

ON THE ECONOMIC, BUSINESS & POLITICAL CLIMATE

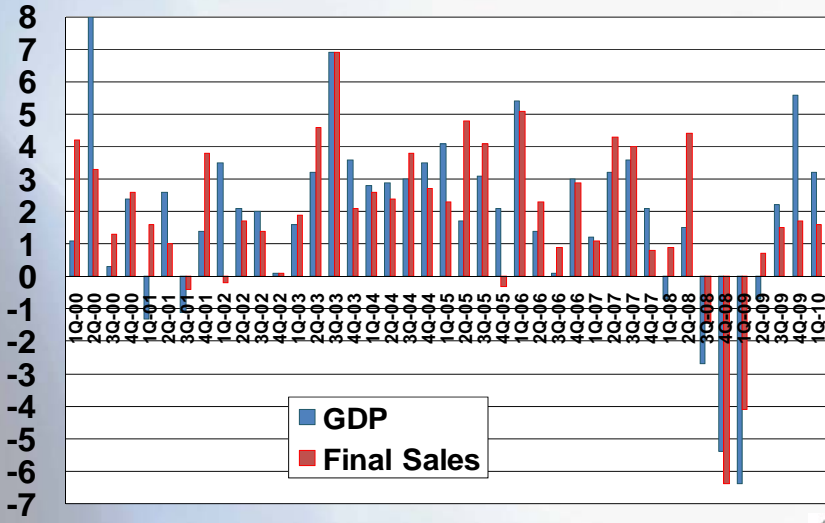
Georgia Construction Aggregate Association

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*Ponte Vedra Beach, FL
June 25, 2010*

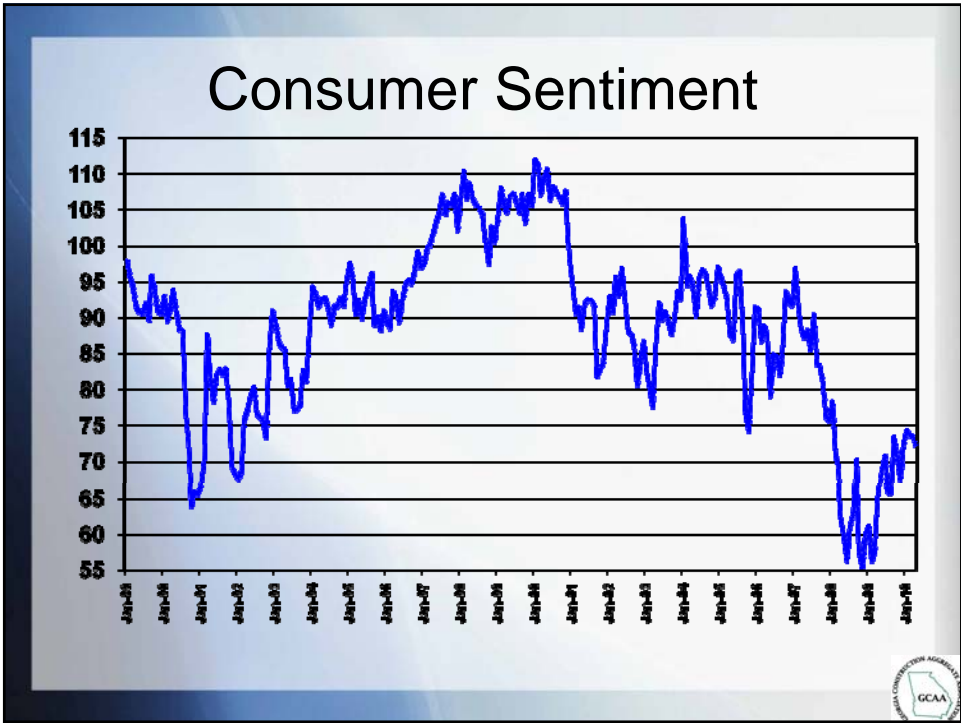
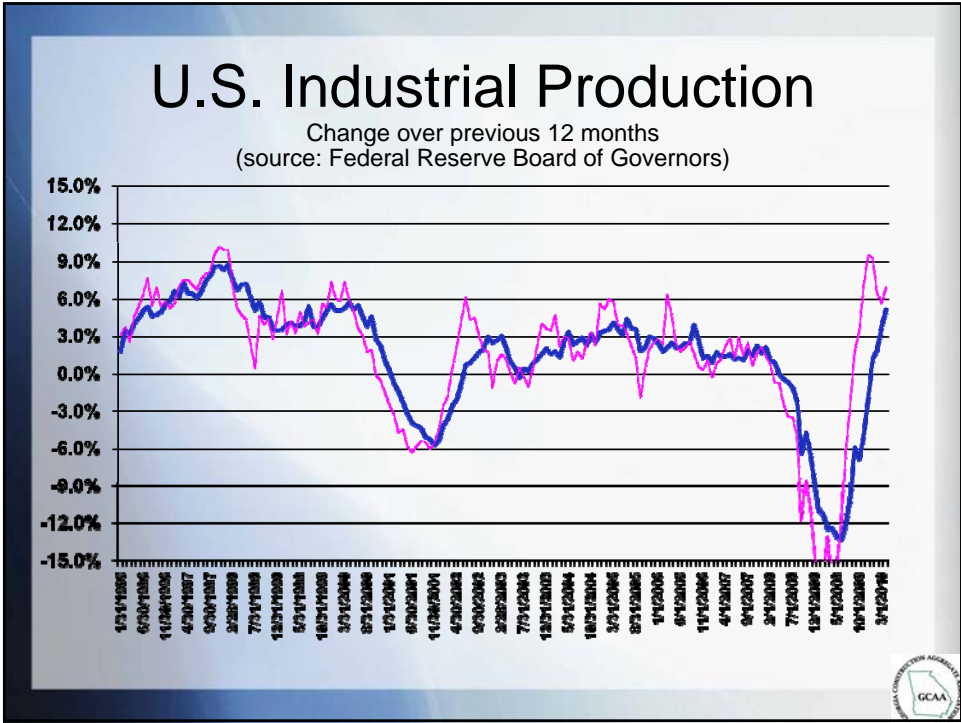


