



2010 Predictions from the Center Mid-Field: Predictions vs. Actual Results

Economic Predictions

	Average Jan. '10 – Sept. '10	Prediction in Oct. '09	Results (% Difference)
U.S. Unemployment	9.7%	9.0%	7.36%
U.S. GDP	2.47%	3.3%	-25.24%
Crude Oil Prices	\$74.11	\$85	-12.81%
Fed. Funds Rate	.17%	1.5%	-88.75%
Ten-Year Treasury Note Rate	3.4%	5.5%	-37.89%
USD/GBP Exchange Rate	\$1.53	\$1.65	-7.04%
USD/EUR Exchange Rate	\$1.32	\$1.65	-20.25%
Renminbi/USD Exchange Rate	6.81 Renminbi	6.1 Renminbi	11.59%
Savings Rate	4.7%	3%	56.67%
Budget Deficit (in billions)	\$1600 billion	\$700 billion	128.57%

Socio-Political Predictions

Prediction in October 2009	Result
Tax rate on capital gains ↑ to 20%	TBD
Record number of international visitors to the U.S.	All time high was in Q2 2007, but increased 5% in Q1 2010 and 3% in Q2 2010
IRS and state/local tax investigators raise ire of general public with collection techniques	Yes

Industry Predictions

Prediction in October 2009	Result
Private equity/M&A deal volume increases 30%-40% over 2009 deal volume	Yes – First half of 2010 was the best 6 months of PE deal volume since 2008 – this trend began in the Q4 of 2009
Law firm and accounting firm business stabilizes, but at lower billable-hour rates	Yes
Niche manufacturing will continue to prosper and begin significant exports	Yes – Exports for the first half of 2010 up 24.5%
Natural gas begins to take hold as an alternative fuel to petroleum and coal	Yes
Airlines will become profitable	Yes
Colleges and universities come under significant financial distress; smaller ones merge together and larger ones look to alternative uses of their assets	Yes
Record number of students enroll in community colleges	Yes