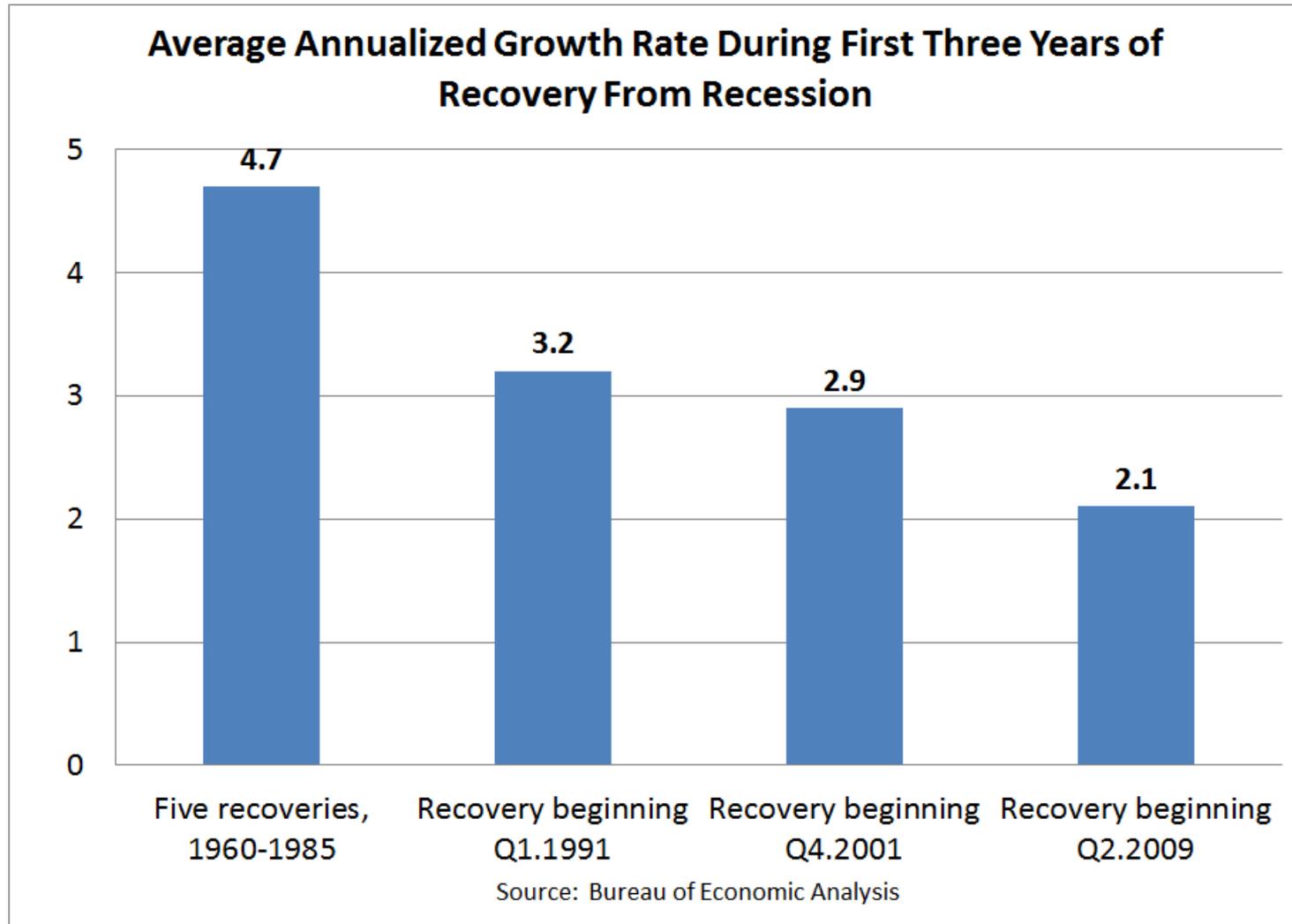


Slow Recovery Enters Fifth Year

- Economy still chugging along at 2 percent pace
 - Slowest recovery in living memory
 - Damage from deep recession may be permanent
- Eighth District job market recovering slowly
 - Employment won't return to 2007 level for years
 - Lower unemployment rates west of Mississippi River
- Why is the recovery so weak?
 - Aftermath of a financial crisis
 - Demographic transitions underway
 - Previous unsustainable growth being reversed

