

## [Technology + Management Smarts]

### [Economy Continues its Steady Climb]

#### *Solid + Widespread Economic Gains in the 2<sup>nd</sup> Quarter*

Second quarter Federal Reserve reports showed optimism about the continued economic recovery, including widespread gains across multiple sectors, led by manufacturing. This steady improvement trend includes increased hiring, which was elusive for much of the last year.

Additionally:

- + Business services (including freight) improved.
- + Loan demand is steady.
- + Residential and commercial real estate was mixed.

**[Consumer strength]** Upbeat reports about the strength of consumer spending continue, despite uncertainty about the long-term fallout regarding the tragedy in Japan. Consumers are buying again, particularly large ticket items like cars and furniture. Tourism is on the rise as well, pointing to continued economic expansion.

**[Business Growth]** Transportation services are experiencing solid growth, air travel is on

the rise, and trucking is strengthening – all key indicators of a solidifying economy. And crucially – manufacturing activity is on the rise across all 12 Federal Reserve districts, and optimism about continued rebounding can be seen across the sector.

**[Real Estate]** Real estate continues to lag in the economic recovery; both the commercial and consumer markets remain weak – but, importantly, are not worsening.

**[Financial Services]** Loan demand remains largely unchanged, with some bright areas – such as an uptick on the consumer side – and a strengthening of business loans in the healthcare and energy markets.

**[Employment]** Labor market conditions are generally stronger than the Fed's last report and wage pressures are mostly contained, except for highly competitive or specialized positions.

Combined, this data indicates a welcome environment for business growth after the years-long recession. ➤

*Source: Federal Reserve Board of Governors*

### About Technology + Management Smarts

*Technology + Management Smarts* is a quarterly electronic publication developed for select customers of First American Equipment Finance. First American is an equipment lessor that excels at providing simple, innovative financing solutions for complex projects that combine products and services from multiple vendors and service providers into a single equipment lease. Headquartered in New York, with offices in Chicago, Los Angeles, and Naples, Florida, First American has satisfied customers in all 50 states. Visit us at [www.faef.com](http://www.faef.com).