



# State of Florida Government Series

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10-Year Treasury Note: 2.52%

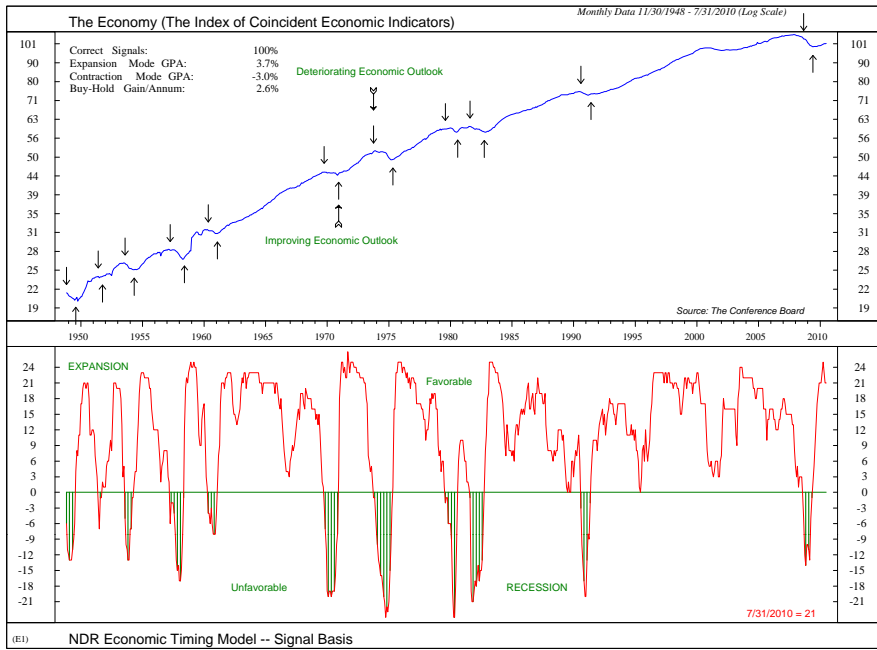
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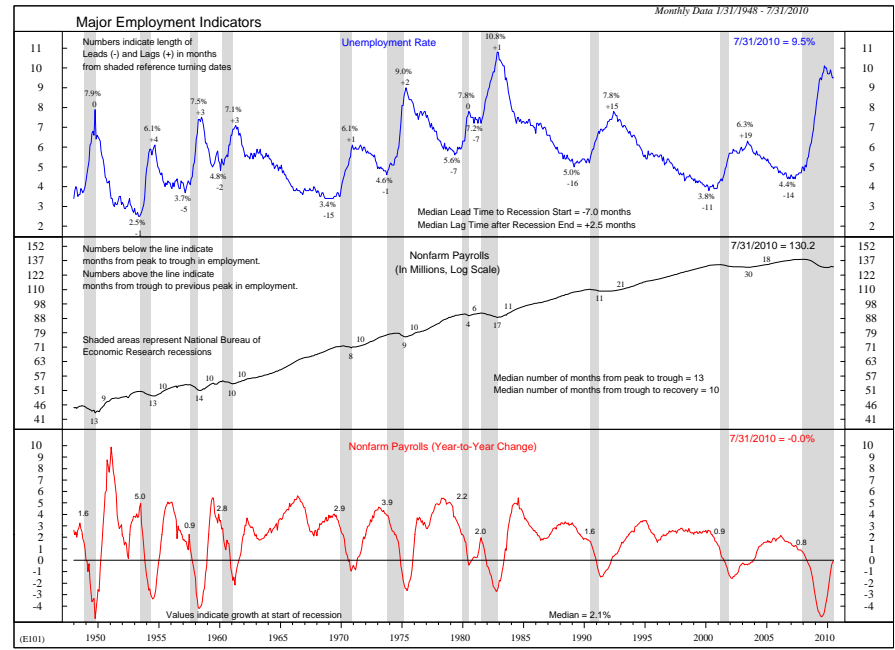
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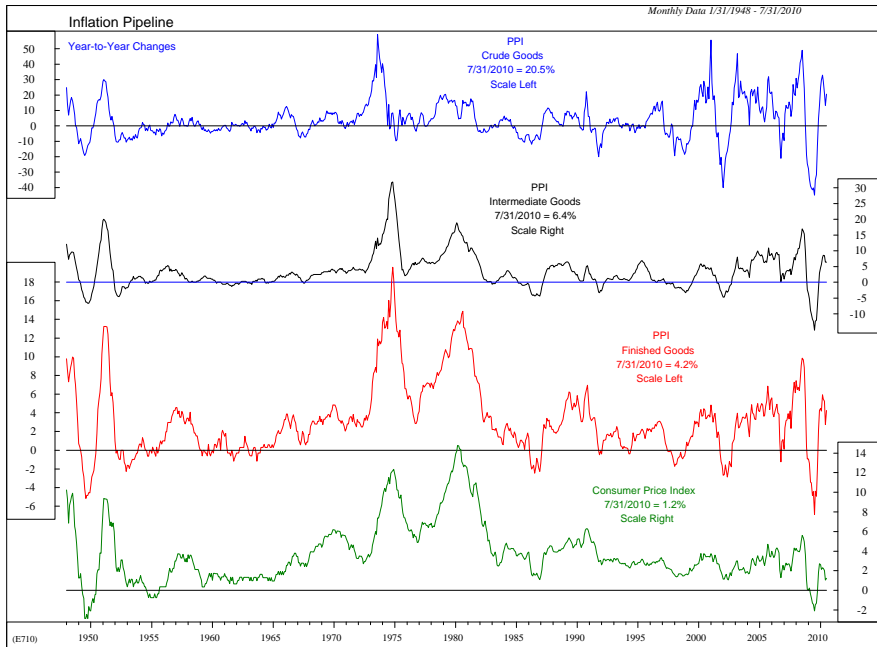
# The Overall Economic Outlook . . .



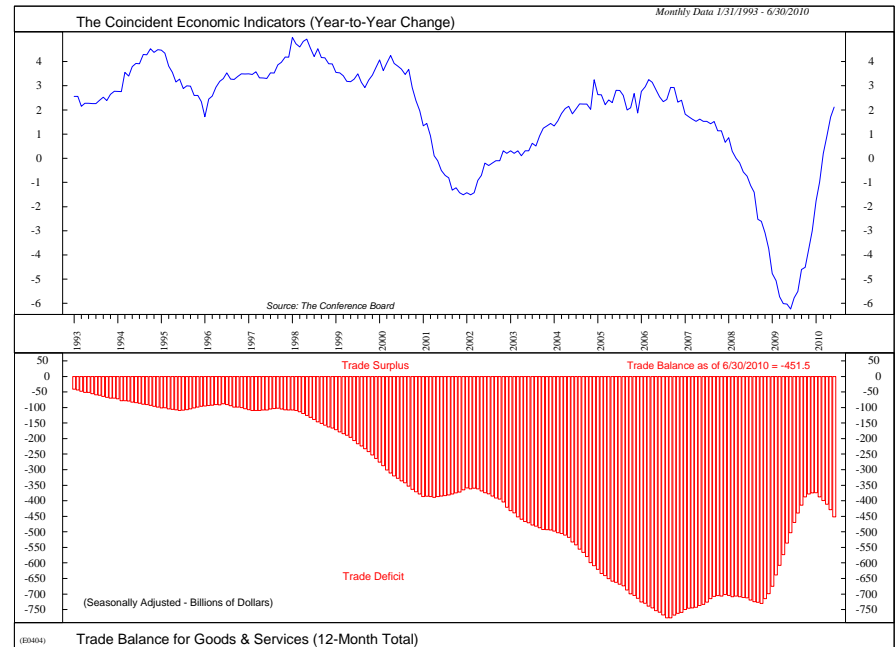
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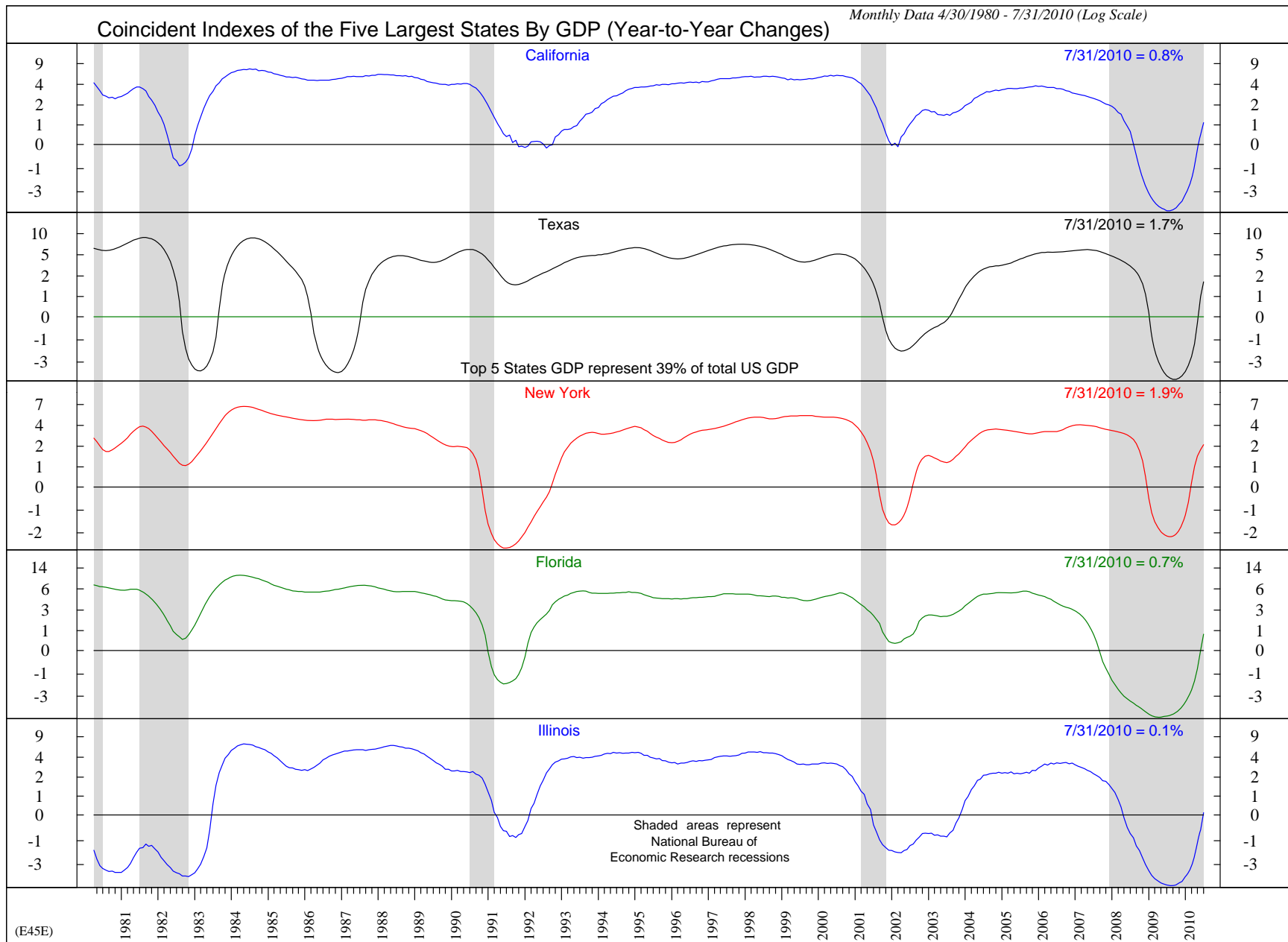