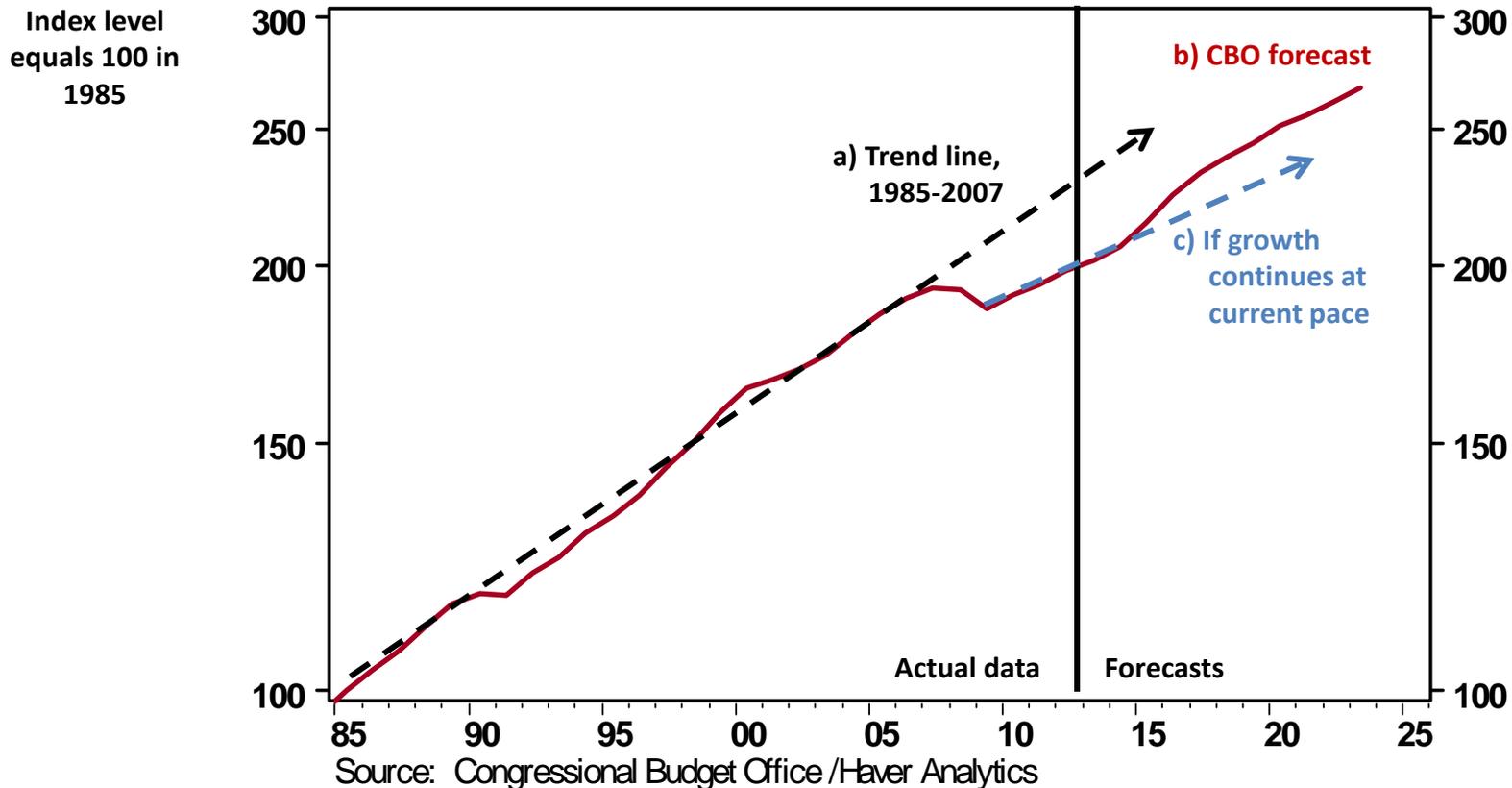


Current Recovery is Very Weak



