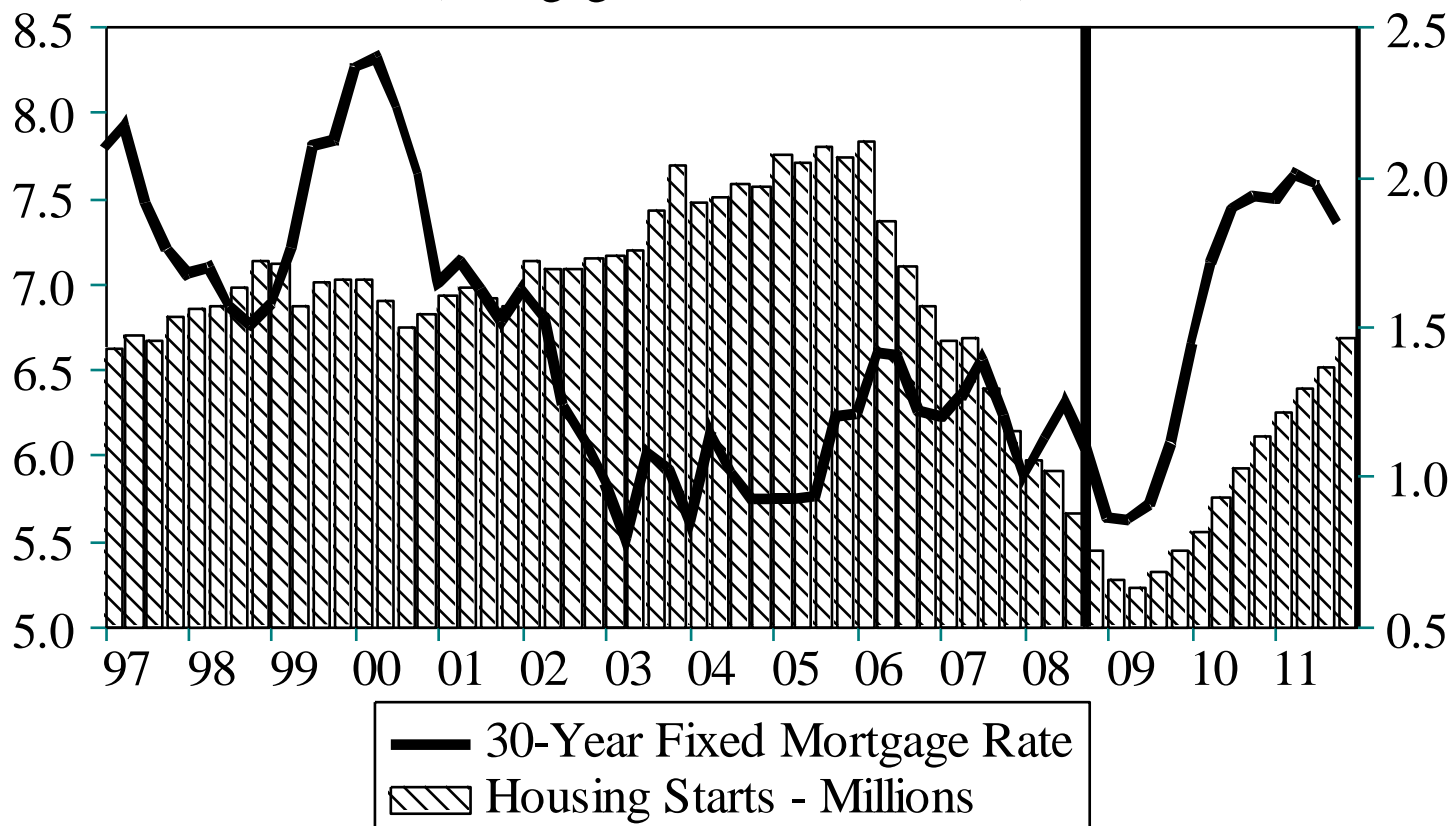


	2008 Q2	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3
Gross Domestic Product % Chg, Annual Rate	2.8	-0.5	-3.5	-2.0	-0.4	0.5
Consumer Price Index % Chg, Annual Rate	4.9	6.6	-8.1	-2.4	-1.5	1.3
Oil - WTI (\$ per barrel)	123.8	118.1	59.8	53.8	47.3	48.2
Total Consumption % Chg, Annual Rate	1.2	-3.2	-3.7	0.7	2.0	3.5



