





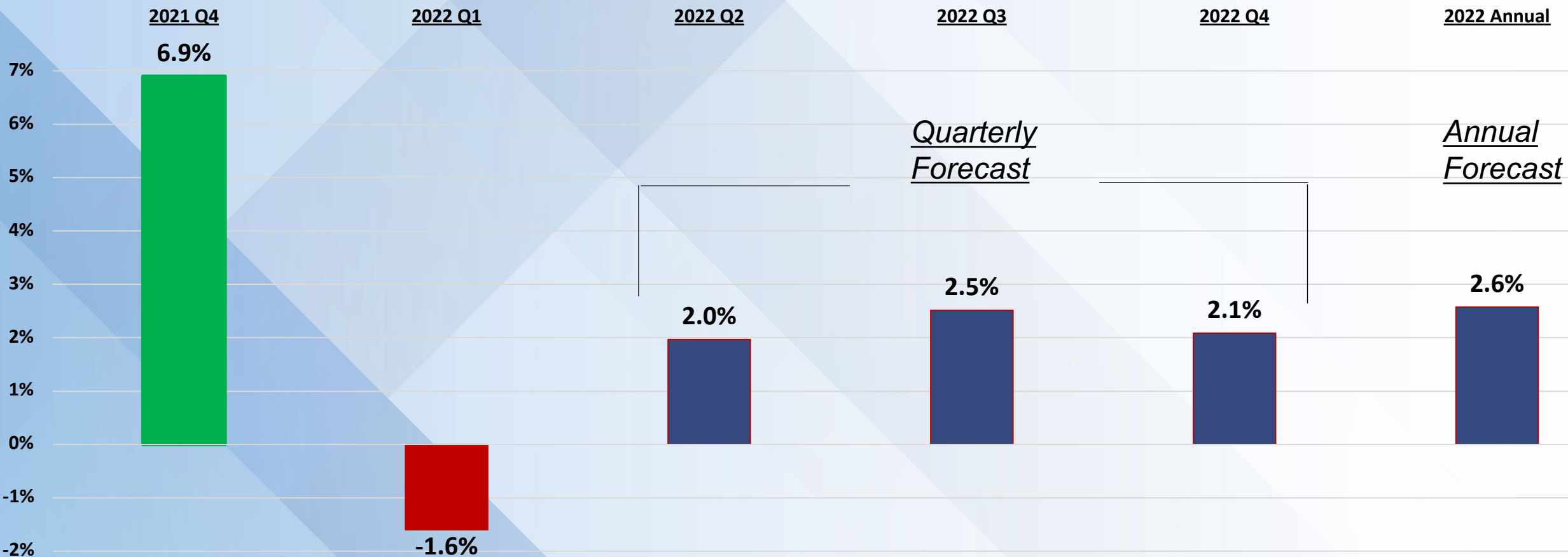
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# **Current Economic Conditions**



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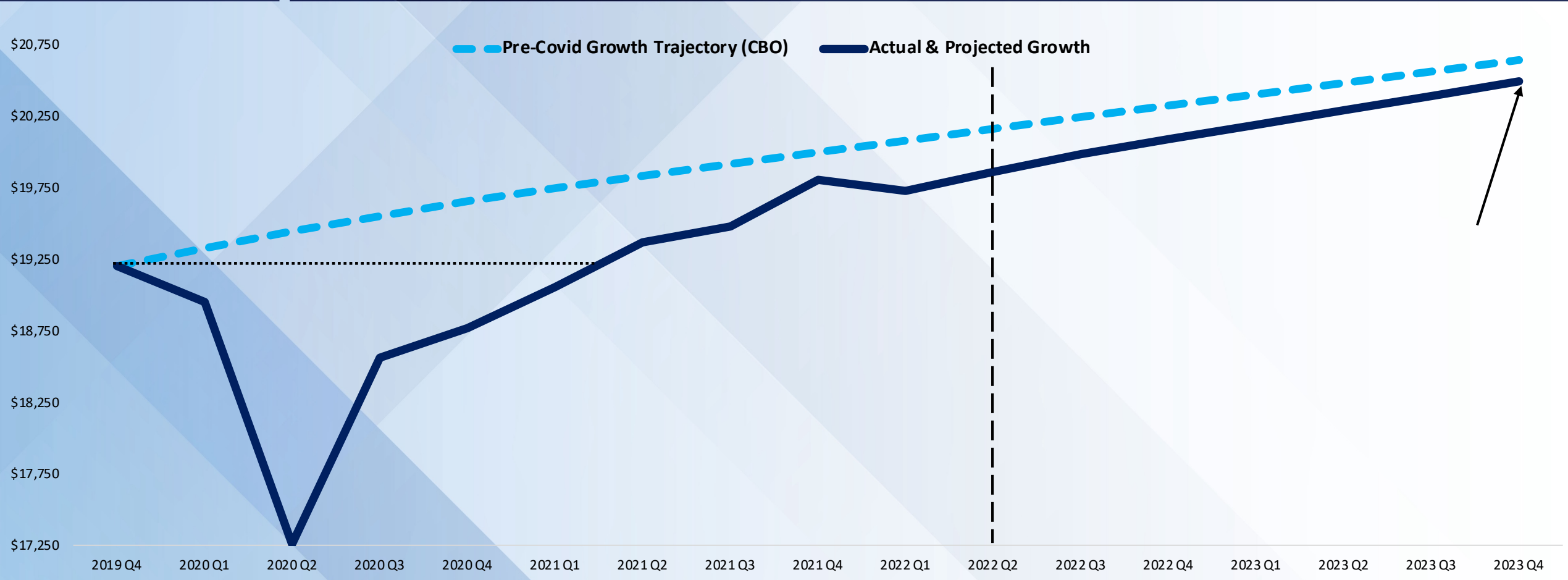
# The Economy Contracted in Q1 – Rest of 2022 Looking Better