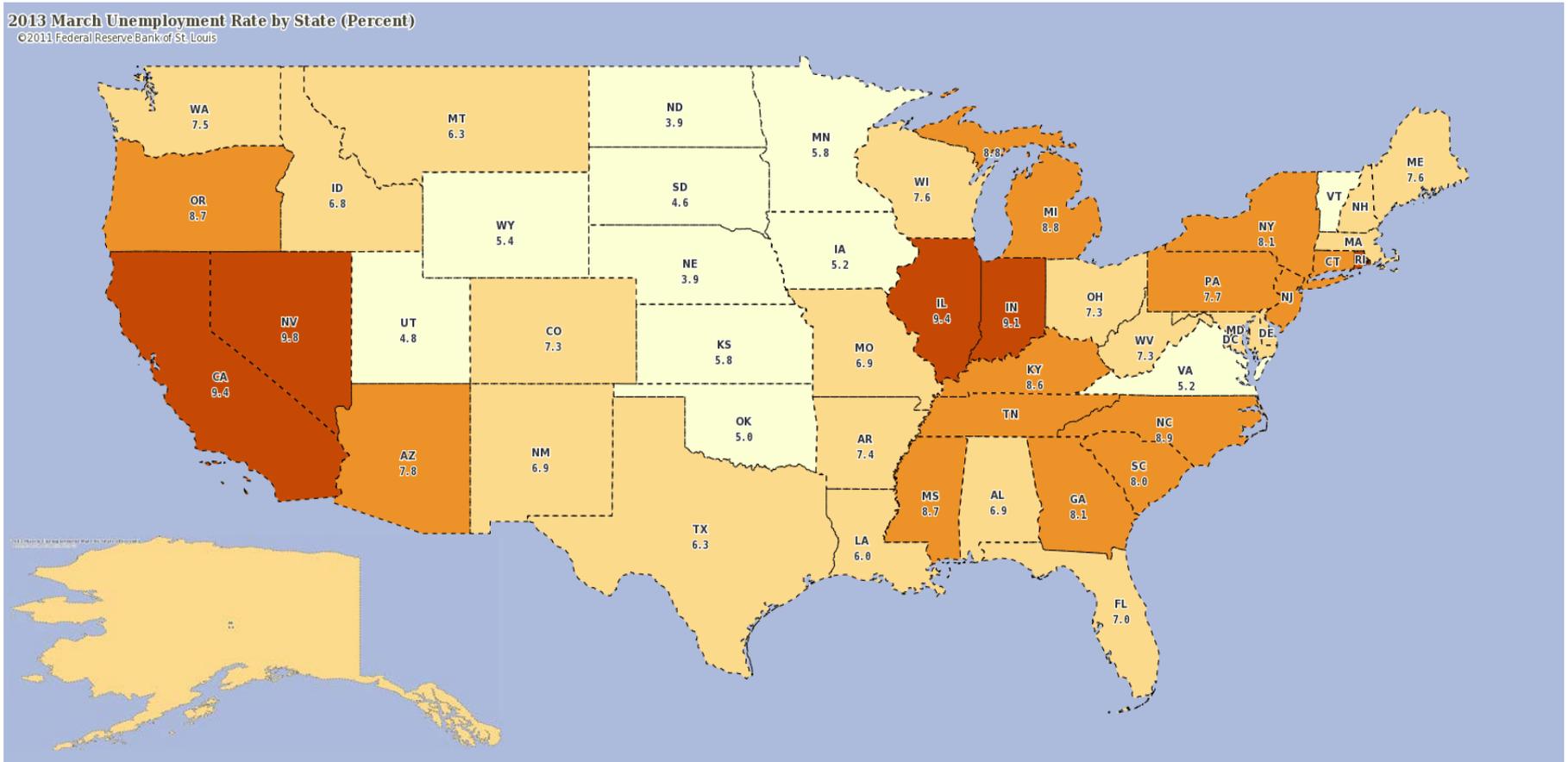
Even CBO's Optimistic Forecast Does Not Bring Us Back to Previous Trend