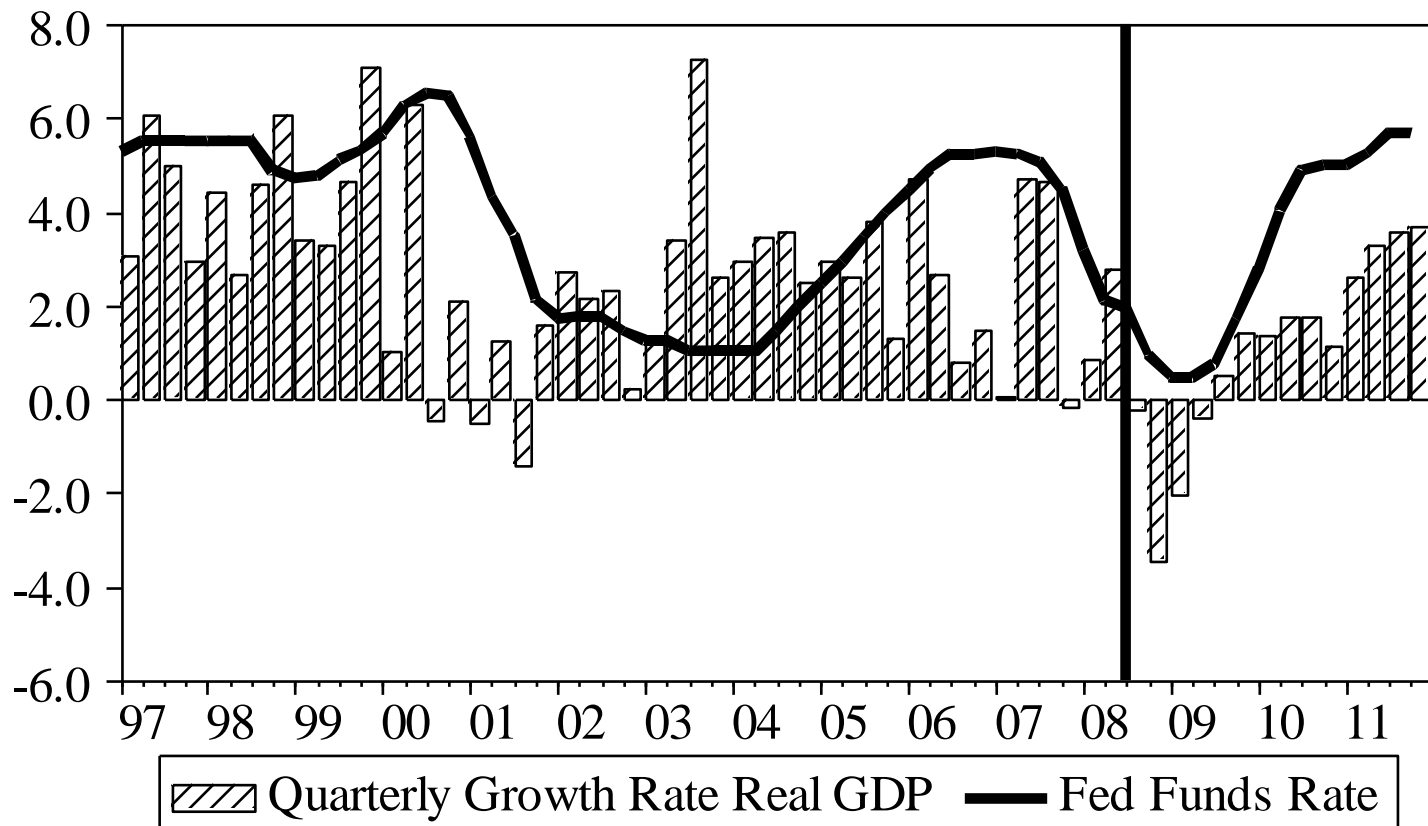
30-Year Mortgage Rates and Housing Starts

(Mortgage rates - Left axis, %)





