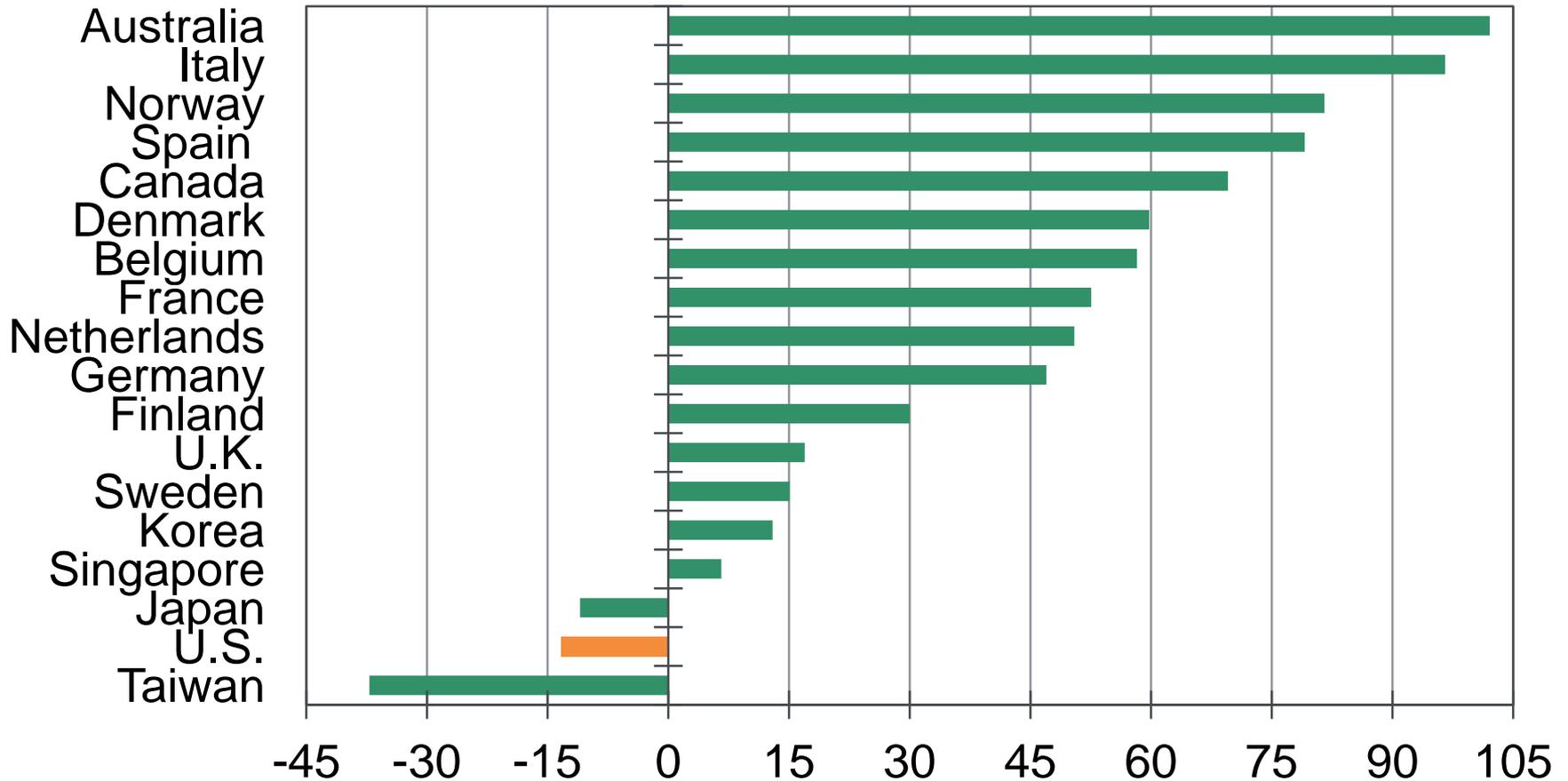


Can Manufacturing Lead The Way?

STEVE COCHRANE, MANAGING DIRECTOR

U.S. Manufacturing Increasingly Competitive

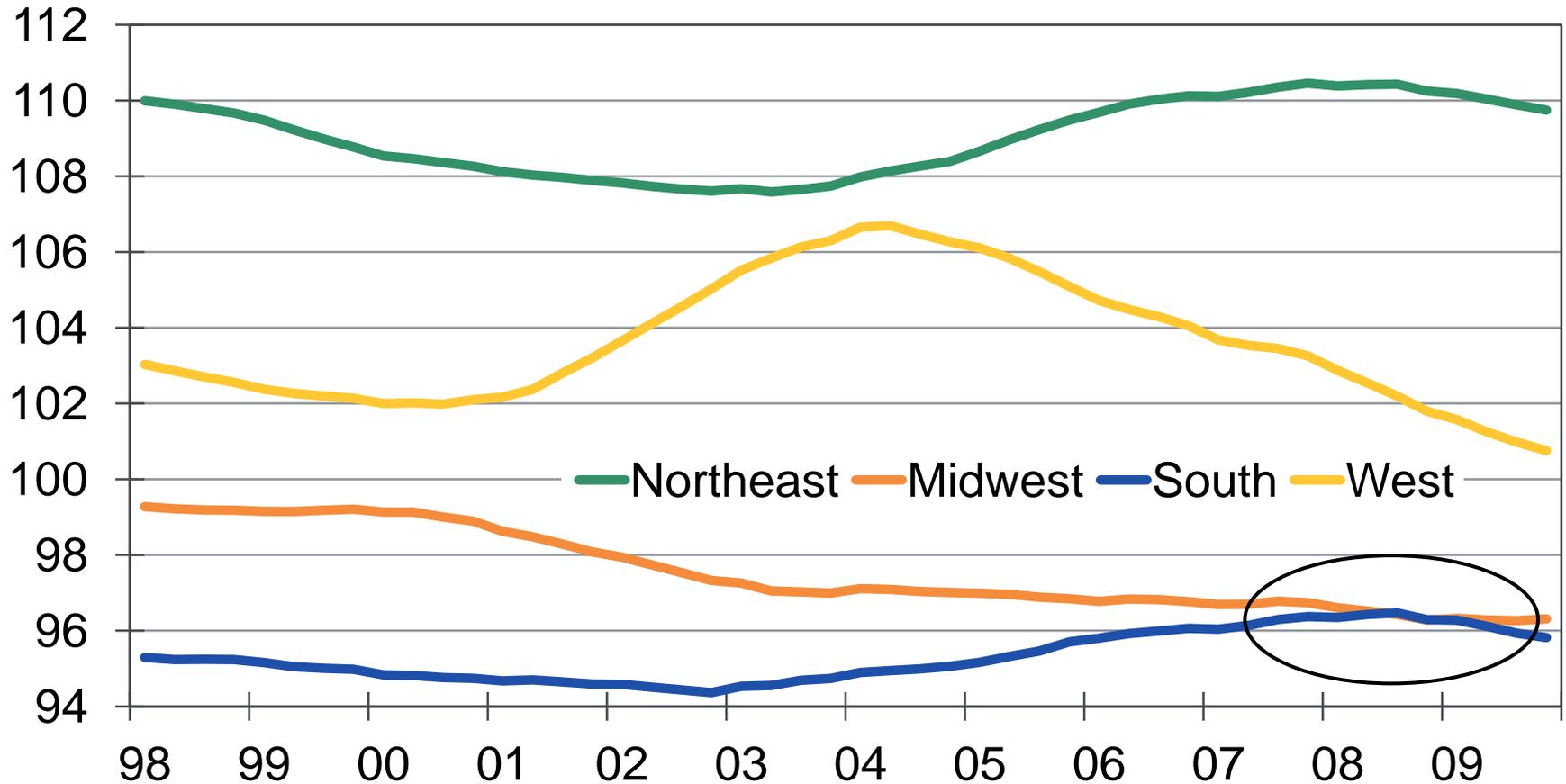
Unit labor costs, manufacturing, U.S. dollars, % chg, 2000 to 2010