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# Economy Still Below Pre-Covid Trajectory





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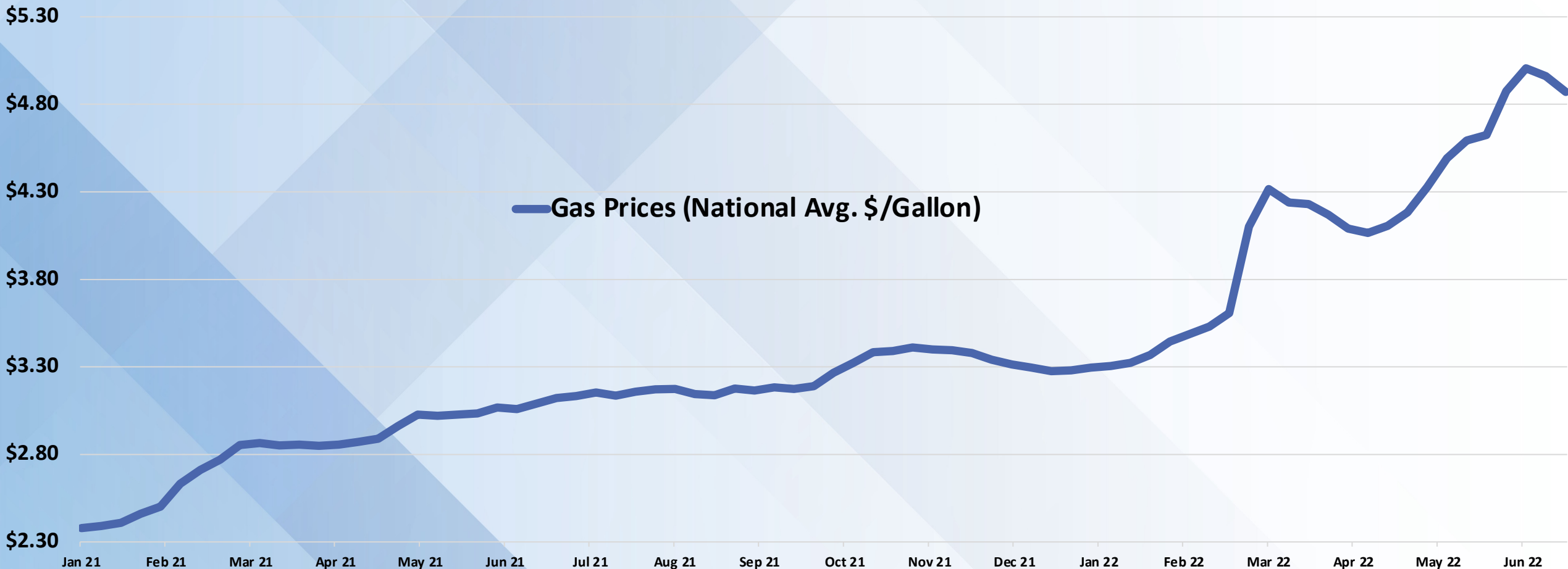
# Consumer Sentiment Plummeting - Lowest EVER in June





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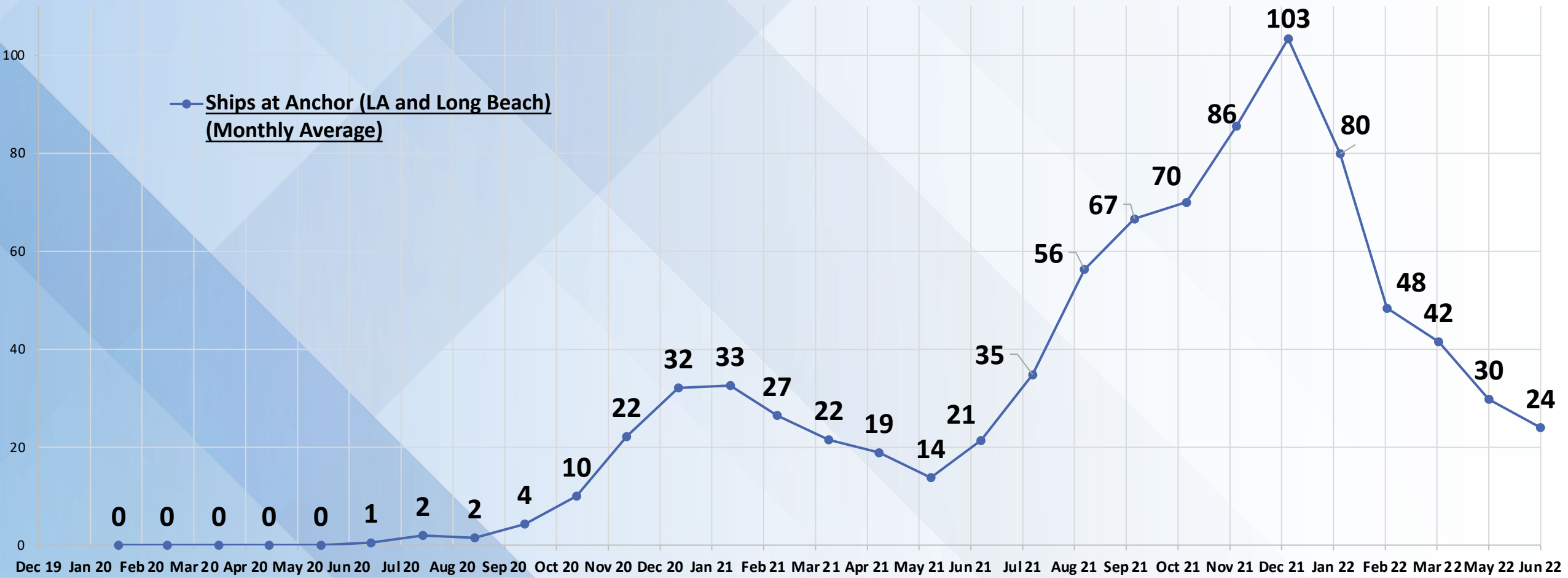
# Gas Prices Rising Since President Biden Took Office (\$5.00/Gallon as of June 27)