Level of Real GDP Through 2012; CBO Projections, 2013-23



Four Weakest Regions: W, SE, GL, NY/NJ

March 2013 State-Level Unemployment Rates:
Darker Shading Represents Higher Rate

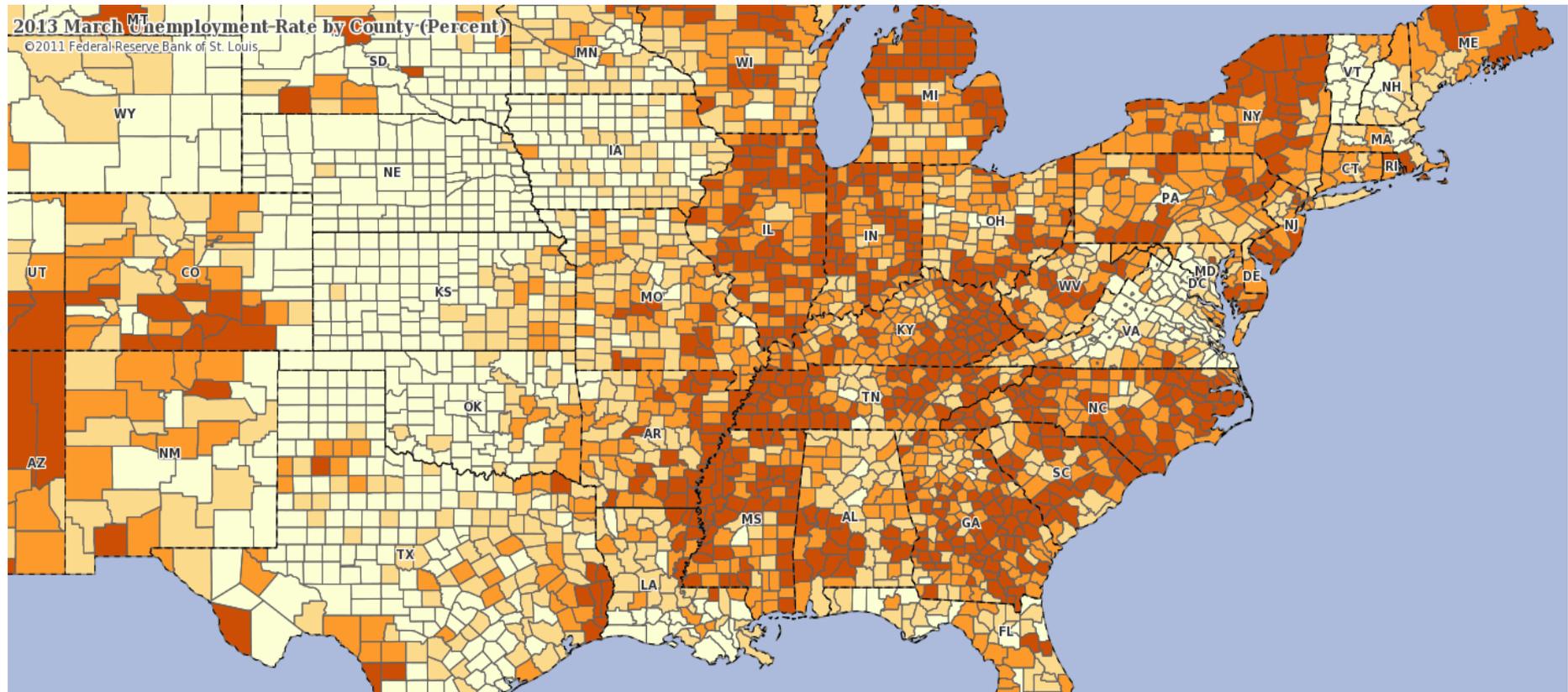


Source: Bureau of Labor Statistics and GeoFRED, <http://geofred.stlouisfed.org/>



Pockets of High Unemployment (>10%) Remain Throughout the 8th District

March 2013 County-Level Unemployment Rates:
Darker Shading Represents Higher Rate

