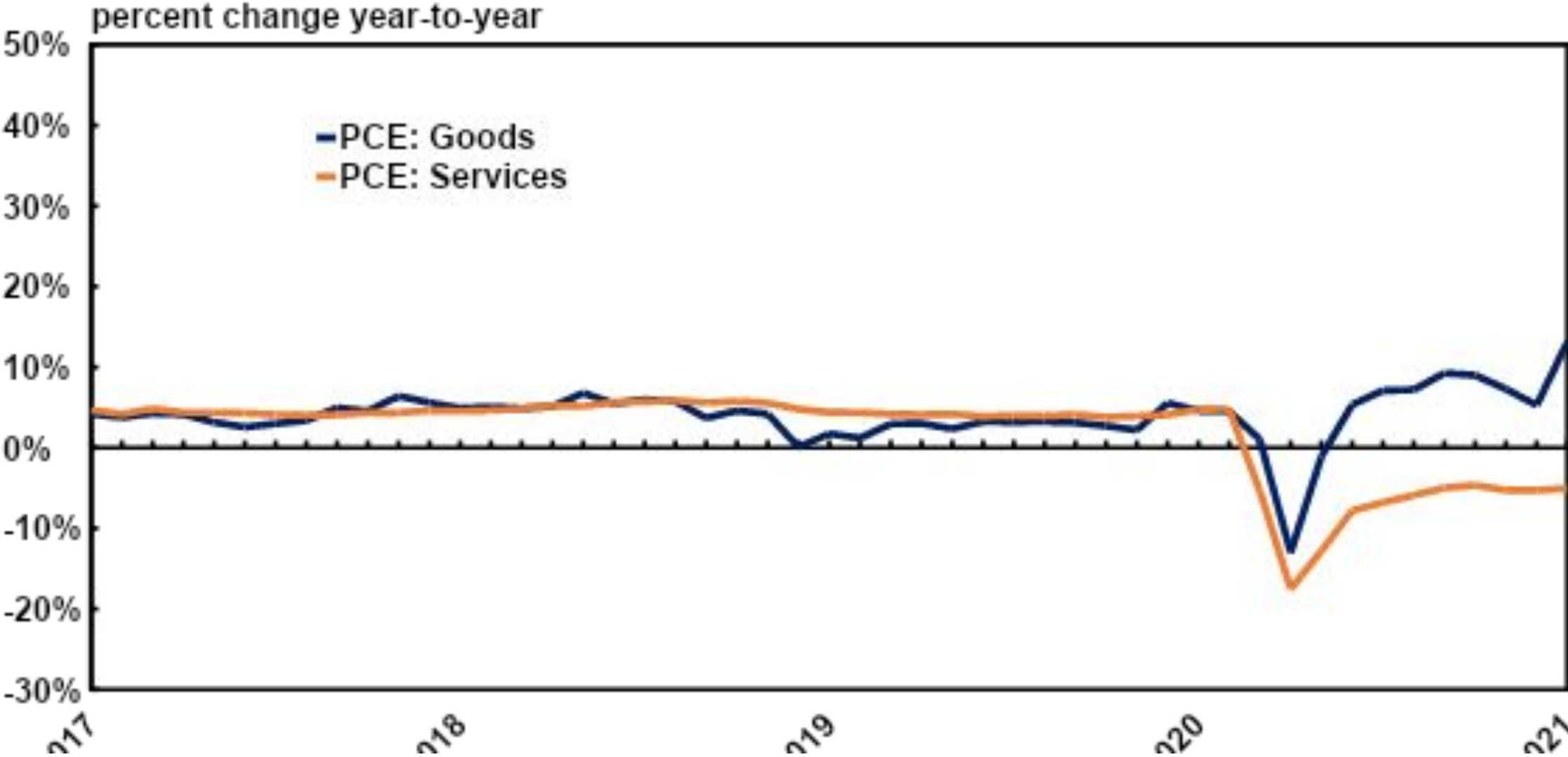


NORMAL OR NEW NORMAL, THAT IS THE QUESTION

