Tatum
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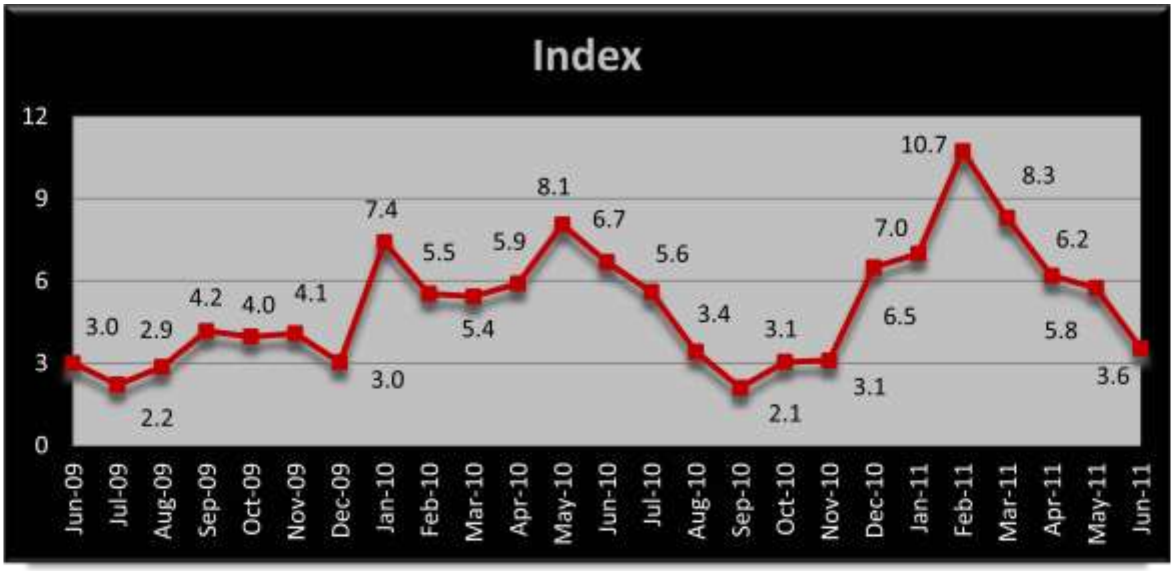
SURVEY of Business Conditions

Business Conditions as of June 1, 2011

As of June 1, the recovery appears precariously close to slipping back toward zero growth. Responses to the Survey regarding the past 30 days were all negative, extending the trend of the past 4 months into the zone just above recession. The outlook is not quite as negative when compared to the immediate past. We now look for Q2 GDP to be at 1% growth, or less. **[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 June1, the Index showed its 4th consecutive month of decline after peaking as of February 1.



ECONOMIC INDICATORS: The Index and the majority of key indicators are in decline; no improvement seen.

Indicator	Past 30 days	60 day outlook	Comments
Business Conditions	↓	↓	Lower growth again, getting close to no growth conditions
Order Backlogs	↓	↓	Down in the month and in the outlook
Capital Expenditure Commitments	↓	↔	Down last month but neutral outlook
Employment	↘	↘	Less hiring but fewer layoffs / terminations
Capital Availability & Pricing	↓	↔	Worse in the past 30 days, no change in the next 60

To read detailed analysis provided by Tatum Senior Partner Sam Norwood and Partner Frank Schools, click here.

For more information call 888.Tatum11 or visit www.TatumLLC.com