Sources: BLS, Moody's Analytics

And The Midwest Gains Ground on Competitor

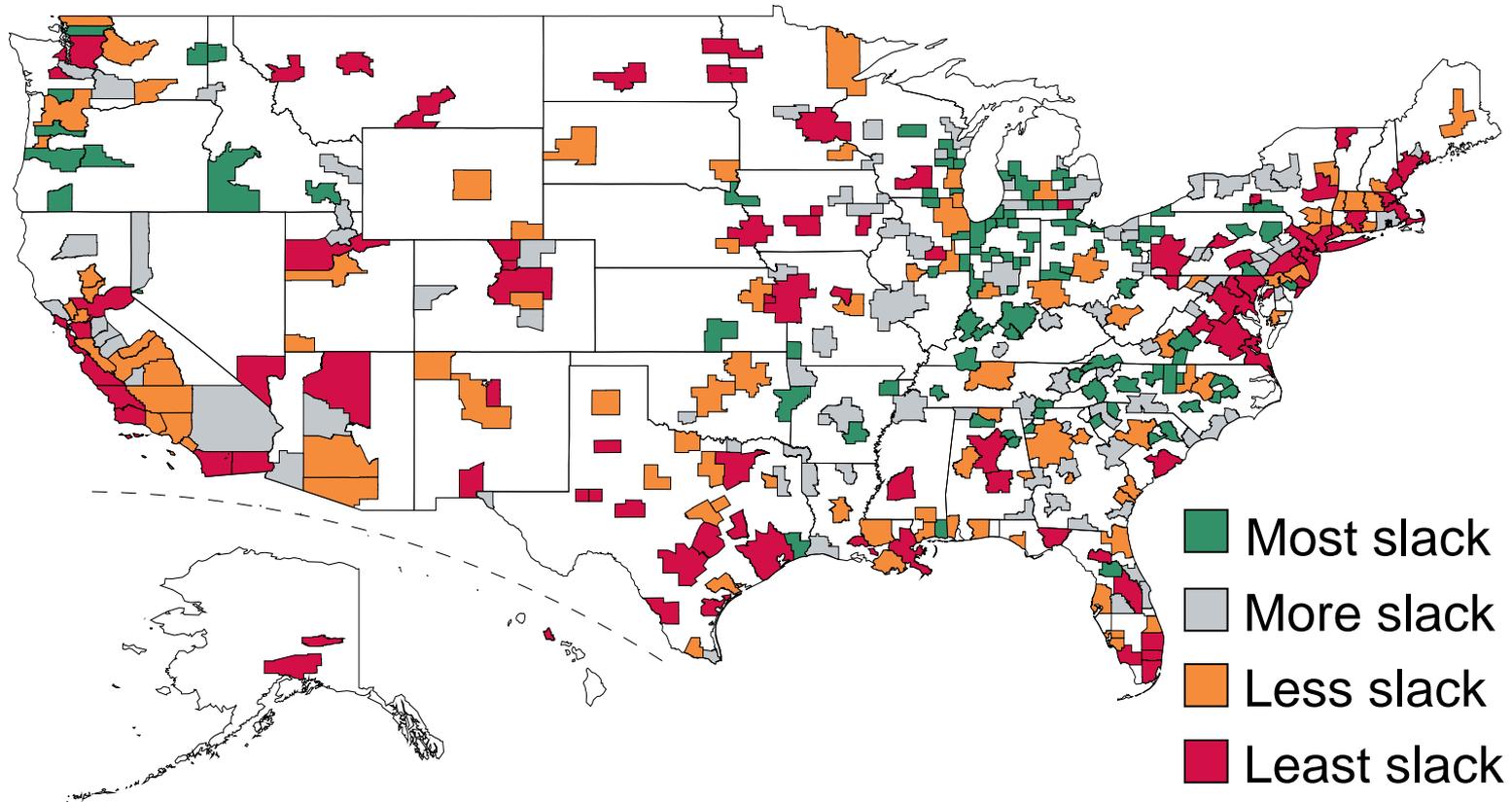
Business costs, U.S.=100



Source: Moody's Analytics

Great Talent in Midwest and Parts of Northeast

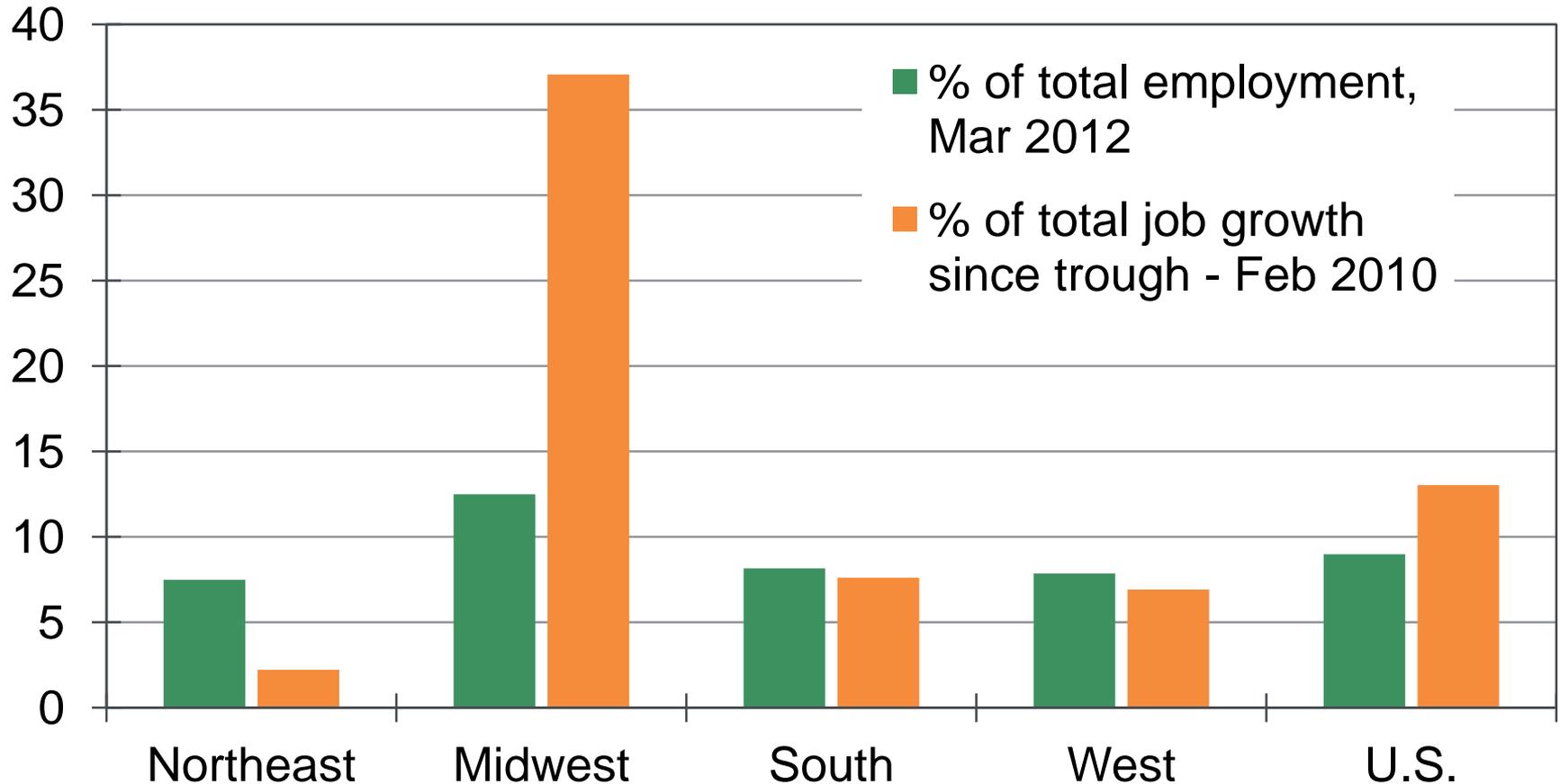
Slack index components: (1) % adults with some college or more, (2) % mfg emp., (3) mfg emp. losses since 2000, (4) unemployment rate