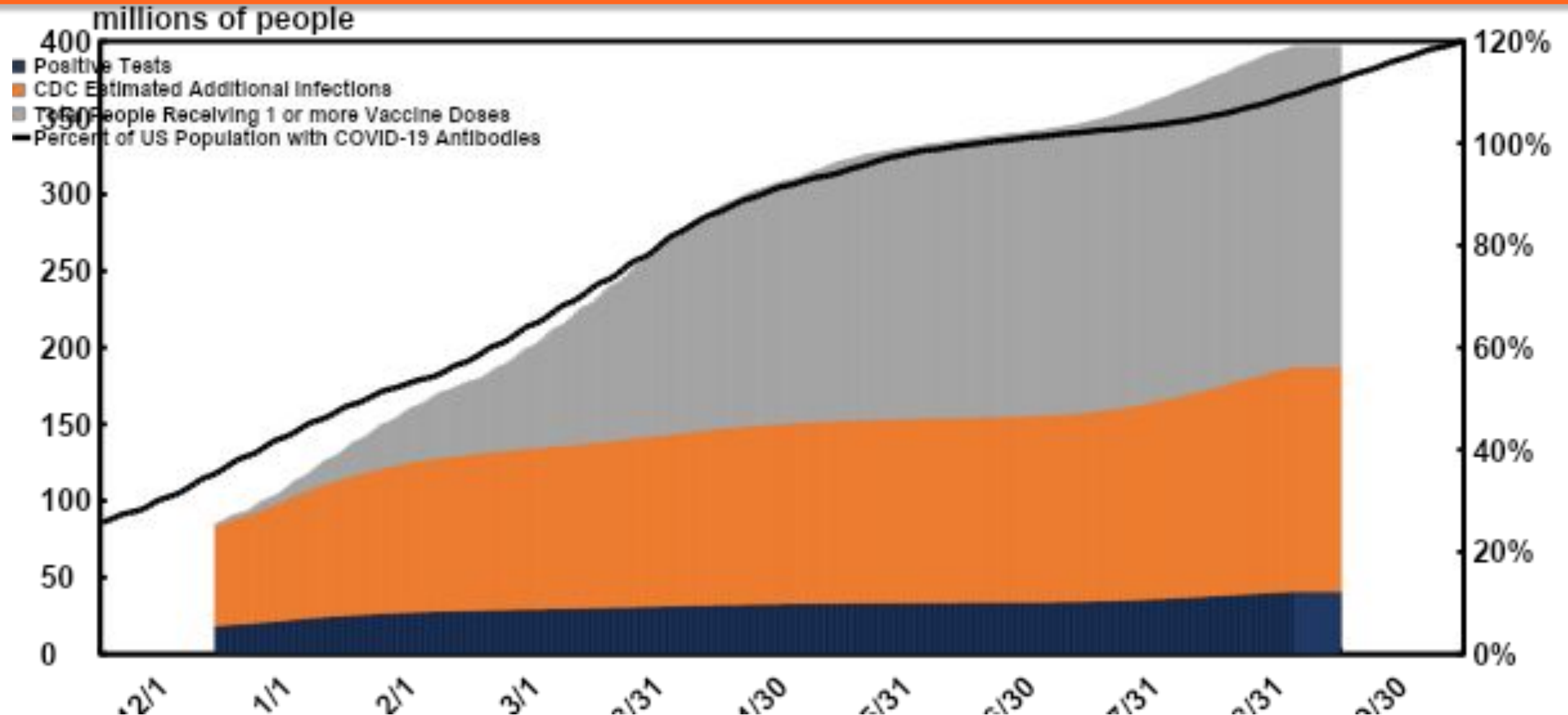
BRIAN S. WESBURY
CHIEF ECONOMIST

PERSONAL CONSUMPTION