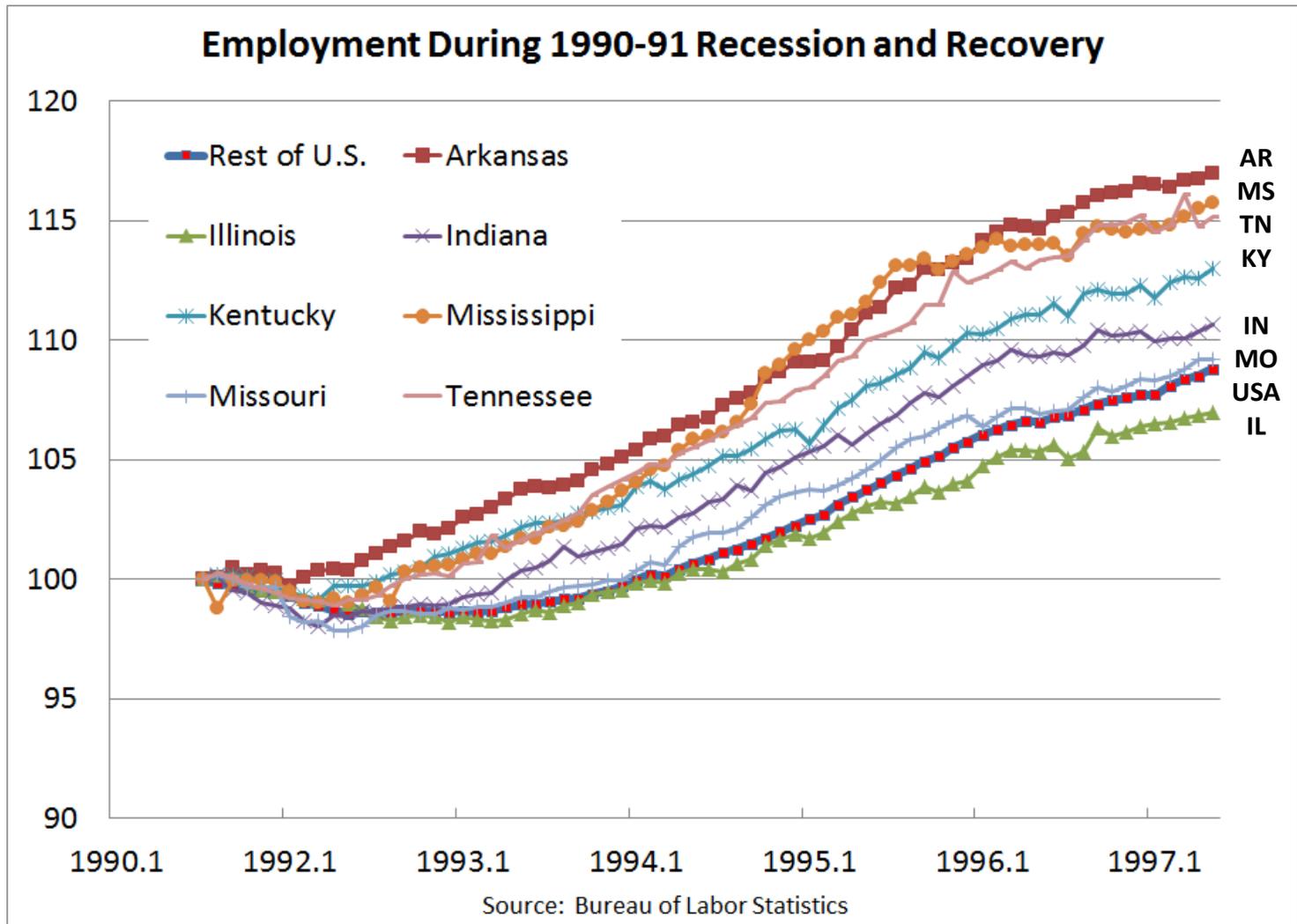


Source: Bureau of Labor Statistics and GeoFRED, <http://geofred.stlouisfed.org/>



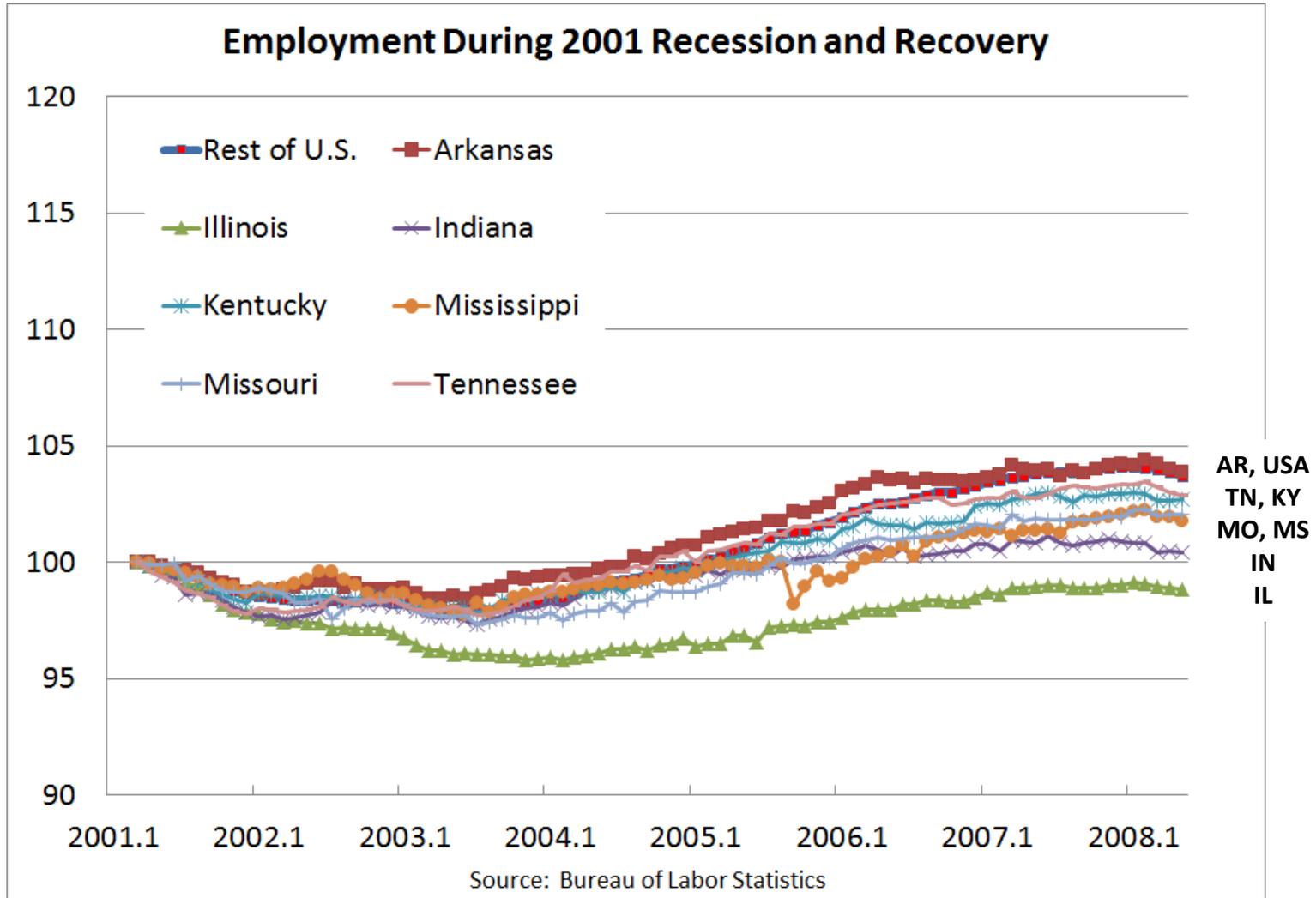
Most 8th District States Recovered Faster Than the Nation After 1990-91 Recession

Index levels equal 100 at business-cycle peak (July 1990)