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# Supply Chain Issues are *Finally* Easing







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# **Inflation**





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# Consumer Prices Rose 8.6% Annually in May





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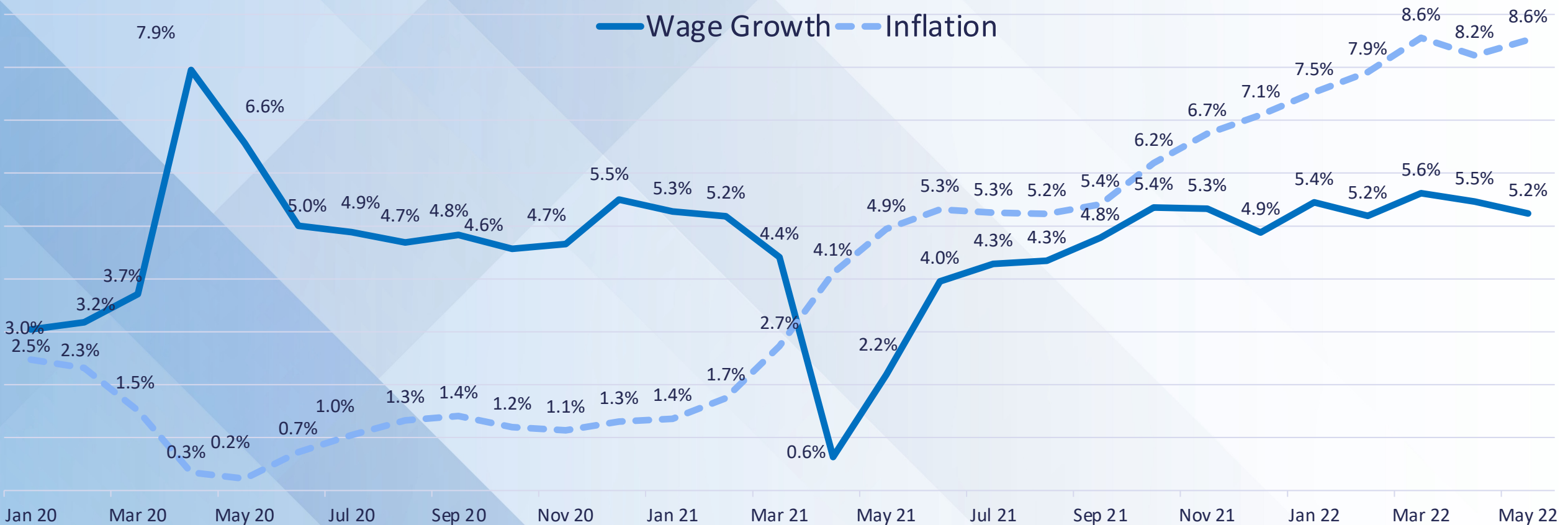
# Inflation was 6.3% in May





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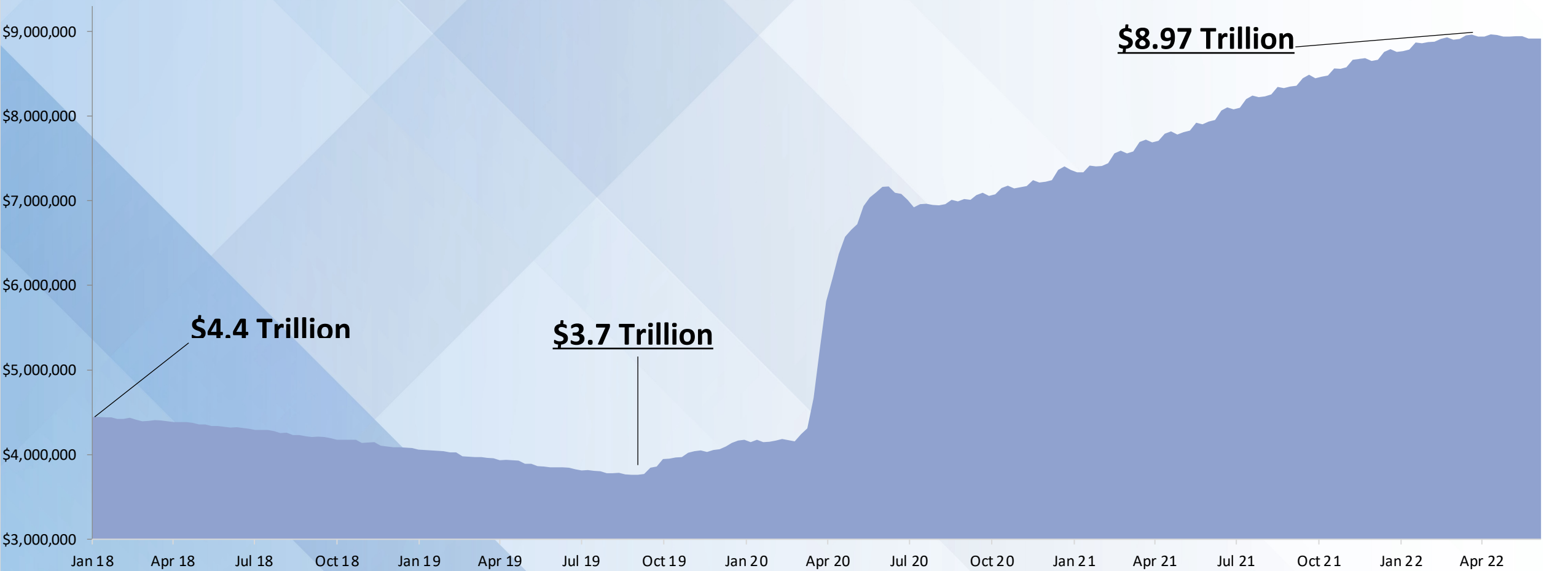
# Wages are Growing – But Inflation is Outpacing