GDP vs Final Sales

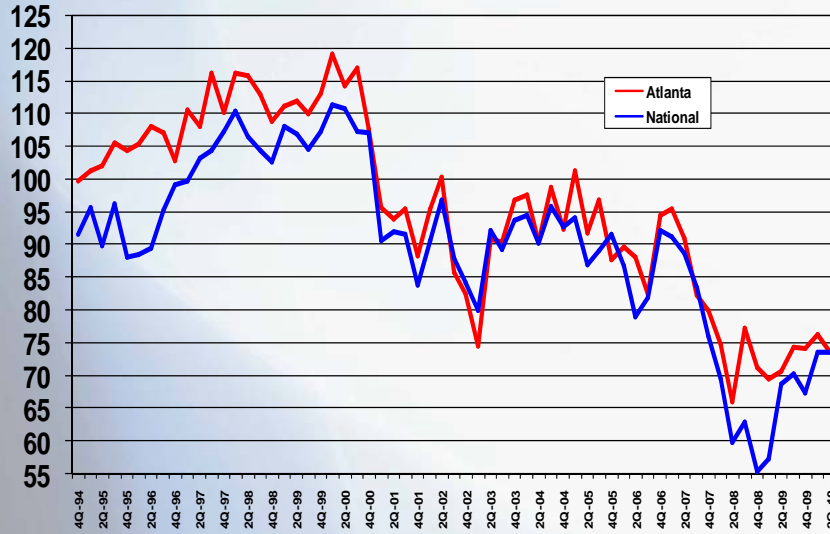


Institute of Supply Management's "PMI"