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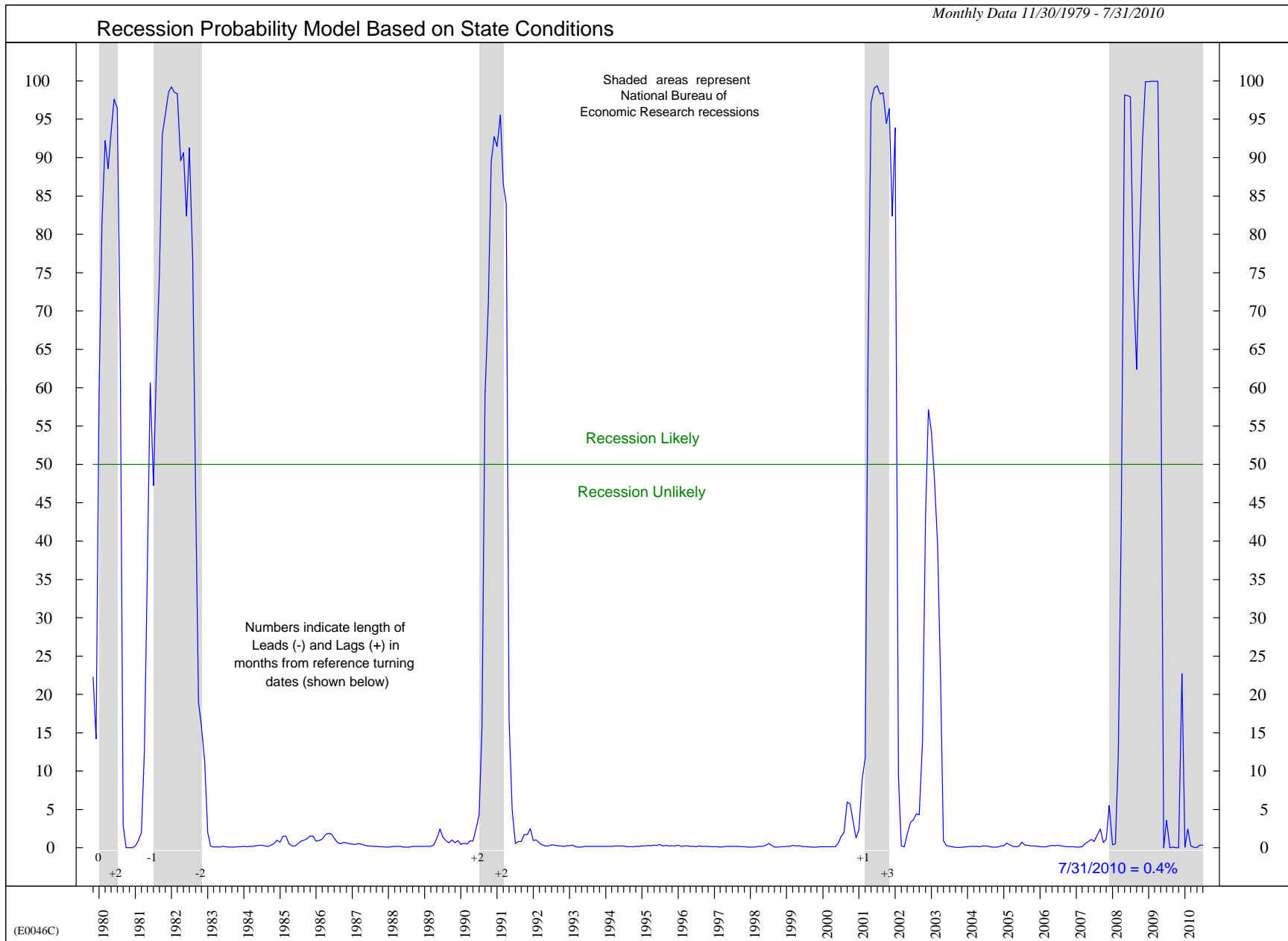


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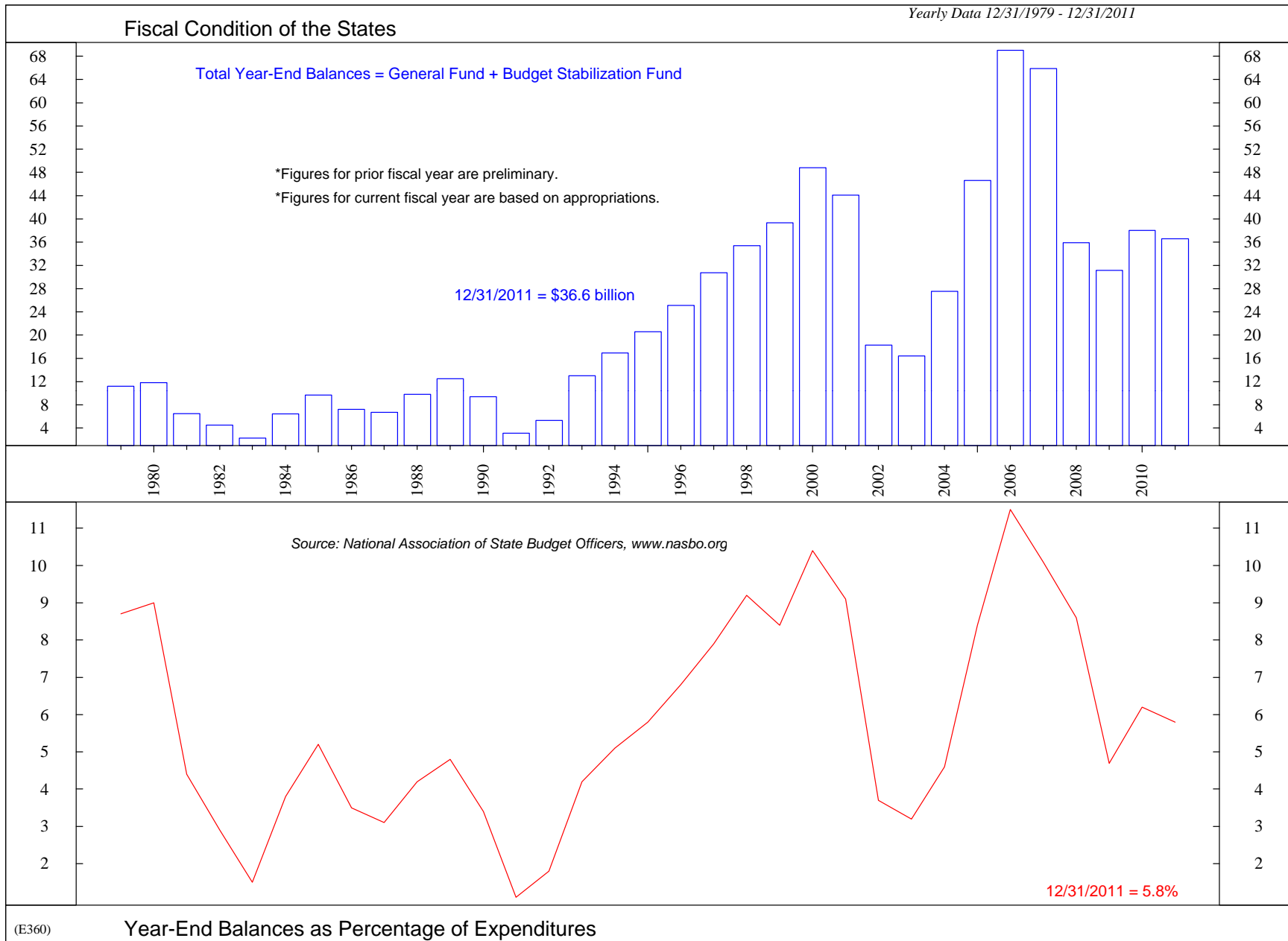
# How The States Are Doing . . .