Sources: BLS, Census Bureau, Moody's Analytics

Manufacturing Boosts Midwest Labor Market

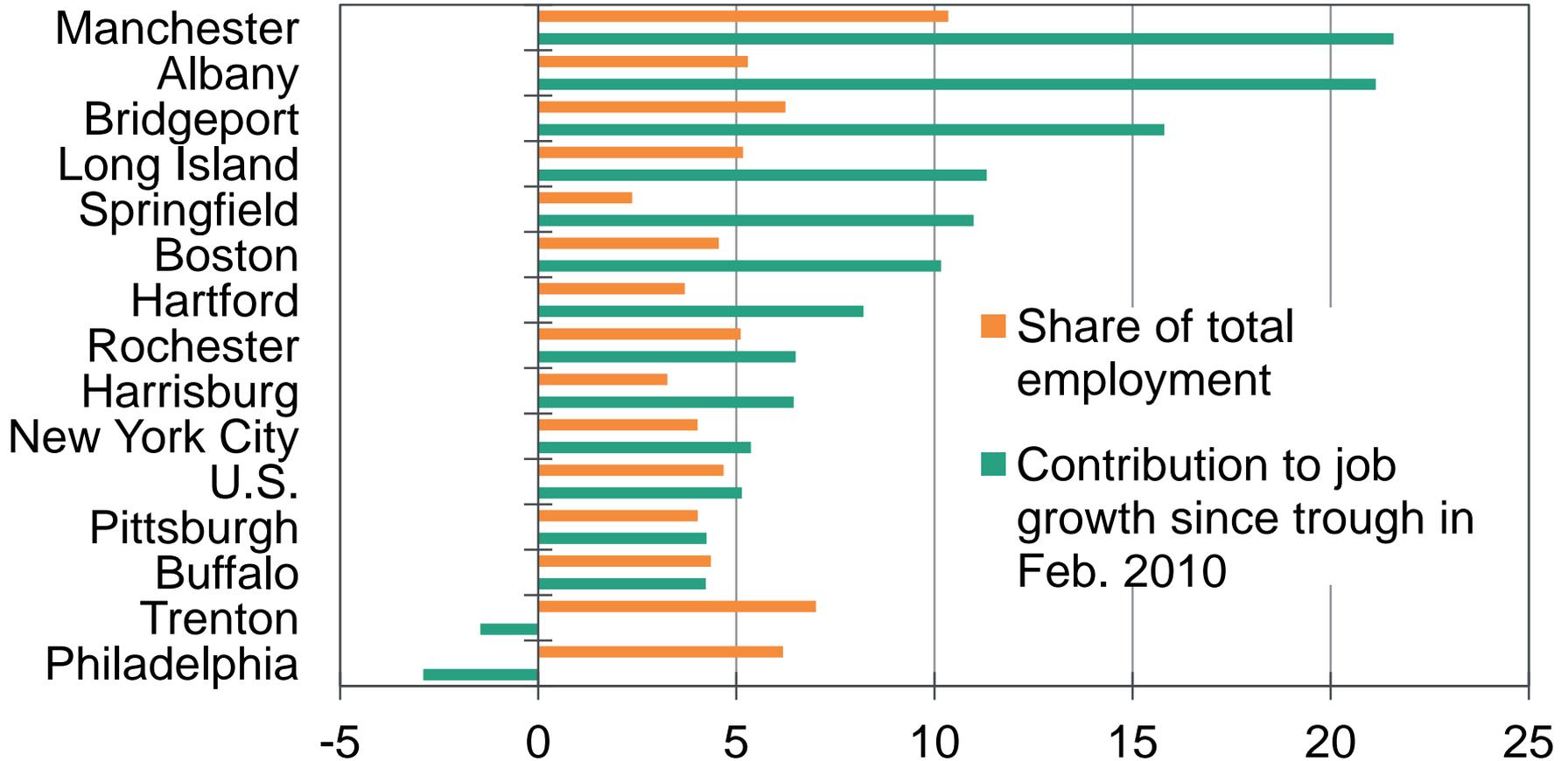
Manufacturing employment



Sources: BLS, Moody's Analytics