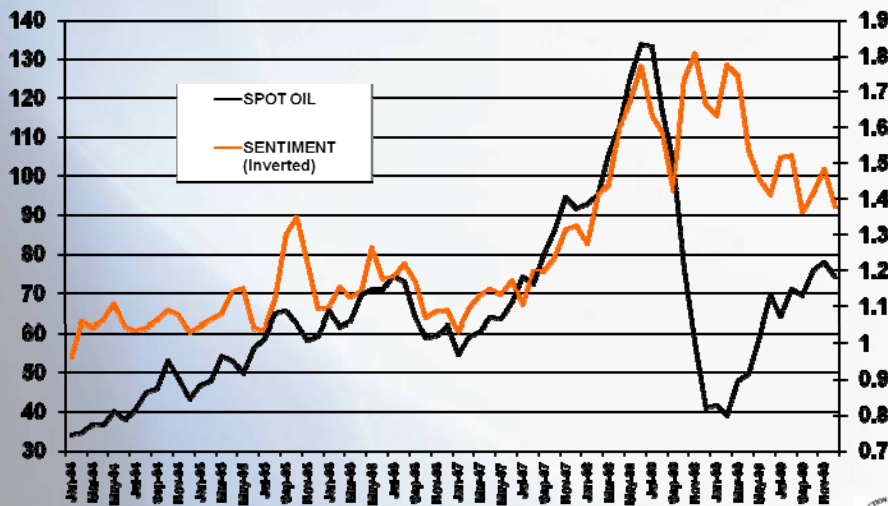




Consumer Sentiment

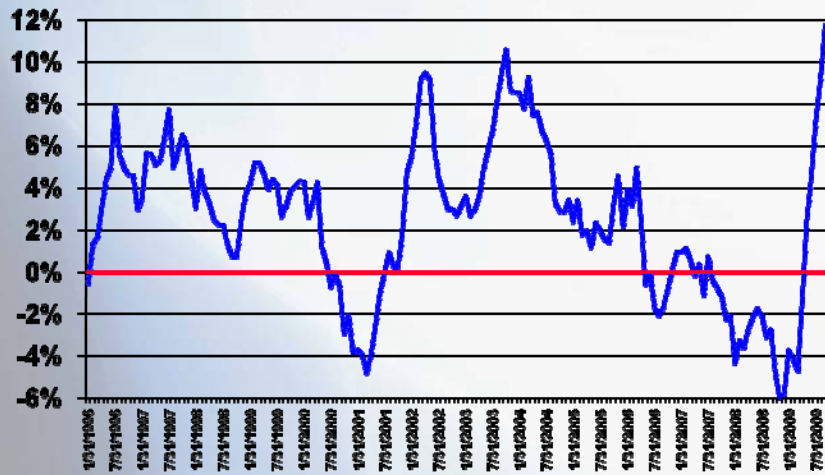


Oil & Consumer Sentiment



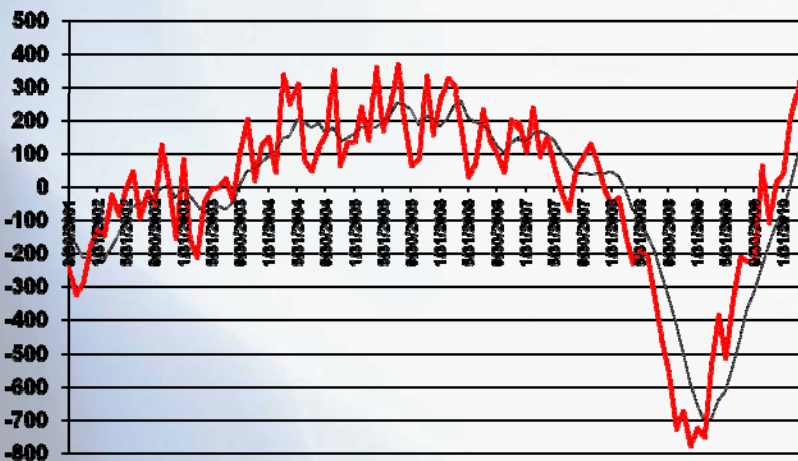
Leading Economic Indicators

% change in last 6 months

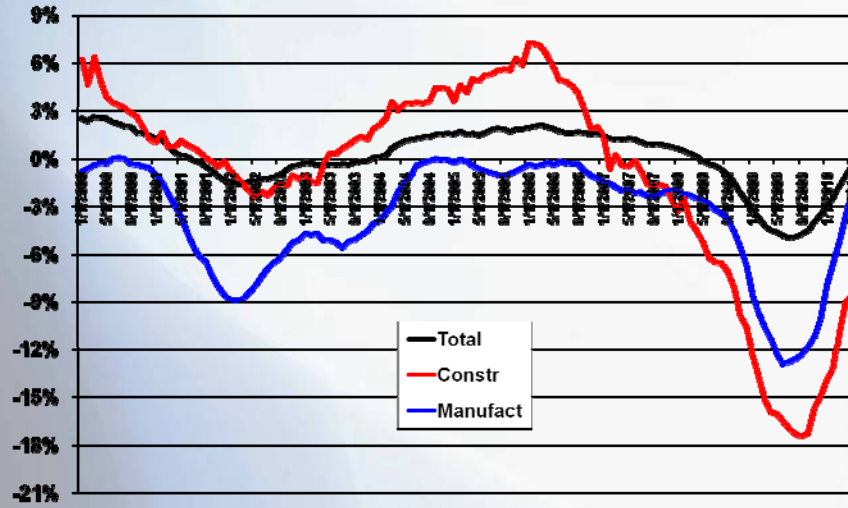


Change in Employment

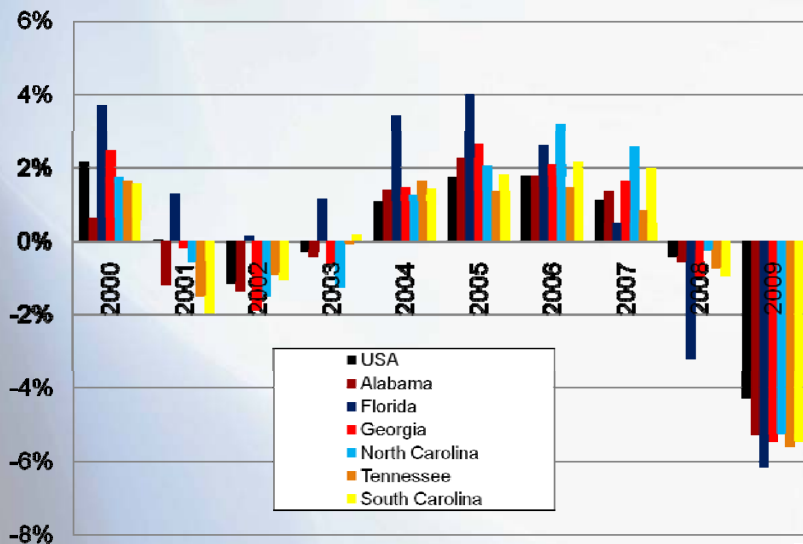
(non-farm payrolls)



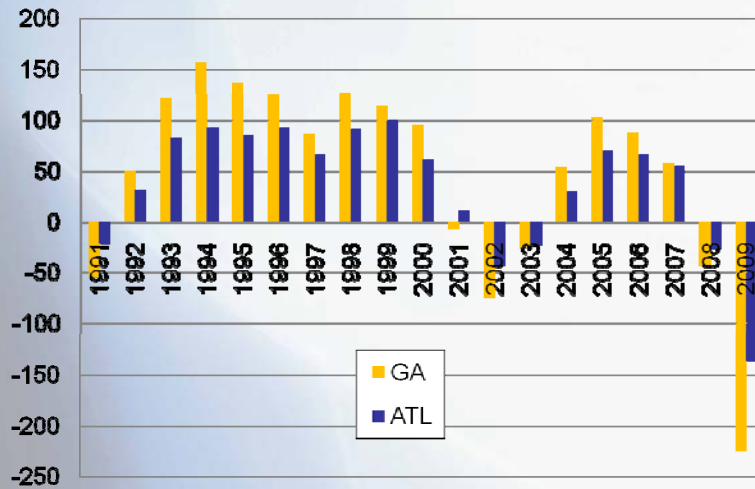
Change in Employment



Employment in SE



Employment in Georgia



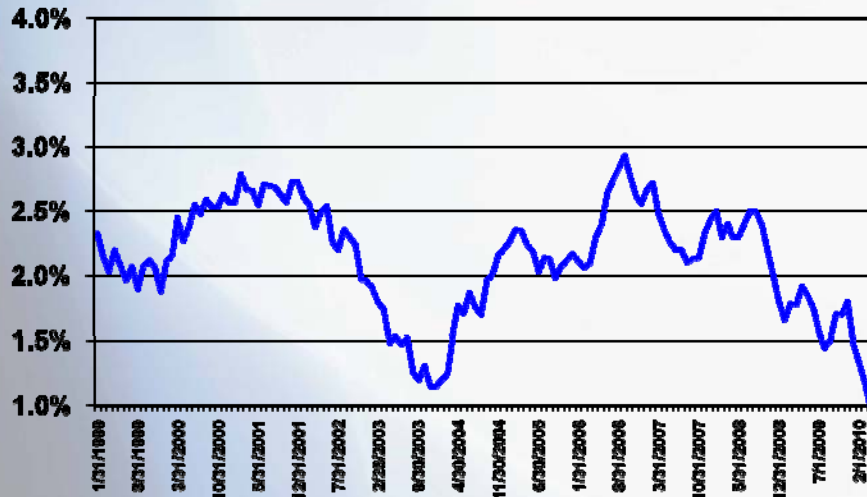
INFLATION:

Risk Shifts on Deflation?

- CPI was down 0.2% in May after being down 0.1%, up 0.1% and flat in previous 3 months.
- Core was flat in both April and March, after being up 0.1% in February.
- Overall CPI is up at an 2.0% annual rate over last 12 months. Core up 0.9% over same period.
- Energy prices up 16.2% over last 12 months.