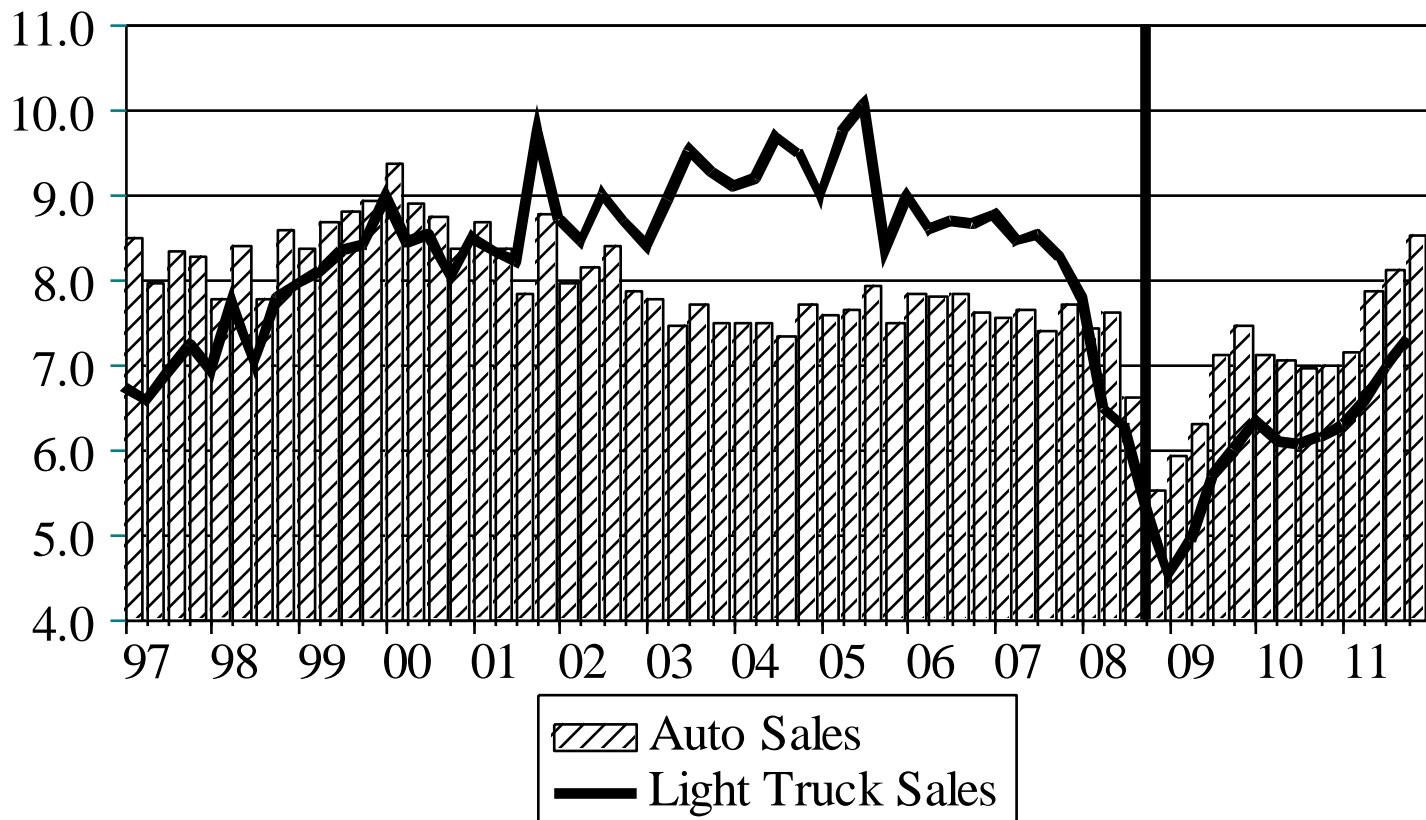
Real GDP Growth and Federal Funds Rate (%)





