



## Predictions from the Center Mid-Field 2010

### Economic Predictions

- U.S. unemployment ↓ from 9.8% to 9.0%
- U.S. GDP ↑ from -.7% to 3.3%
- Oil prices ↑ from \$69 to \$85
- Fed funds rate ↑ from .15% to 1.5%
- Ten-Year Treasury Note rate ↑ from 3.31% to 5.5%
- USD/GBP exchange rate ↑ from 1.63 to 1.65
- USD/EUR exchange rate ↑ from 1.458 to 1.65
- Renminbi/USD exchange rate ↓ from 6.83 to 6.1
- U.S. personal savings rate flat from 3% to 3%
- U.S. budget deficit ↓ from \$1.4 trillion to \$700 billion

### Socio-Political Predictions

- Tax rate on capital gains ↑ to 20%
- Record number of international visitors to the U.S.
- IRS and state/local tax investigators raise the ire of the general public with their collection techniques

### Industry Predictions

- Private equity/M&A deal volume increases 30%-40% over 2009 deal volume
- Law firm and accounting firm business stabilizes, but at lower billable-hour rates
- Niche manufacturing will continue to prosper and begin significant exports
- Natural gas begins to take hold as an alternative fuel to petroleum and coal
- Airlines will become profitable
- Colleges and universities come under significant financial distress; smaller ones merge together and larger ones look to alternative uses of their assets
- Record number of students enroll in community colleges