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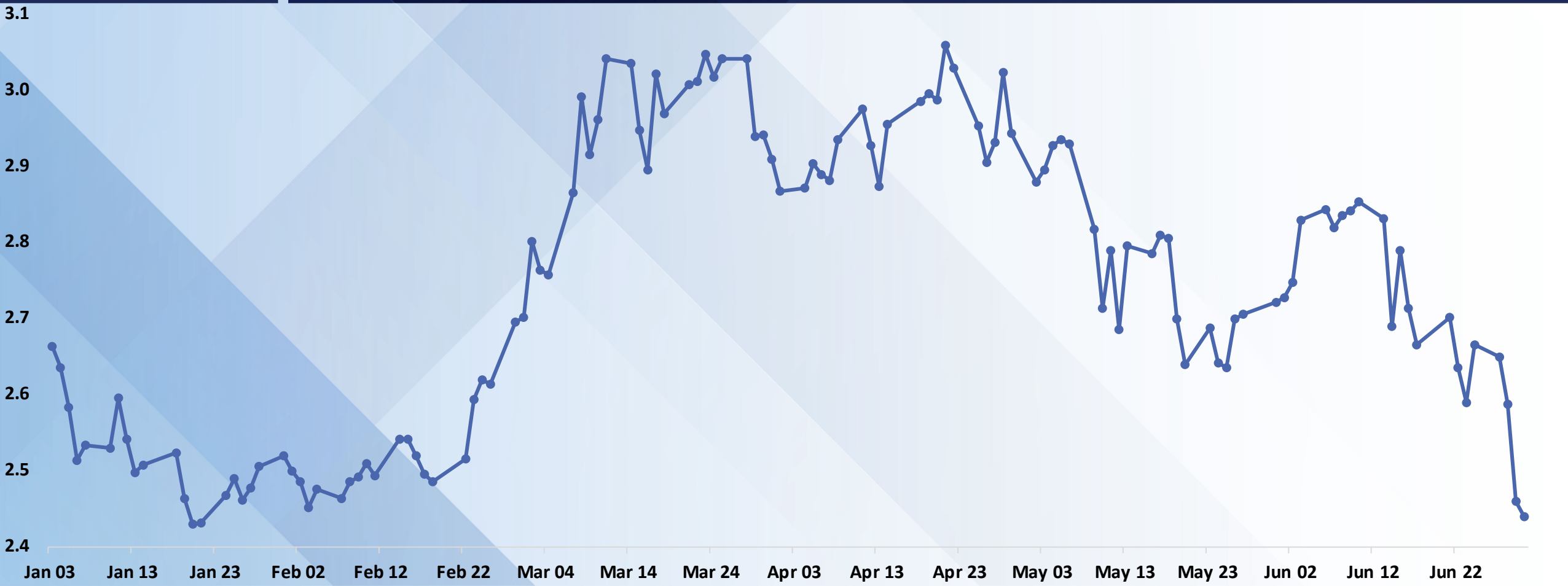
# Federal Reserve's Balance Sheet Needs to Shrink to Bring Down Inflation





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# Inflation Expectations Remain Moderate





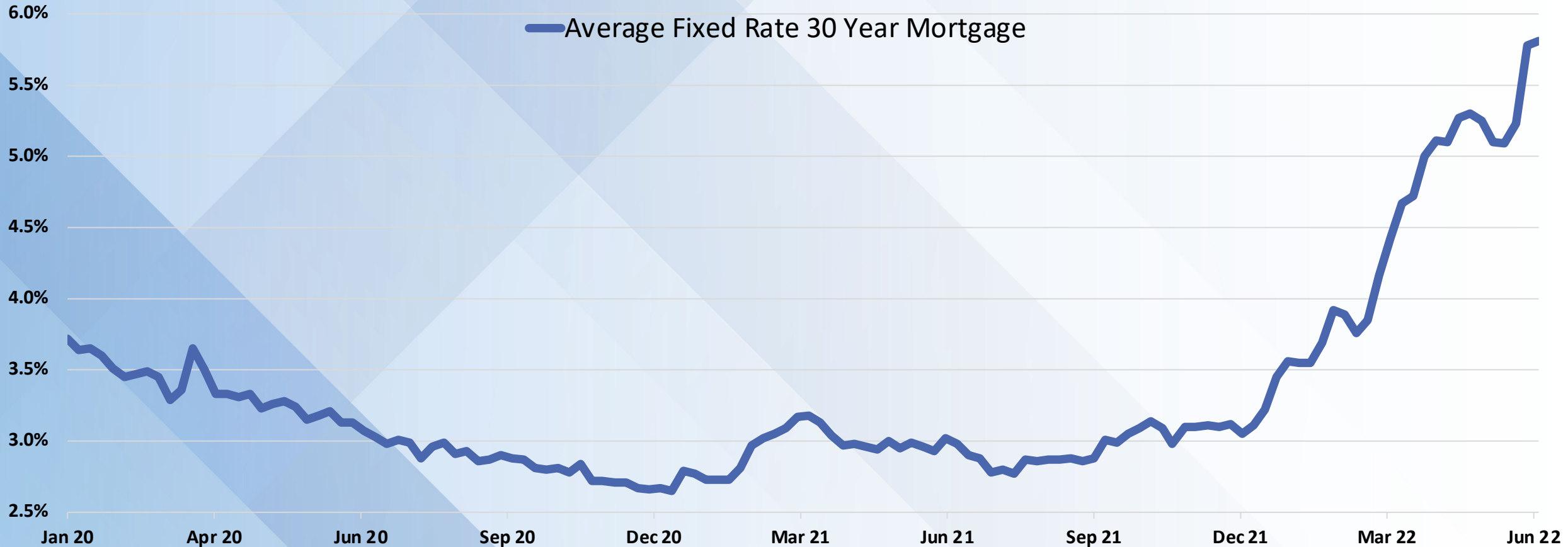
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# **Interest Rates**