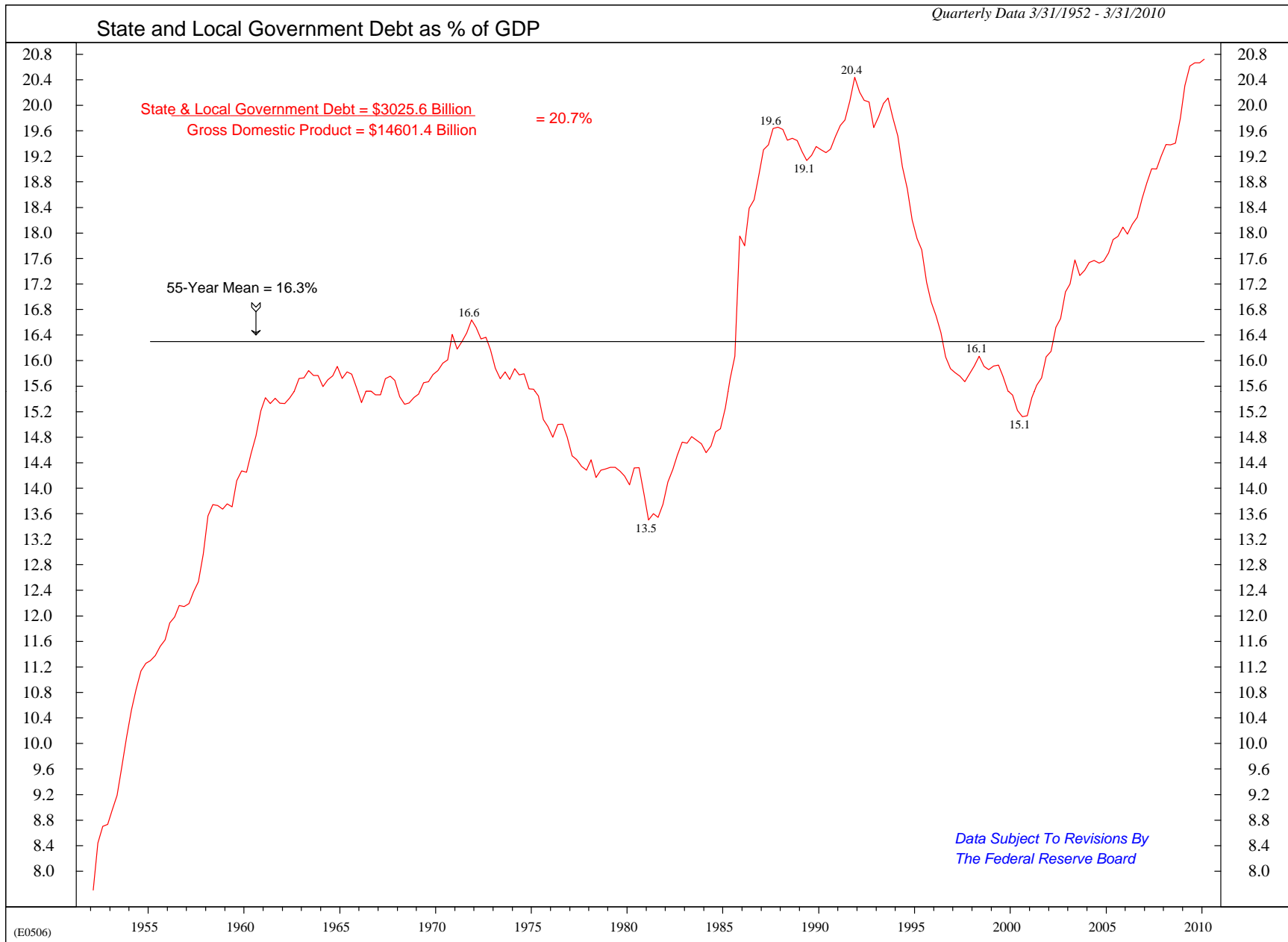
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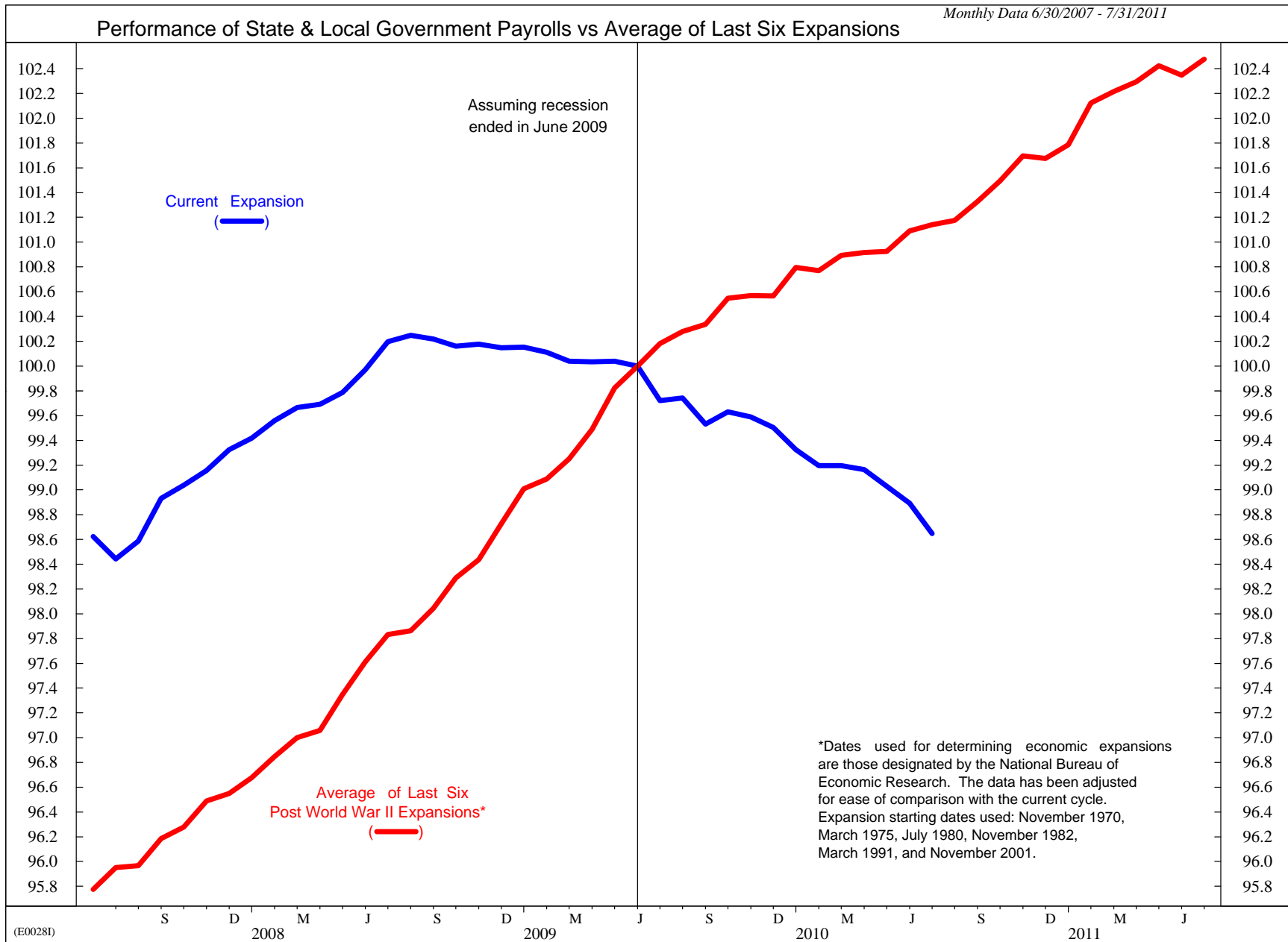
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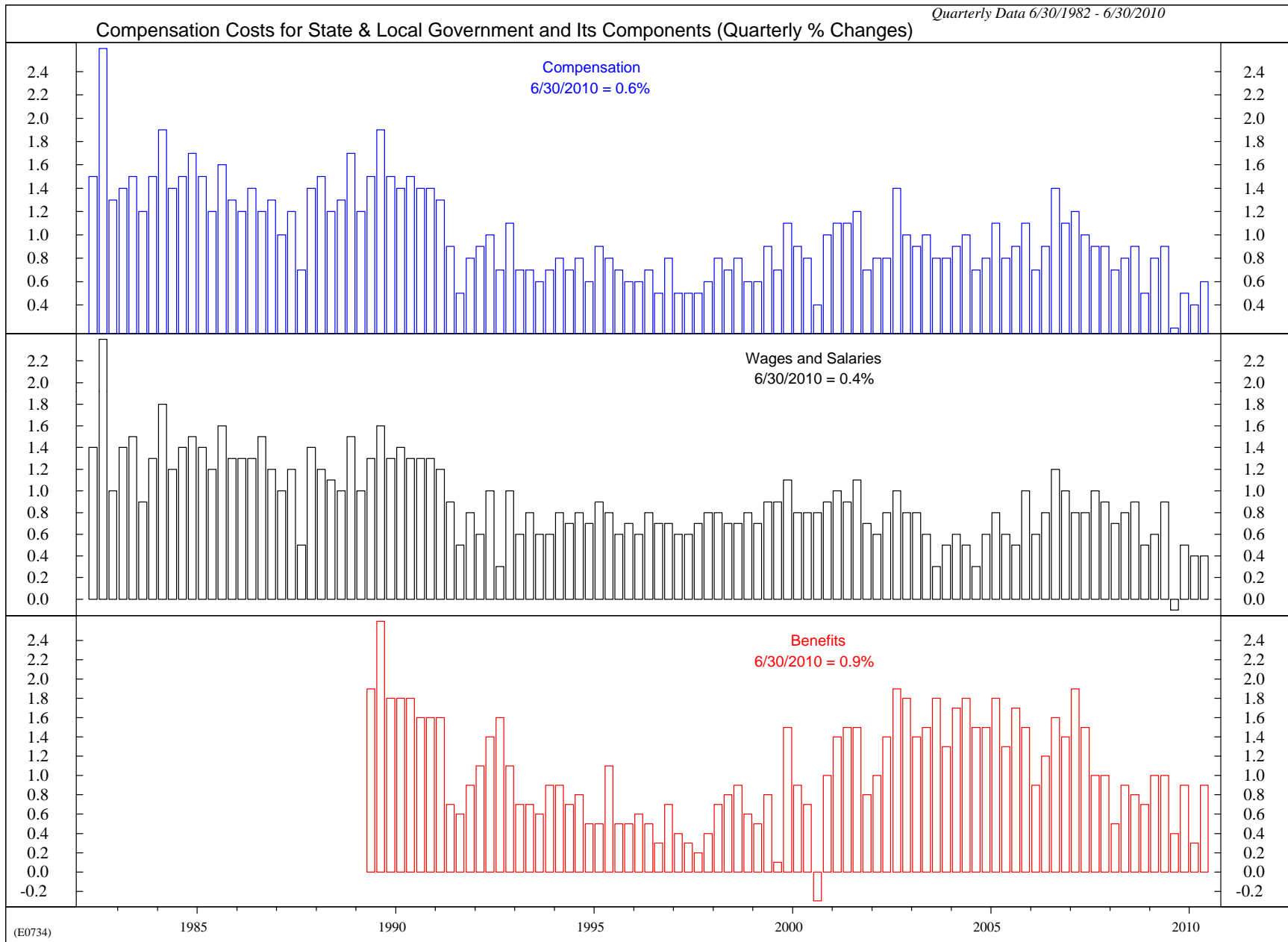
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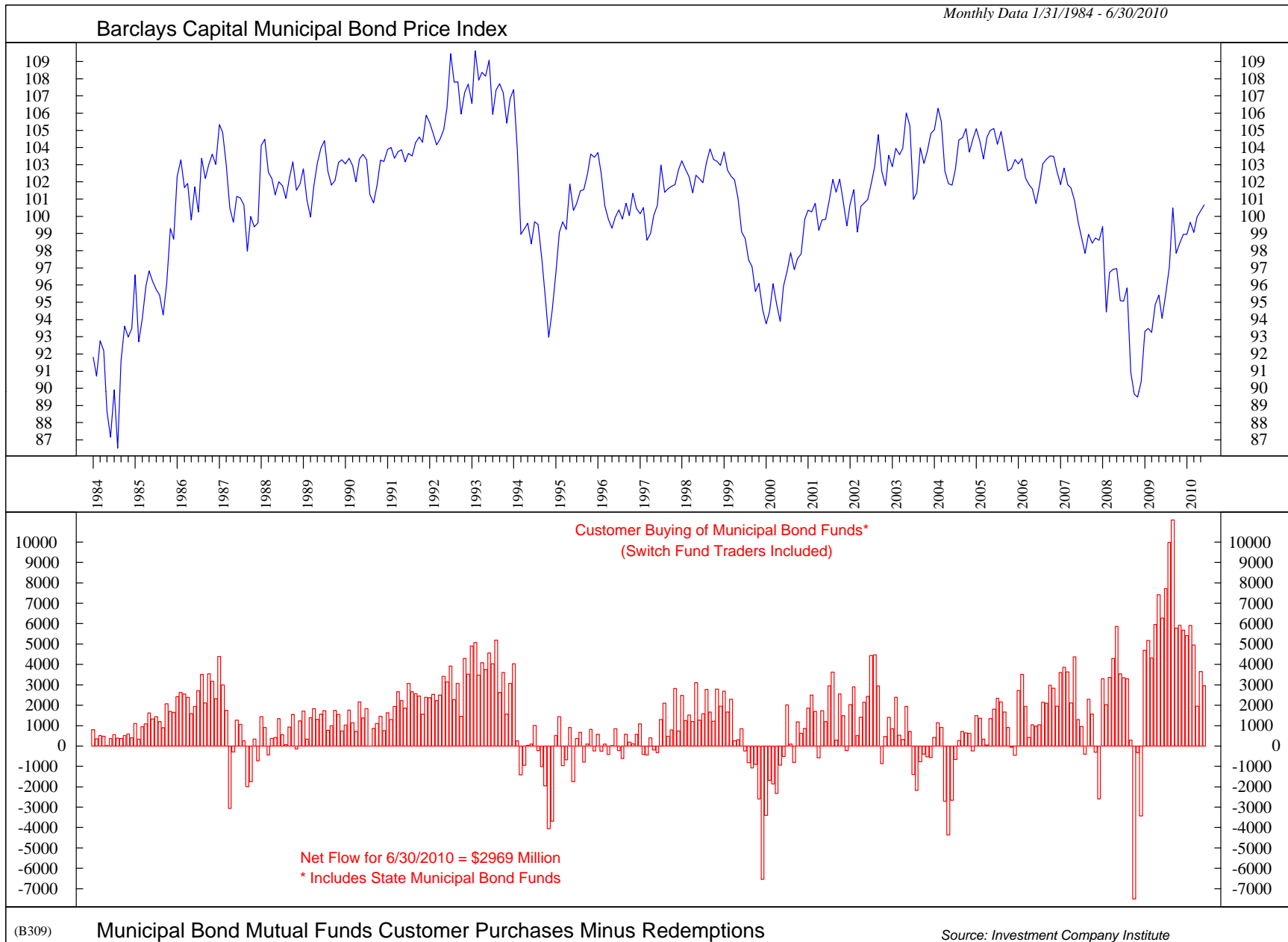
