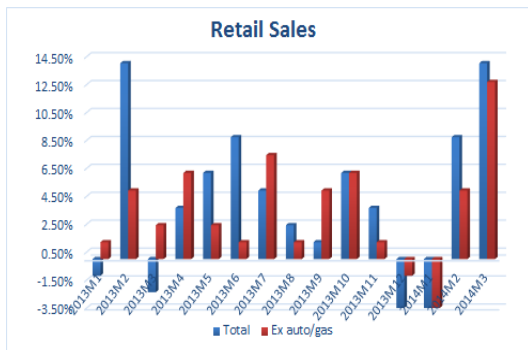


ECONOCAST™ UPDATE – April 21, 2014

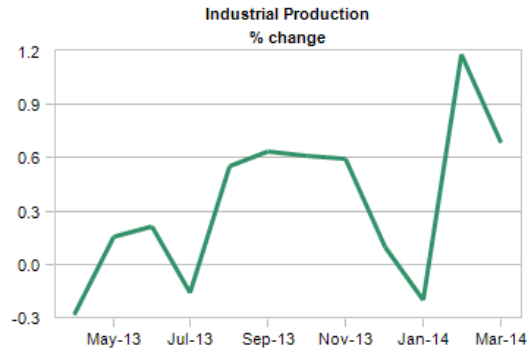
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U.S. Economy – It's Finally Spring

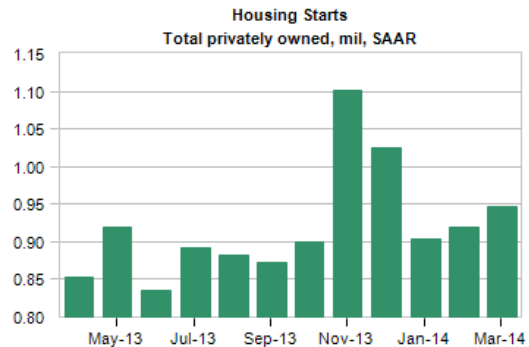
With the spring the U.S. economy is rebounding from the exceptionally bad winter. Retail sales rose 1.1% in March for an annualized gain of 14%. Core sales soared by more than 12% at an annual rate. Autos, general merchandise and building supplies were particularly strong. Even more encouragingly February sales were revised upward reflecting rising momentum.



Industrial production rose 0.7% in March and February's increase was revised up to 1.2%, which was double the initial estimate. Manufacturing output rose 0.5% on top of the upwardly revised 1.4% gain in February. Although factory output will be relatively weak this quarter, this obscures the accelerating trajectory heading into the second quarter.

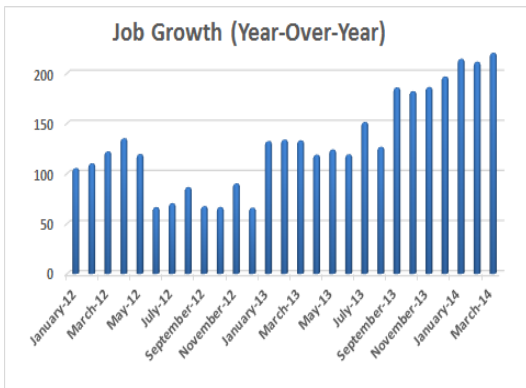


With the warmer weather housing starts rose in March 2.8% to 946,000 annualized units. Single-family starts improved 6%, but multifamily starts dipped 3%. While starts are no better than they were last year, the fundamentals are encouraging. Rising employment and higher incomes coupled with more lending and tight supplies should more than offset the drag from higher mortgage rates and rising prices.

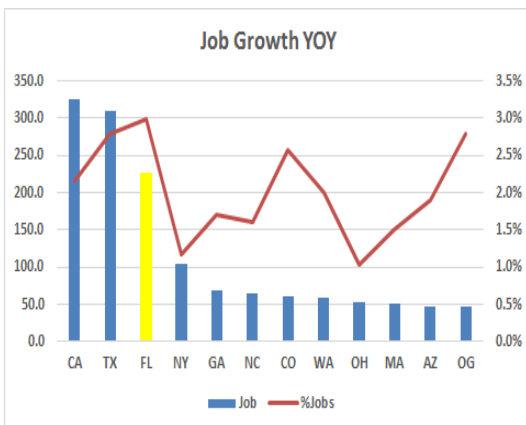


Florida Economy: More Jobs

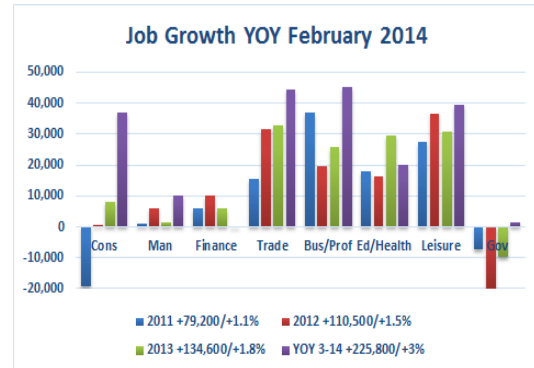
Job growth continued to accelerate in March up 225,800 or 3% compared to last year. The rate of job growth was nearly double the U.S. average, and it marks the third month in a row with yearly job gains above 200,000. Florida's unemployment rate ticked up to 6.3% in March, but this was actually a good sign since it based on faster growth in the labor force. Job growth has now gotten to the point in Florida where labor market participants have renewed confidence in finding employment.



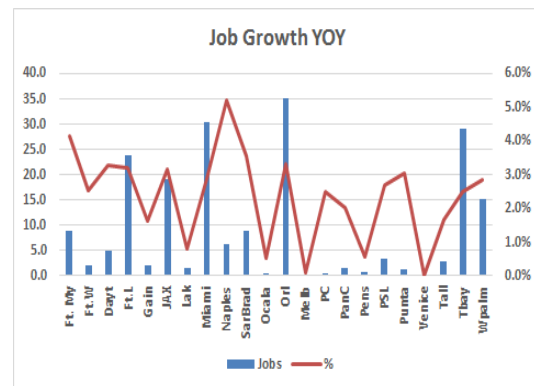
Florida's job growth in March continues ranking 3rd in the U.S., but Florida's rate of job growth was the fastest for all states with substantial job growth in March. Florida's relatively strong performance suggests that the rate of gain in Florida is likely to be sustainable.



All employment sectors had positive gains in March, even government. Business and professional services posted the biggest job gain due to services to buildings. Soaring population and employment drove up jobs in food stores boosting the overall trade sector. Gains in construction fueled the jump in construction jobs and higher tourism supported gains in leisure and hospitality.



Orlando lead all metro areas with a job gain of 35,500 or 3.1% for the year ending March based on strong tourism and construction. Gains were notable in Miami, Ft. Lauderdale and Tampa Bay too for the same reasons.



At 5.2% Naples enjoyed the fastest growth in jobs. But many large MSAs also had strong percentage gains in jobs including gains of 4% or more in Ft. Lauderdale and Cape Coral/Ft. Myers.