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# Average 30 Year Fixed Mortgage Rate Rising Rapidly







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# Borrowing Costs for Businesses Climbing Quickly





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# Rising Treasury Rates Bad for Government Spending, Good for Savings Accounts





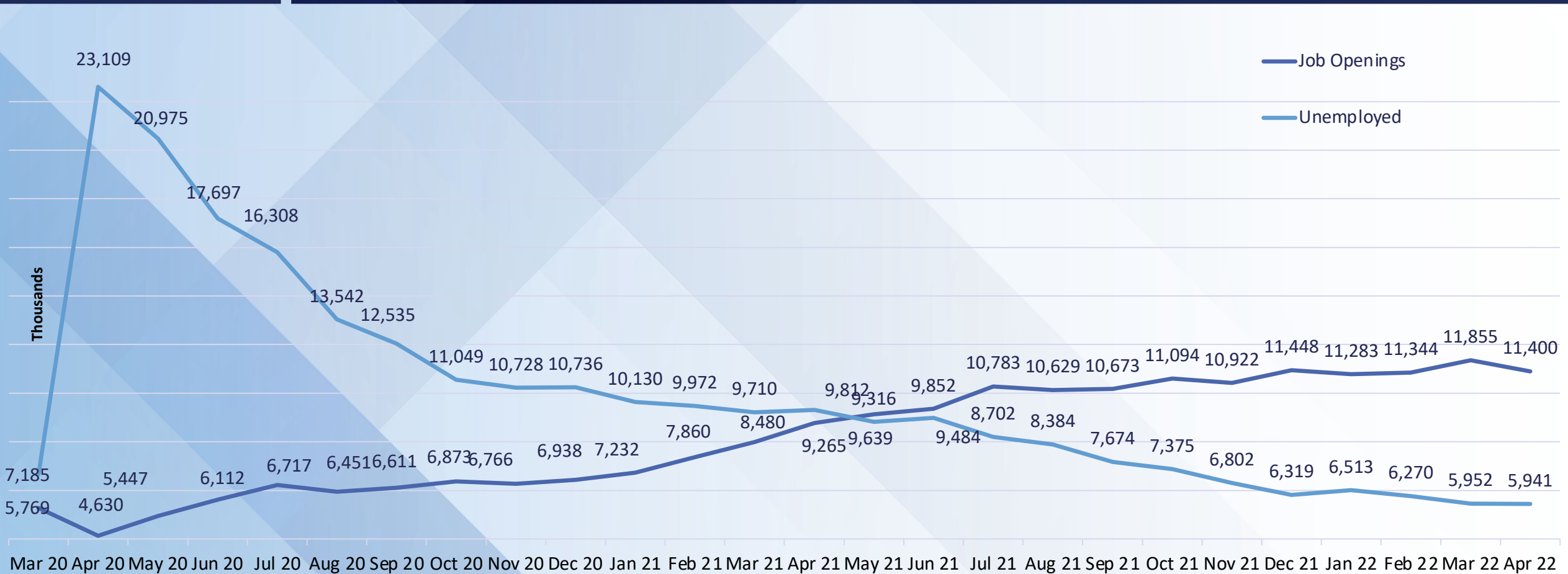
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# **Job Market**



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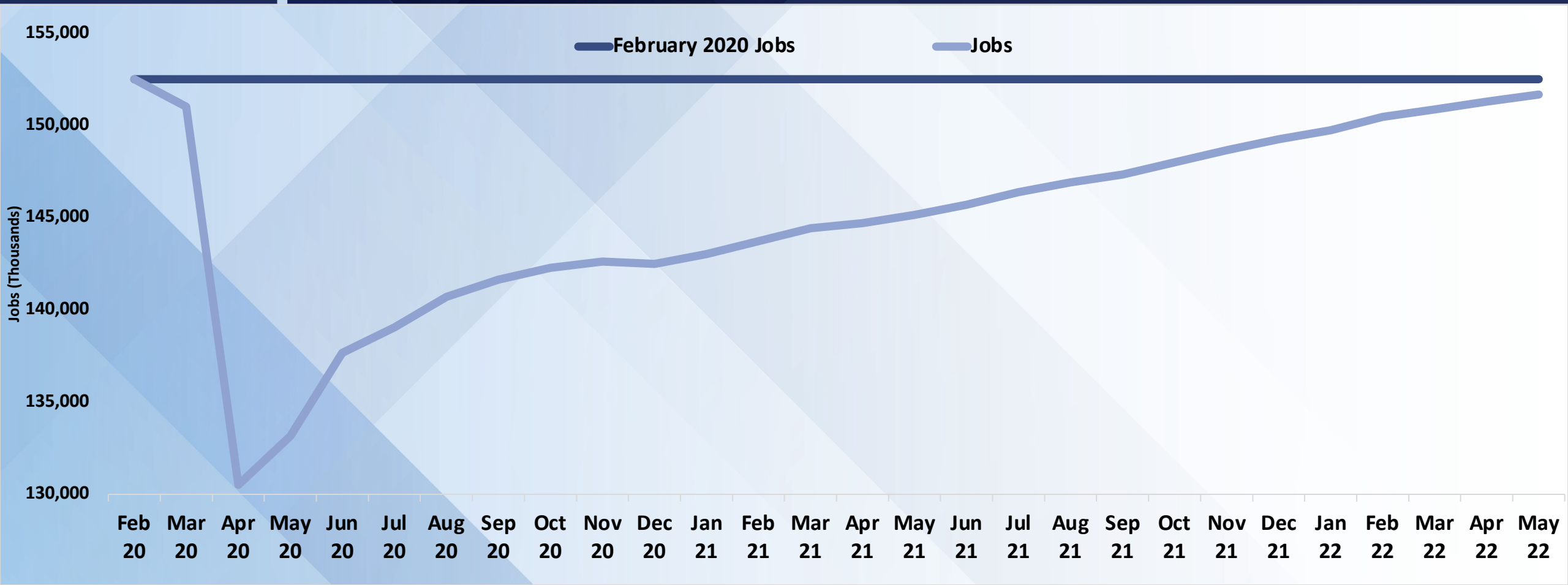
# Job Openings 5.5 Million More than Unemployed Workers