Northeast Capitalizes on High-Skilled Workforce

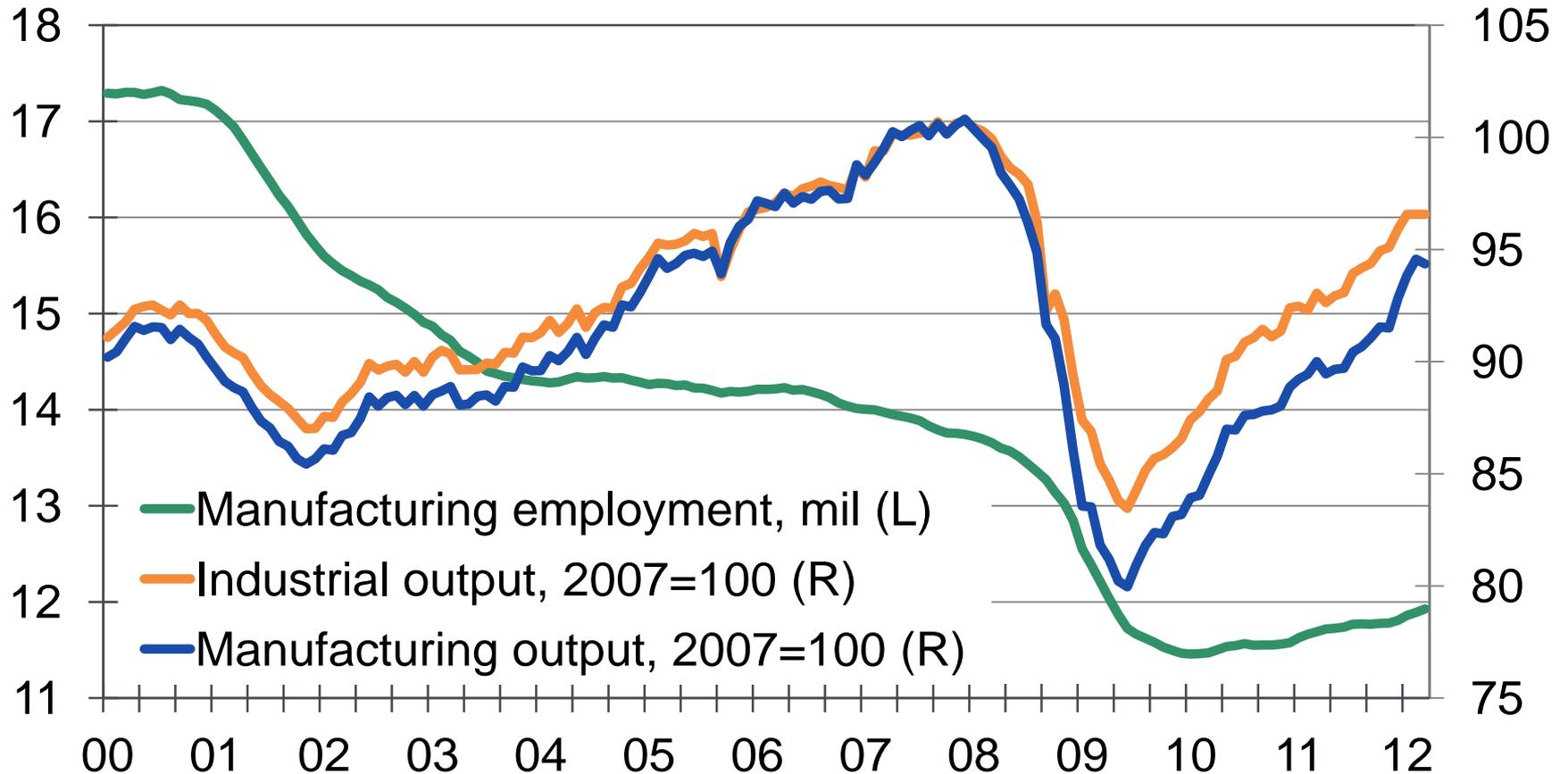
High-tech employment, by metropolitan area



Sources: BLS, Moody's Analytics

Making More With Less...

