


# CONCLUSION

## FACTORS THAT COULD HELP OR HURT THE ECONOMY

THE GOOD	THE BAD
<b>Economic Indicators:</b> Orders for durable goods such as appliances and airplanes up 4.9%, the fastest rate in two years. Retail sales up 2%.	<b>Weak Private Sector:</b> More than a third of respondents to a National Association for Business Economics survey reported falling second-quarter profit margins.
<b>Unemployment lowers to 10%</b>	<b>Soft Consumer Spending:</b> Smaller ticket items purchased over larger items.
<b>Investors Turn Positive:</b> A 35% gain in Dow Jones Industrial Average since March 9.	<b>High Consumer Debt:</b> Still at 124% of disposable income, compared with 61% in 1984, but falling fast.
<b>Available Cash to Invest:</b> Money-market funds still hold \$3.58 trillion, well above the \$2.91 trillion when stocks peaked in October 2007.	<b>Stocks No Longer Cheap:</b> S&P 500 at more than 17 times member-companies' profits, higher than the historical average of about 16.
<b>Job loss claims drop to 452,000 in December, lowest since Sept. 2008.</b>	<b>New homes sales stay relatively flat in 2009.</b>
<b>Companies going public rose steady from March.</b>	<b>Commercial Real Estate loans to the amount of \$750 Billion in 2010 will come due with an increased amount going into foreclosure.</b>

### THE DEEDS!



**You can help!**

Some people celebrate this milestone by running races; sprint-triathalons, duo-a-thons, mountain bike racing. Jerry's done that already.

*It's time for something new.*

He's celebrating life and community by doing 50 good deeds throughout 2010. Not just any good deeds. Jerry wants to empower people to give back to the community.

**Have an idea for one of Jerry's 50 good deeds?**

**Send your idea to [fennelly@fennelly.com](mailto:fennelly@fennelly.com)**

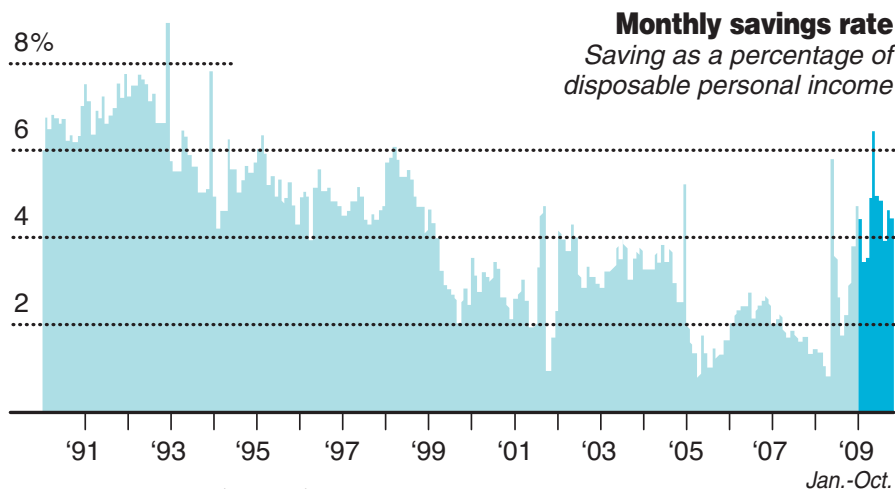
**See my first deed on YouTube! Search 1stdeed**

1. Salvation Army
2. Stopped to help people stranded on side of road in snow storm on New Years Eve during rush hour.
3. Food Drive St. James Church
4. George Dapper Garden for the Needy
5. ETS Firecracker 5K
6. Princeton Chamber Trade Fair
7. \_\_\_\_\_
8. \_\_\_\_\_
9. \_\_\_\_\_

The decade closed and left us with a feeling that we started out and ended up in the same place as where we began just ten years ago. The dotcom implosion, 9/11 and wages when adjusted for time and inflation are the same leaving the US worker with a hangover after a spend thrift time frame that spanned two decades.

## A Return to Savings

The savings rate reached 6.4 percent in May, which was the highest figure since 1993.



Source: Commerce Department, Bureau of Economic Analysis

The Greater Princeton market experienced an increase of approximately one half percent in the vacancy from one year ago to 22.18%. The first half of the year was much harder than the second half as companies and individuals readjusted to making less. Interesting how quickly, when under pressure, individuals can lower their spending and increase their savings (as illustrated by the graph). The consumer economy is seeing an increase in spending, albeit small (2% increase). The stimulus package has matriculated through the economy, mostly in the form of road improvements, bridges and solar energy training falling mostly to the union based businesses. I am not one to believe in handouts, but this recession was a difficult one. Since we are handing out money, we should look to help our real engine: the researchers, scientists and inventors who create new industries, drugs or the next big thing that will propel our economy to have the largest growth in the world. In 2010 the ideals of prosperity, freedom and the "law of the land" have probably never been more resonant globally then they have been over the last ten years. This belief by emerging countries, such as Brazil, Indonesia and even Africa, and mature countries such as China, India and Japan, opens up U.S. consumers and customers to grow the U.S. economy.