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# The Economy Added 390,000 Jobs in May - the Gap Is Shrinking





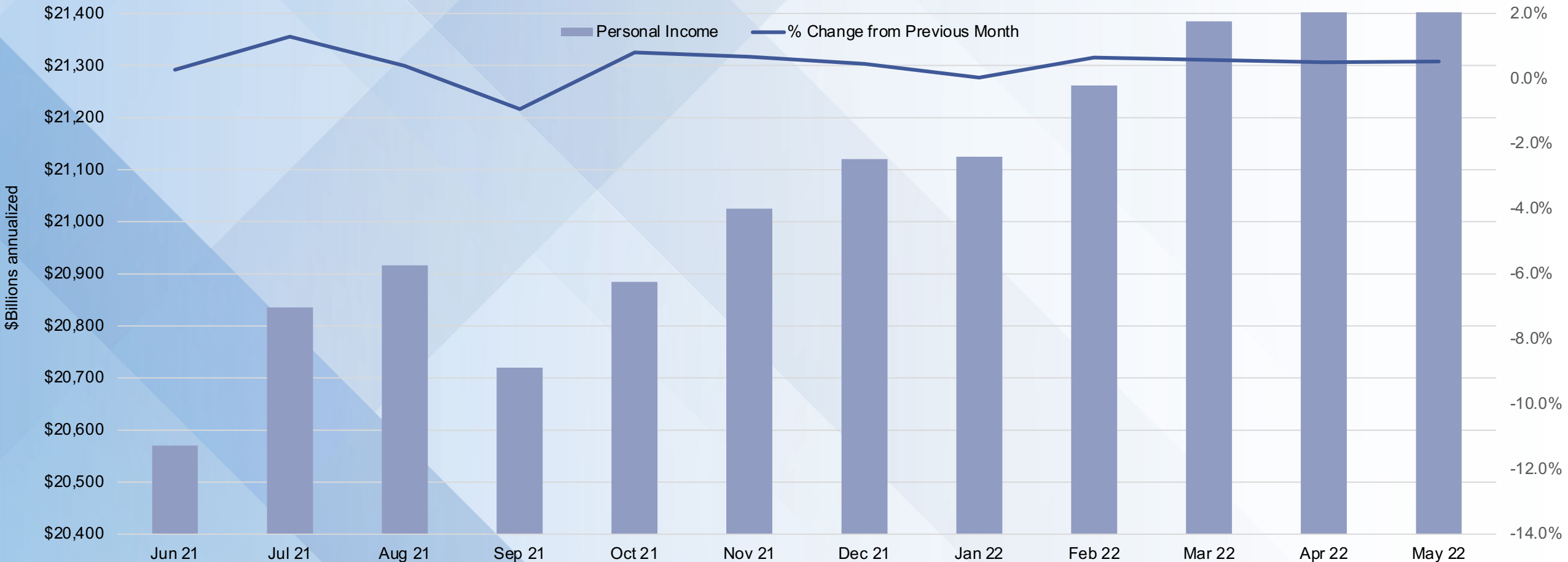
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# Income, Savings and Consumption



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# Real Income Fell in May – Salaries and Wages Down too