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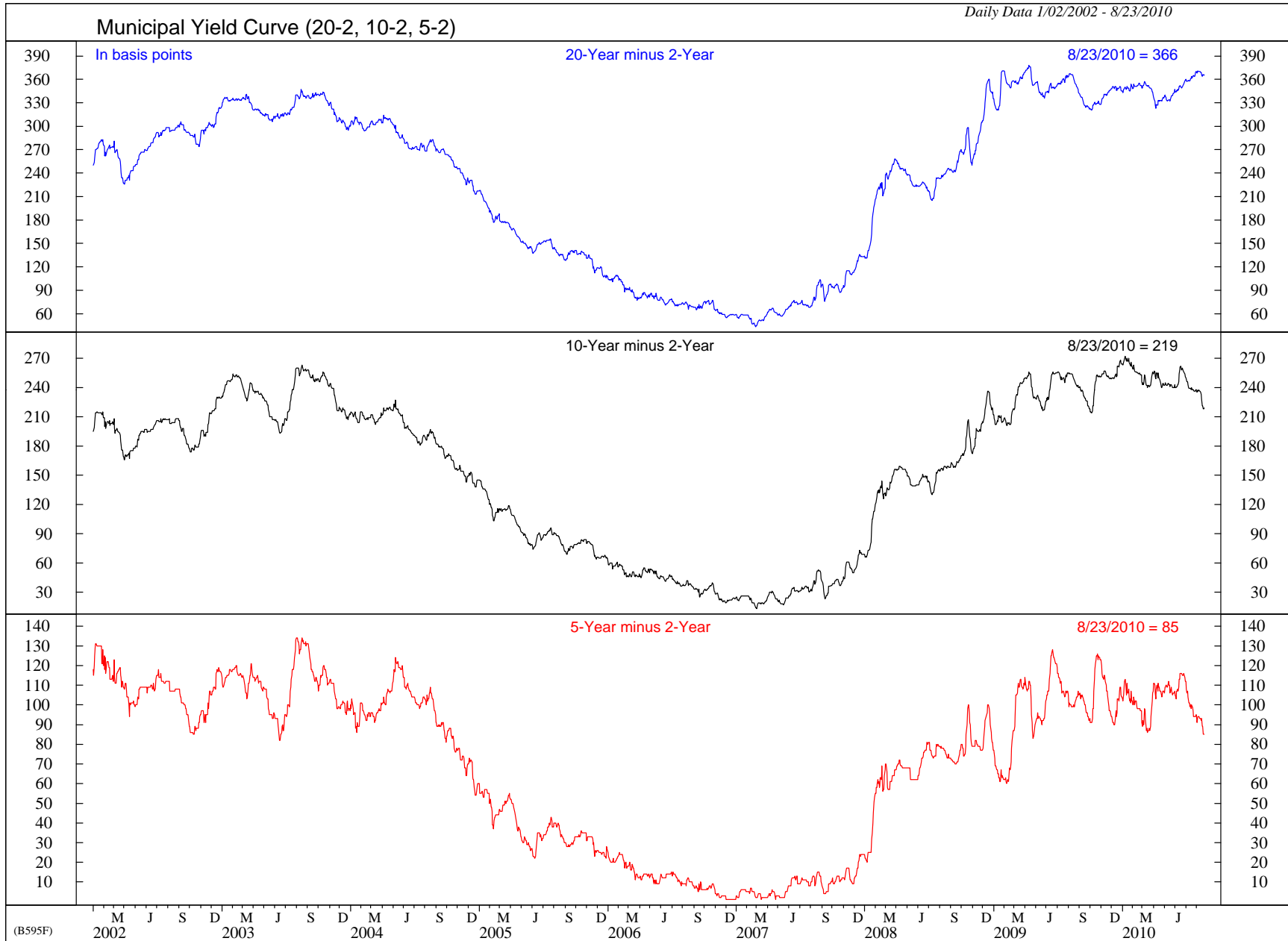
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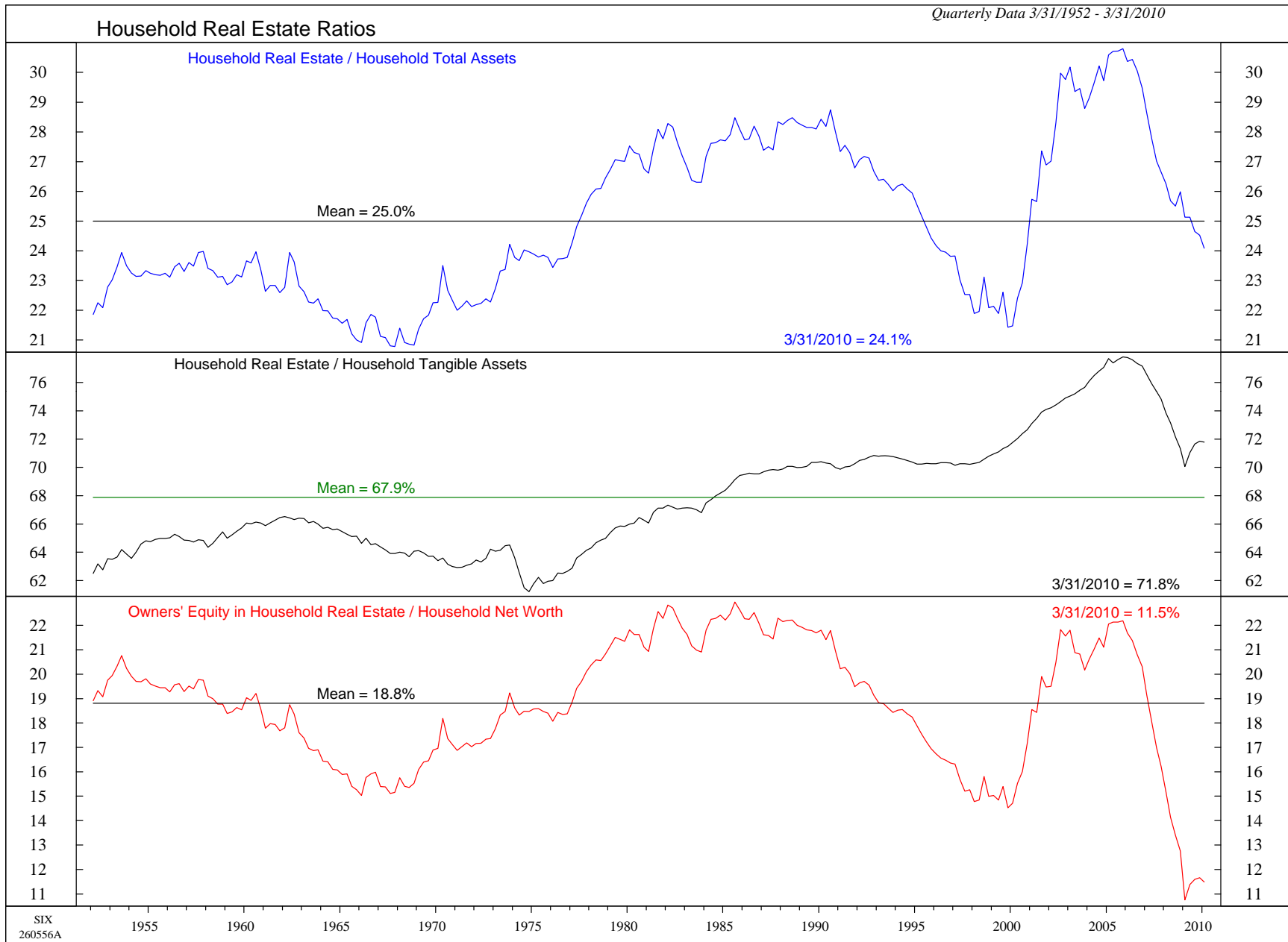
# Can Local Government Sell Bonds; What Does It Cost . . .