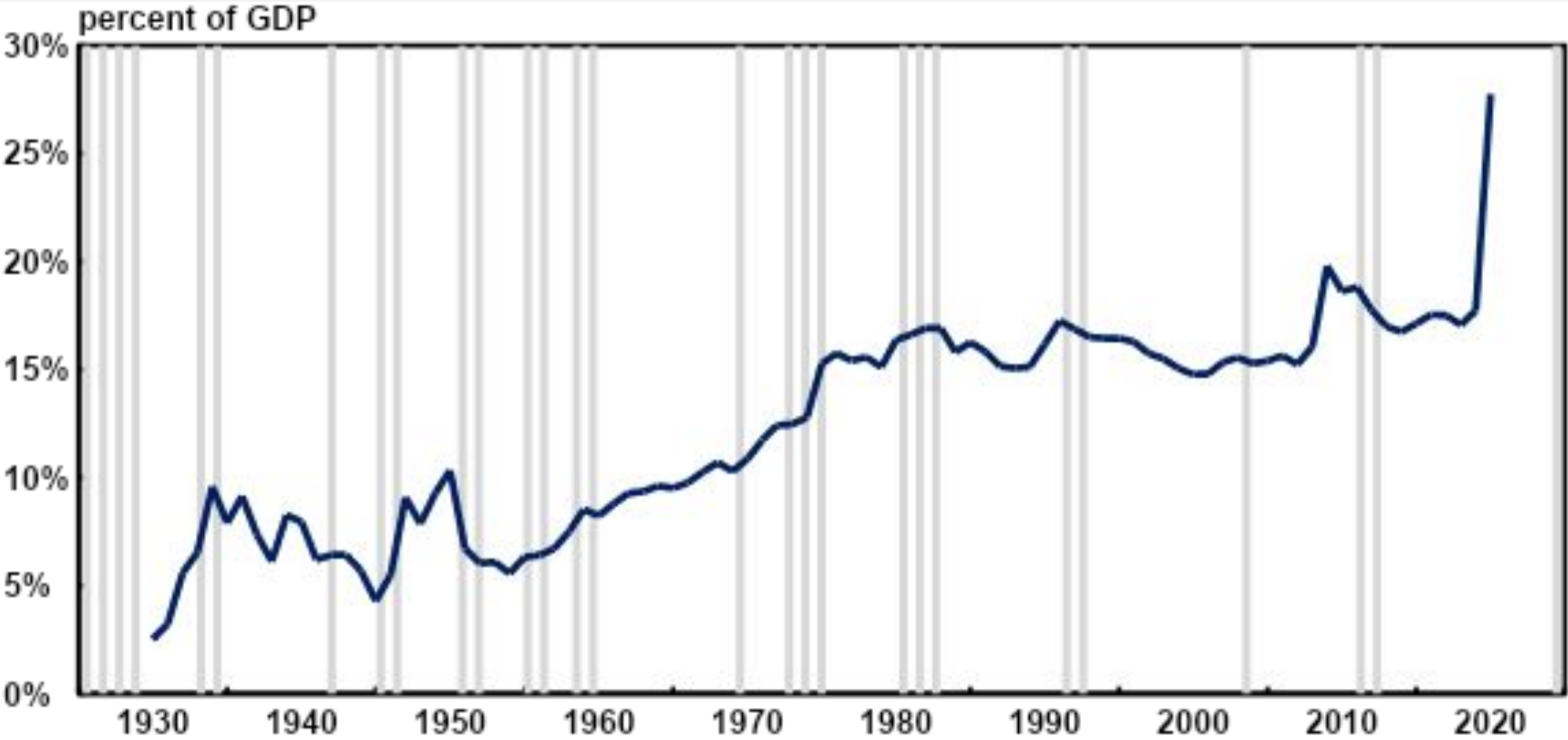
Source: Bureau of Economic Analysis. Monthly data Jan 2017 – Jul 2021.