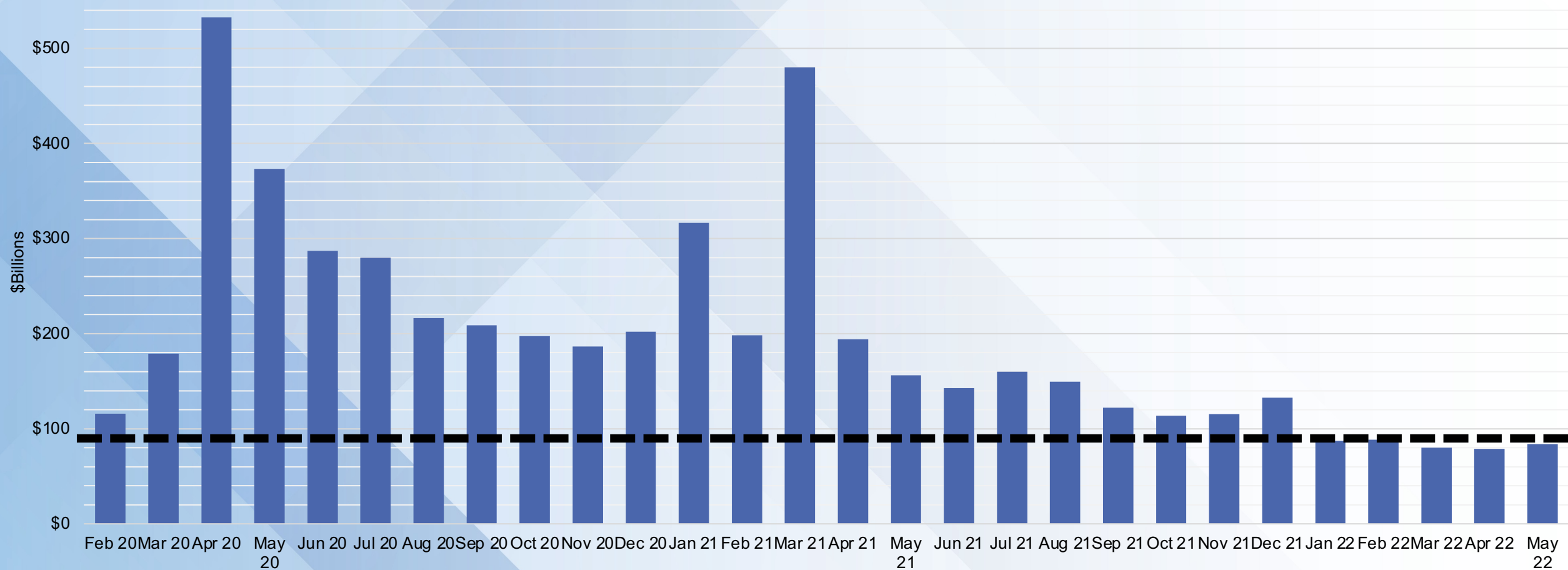






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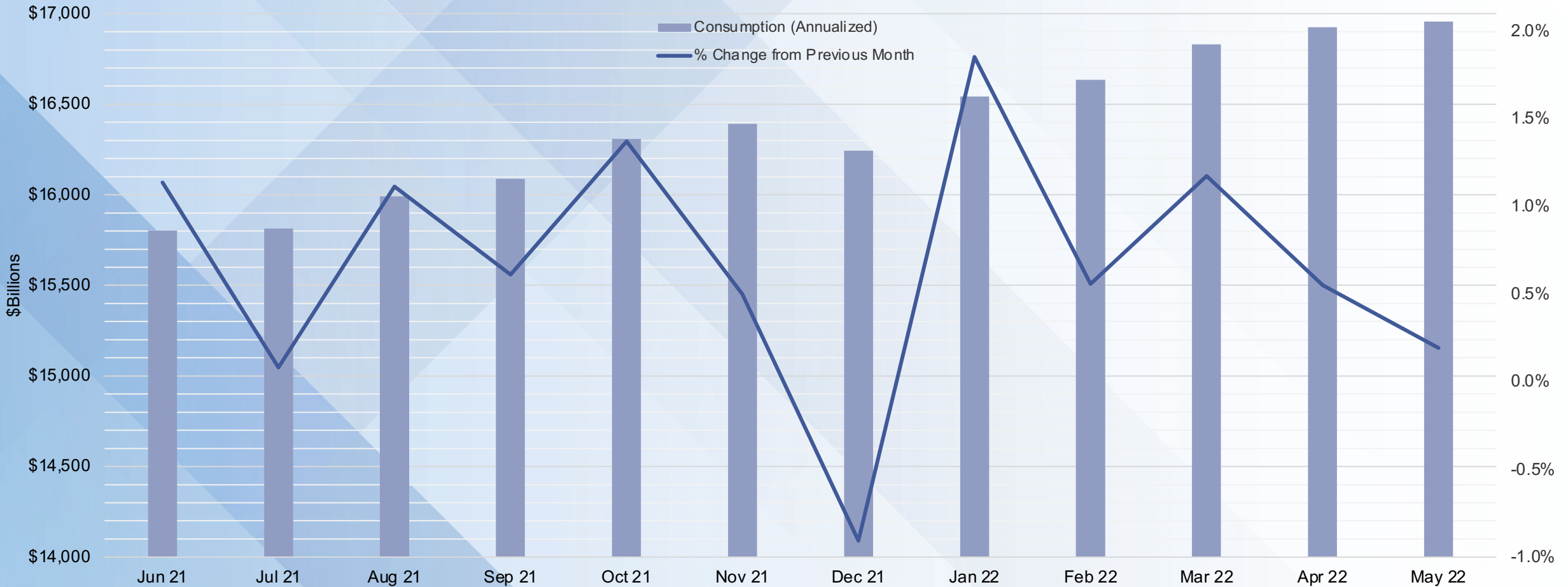
# Savings Coming Down After Pandemic Explosion