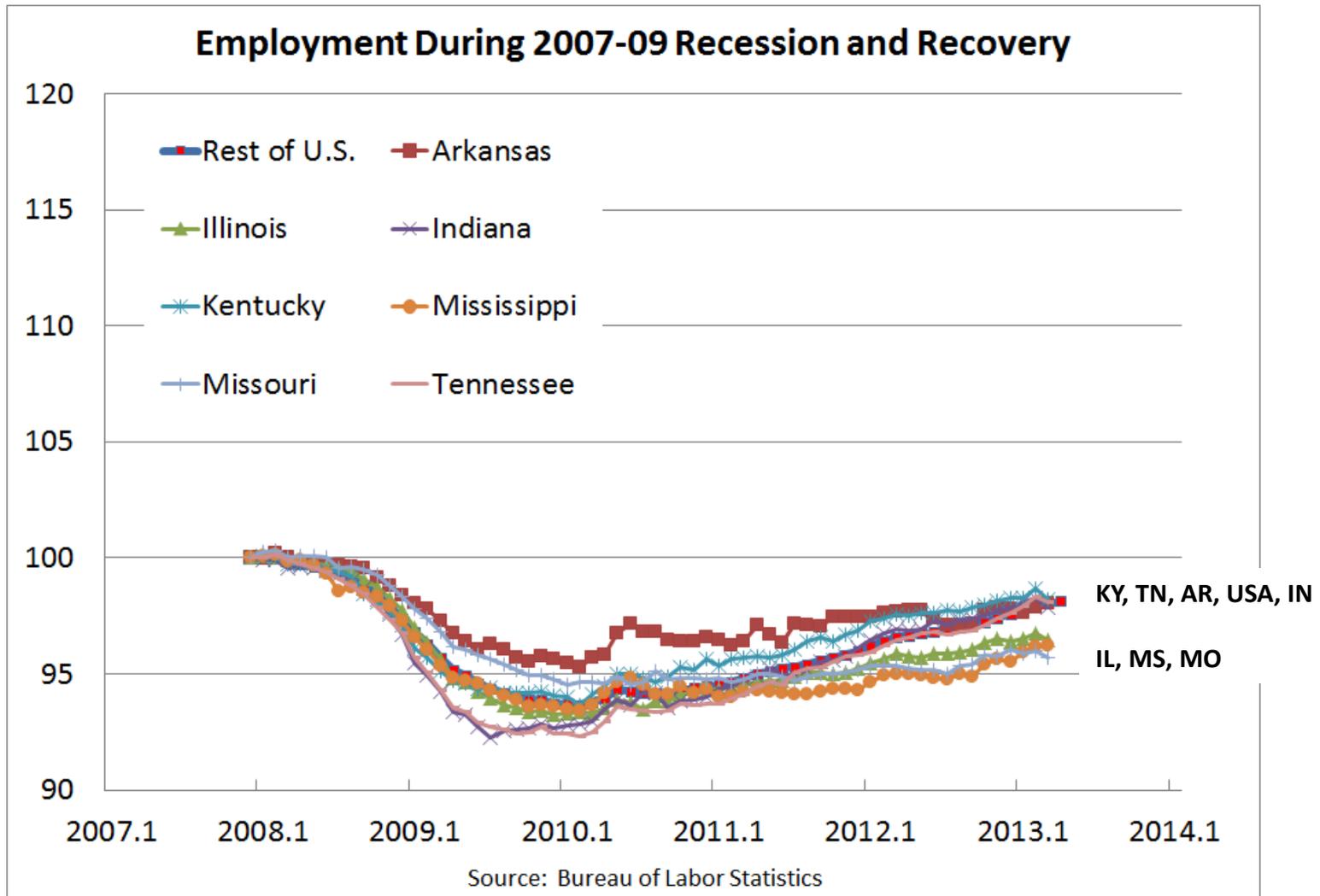
Most 8th District States Lagged the Nation During Slow Recovery After 2001

Index levels equal 100 at business-cycle peak (Mar. 2001)