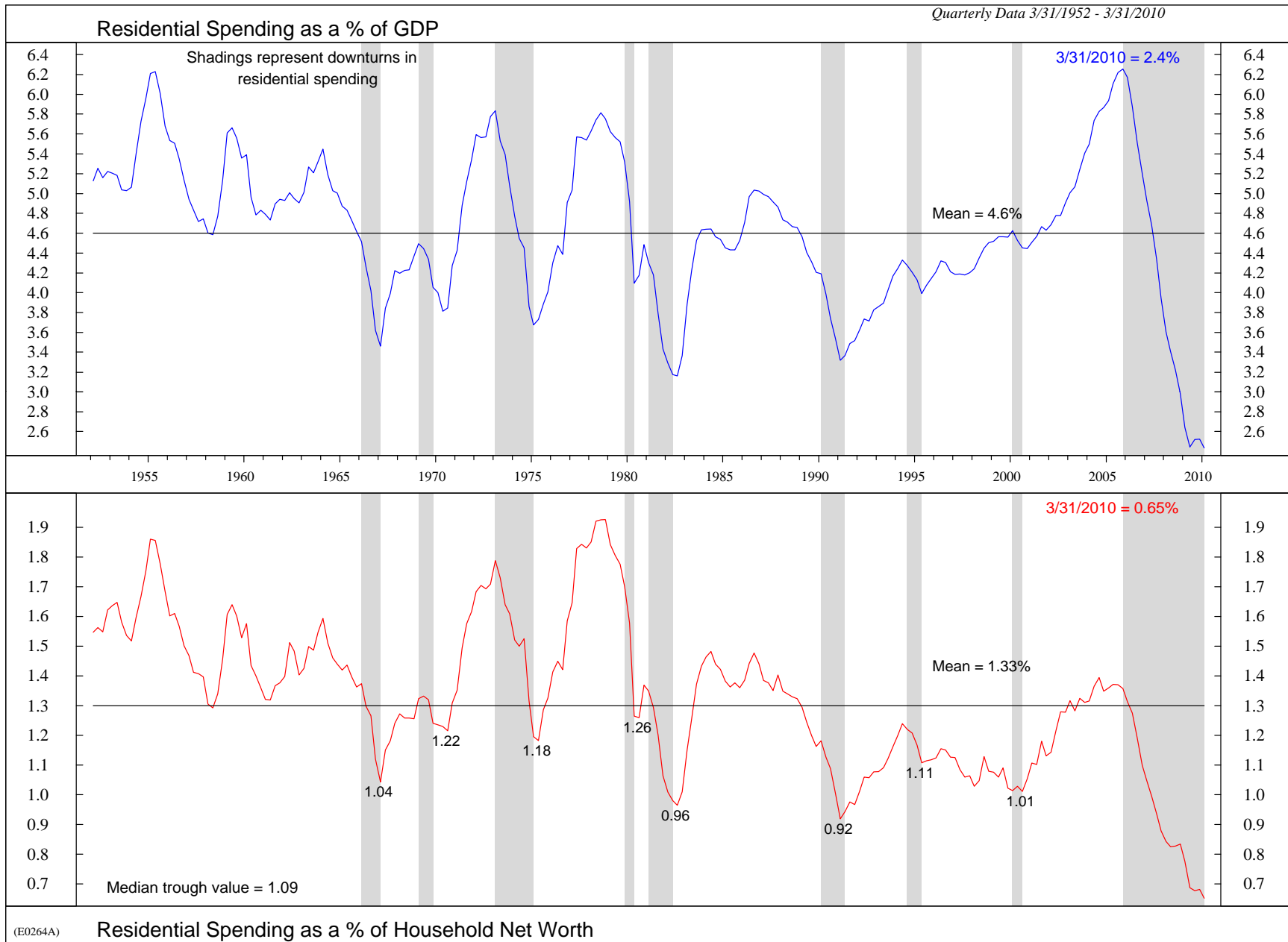
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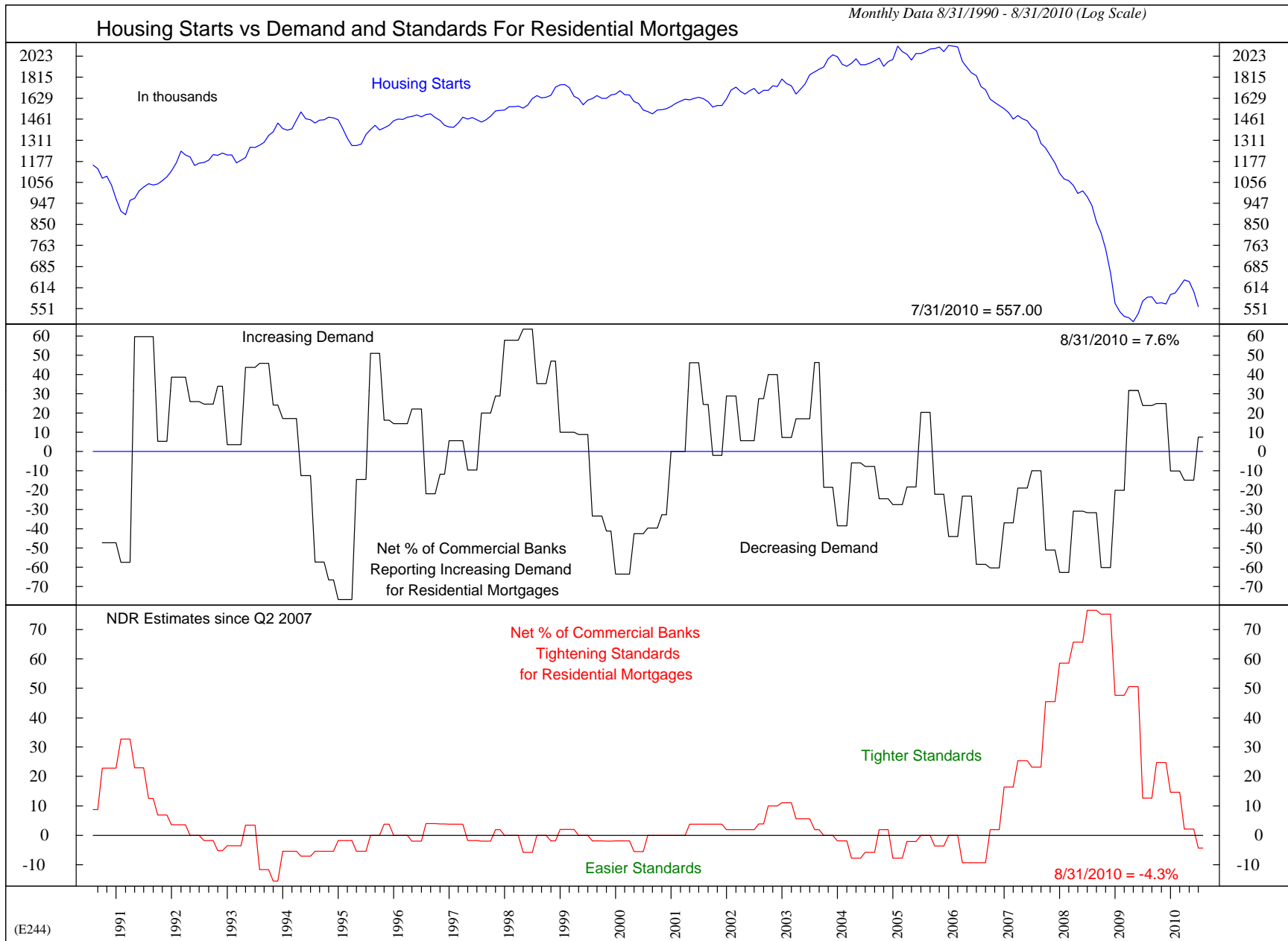
# The Housing Market Is Important To Florida . . .