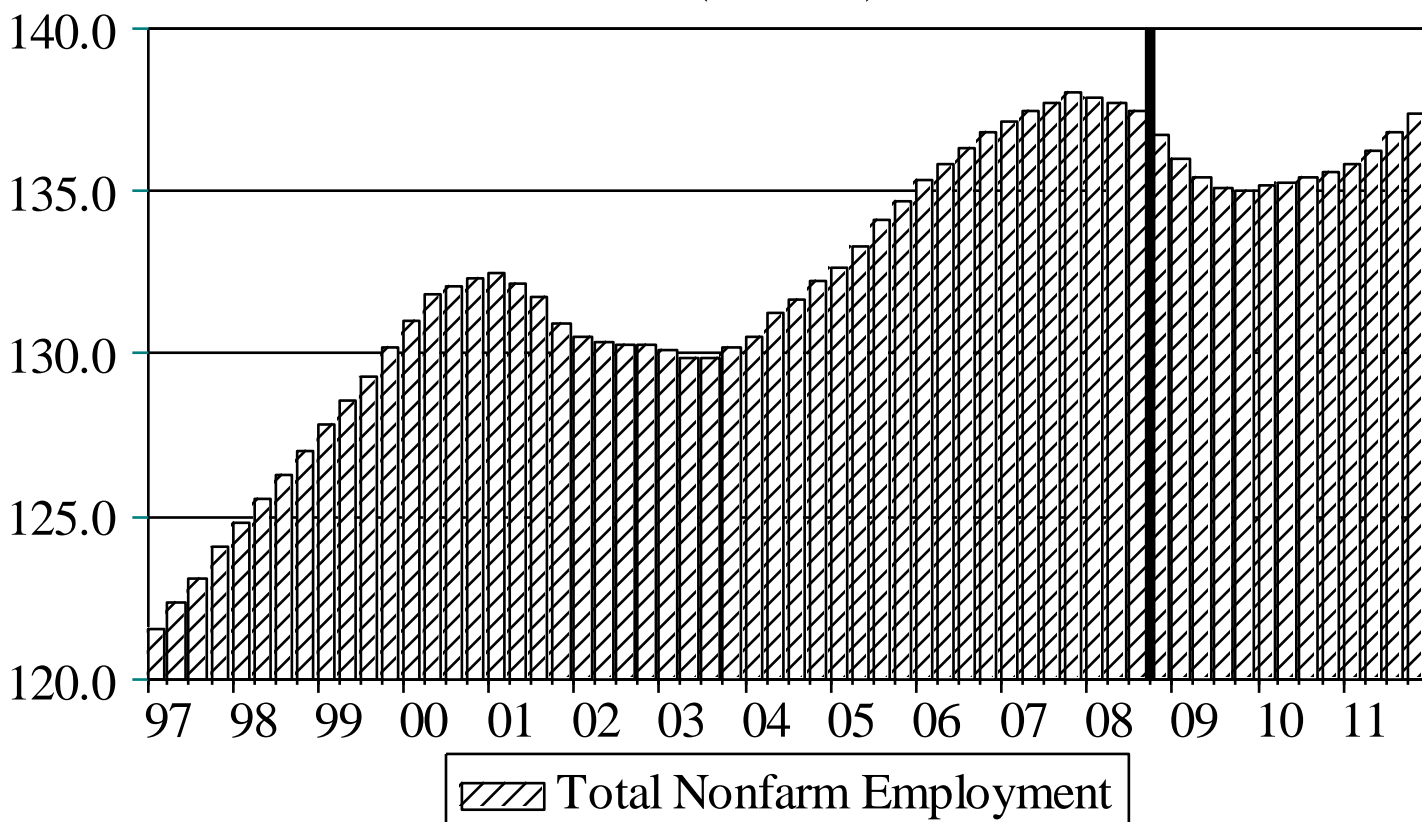
Automobile and Light Truck Sales


(Millions Vehicles)





Total Nonfarm Payroll Employment (Millions)



 Total Nonfarm Employment



Civilian Unemployment Rate (%)



