Recovery, Revenues, and Reform
The U.S. economy is projected to rebound in 2010.

Real GDP Growth

Source: Bureau of Economic Analysis Federal Reserve Board of Governors
Nebraska is one of last bastion of low unemployment.

Unemployment Rate
May 2009 – April 2010
Average

Source: Bureau of Labor Statistics
Consumer spending is rebounding.

### U.S. Retail Sales

- Percent change from year ago

- Source: U.S. Census Bureau
- *Data through May*

### NE Net Taxable Retail Sales

- Percent change from year ago

- Source: NE Dept. of Revenue
- *Data through March*
Has the housing sector hit bottom?

First-time home buyer tax credits have ended.

- Will home sales persist without them?
- Will sales strengthen in higher-end homes?
- Will stronger sales lead to increased building activity?
- Will high foreclosure rates begin to decline?
- What are the implications of Fannie Mae and Freddie Mac on the housing sector?

U.S. and Nebraska Single-Family Housing Permits

Index: Jan. 2005 = 100

Source: U.S. Census Bureau
Will stronger global economies and a lower dollar boost export activity?

Manufactured Exports

Source: WISERTrade
Manufacturing activity is rebounding.

Businesses are investing in equipment and software.

When will investments in structures rebound?

When will increased activity spur robust job gains?

How do changes in business policy affect business investment?

With loan defaults easing, will access to capital and credit standards improve?

Source: U.S. Census Bureau
De-leveraging will limit economic gains.

U.S. Debt as a Percent of GDP

Source: Calculations based on Federal Reserve and BEA data
How will surging federal debt levels affect economic conditions long-term?

U.S. Debt as a Percent of GDP

Source: Congressional Budget Office, November 2009