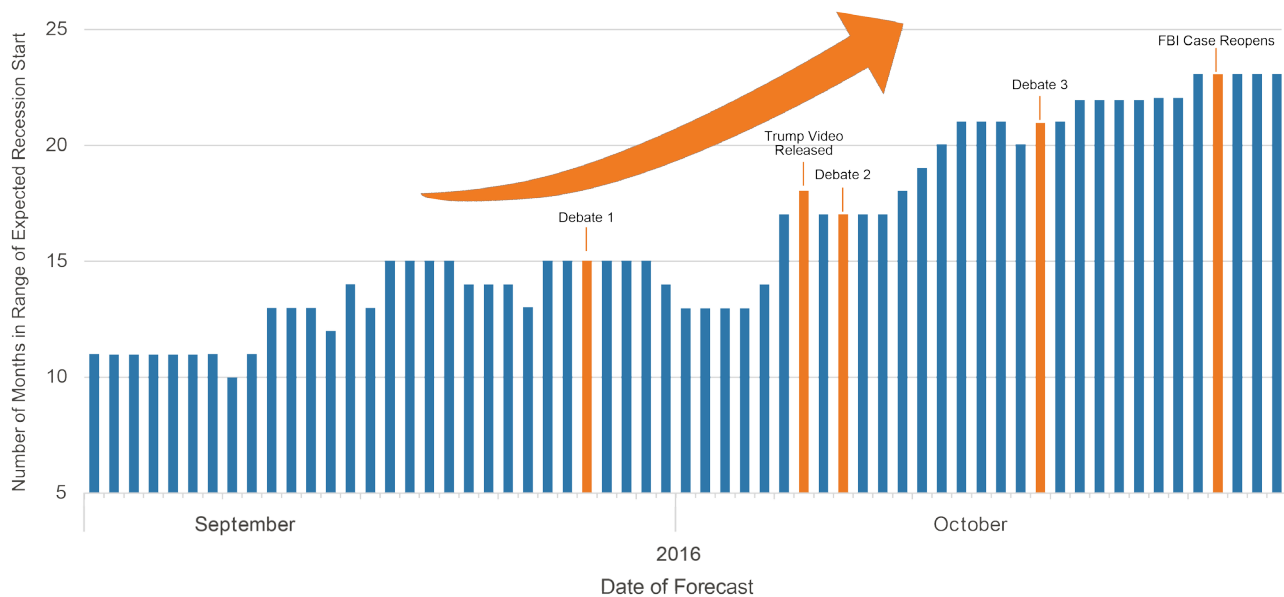


Economic Uncertainty Doubles as Presidential Election Draws Near: The range of likely recession start dates has increased from 11 to 23 months

As of October 17, 2016



The next recession is currently expected to start in February 2018, with an expected range of **March 2017 through Feb 2019**

Summary

Economic uncertainty has doubled during the past two months as the presidential election draws near. Just two months ago, the range of likely recession start dates was 11 months. Now, a few days before the presidential election, the range is 23 months. And this may continue to increase as election day approaches.

In early September, the next U.S. recession was expected to start between May 2017 and April 2018 — a spread of eleven months. However, now, the next U.S. recession is expected to start as soon as March 2017, and as far out as February 2019 — a spread of 23 months. By the way, this is the largest spread we have observed for more than a year.

This increase in economic uncertainty is evident in the chart above, which was created using Intensity's Business Cycles forecasting service. The chart displays the range of expected recession start dates (in months); the taller the bar, the greater the uncertainty of the estimate. Intensity's leading edge forecasting machine is run daily to predict when the next economic recession will start, and reports the level of confidence surrounding each prediction. The chart demonstrates that the expected start date range has increased from a spread of 11 months in early September to a 23-month spread at the end of October.