



Obama's So-Called "Recovery": -2.9%

Obama's Shrinking Economy Continues To Disappoint

THE FIRST QUARTER OF 2014 HAD THE WORST GDP GROWTH SINCE THE RECESSION

GDP Was Revised Down For A Second Time To 2.9 Percent For The First Quarter Of 2014. ([Bureau Of Economic Analysis](#), 6/25/14)

- **"The Difference Between The Second And Third Estimates Was The Largest On Records Going Back To 1976, The Commerce Department Said."** ("Bad To Worse: US Economy Shrank More Than Expected In Q1," [Reuters](#), 6/25/14)

"It Just Keeps Getting Worse," GDP Surpassed Wildest Expectations "In All The Wrong Ways." "It just keeps getting worse. The government released its third estimate of economic activity during the first quarter, and it surpassed our wildest expectations -- in all the wrong ways." (Ylan Mui, "The Economy Shrank Almost 3 Percent In Q1. Holy Guacamole," [The Washington Post](#), 6/25/14)

- ***The Washington Post* Headline: "The Economy Shrank Almost 3 Percent In Q1: Holy Guacamole."** (Ylan Mui, "The Economy Shrank Almost 3 Percent In Q1. Holy Guacamole," [The Washington Post](#), 6/25/14)

Associated Press Headline: "US Economy Shrank At Steep 2.9 Percent Rate In Q1." ("US Economy Shrank At Steep 2.9 Percent Rate In Q1," [The Associated Press](#), 6/25/14)

The Steep Economic Decline Is "A Reflection Of The Underlying Weakness In the Economy." "But the fact that the economy as a whole could show such a sharply negative result thanks to a few combined idiosyncratic factors is also a reflection of the underlying weakness in the economy." (Neil Irwin, "Economy In First Quarter Was A Lot Worse Than Everybody Thought," [The New York Times](#), 6/25/14)

The Decline In Economic Growth In The First Quarter Has "Dashed Hopes That The Recovery Was Switching Into A Higher Gear." "The economy's first-quarter stumble has once again dashed hopes the recovery was in the process of switching into a higher gear." (Jonathan House And Sarah Portlock, "U.S. GDP Contracted At 2.9% Pace In First Quarter," [The Wall Street Journal](#), 6/25/14)

Recent GDP Revision Is The "Sharpest Pullback Since The Recession Ended Five Years Ago." "The U.S. economy contracted at a worse pace than previously estimated in the first quarter, marking its sharpest pullback since the recession ended five years ago." (Jonathan House And Sarah Portlock, "U.S. GDP Contracted At 2.9% Pace In First Quarter," [The Wall Street Journal](#), 6/25/14)

- **Revised GDP Was The Worst Since The Middle Of The Recession In The First Quarter Of 2009.** ([Bureau Of Economic Analysis](#), 6/25/14)

The First Six Months Of 2014 Will Likely Be Below The Historically Low 2 Percent GDP Growth Rate That Has Dominated In Obama's Economy. "But the depth of the first-quarter decline in output means growth over the first six months of the year likely fell below the economy's average rate of just over 2% since the economy emerged from recession in June, 2009. That is below the U.S. economy's longer term growth rate of just over 3%." (Jonathan House And Sarah Portlock, "U.S. GDP Contracted At 2.9% Pace In First Quarter," [The Wall Street Journal](#), 6/25/14)

Economic Indicators Were "Even Weaker Than Previously Estimated"

Because Of How Steep GDP Declined It Suggests "Other Factors At Play Beyond The Weather." "While the economy's woes have been largely blamed on an unusually cold winter, the magnitude of the revisions suggest other factors at play beyond the weather. Growth has now been revised down by a total of 3.0 percentage points since the government's first estimate was published in April, which had the economy expanding at a 0.1 percent rate." ("Bad To Worse: US Economy Shrank More Than Expected In Q1," [Reuters](#), 6/25/14)

Despite The White House Estimating A Strong Gain From Health Care Spending Due To ObamaCare, Health Care Spending Declined By 0.2 Percent. "The government had previously estimated a strong gain in this category reflecting implantation of provisions of the Affordable Care Act. But data derived from an actual survey showed the government's estimate was far too optimistic. Health care spending, instead of rising at a 1 percent rate, had fallen in the first quarter at a 0.2 percent rate." (Paul Davidson, "Economy Shrank 2.9% In 1Q, Worst Drop Since '09," [USA Today](#), 6/25/14)