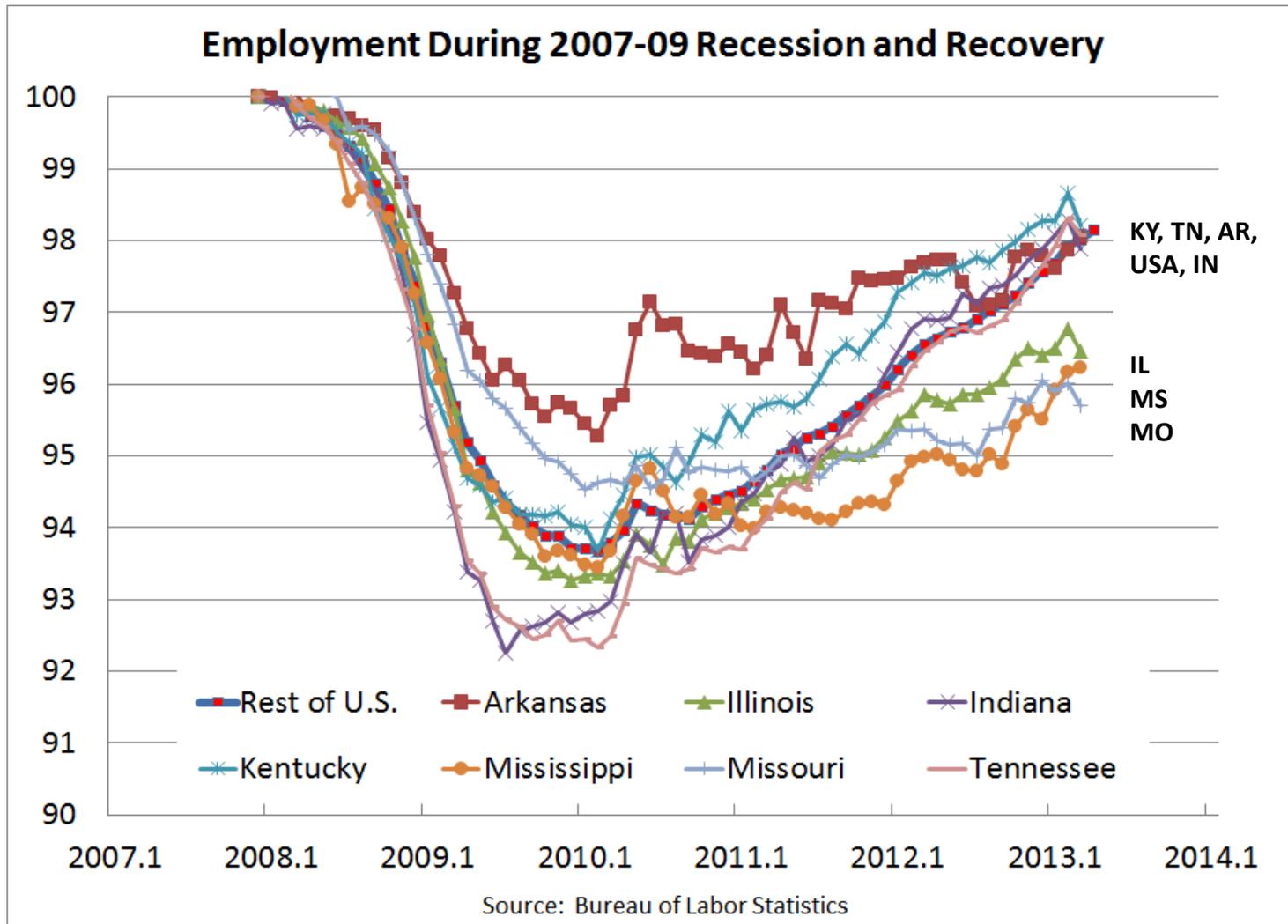
Employment Remains Below 2007 Level Here and Across the Nation

Index levels equal 100 at business-cycle peak (Dec. 2007)



Illinois, Mississippi, and Missouri Are Years Away From Full Recovery

Index levels equal 100 at business-cycle peak (Dec. 2007)



Why is this Recovery so Weak?

- Aftermath of a financial crisis
- Demographic transitions underway
- Previous growth was unsustainable



Future Take Five Topics

- Fed-Speak 101: Parsing the FOMC's statements
- How long will interest rates remain at their current low levels?