THE PATH TO HERD IMMUNITY IN THE US



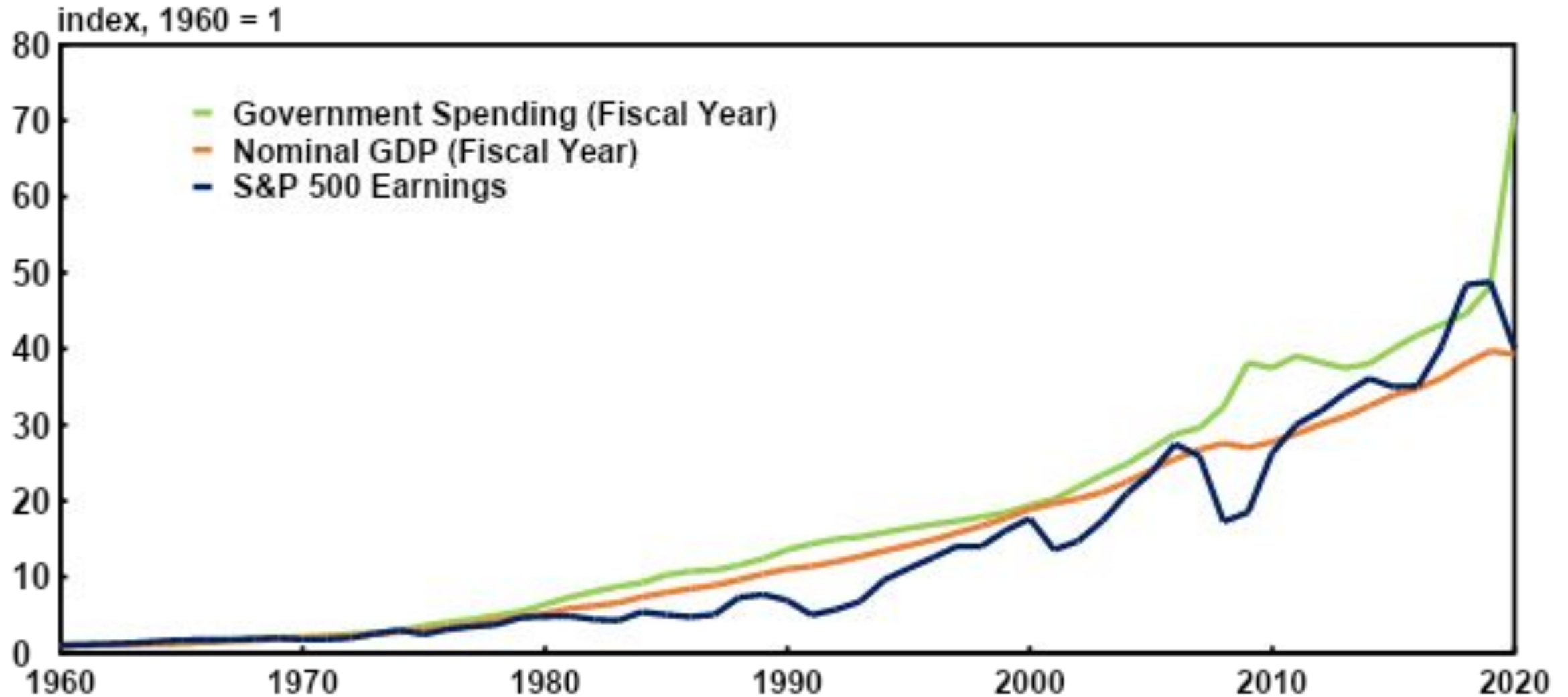
Source: CDC, BEA. Daily data 12/20/20 – 9/10/21