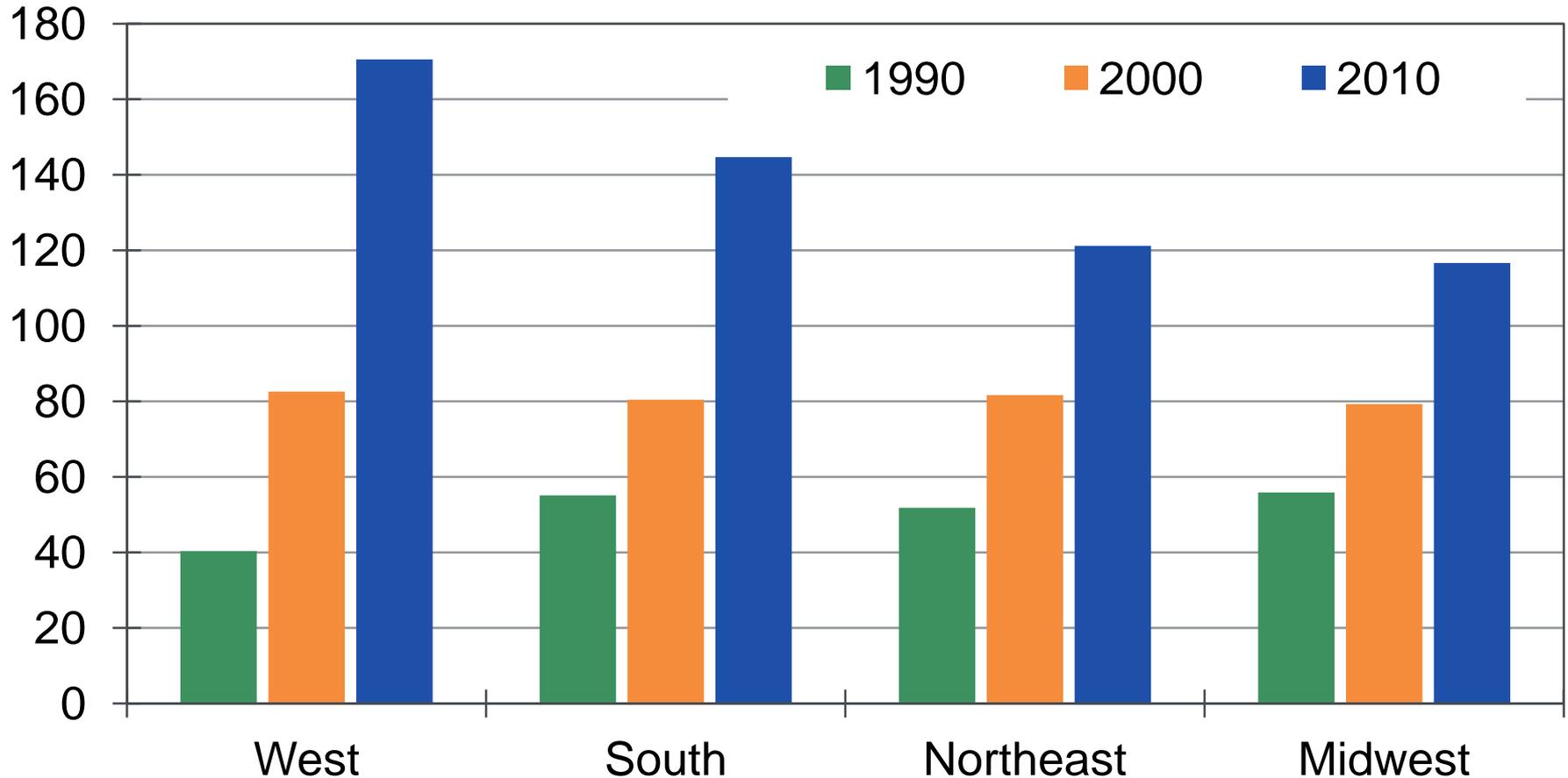
U.S. Manufacturing



Sources: BLS, Moody's Analytics

Strongest Productivity Growth in the West

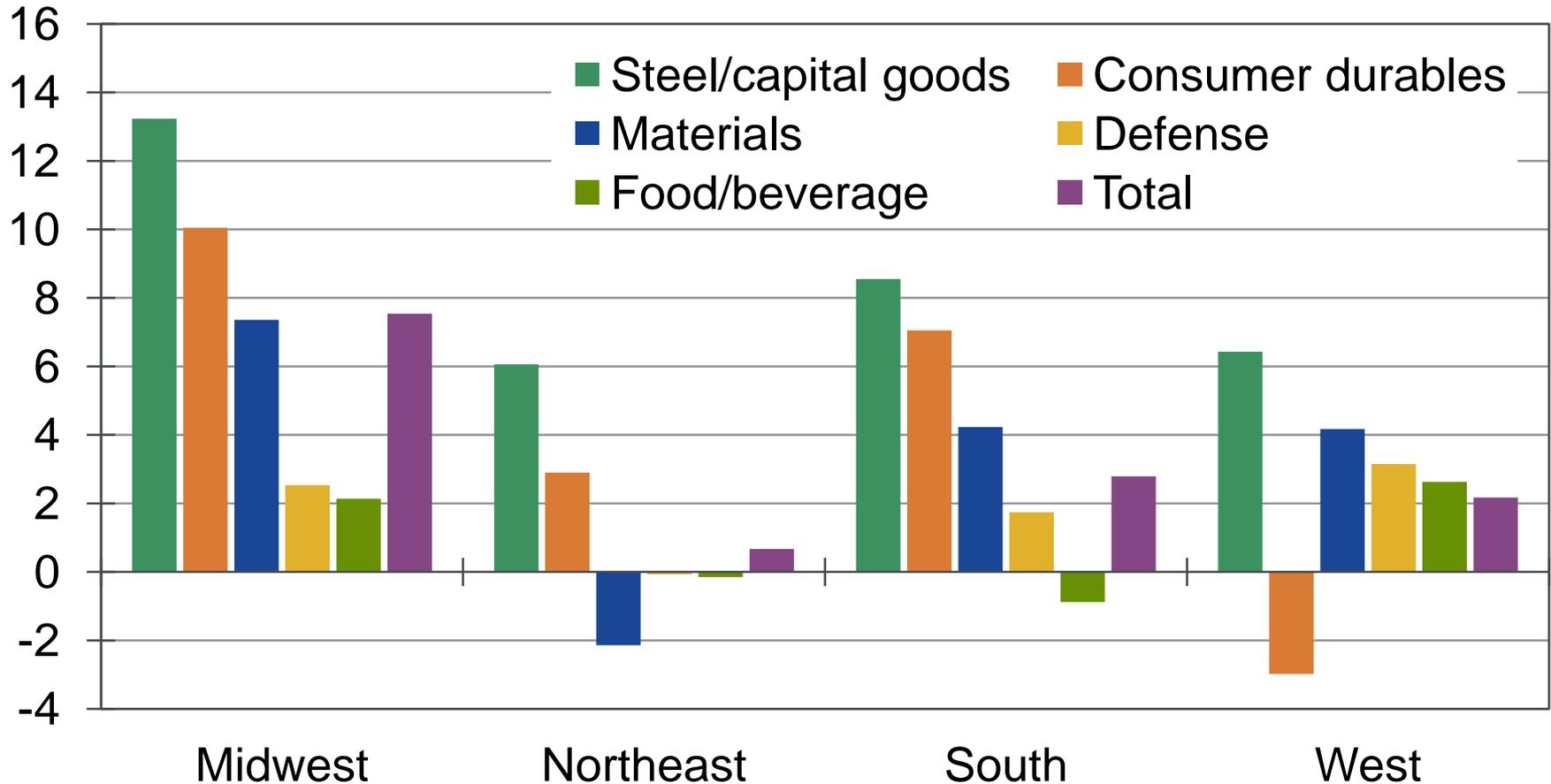
Real manufacturing output per worker, \$ ths