Florida Forecast



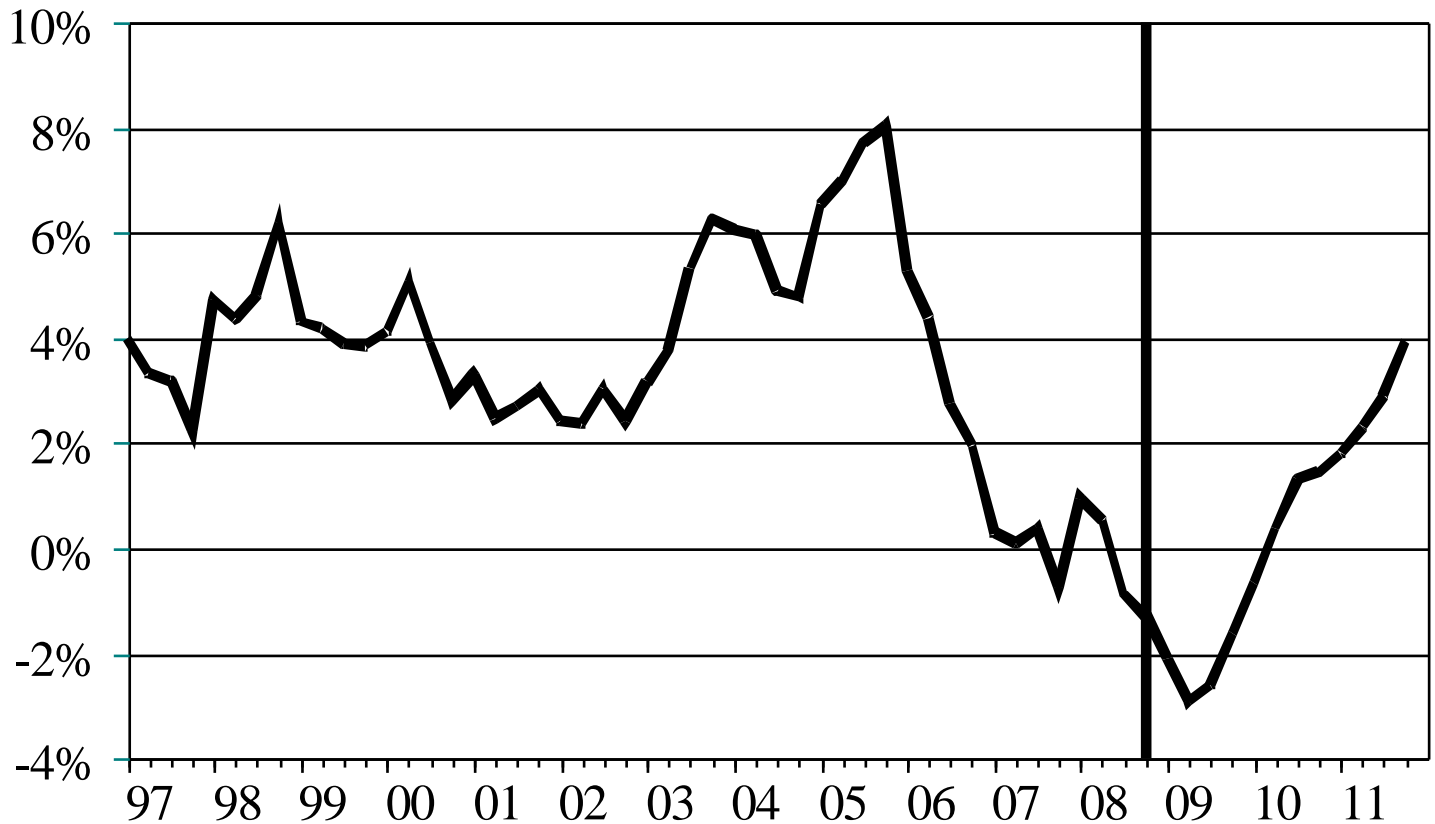
Scenario for Florida Economy:

- Recovery will finally take root in 2010
- **Credit crunch will impede real estate recovery**