NON-DEFENSE GOVERNMENT SPENDING

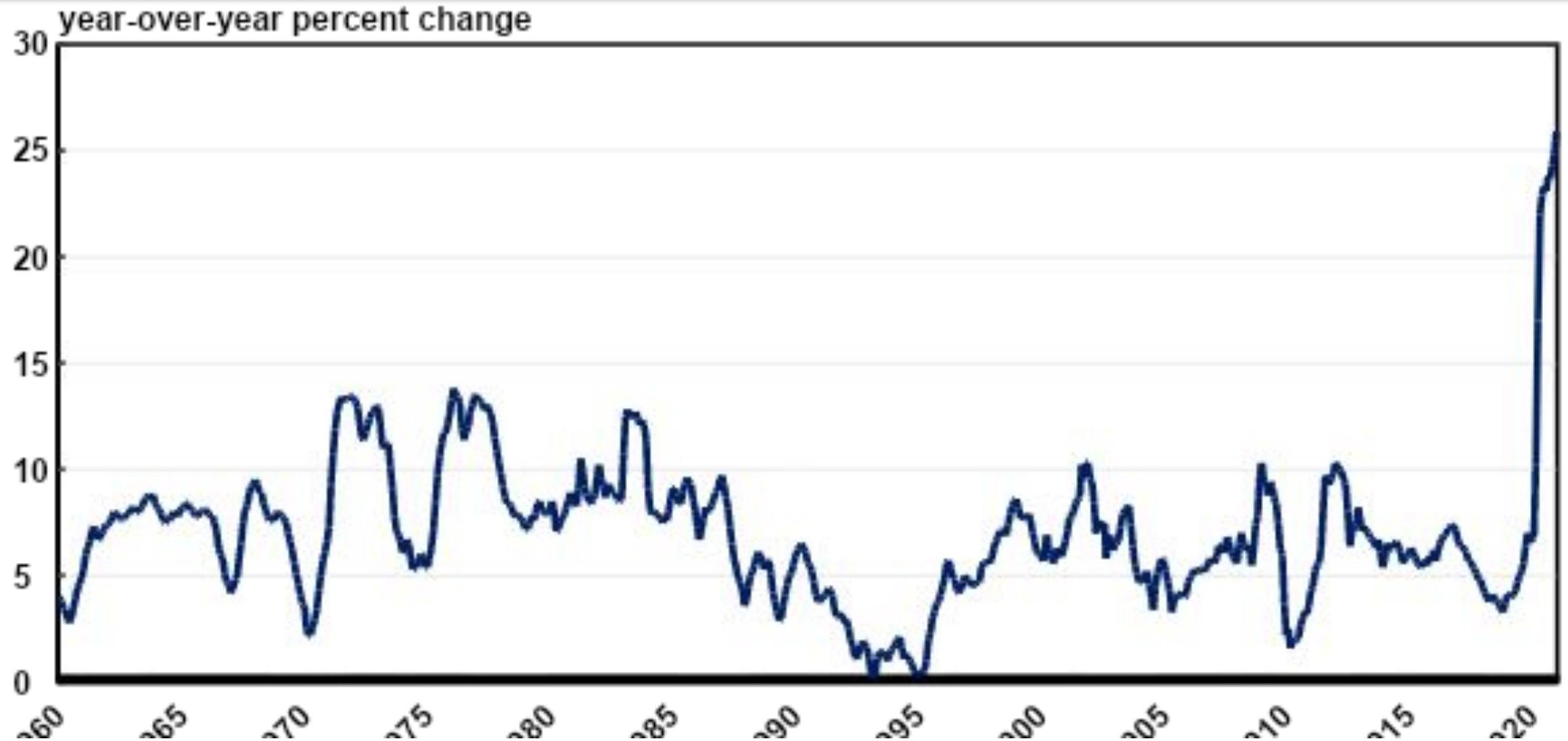


Source: 1930-1939 data from Historical Statistics of the United States: Colonial Times to 1970, 1940- 2020 data from the Office of Management and Budget. All data is fiscal year.

