



Business Conditions as of March 1, 2011

As of March 1, the recovery in Business Conditions slowed markedly in both the past 30 days and in the outlook for the next 60 days. The actual recovery rate has been slowing recently, but until March 1, the outlook had been strong. Current international and domestic developments and their probable impacts are gnawing away at our collective optimism. Specifically, rising oil prices will affect everything, and government budget battles cloud the horizon. [\[download report\]](#)

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 March 1, the Index took its first meaningful decline since September.



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

Indicator	Past 30 days	60 day outlook	Comments
<u>Business Conditions</u>	↓	↓	Consistent declines in the rate of recovery
<u>Order Backlogs</u>	↑	↓	Up in the month, down in the outlook
<u>Capital Expenditure Commitments</u>	↑	↓	Commitments are based on decisions a month or more ago
<u>Employment</u>	↓	↓	Weaker hiring but fewer layoffs
<u>Capital Availability & Pricing</u>	↔	↓	Growing concern about rising rates

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

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