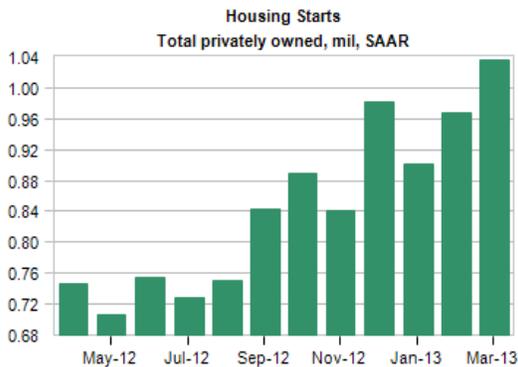


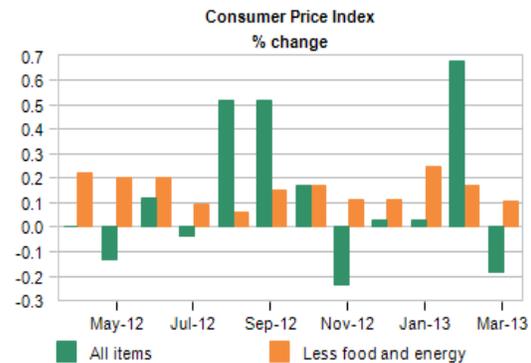
ECONOCAST™ UPDATE – April 22, 2013

U.S. Economy – Stronger Starts

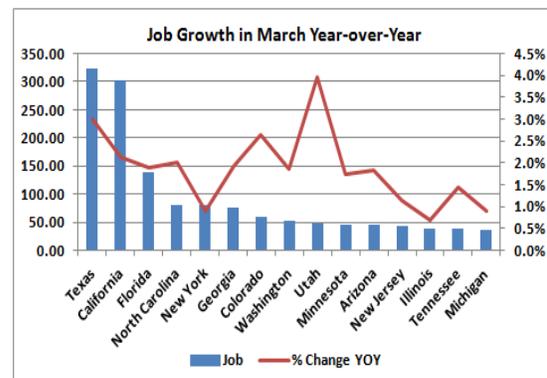
The rebound in housing markets pushed starts up in March to over 1 million units. This is the first time starts have exceeded the 1 million mark since mid-2008. Starts are running 47% faster than the March 2012 pace. A big jump in multifamily housing starts caused the March increase, since single-family starts declined by 4.8% in March. Permits also dropped m/m by 3.9% suggesting some moderation in the rebound.



Although housing is leading acceleration in GDP growth, prices are not rising. The consumer price index fell 0.2% in March because energy prices came down sharply. Core prices rose a moderate 0.1%, in line with recent performance.

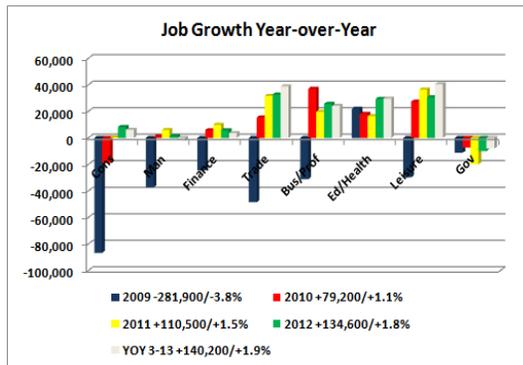


The March employment data by state showed Texas, California and Florida dominating the national picture. With a combined total of over 765,000 jobs these states accounted for over 40% of U.S. job growth over the last 12 months. Job growth in Texas is particularly impressive in total and in growth rate. In percentage terms Utah's 4% lead all large states followed by Texas and North Carolina.



Florida Economy: Accelerating Job Growth in March

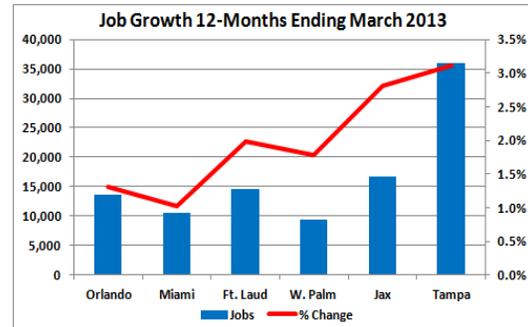
The pace of job growth continued accelerating in March with over 140,000 jobs generated over the last 12-months. This is a gain of 1.9% which was well above the U.S. average of 1.5% annual job growth. Six of the eight sectors enjoyed gains with only government and manufacturing jobs falling over the year.



Leisure and hospitality jobs rose 45,300 paced by gains in food and drinking places. Jobs in trade, transportation, and utilities rose 42,300 due to motor vehicle and parts dealers. The professional and business services sector gained 25,100 jobs, because of rising construction activity generating gains in temporary help services to buildings and dwellings. Private education and health services jobs rose 24,000 paced by ambulatory health care services. Construction jobs rose by 8,500 jobs.

Job gains were widespread over Florida for the year ending in March 2013. Nineteen of Florida's twenty-two metro areas had job gains. Job growth was particularly strong in Tampa Bay over the last 12-months with a gain of 3.1% amounting to

35,900 jobs. Jobs in Jacksonville jumped up by 2.8% contributing 16,700 jobs over the year. The rebounding housing markets in each area pushed up hiring of business and professional services mostly in the temporary help category support construction. In Orlando it was tourism driving the job growth while strong gains in retail trade pushed up job gains in South Florida.



The Great Recession and the housing market crash seriously affected the economies of a number of Florida metro areas. However, the recovery process has progressed to point that many of these metro areas are now recovering as evidenced by sustained increases in employment. For instance, all of the major metro areas in Southwest Florida had significant job growth. The recoveries in Ocala and Port St. Lucie are particularly noteworthy for both the volume of job growth and the growth rate in new jobs over the last 12-months.