GOVERNMENT GROWS FASTER THAN THE PRIVATE SECTOR

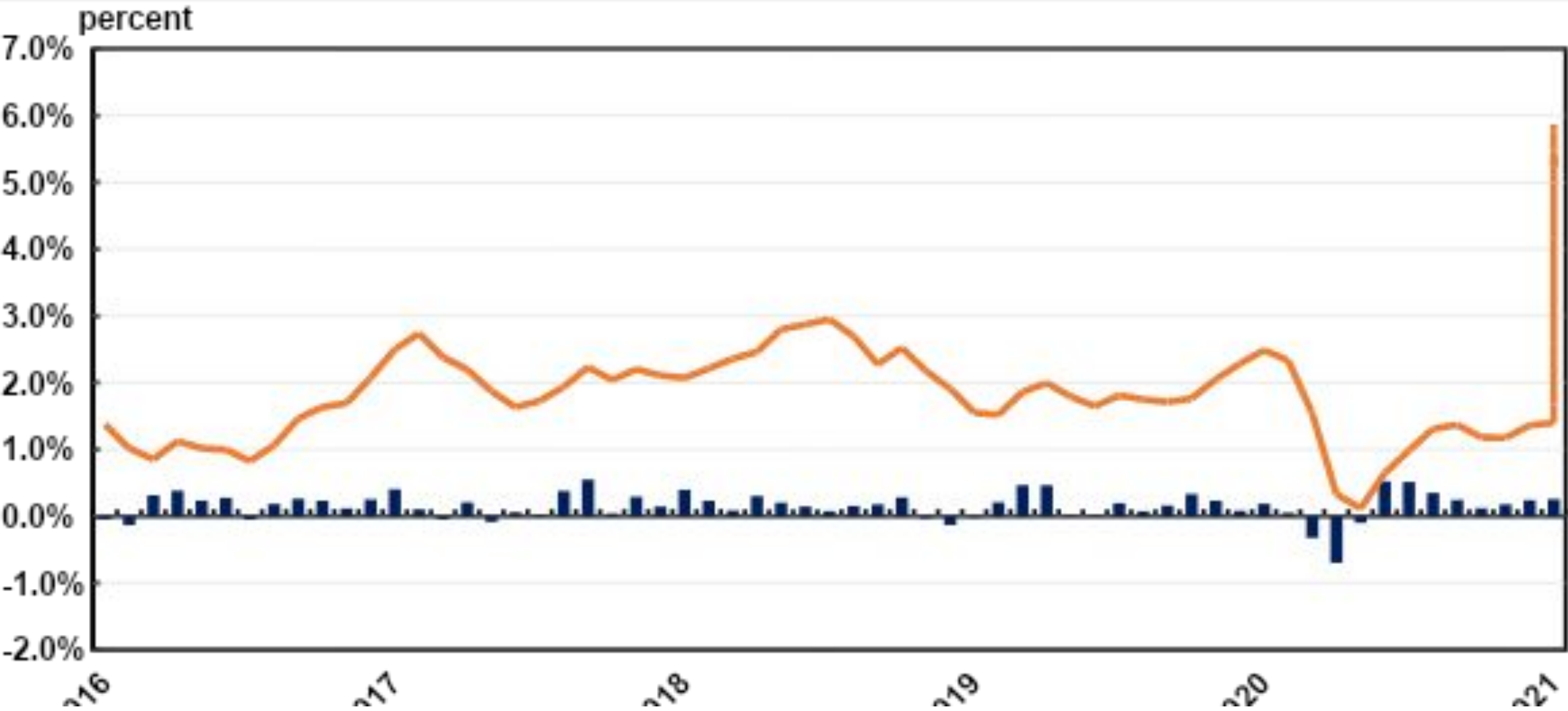


Source: Office of Management & Budget (OMB), Standard & Poor's. Annual data 1960 – 2020. The S&P 500 Index is a capitalization-weighted index used to measure large-cap U.S. stock market performance. This chart is for illustrative purposes only and not indicative of any actual investment. Past performance is no guarantee of future results. You can not invest directly in an index.