Exports Declined By 8.9 Percent In The First Quarter Of 2014 While Businesses Slowed Their Inventory. "Also, exports declined 8.9%, vs. the 6% drop previously estimated. And businesses replenished their stocks even more slowly than believed after aggressively adding to inventories late last year." (Paul Davidson, "Economy Shrank 2.9% In 1Q, Worst Drop Since '09," [USA Today](#), 6/25/14)

Consumer Spending And Exports Were "Even Weaker Than Previously Estimated." "In its third GDP reading, based on newly available data, Commerce said first-quarter consumer spending and exports were even weaker than previously estimated." (Jonathan House And Sarah Portlock, "U.S. GDP Contracted At 2.9% Pace In First Quarter," [The Wall Street Journal](#), 6/25/14)

- **The Main Source Of Economic Activity, Growth In Consumer Spending, Fell By A Third From 3 Percent To 1 Percent.** "The rise in consumer spending, the main source of U.S. economic activity, was slashed to 1% from 3%, largely because Americans reduced spending on health care and other services." (Jeffrey Bartash, "U.S. Economy Contracted 2.9% In First Quarter," [The Wall Street Journal's Market Watch](#), 6/25/14)

Even Before Economic Growth Was Revised Down For The Second Time, The Economy Was Seen As Troubled

"At The Start Of The Year, Economists Were Optimistic... So Much For Hopeful Thinking." "At the start of the year, economists were optimistic. Perhaps the economy would grow 3% this year, they said, instead of the measly 2% pace it's been stuck at for the prior three years. So much for that hopeful thinking. Half-way through the year, forecasts are being slashed. The latest Zorro move comes from the International Monetary Fund. The organization said Monday that the U.S. economy would only grow 2% this year, down from its earlier forecast of 2.8%." (Annalyn Kurtz, "U.S. Economy: Not Looking So Good," [CNNMoney](#), 6/16/14)

"The IMF Doesn't Believe The Comeback Will Be Strong Enough To Completely Offset The Terrible First Quarter." "In the early part of the year, as a harsh winter conspired with other factors... momentum faded in the U.S. economy," the IMF said. Even though the economy is now starting to bounce

back, the IMF doesn't believe the comeback will be strong enough to completely offset the terrible first quarter." (Annalyn Kurtz, "U.S. Economy: Not Looking So Good," [CNNMoney](#), 6/16/14)

The Federal Reserve No Longer Expects A Full Recovery In The Foreseeable Future. "The Federal Reserve, persistently optimistic in its previous forecasts, said in March that it no longer expected a full recovery in the foreseeable future." (Binyamin Appelbaum, "U.S. Economic Recovery Looks Distant As Growth Stalls," [The New York Times](#), 7/11/14)

Economic Growth Has Averaged Only 2 Percent A Year Since The Start Of Obama's So-Called "Recovery," "Well Below Its Historical Average." "The nation's total annual output has moved substantially above the prerecession peak, but economic growth has averaged only about 2 percent a year, well below its historical average." (Binyamin Appelbaum, "U.S. Economic Recovery Looks Distant As Growth Stalls," [The New York Times](#), 6/11/14)

With Declining Economic Growth It's No Wonder Americans Are So Pessimistic About Obama's Economy

According To The Pew Research Center, Only 6 Percent Of Americans Said The Economy Was Recovering Strongly. "In a Pew Research Center survey from April, only 6% of Americans said the economy was recovering strongly. Two-thirds (66%) said the economy was recovering, but not very strongly; about a quarter (26%) said it wasn't recovering at all." (Drew Desilver, "Five Years In, Recovery Still Underwhelms Compared With Previous Ones," [Pew Research Center](#), 6/23/14)

Only 37 Percent Of Americans Rate Their Financial Situation As "Excellent" Or "Good," Little Changed From June 2009, When The Recession Officially Ended. "The same survey found that Americans' financial self-assessment had barely budged since June 2009, when the recession officially ended: 37% rated their financial situation 'excellent' or 'good,' 39% 'only fair,' and 23% 'poor.'" (Drew Desilver, "Five Years In, Recovery Still Underwhelms Compared With Previous Ones," [Pew Research Center](#), 6/23/14)

Since The Second Quarter Of 2009, Inflation-Adjusted GDP Has Risen Just 10.8 Percent - The "Slowest Growth Of Any Of The Five-Years Periods Examined." "Consider the broadest measure of economic activity, gross domestic product. Since the second quarter of 2009 (GDP is measured quarterly, not monthly), inflation-adjusted GDP has risen just 10.8% — the slowest growth of any of the five-year periods examined. In fact, as far as GDP goes each recovery since the 1960s has been weaker than the last." (Drew Desilver, "Five Years In, Recovery Still Underwhelms Compared With Previous Ones," [Pew Research Center](#), 6/23/14)