- Job growth slowly gains momentum
- Demographics have changed



Florida Real Gross State Product

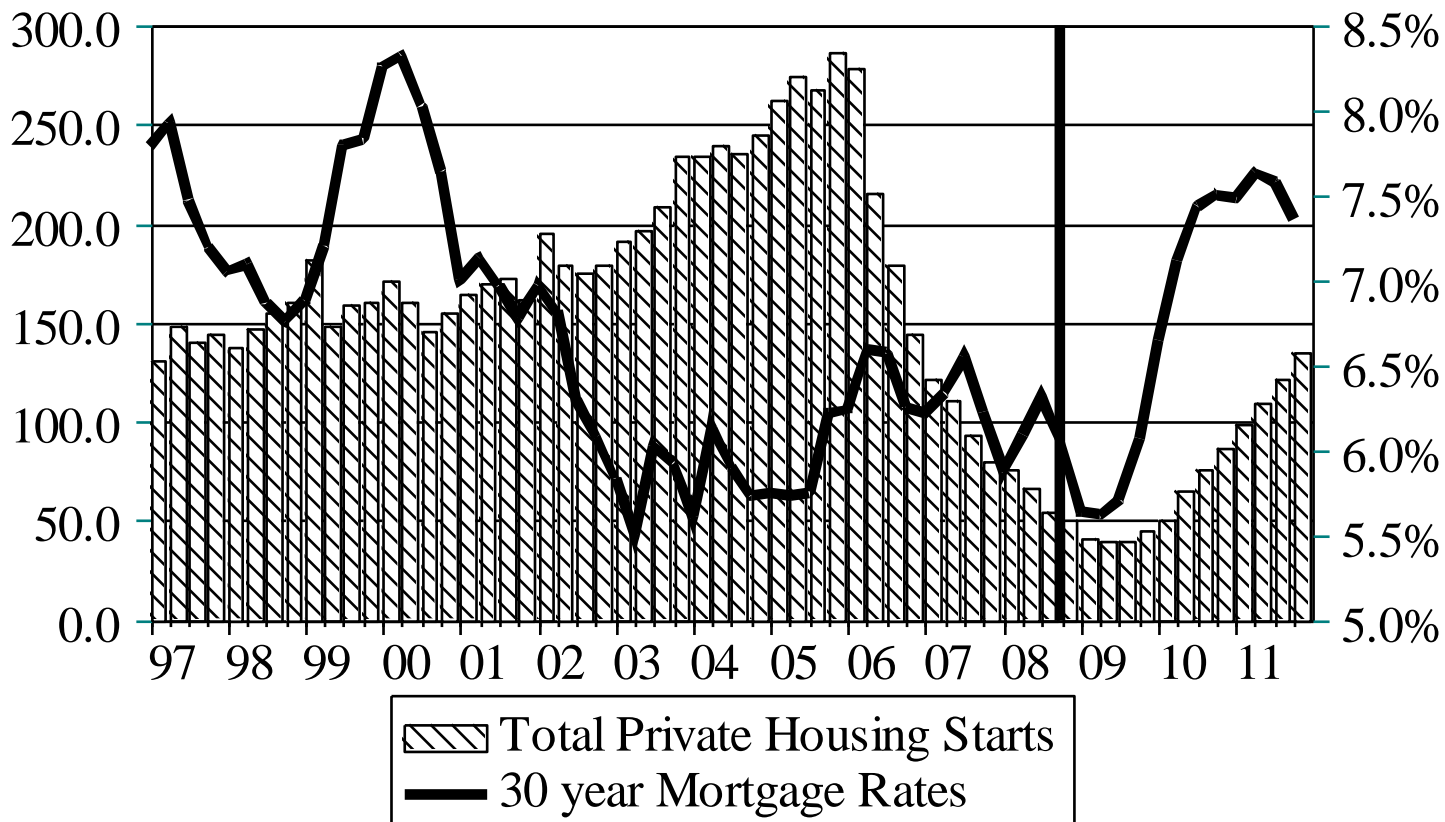
(% change year ago)