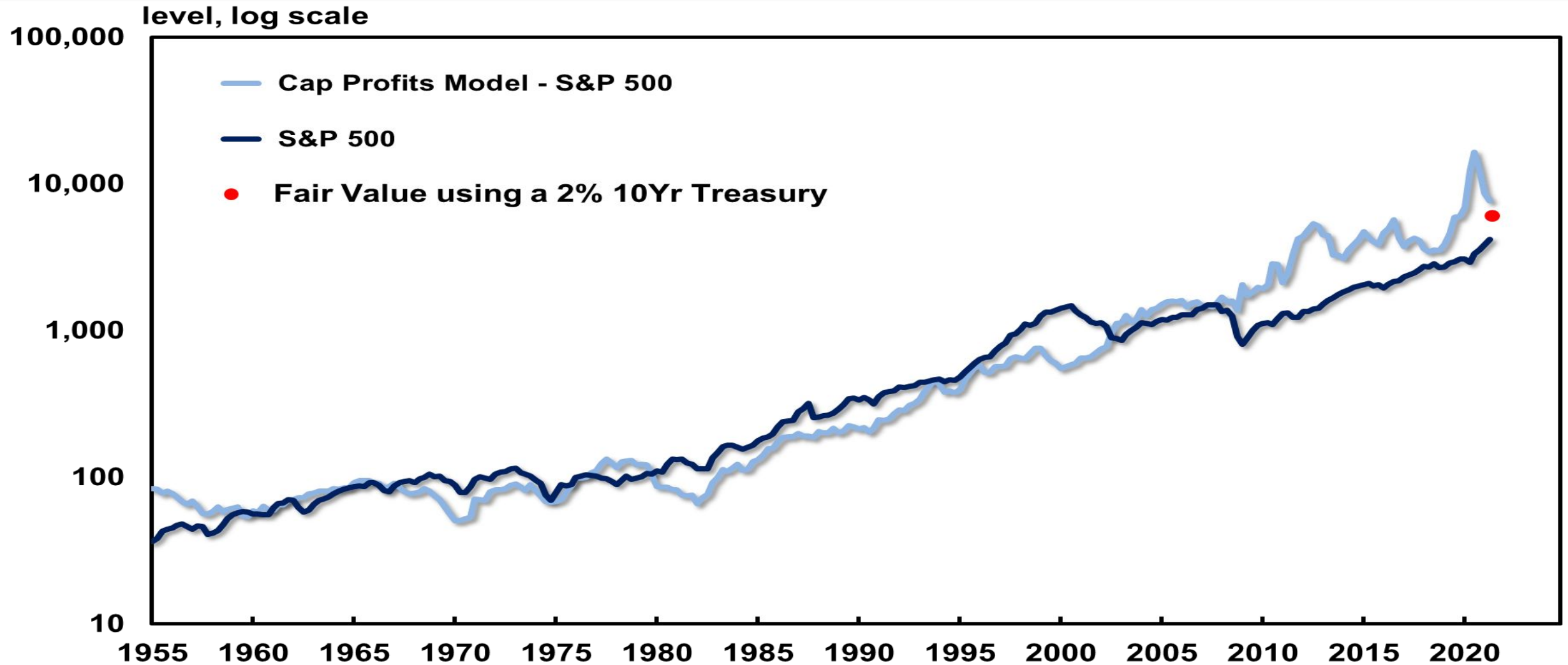
Source: Federal Reserve Board, Federal Reserve Bank of St. Louis. Monthly data Jan 1960 – Jul 2021

INFLATION ABOVE TREND



Source: Bureau of Labor Statistics. Monthly data Jan 2016 – Aug 2021. Sep - Dec 2021 levels assume 0.2% monthly increases.

CAPITALIZED PROFITS MODEL: S&P 500



Source: Bloomberg, Federal Reserve, BEA, Haver Analytics, FT Advisors. Quarterly data Q1 1955 – Q1 2021. The S&P 500 Index is a capitalization-weighted index used to measure large-cap U.S. stock market performance. This chart is for illustrative purposes only and not indicative of any actual investment. Past performance is no guarantee of future results. You can not invest directly in an index.