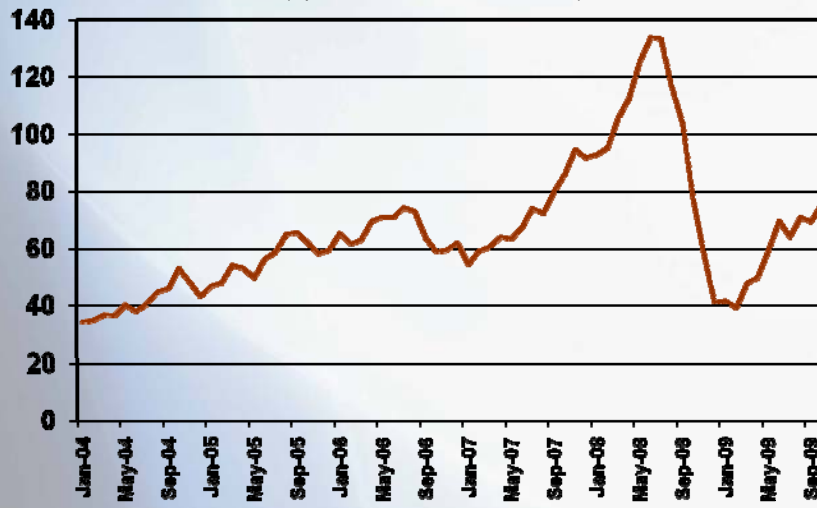


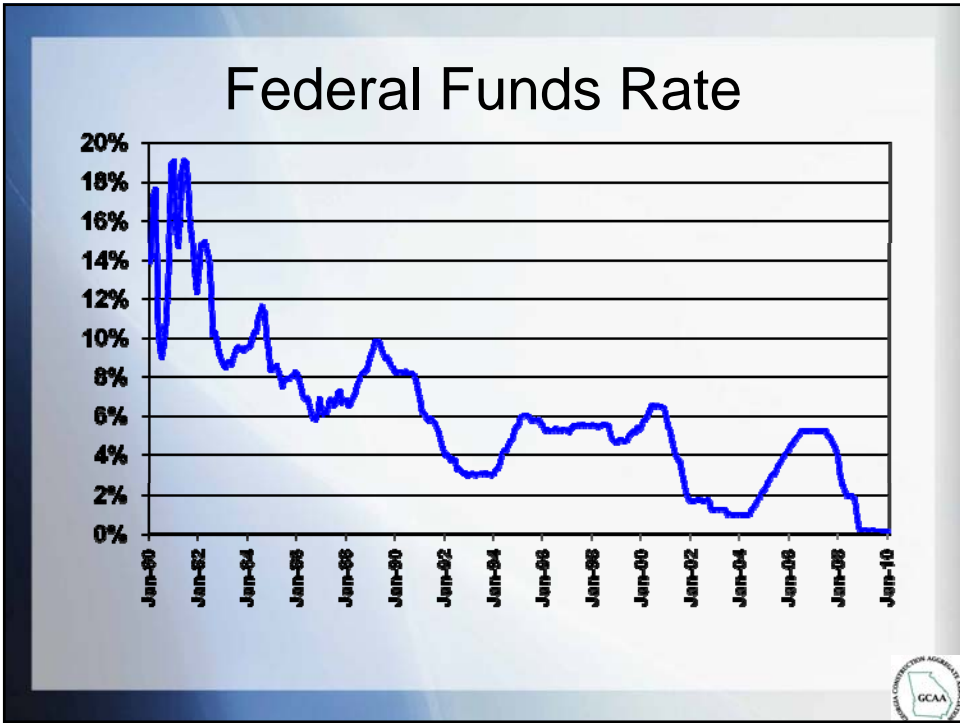
Core CPI



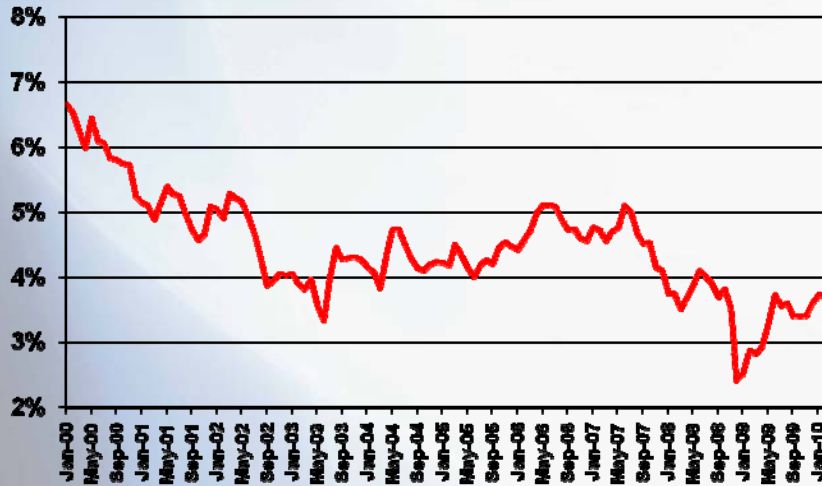
Crude Oil

(Spot Price, West Texas Crude)



