



Business Conditions as of April 1, 2011

At April 1 our Survey indicated that the economy was continuing its slow recovery at about the same pace as last month, but the concerns are increasing about the near term future. We cannot tell yet whether this is justified collective angst coming from factors such as rising gas prices, Euro-zone sovereign debts, the spreading uncertainties about revolutions in North Africa and the Middle East, state fiscal tensions, and the national budget stand-off, or more tangible indications of reduced vigor coming from customers and industry/regional trends. The downward trend in the Index, as well as other indicators, has us watching developments closely. On the bright side, the outlook for employment is positive despite the concerns over external developments. [\[download report\]](#)

The Tatum Index of Business Conditions

Tatum's Index of Business Conditions combines indicators of the past 30 days and the next 60 days into one number, summarizing our view of the current overall trend. At April 1, the Index recorded its second month of decline since September 2010.



ECONOMIC INDICATORS: The Index and the majority of key indicators are flat or in decline.

Indicator	Past 30 days	60 day outlook	Comments
<u>Business Conditions</u>	↔	↓	Recently flat, but a deteriorating outlook
<u>Order Backlogs</u>	↓	↓	Tangible negatives
<u>Capital Expenditure Commitments</u>	↓	↔	Still cautious in light of many uncertainties
<u>Employment</u>	↔	↑	A ray of hope despite overall concerns
<u>Capital Availability & Pricing</u>	↓	↔	Minor changes

To read detailed analysis provided by Senior Tatum Partner Sam Norwood and Partner Jim Toopes, [click here](#).

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