Sources: BLS, Moody's Analytics

Select Industries Have Had to Hire Everywhere

Manufacturing employment, % change from trough

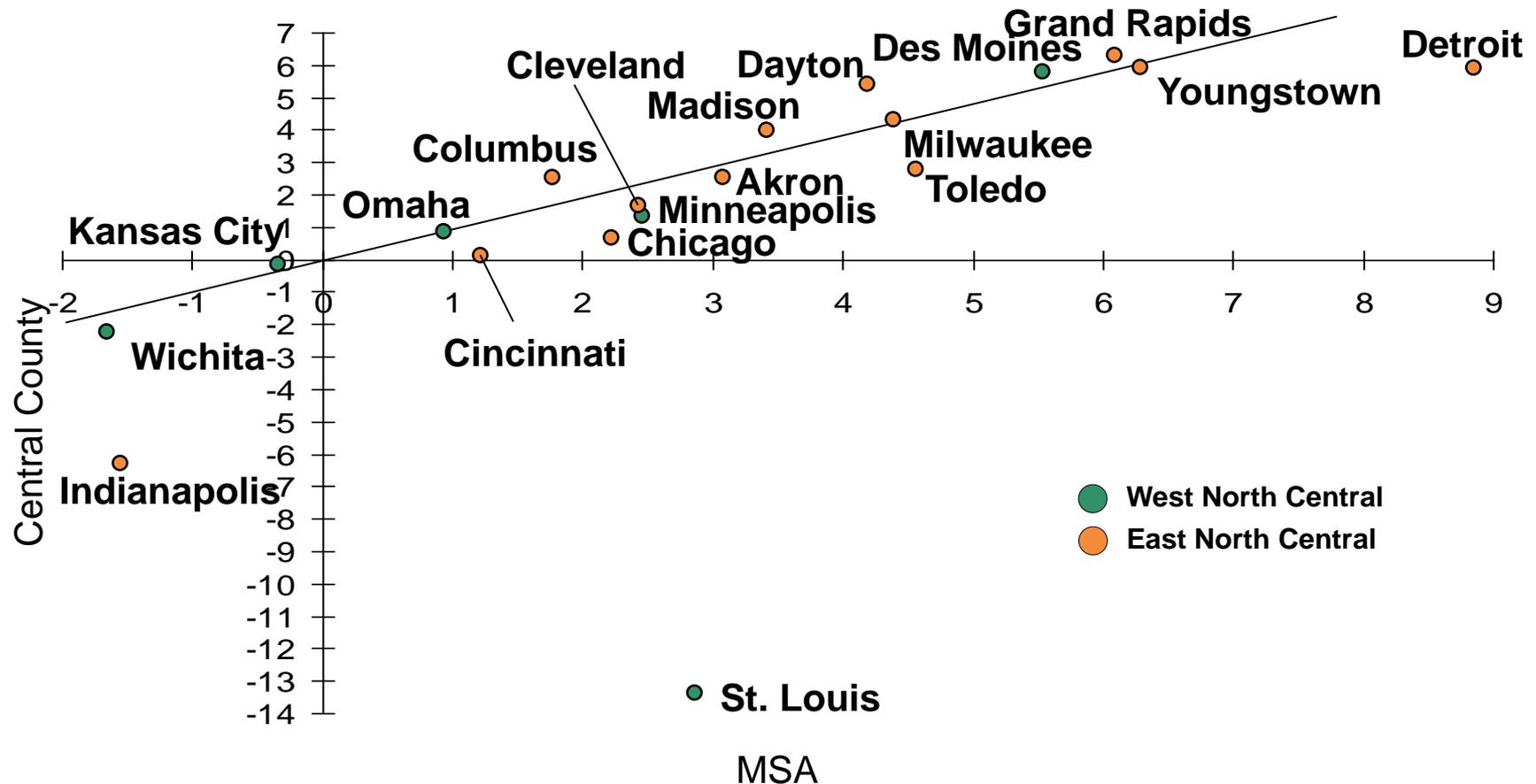


Sources: BLS, Moody's Analytics

Manufacturing Employment—Midwest

MSA vs. Central County

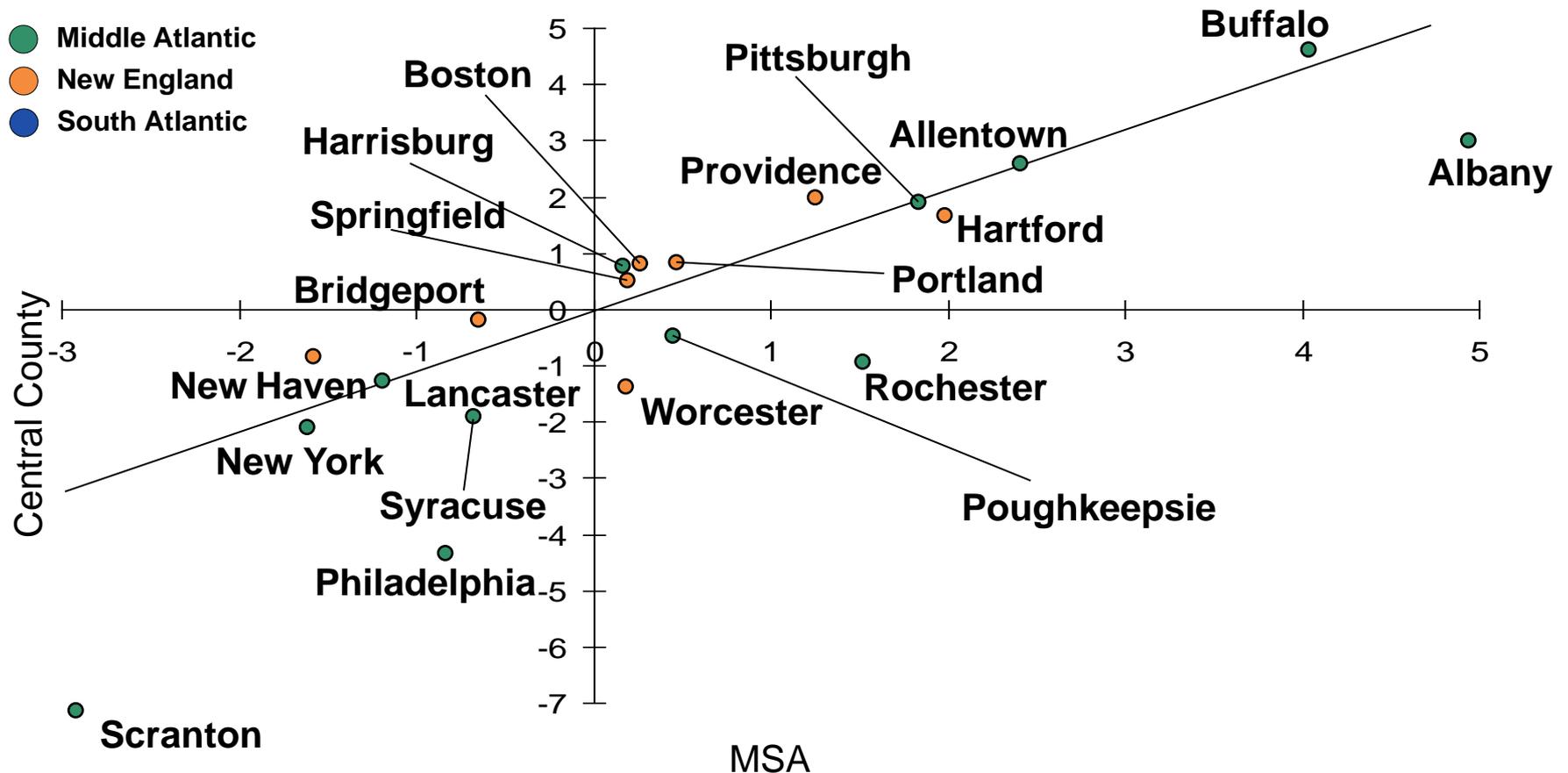
2011Q2, % chg yr ago



Manufacturing Employment—Northeast

MSA vs. Central County

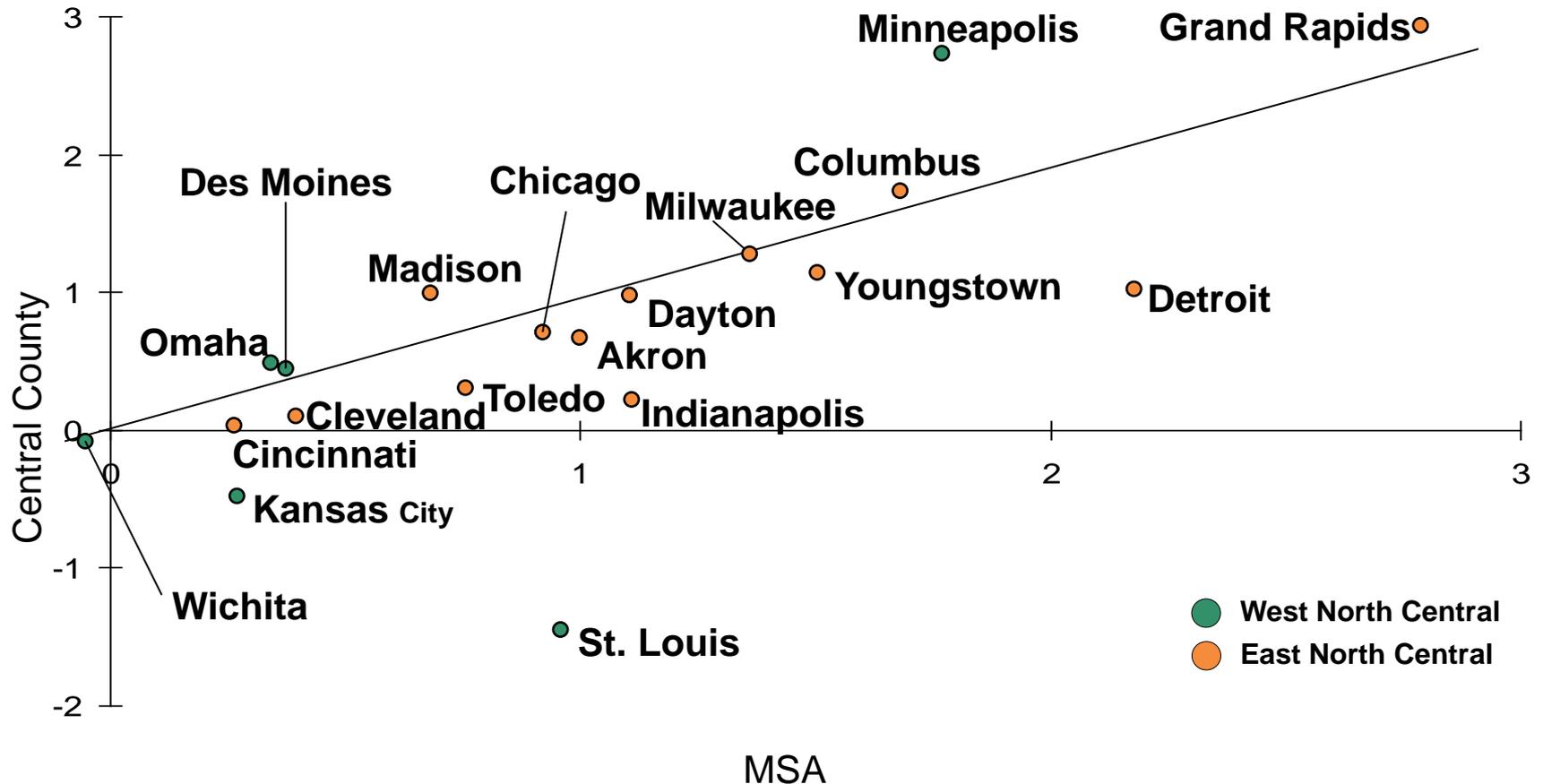
2011Q2, % chg yr ago



Total Employment—Midwest

MSA vs. Central County

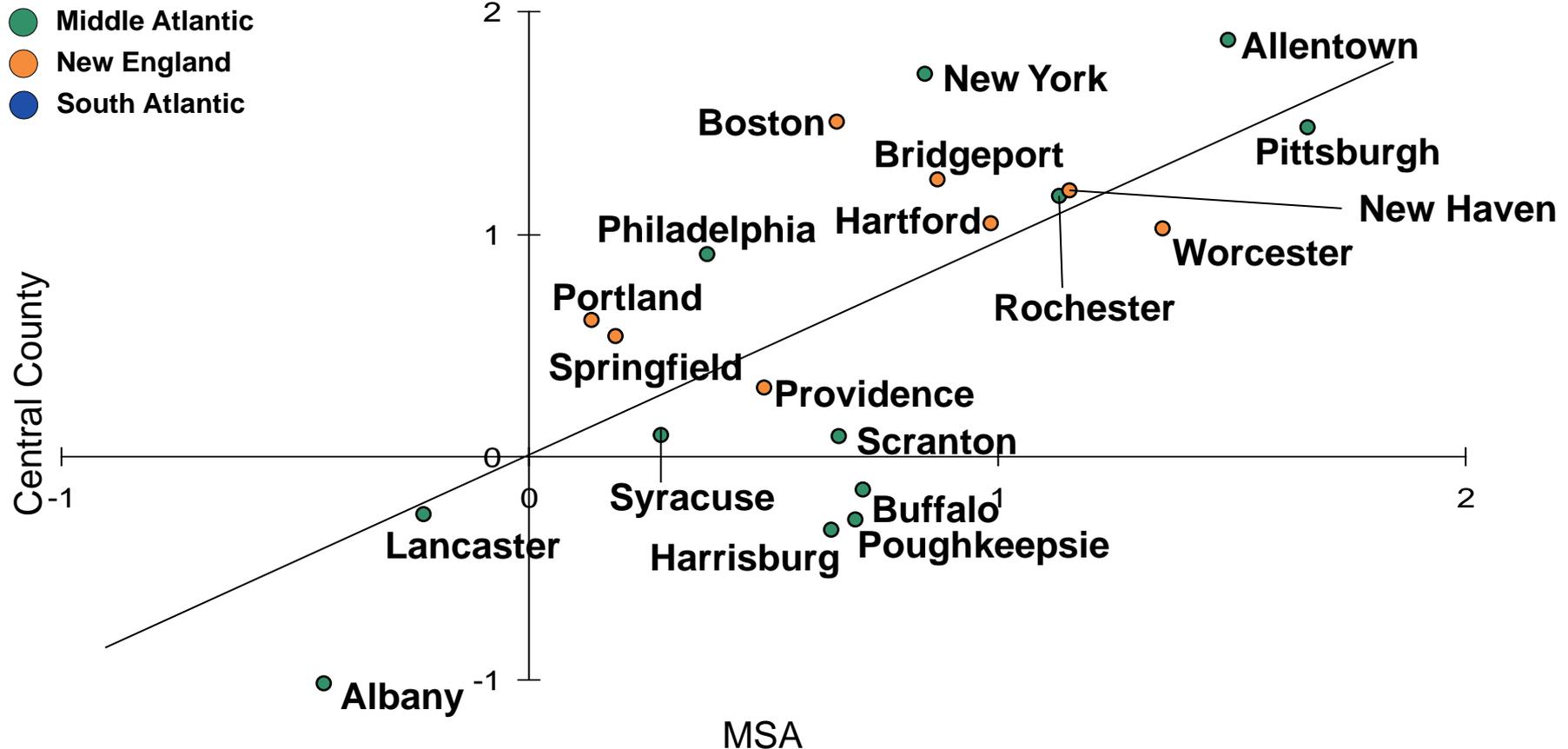
2011Q2, % chg yr ago



Total Employment—Northeast

MSA vs. Central County

2011Q2, % chg yr ago



Durables, Chemicals, Food Support Midwest

Industries driving manufacturing employment growth, 10q2-11q2

Central County in Metro Area...	Machinery	Trans Equip	Chem Energy Plastics Rubber	Electric Elec- tronics	Food	Furniture	Metals
Columbus	X		X			X	X
Dayton	X	X			X		
Des Moines	X	X	X	X	X		
Grand Rapids	X		X		X		X
Madison	X	X			X		

Broad Set of Industries Support Northeast

Industries driving manufacturing employment growth, 10q2-11q2

Central County in Metro Area...	Machinery	Trans Equip	Chem Energy Plastics Rubber	Electric Elec- tronics	Food	Furniture	Metals