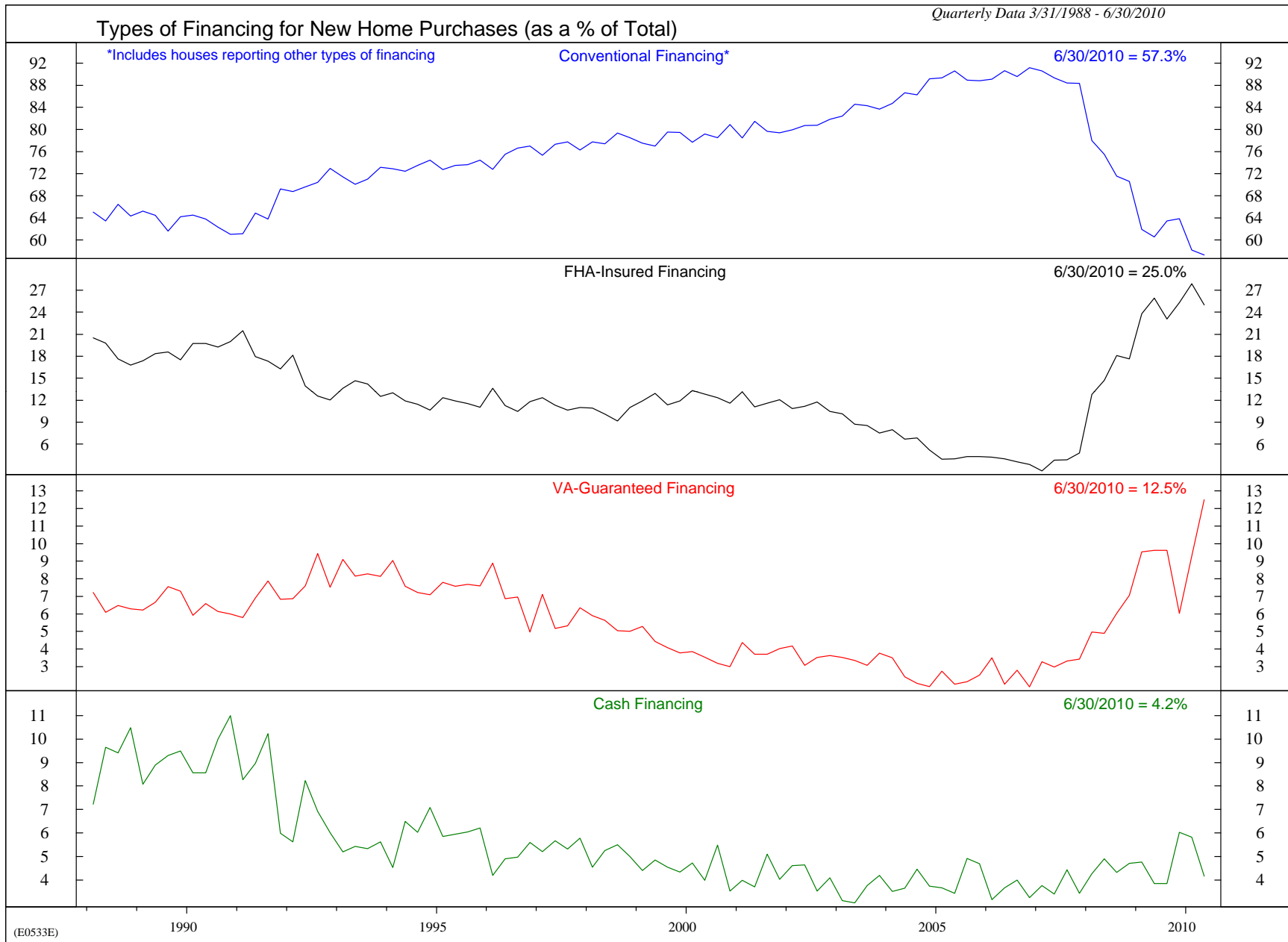
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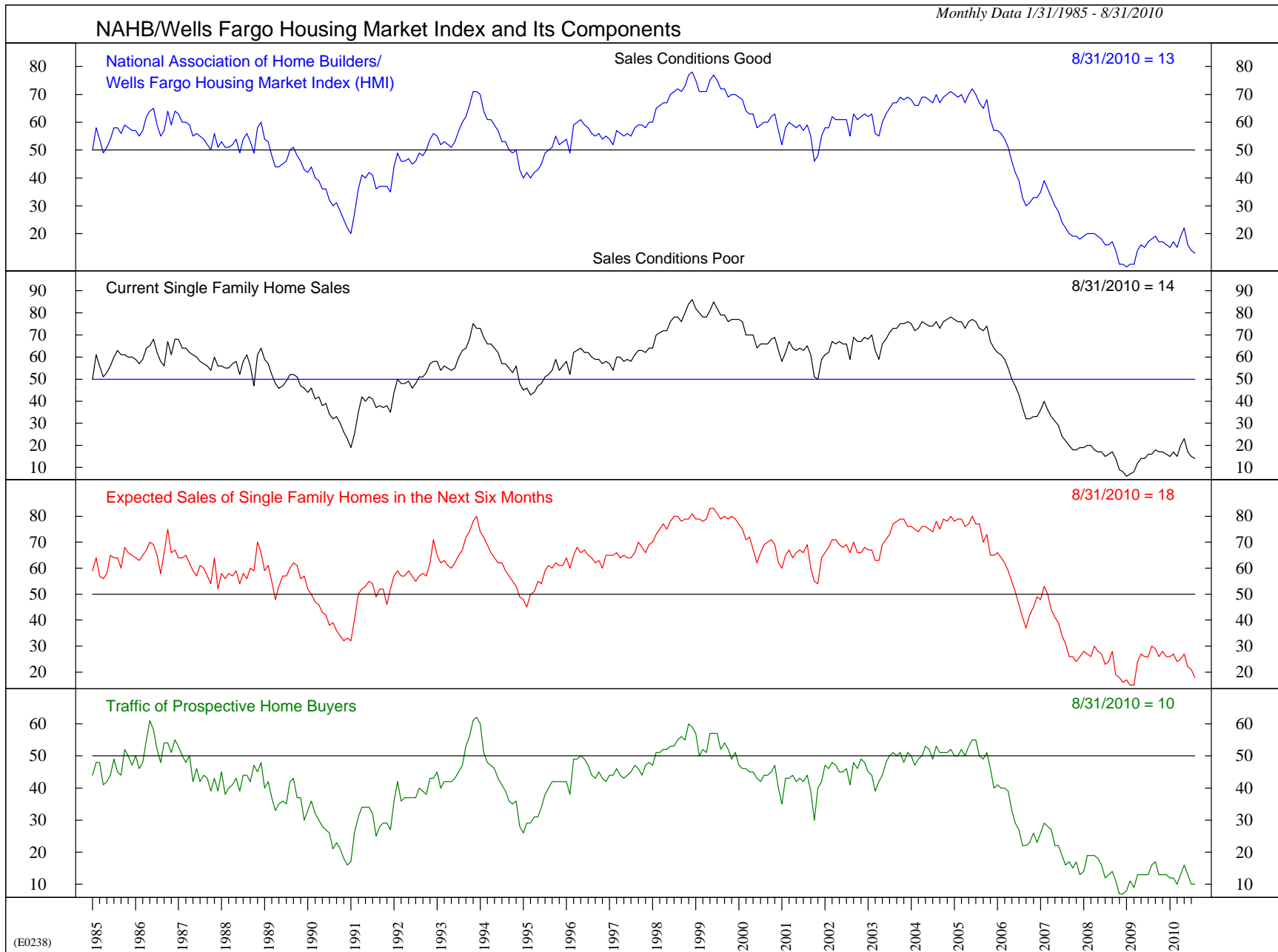
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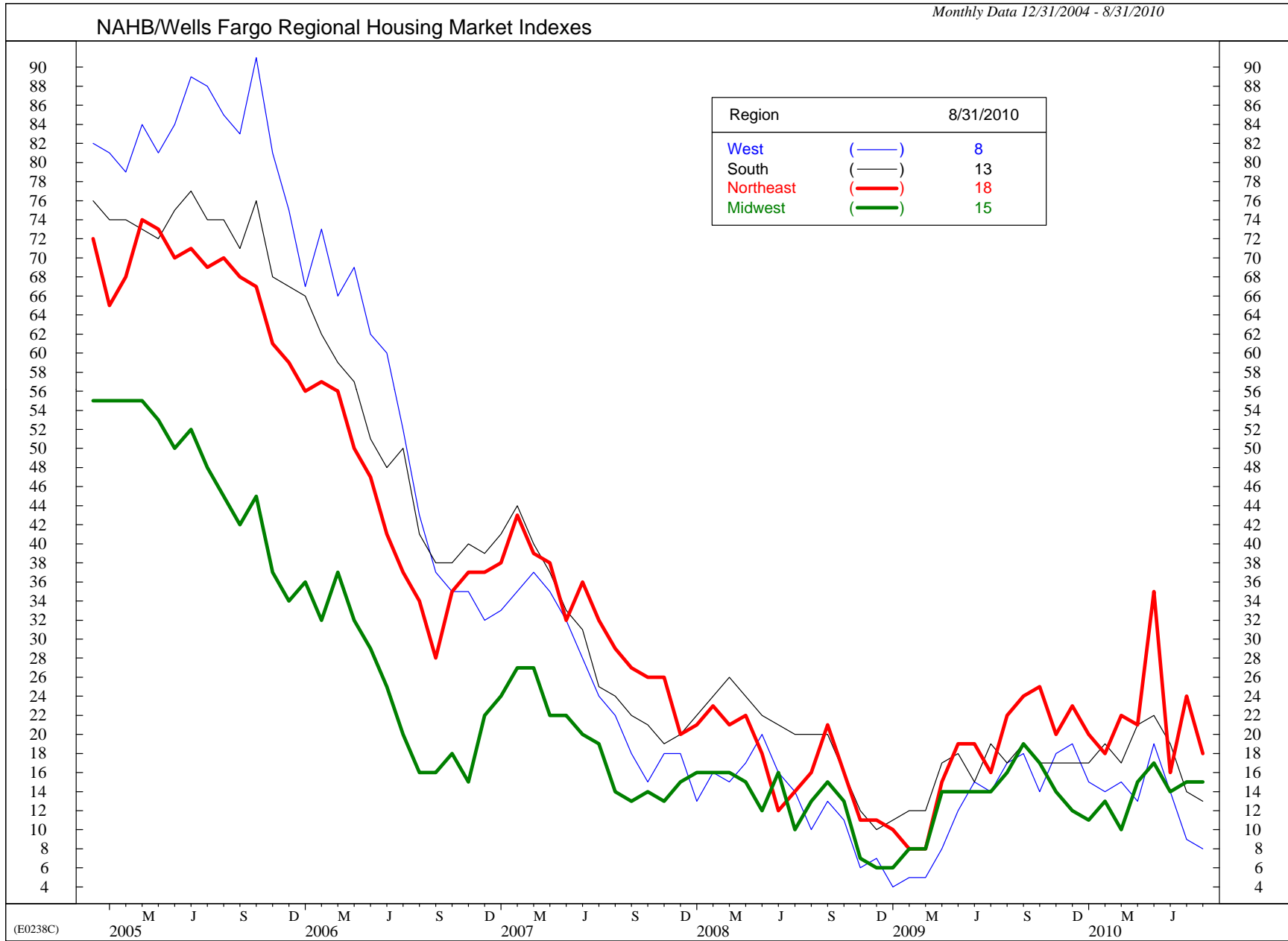
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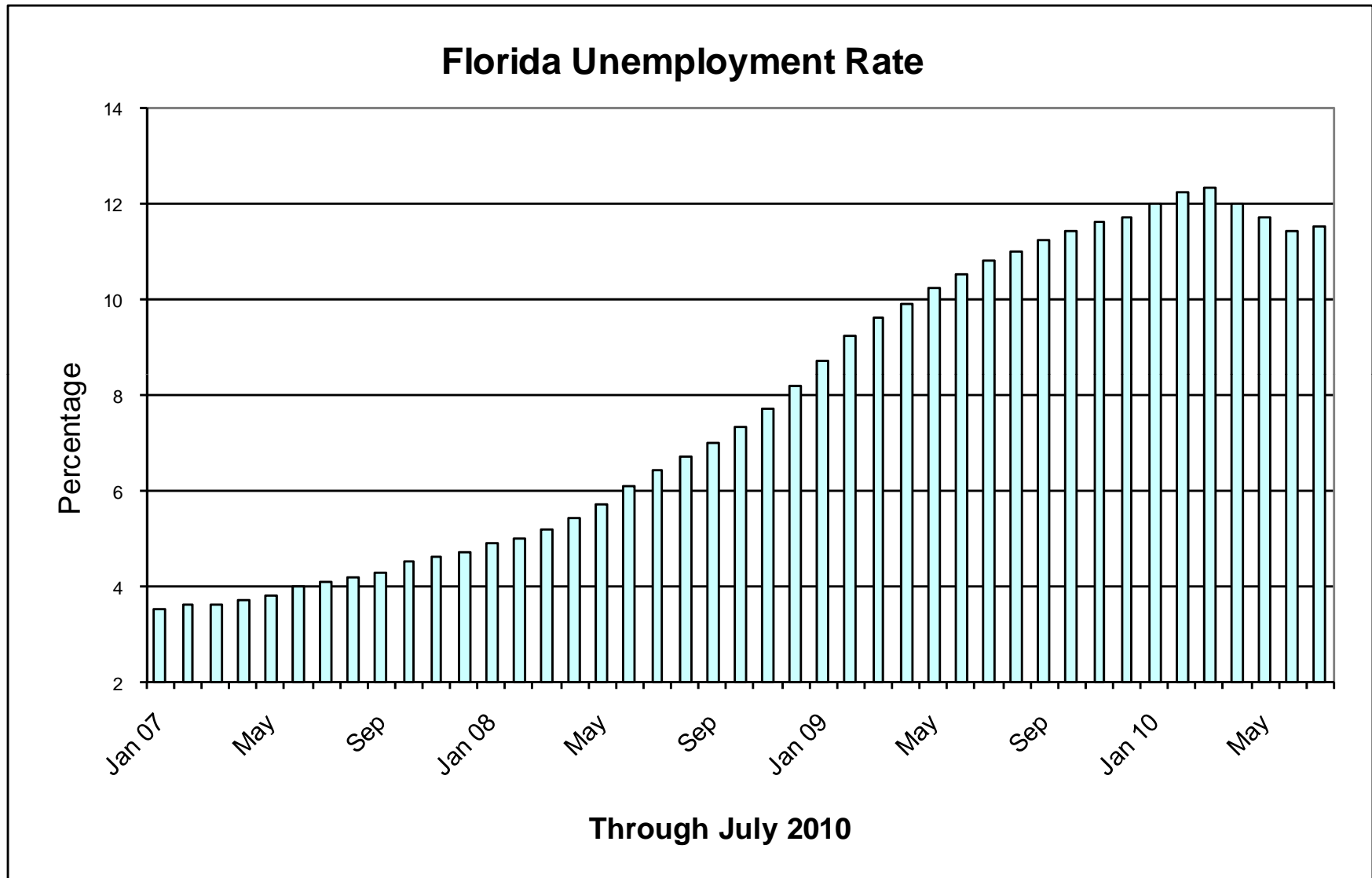
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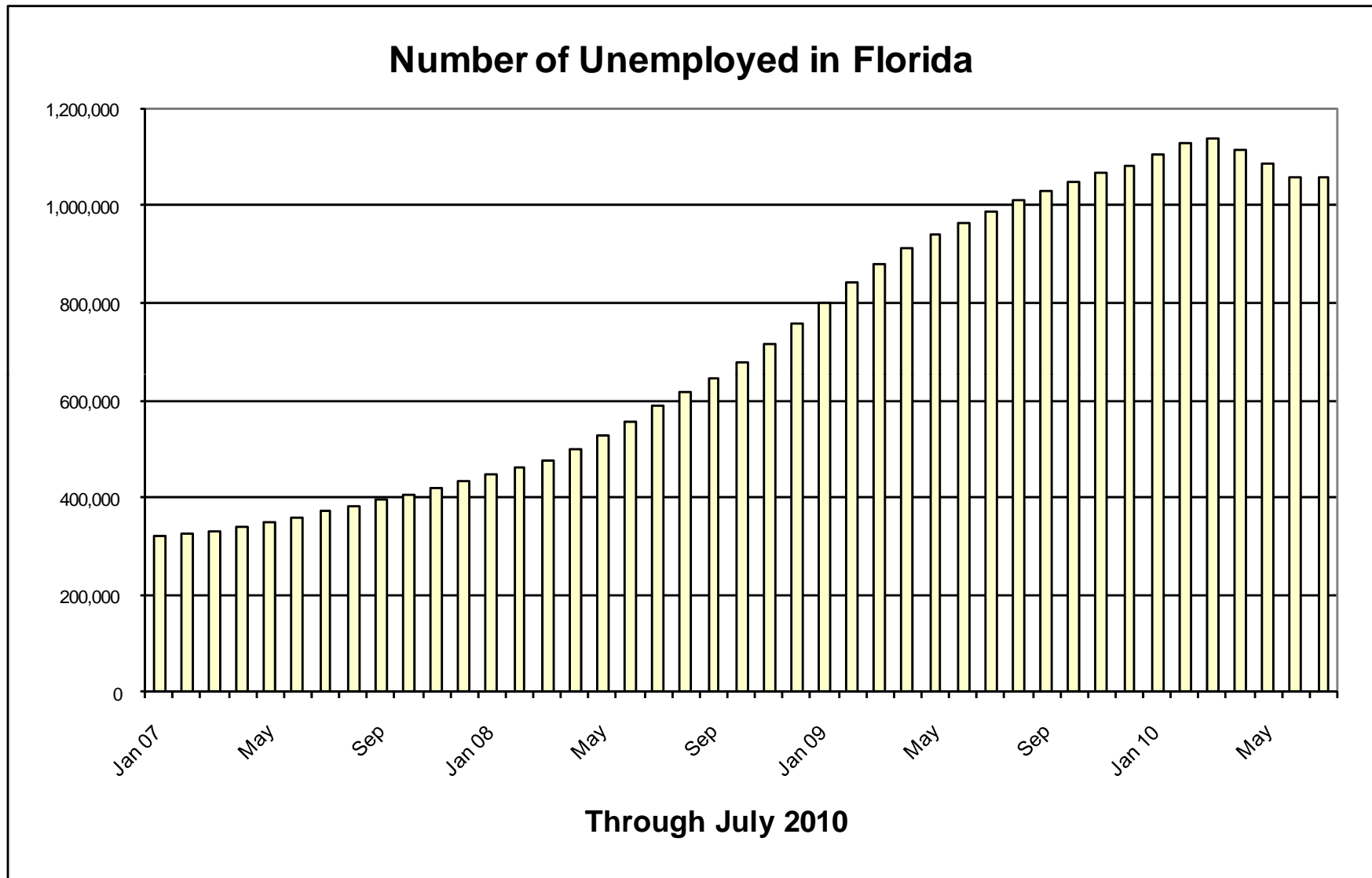