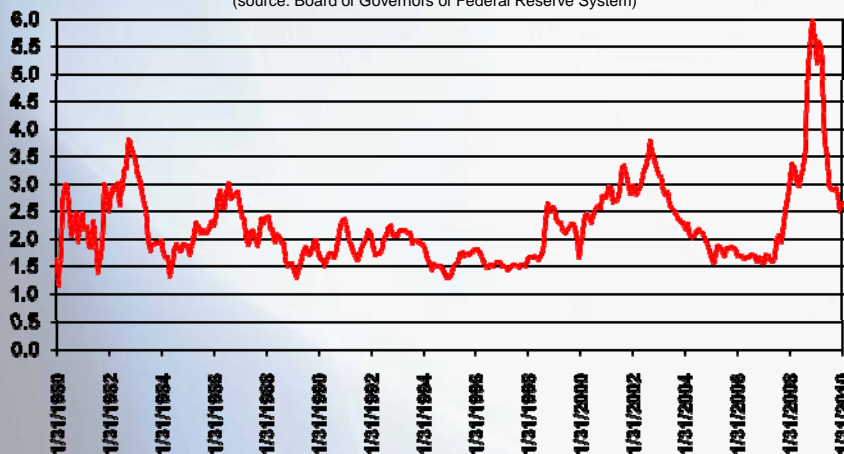


10-Year Treasury Bonds

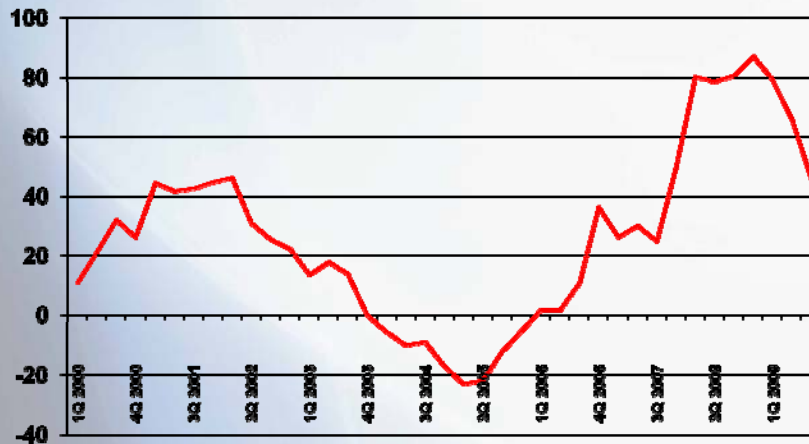


The Risk Premium

(Moody's BAA less 10-Year Treasury Bond)
(source: Board of Governors of Federal Reserve System)



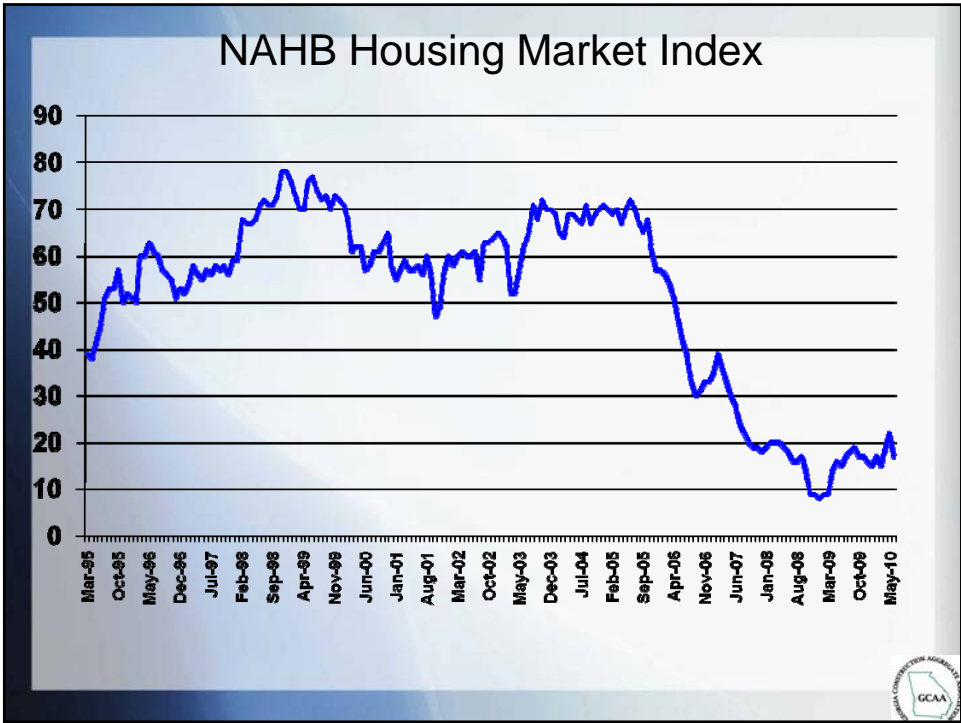
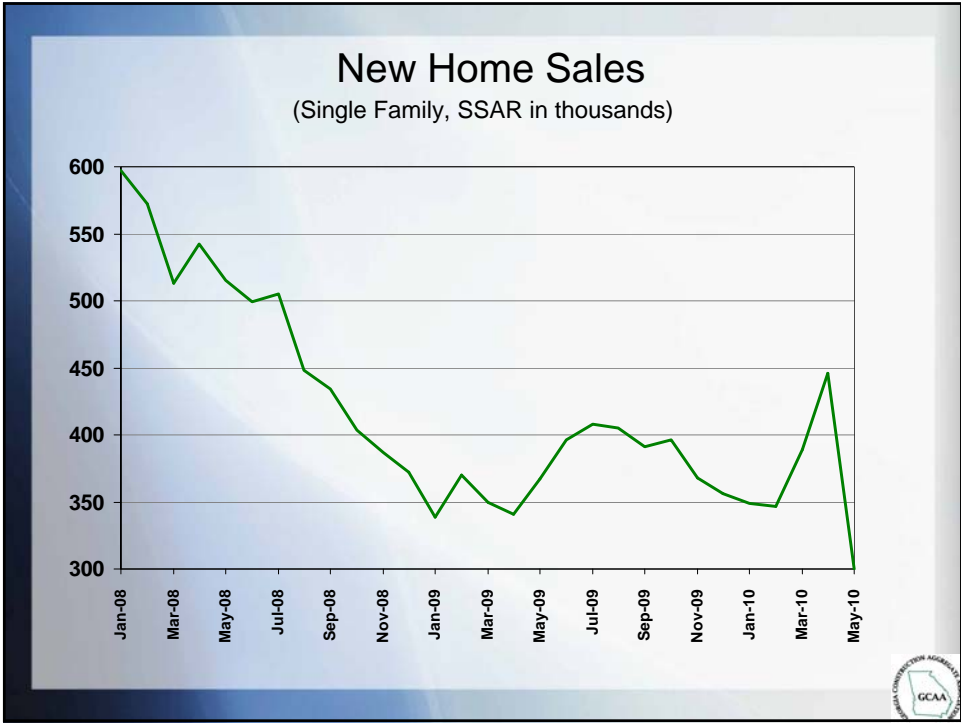
CRE Lending Tighter As Well? (Net % Tightening Standards for CRE Loans)