Allentown		X		X	X		X
Boston	X	X	X		X		
Buffalo			X	X			
Harrisburg	X			X	X		
Pittsburgh				X	X		X
Portland	X	X			X		
Providence	X		X		X		X
Springfield	X	X	X		X		X

United States
121 North Walnut Street
Suite 500
West Chester, PA 19380
+1.610.235.5299

United Kingdom
One Canada Square
Canary Wharf
London E14 5FA
+44.20.7772.5454

Australia
Level 10
1 O'Connell Street
Sydney, NSW, 2000
Australia
+61.2.9270.8111

www.economy.com



© 2012 Moody's Analytics, Inc. and/or its licensors and affiliates (collectively, "MOODY'S"). All rights reserved. ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY COPYRIGHT LAW AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. Under no circumstances shall MOODY'S have any liability to any person or entity for (a) any loss or damage in whole or in part caused by, resulting from, or relating to, any error (negligent or otherwise) or other circumstance or contingency within or outside the control of MOODY'S or any of its directors, officers, employees or agents in connection with the procurement, collection, compilation, analysis, interpretation, communication, publication or delivery of any such information, or (b) any direct, indirect, special, consequential, compensatory or incidental damages whatsoever (including without limitation, lost profits), even if MOODY'S is advised in advance of the possibility of such damages, resulting from the use of or inability to use, any such information. The ratings, financial reporting analysis, projections, and other observations, if any, constituting part of the information contained herein are, and must be construed solely as, statements of opinion and not statements of fact or recommendations to purchase, sell or hold any securities. NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY SUCH RATING OR OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER. Each rating or other opinion must be weighed solely as one factor in any investment decision made by or on behalf of any user of the information contained herein, and each such user must accordingly make its own study and evaluation of each security and of each issuer and guarantor of, and each provider of credit support for, each security that it may consider purchasing, holding, or selling.