

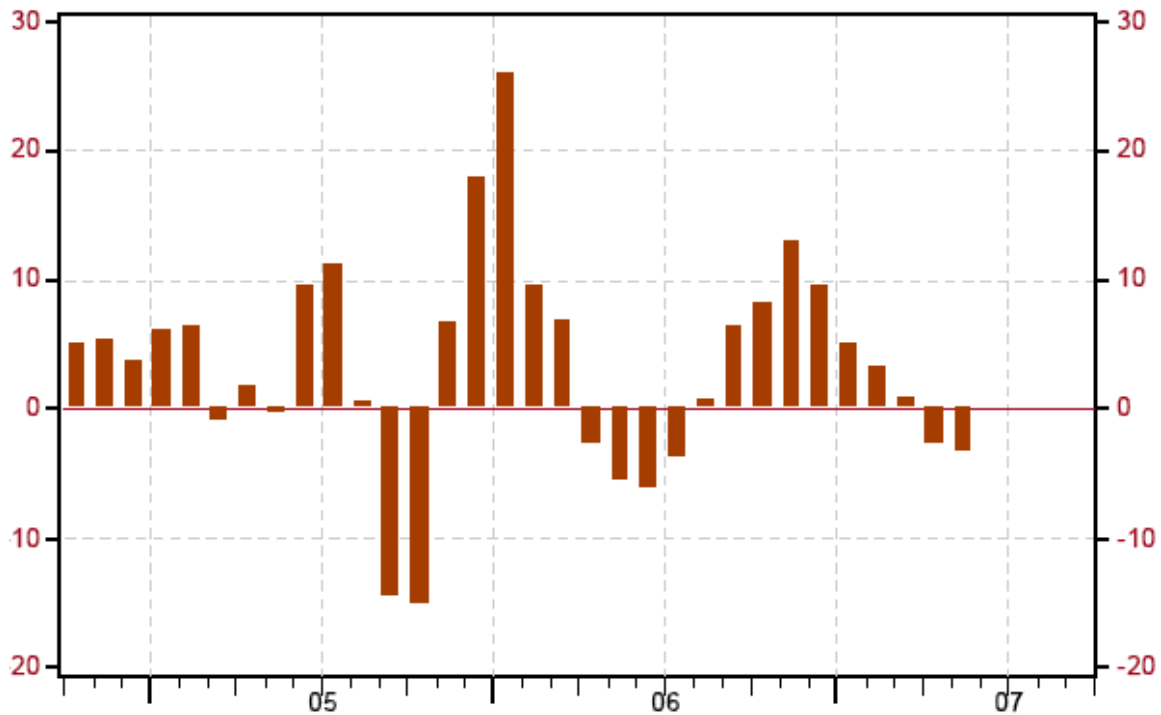
## GET REAL: CONSUMER SLOWING 06.25.2007

As you know, we find Austrian economic model followers to have a much better analysis of the economy than those wedded to the Keynesian model. The people at Northern Trust Company in Chicago are Austrians through and through, thus we like to pass along their research from time to time.

You also know that we believe the consumer is the key, and we are certain that his ability to spend has been seriously curtailed by having too little income, too little access to the housing ATM and higher interest rates. The following from Northern Trust points to this very fact. Please note the pronounced decline that has developed since November of 2006. It appears as though the consumer's last gasp took place toward the end of last year. We shall see.

### Retail Sales ex Food Services / CPI for Commodities

3-month %Change-ann



Taken from [www.NorthernTrust.com](http://www.NorthernTrust.com)