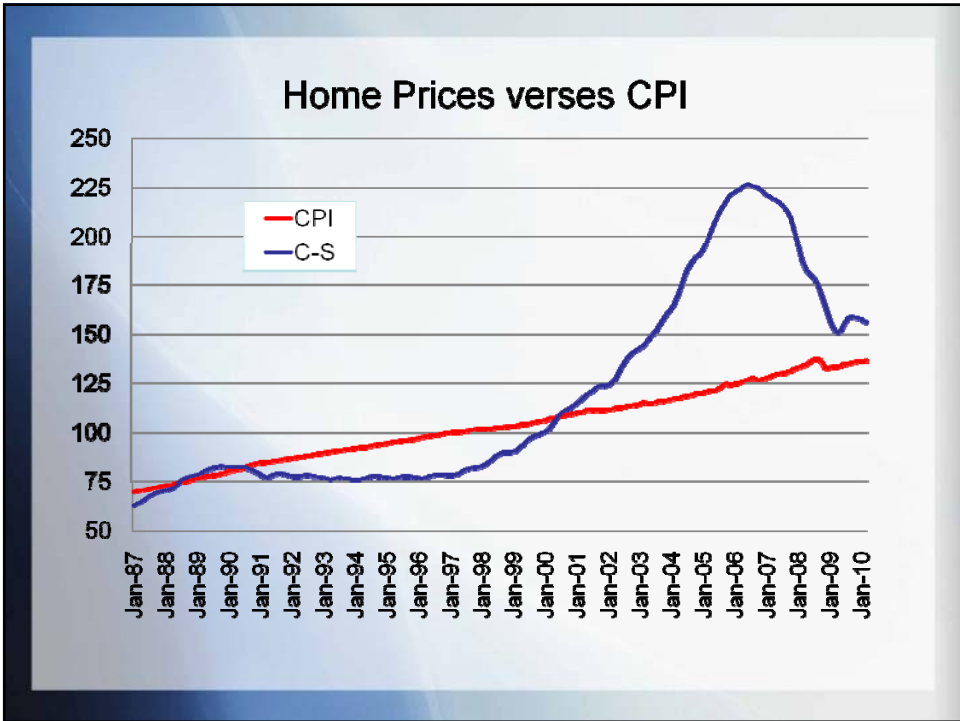
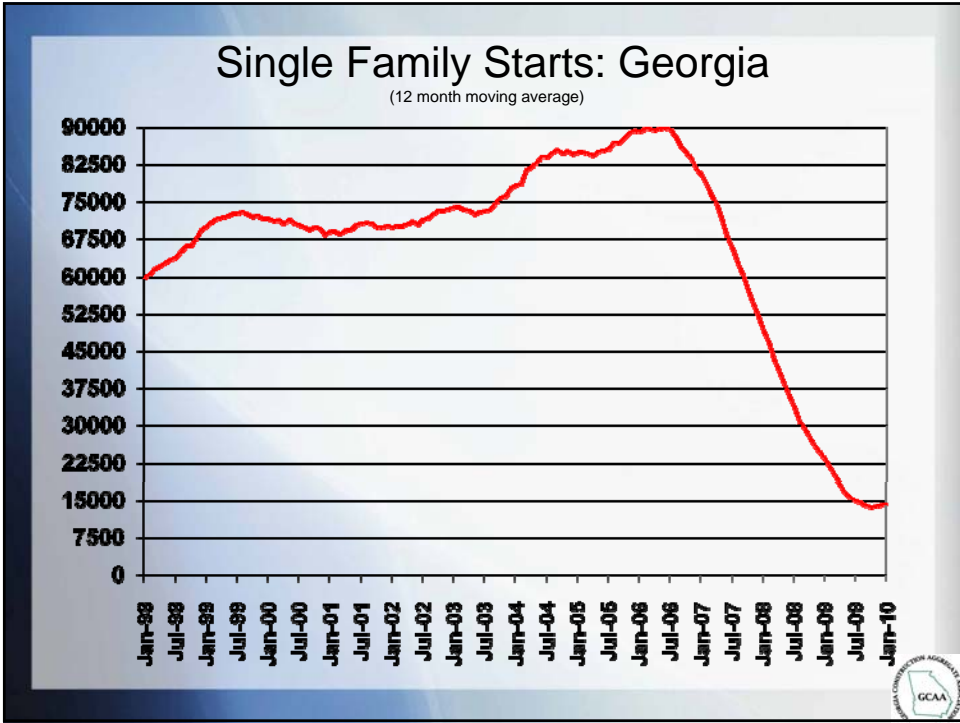


New Home Sales

(Single Family, SSAR in thousands)

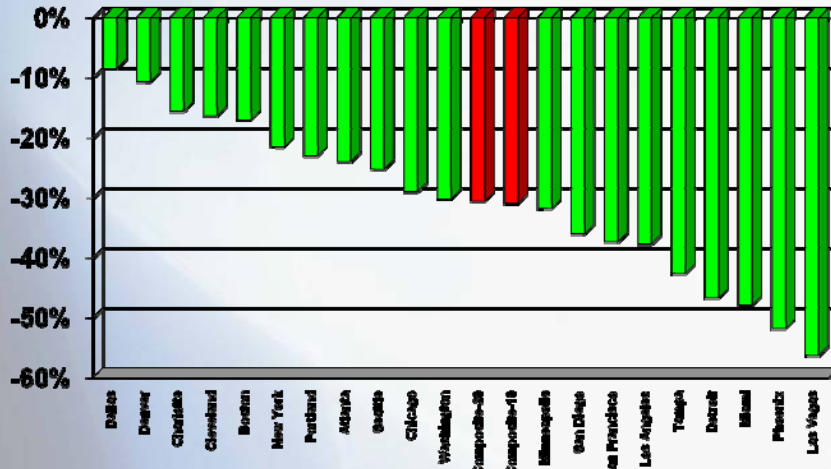






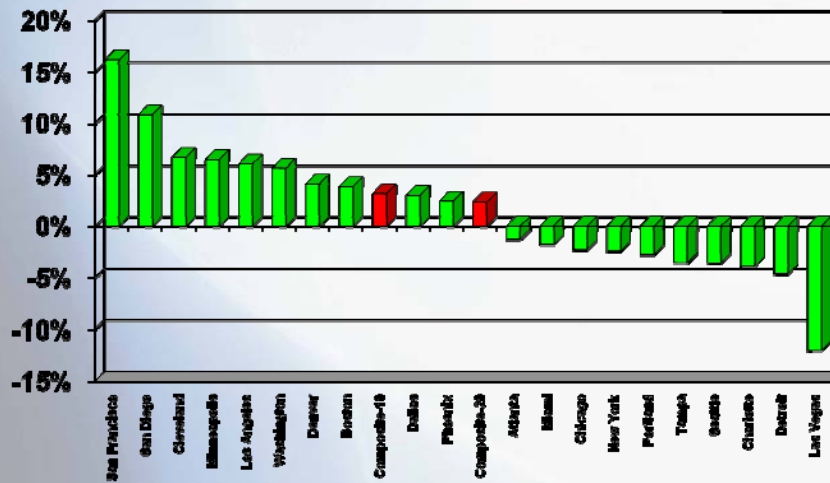
CS/S&P Home Price Index

(FROM PEAK TO MARCH 2010)