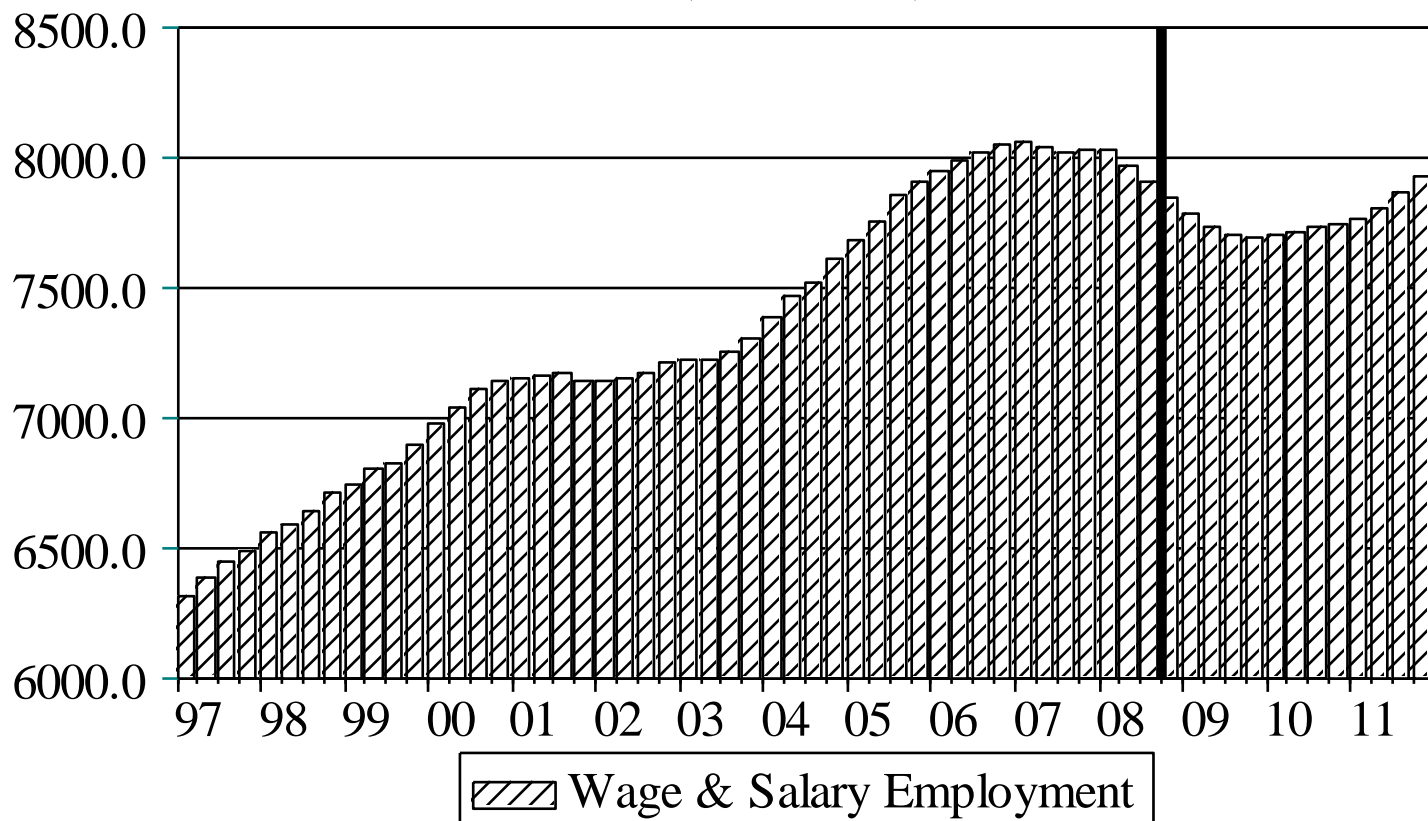
Florida Housing Starts

(thousands)



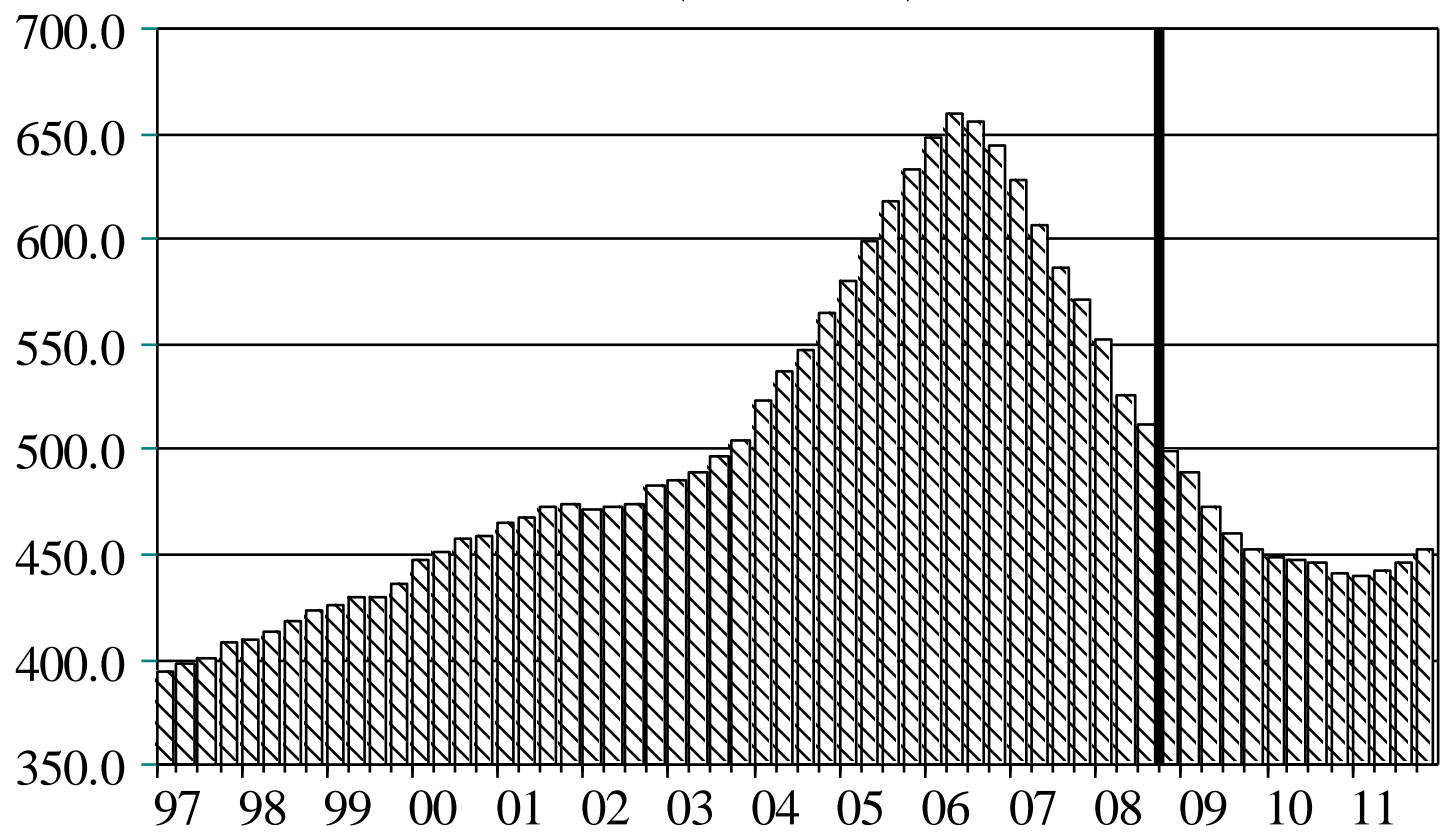


Florida Employment (Thousands)