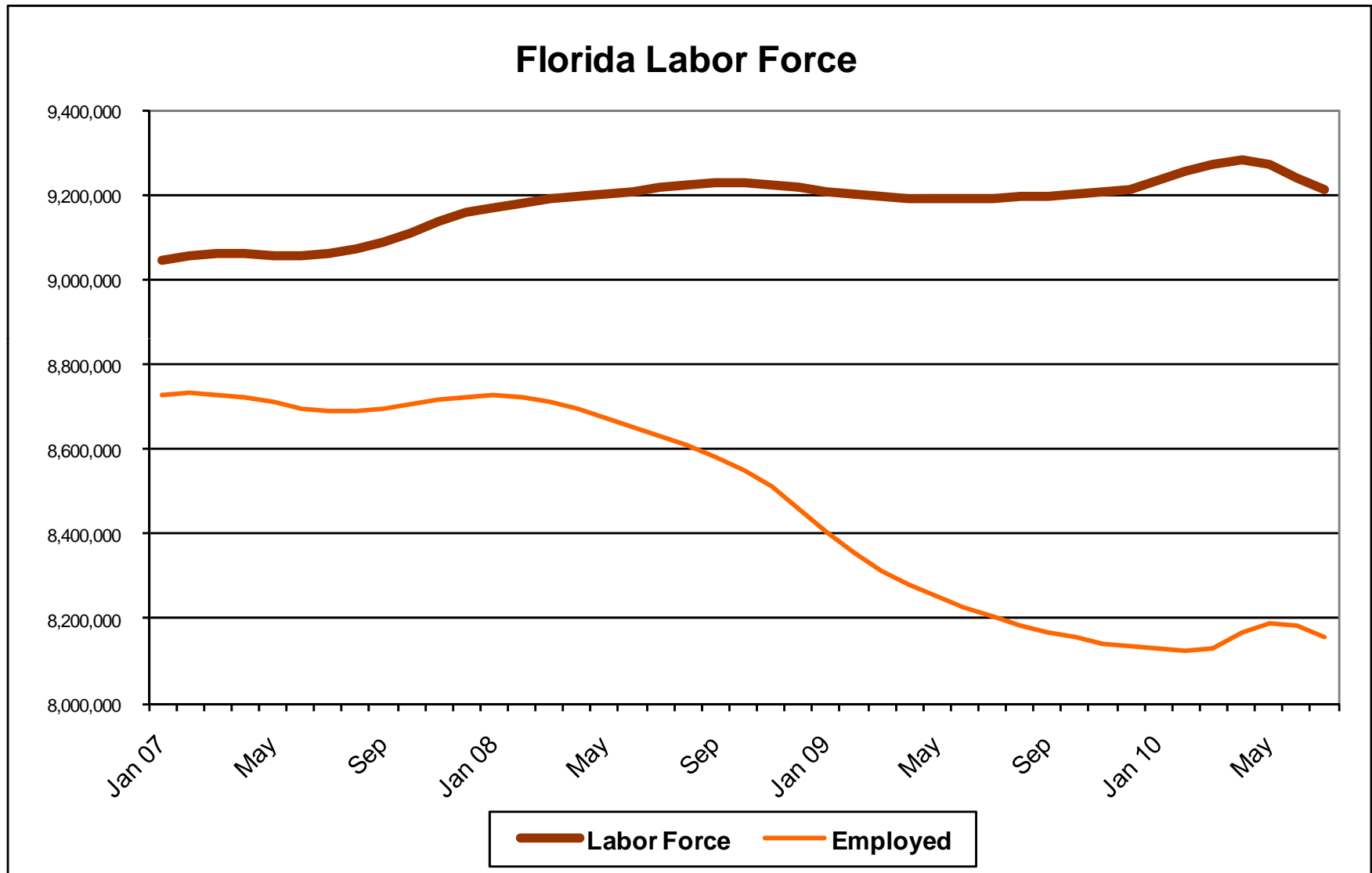
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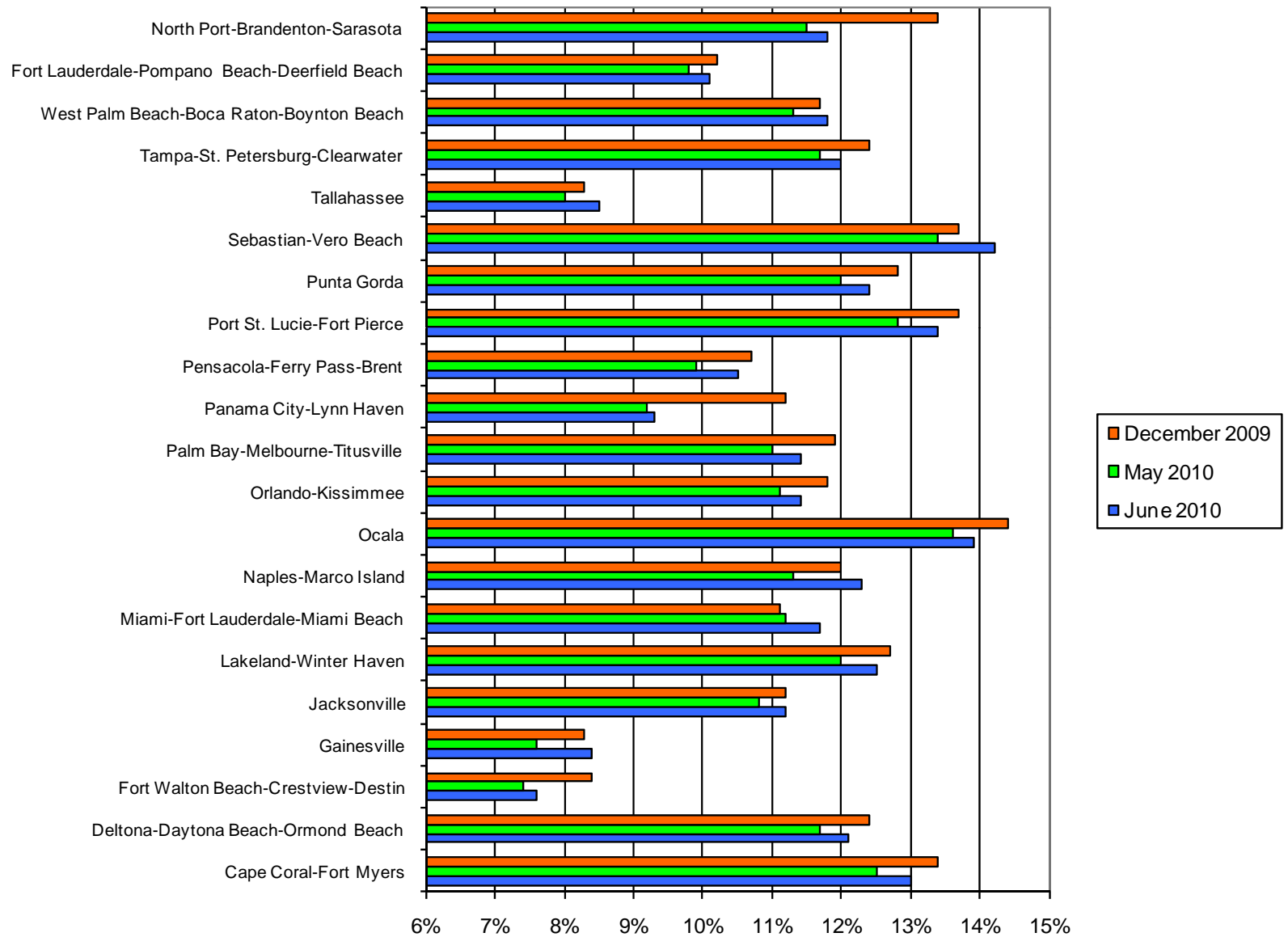
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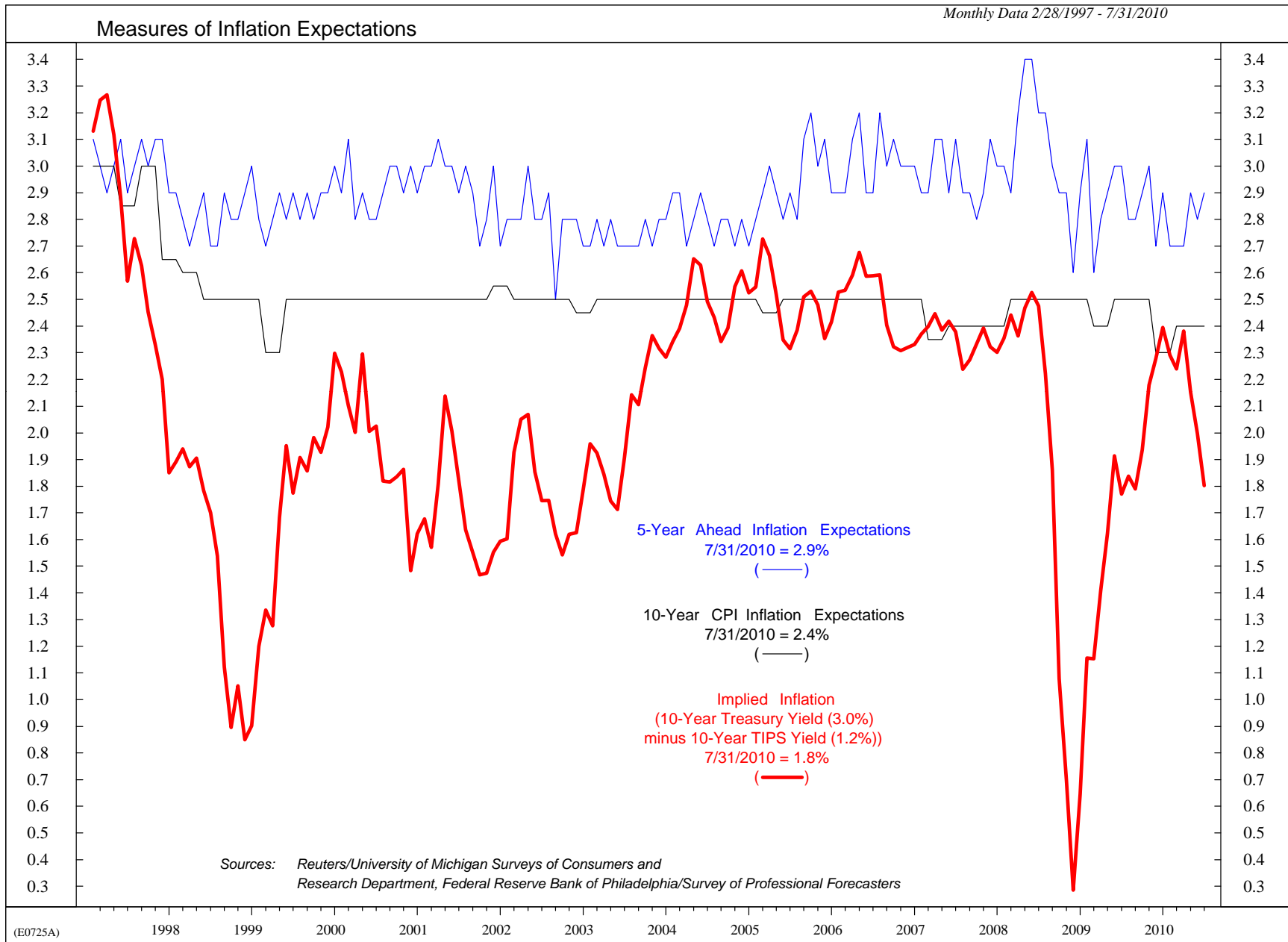