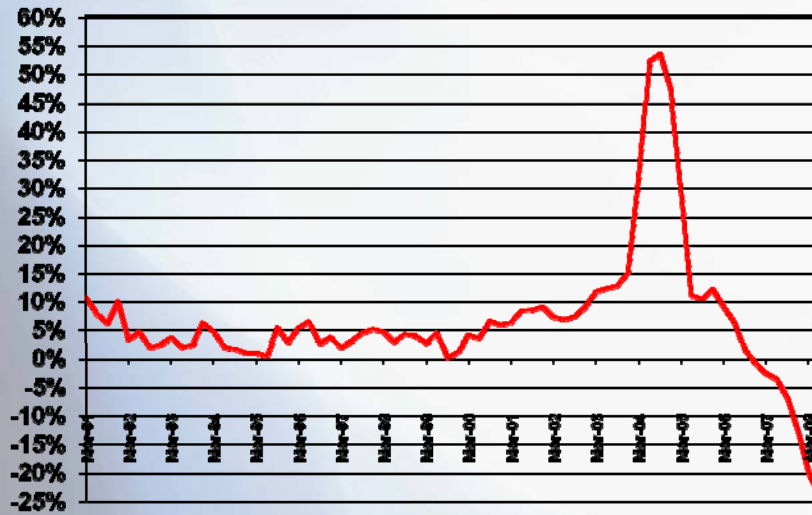


CS/S&P Home Price Index

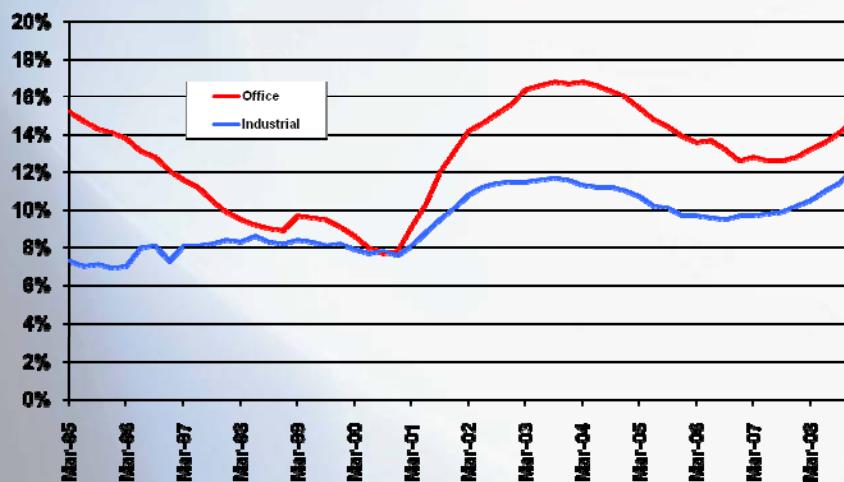
(FROM 3/09 TO 3/10)



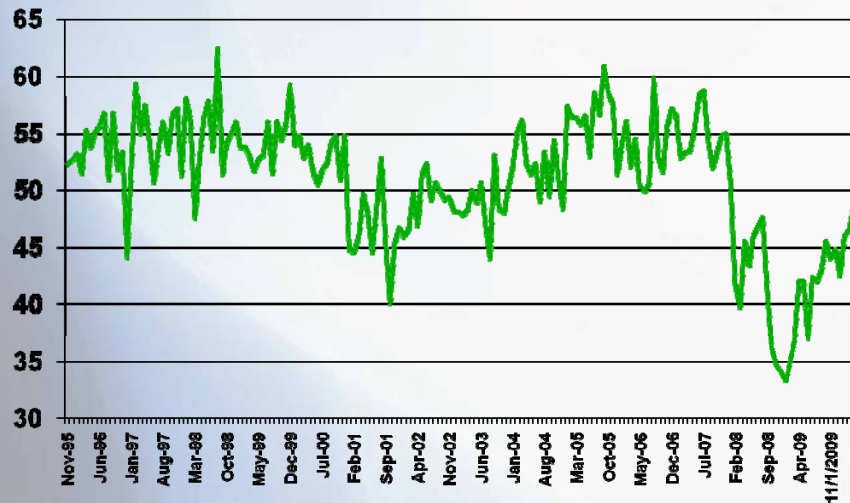
Existing Home Prices: Las Vegas



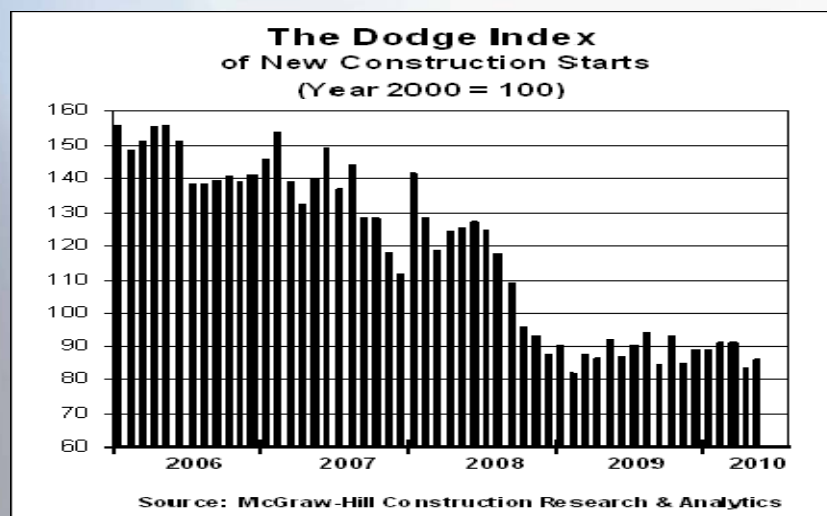
Commercial Vacancy Rates



Architecture Billings Index(AIA)