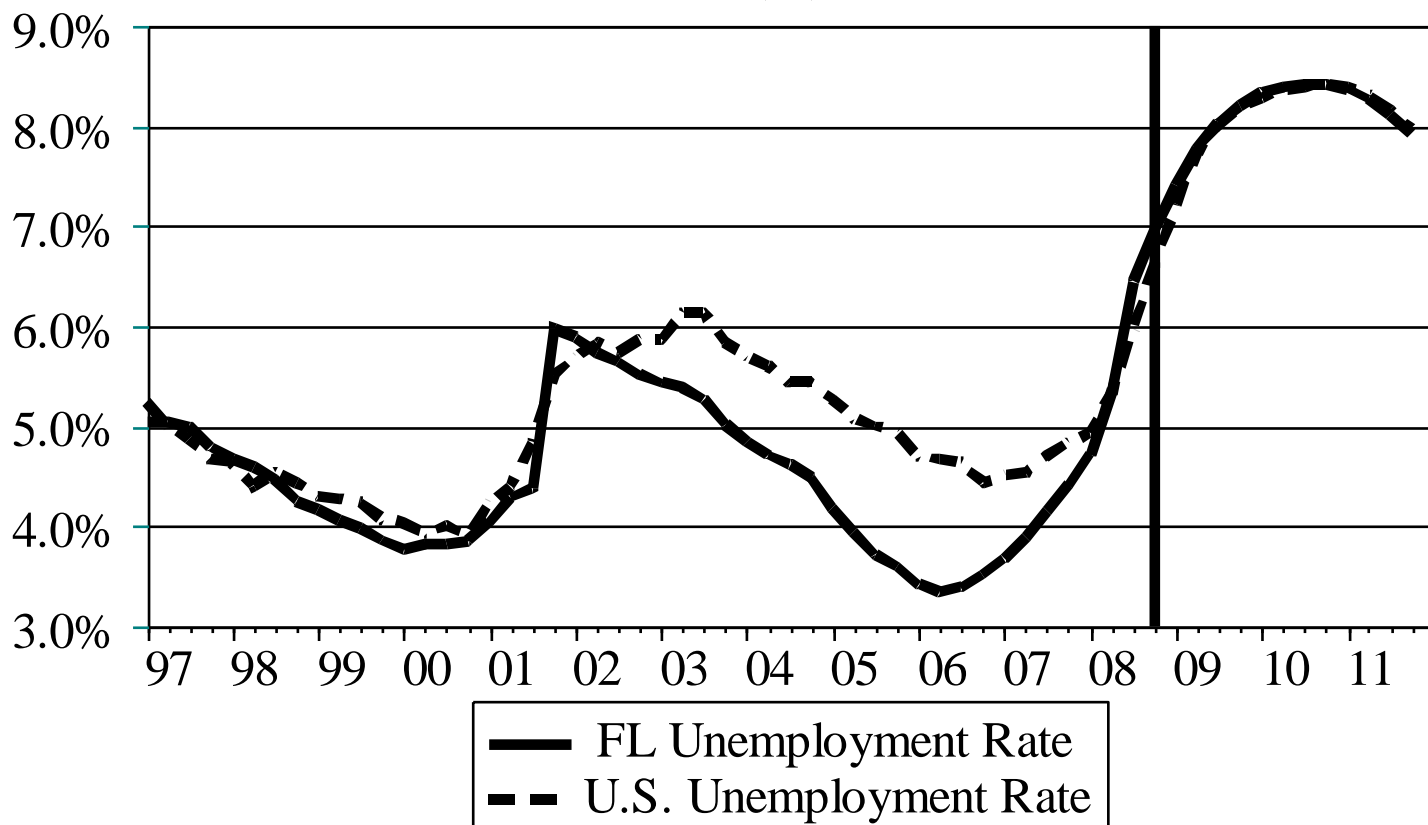


Florida Construction Employment (Thousands)





Florida & U.S. Unemployment Rate (%)





Thank you



Sean M. Snaith, Ph.D.
Director
Institute for Economic Competitiveness

(407) 823-1453

ssnaith@bus.ucf.edu

WWW.IEC.UCF.EDU

Institute for Economic Competitiveness