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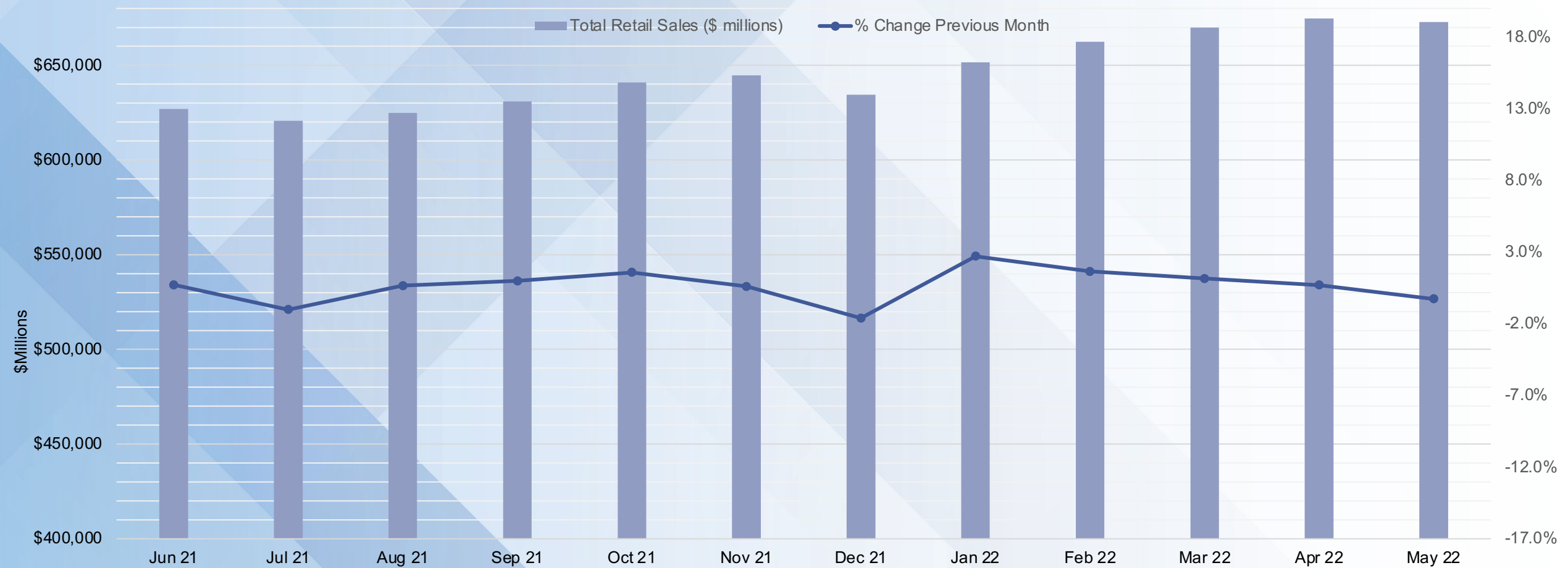
# Consumption Rose 0.2% in May – Below 0.6% Inflation





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# Retail Sales Fell in May – First Decline in 2022





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# **Business Surveys Data**



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# **Small Business Optimism Down in May**





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# **Manufacturing Sentiment Well Above Pre-Pandemic Level**





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# Services Optimism Fell in May







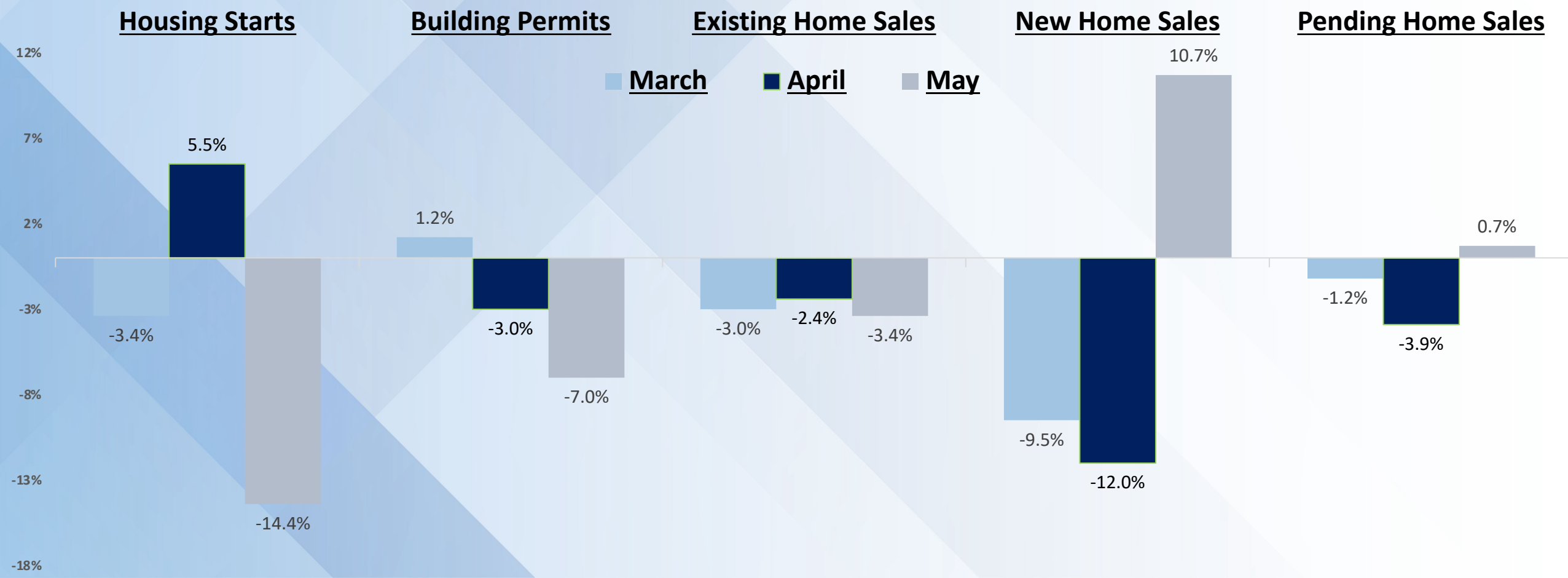
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# **Housing and Government Finance**



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# Housing Market is Slowing





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# Home Prices Were Still Soaring as of April





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# COVID-19 Relief Has Accelerated Our Debt Problem

Debt Held by Public (\$Millions)    COVID-19 Relief    Deficit    % GDP Post-Covid    % GDP Pre-Covid