Overall Construction Activity

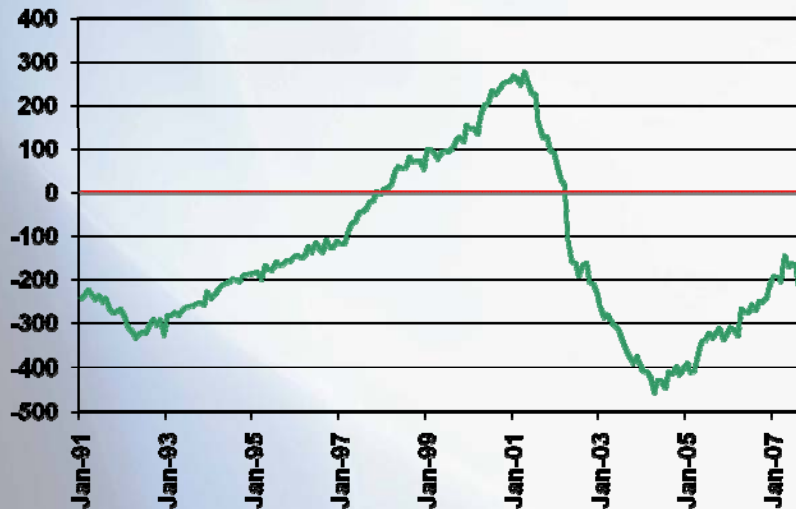


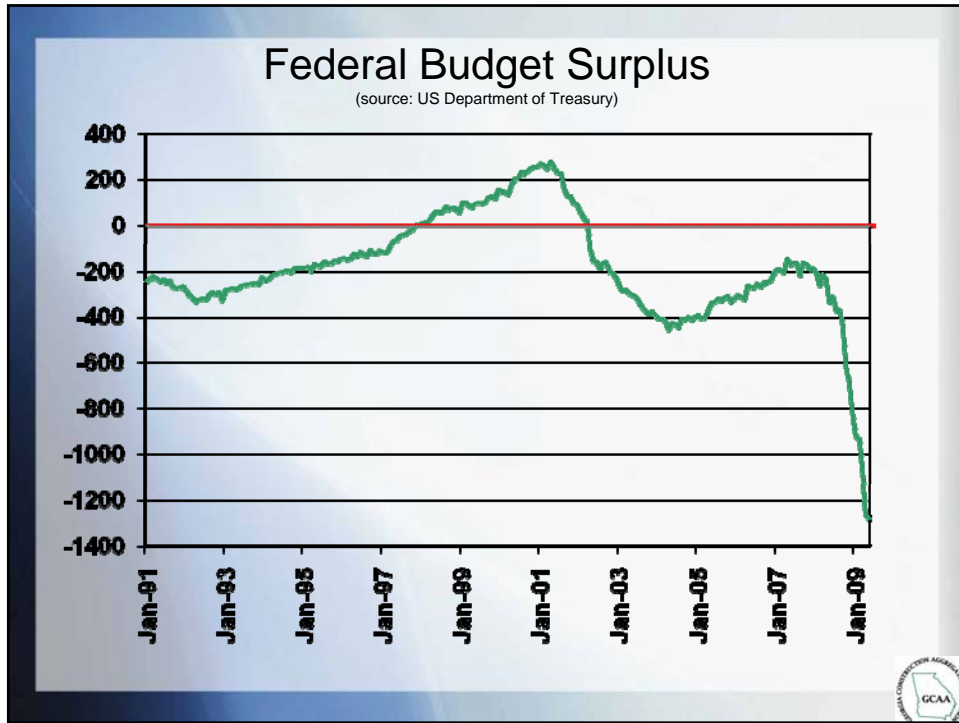
Foreign Exchange: \$ vs. Major Currencies




Federal Budget Surplus

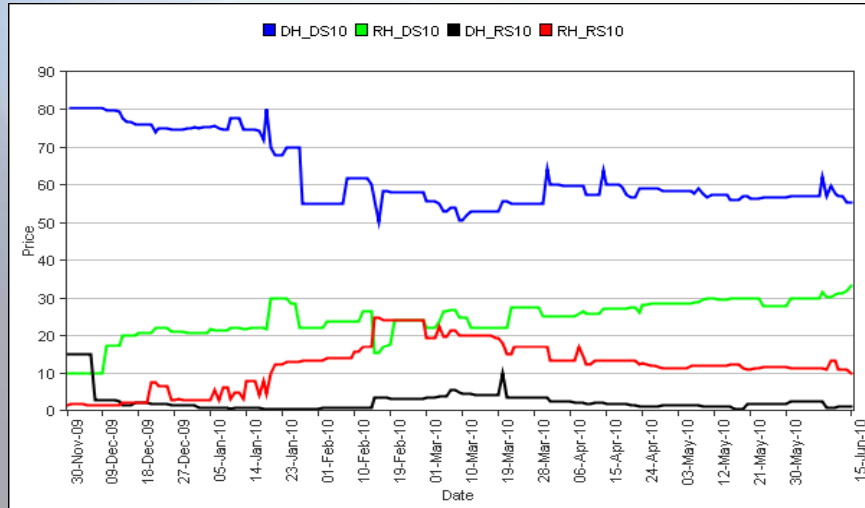
(source: US Department of Treasury)





- ## Currents Issues in Fiscal Affairs
- Sensitivity of Federal & State Tax revenues to economic activity.
 - The “Bush Cuts” sunset
 - Tax Reform
 - Federal: Is a VAT coming
 - State: Tax reform likely?
 - Local Fiscal Picture
 - RE valuation and revenues.
 - Options for revenue structures
- 

Election 2010



Equity Markets



Equity Markets

