

We Remain on Our Own “Storm Track”

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The leading indicators of the U.S. economy have declined now for three months in a row. Back in the “old days,” this was a sure sign of an impending recession to come. However, over time, as the economy has become more service oriented as opposed to manufacturing, it’s predictive quality has become somewhat blurred. Be that as it may, and due to the fact that it has been the manufacturing sector that has been driving the economy of late, a real problem is developing.

We expect a recession next year. However, even if we are wrong it certainly won’t be anything worth bragging about. With that in mind, here’s another look at our favorite chart again.