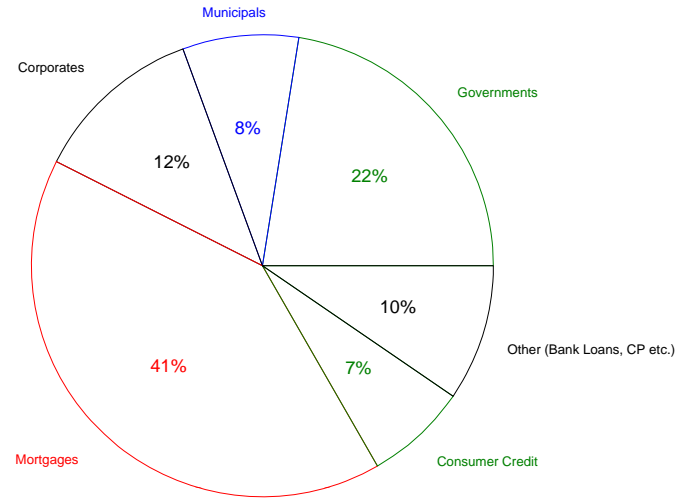


### Florida Metro Unemployment Rates

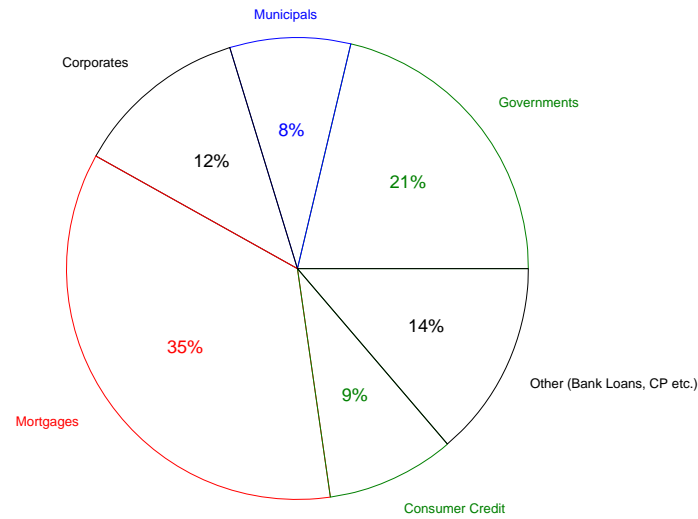




Composition of Domestic Nonfinancial Debt  
12/31/2009



12/31/1999



Numbers may not add to 100% due to rounding

(B0917)

INTEREST RATE FORECAST						
<i>Courtesy of Blue Chip Financial Forecasts (08/01/10)</i>	3Q	4Q	1Q	2Q	3Q	4Q
<u>Interest Rate Forecast</u>	<u>2010</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>	<u>2011</u>	<u>2011</u>
<b>Federal Funds Rate</b>	0.2%	0.2%	0.3%	0.5%	0.9%	1.3%
<b>Prime Rate</b>	3.2%	3.2%	3.3%	3.5%	3.9%	4.4%
<b>Libor, 3-month</b>	0.5%	0.5%	0.6%	0.8%	1.2%	1.7%
<b>Comm. Paper, 1-month</b>	0.2%	0.3%	0.4%	0.6%	1.1%	1.5%
<b>T-Bill, 3-month</b>	0.2%	0.2%	0.3%	0.6%	1.0%	1.4%
<b>T-Bill, 6-month</b>	0.2%	0.3%	0.4%	0.7%	1.1%	1.6%
<b>T-Bill, 1 year</b>	0.4%	0.5%	0.6%	0.9%	1.4%	1.8%
<b>T-Note, 2 year</b>	0.7%	0.9%	1.1%	1.4%	1.8%	2.2%
<b>T-Note, 5 year</b>	1.9%	2.2%	2.4%	2.6%	2.9%	3.2%
<b>T-Note, 10 year</b>	3.1%	3.3%	3.5%	3.7%	3.9%	4.2%
<b>T-Bond, 30 year</b>	4.1%	4.2%	4.4%	4.6%	4.7%	4.9%
<b>Corporate AAA Bond</b>	4.8%	4.9%	5.0%	5.2%	5.4%	5.6%
<b>Corporate Baa Bond</b>	6.0%	6.1%	6.2%	6.3%	6.5%	6.7%
<b>State &amp; Local Bonds</b>	4.4%	4.5%	4.6%	4.7%	4.8%	4.9%
<b>Home Mortgage Rate</b>	4.7%	4.9%	5.0%	5.2%	5.4%	5.7%

BOND INDEX TOTAL RETURN BOX SCORES							
7/31/2010	<u>YTD</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Merrill 0-1Yr T-Index</b>	0.26%	0.49%	3.34%	5.45%	4.68%	2.84%	1.16%
<b>Merrill 1-3Yr T-Index</b>	2.14%	0.78%	6.61%	7.32%	3.96%	1.67%	0.91%
<b>Merrill 3-5Yr T-Index</b>	5.94%	-0.67%	12.15%	9.84%	3.55%	0.86%	2.11%
<b>Merrill 1-10Yr T-Index</b>	5.51%	-1.41%	11.33%	8.86%	3.57%	1.58%	1.96%
<b>Merrill 1-3Yr Corp/Govt</b>	2.35%	2.17%	4.69%	6.87%	4.25%	1.75%	1.21%
<b>Merrill Corp/Govt Master</b>	6.84%	4.84%	4.95%	7.27%	3.83%	2.52%	4.15%
<b>Mortgage Master</b>	5.50%	5.76%	8.30%	6.96%	5.32%	2.62%	4.74%
<b>Merrill Inter. Muni.</b>	3.97%	7.18%	4.61%	4.98%	3.77%	1.87%	3.44%

STOCK INDEX TOTAL RETURN BOX SCORES							
7/31/2010	<u>YTD</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Dow Jones</b>	1.95%	22.60%	-31.83%	8.83%	19.00%	1.94%	5.34%
<b>S&amp;P 500</b>	-0.27%	26.50%	-37.03%	5.48%	15.80%	4.88%	10.92%
<b>NASDAQ</b>	-0.64%	43.89%	-40.54%	9.81%	9.52%	1.37%	8.59%
<b>NYSE Composite</b>	-2.59%	24.80%	-40.89%	6.58%	17.86%	6.95%	12.16%
<b>S&amp;P 400 Mid Cap</b>	5.45%	37.38%	-36.23%	7.98%	10.32%	12.56%	16.48%
<b>S&amp;P 600 Small Cap</b>	5.41%	25.57%	-31.07%	-0.30%	15.12%	7.68%	22.65%
<b>AMEX Inter.</b>	-7.93%	17.60%	-39.51%	16.18%	21.51%	8.90%	15.97%
<b>MgnStnly EAFE</b>	-6.70%	27.75%	-45.09%	8.62%	23.47%	10.87%	18.27%

2010 Real GDP Consensus Forecast Falls To 2.9%																
Courtesy of Blue Chip Financial Forecasts (08/10/10)	Percent Change 2010 From 2009 (Year-Over-Year)									Average For 2010			Total Units 2010		2010	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
	Real GDP (Chained 2005 \$)	GDP Price Index	Nom. GDP (Cur. \$)	Consumer Price Index	Indust. Prod. (Total)	Dis. Pers. Income (2005 \$)	Personal Cons. Exp (2005 \$)	Non-Res. Fix. Inv. (2005 \$)	Corp. Profits (Cur. \$)	Treas. Bills 3-mo.	Treas. Notes 10- Year	Unempl. Rate (Civ.)	Housing Starts (Mil.)	Auto & Light Truck Sales (Mil.)	Net Exports (2005 \$)	
<b>2010 Consensus: August Avg.</b>	2.9%	0.9%	3.8%	1.6%	5.4%	1.6%	1.7%	5.0%	26.5%	0.2%	3.4%	9.6%	0.62	11.5	-395.8	
Top 10 Avg.	3.1%	1.1%	4.1%	1.8%	5.8%	2.0%	2.2%	7.2%	34.7%	0.3%	3.6%	9.8%	0.67	11.8	-377.4	
Bottom 10 Avg.	2.8%	0.7%	3.5%	1.3%	4.8%	1.3%	1.4%	2.8%	18.4%	0.1%	3.2%	9.5%	0.59	11.4	-413.3	
July Avg.	3.1%	0.9%	4.0%	1.7%	5.4%	1.8%	2.4%	3.0%	22.7%	0.2%	3.5%	9.6%	0.66	11.7	-382.5	
Historical Data:	2006	2.7%	3.3%	6.0%	3.2%	2.2%	4.0%	2.9%	7.9%	10.5%	4.7%	4.8%	4.6%	1.80	16.5	-729.2
	2007	1.9%	2.9%	4.9%	2.8%	2.7%	2.3%	2.4%	6.7%	-4.1%	4.4%	4.6%	4.6%	1.36	16.1	-654.9
	2008	0.0%	2.2%	2.2%	3.8%	-3.3%	1.7%	-0.3%	0.3%	-11.8%	1.4%	3.7%	5.8%	0.90	13.1	-504.1
	2009	-2.6%	0.9%	-1.7%	-0.4%	-9.3%	0.6%	-1.2%	-17.1%	-3.8%	0.2%	3.2%	9.3%	0.56	10.3	-363.0

2011 Real GDP Consensus Forecast Slips To 2.8%															
Courtesy of Blue Chip Financial Forecasts (08/10/10)	Percent Change 2011 From 2010 (Year-Over-Year)									Average For 2011			Total Units 2011		2011
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	Real GDP (Chained 2005 \$)	GDP Price Index	Nom. GDP (Cur. \$)	Consumer Price Index	Indust. Prod. (Total)	Dis. Pers. Income (2005 \$)	Personal Cons. Exp (2005 \$)	Non-Res. Fix. Inv. (2005 \$)	Corp. Profits (Cur. \$)	Treas. Bills 3-mo.	Treas. Notes 10- Year	Unempl. Rate (Civ.)	Housing Starts (Mil.)	Auto & Light Truck Sales (Mil.)	Net Exports (2005 \$)
<b>2011 Consensus: August Avg.</b>	2.8%	1.4%	4.3%	1.5%	4.4%	2.5%	2.5%	8.0%	6.9%	0.7%	3.8%	9.1%	0.80	12.9	-422.7
Top 10 Avg.	3.5%	2.0%	5.4%	2.2%	5.9%	3.6%	3.1%	12.1%	10.7%	1.3%	4.5%	9.7%	0.95	13.7	-369.5
Bottom 10 Avg.	2.1%	0.9%	3.3%	0.9%	2.9%	1.5%	1.8%	5.2%	2.9%	0.3%	3.3%	8.6%	0.67	11.9	-484.2
July Avg.	3.0%	1.4%	4.4%	1.5%	4.7%	2.6%	2.6%	7.5%	7.0%	1.0%	4.0%	9.1%	0.88	13.1	-406.7

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