



FERGUSON WELLMAN
CAPITAL MANAGEMENT



Third Quarter 2012
Investment Outlook

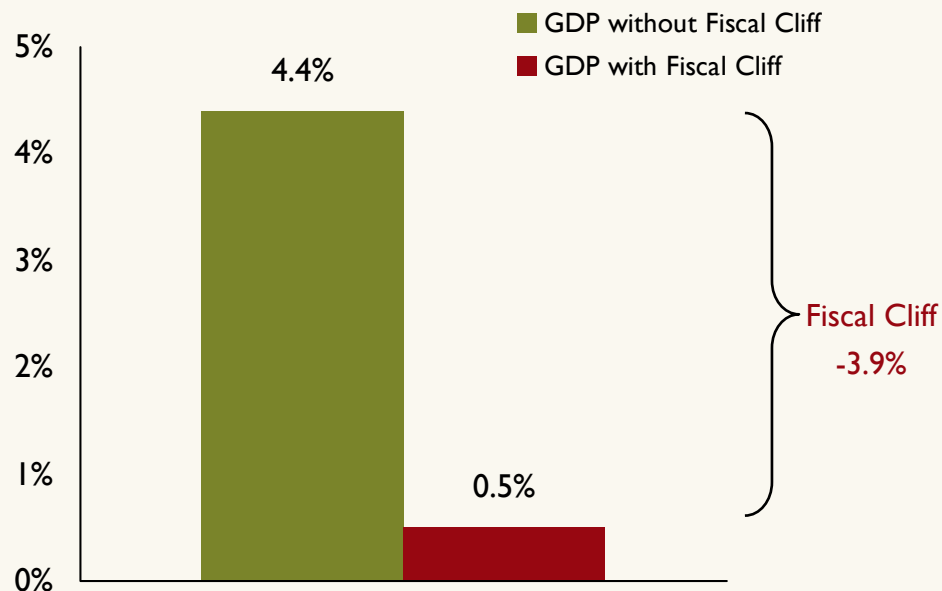
A Closer Look at
the Fiscal Cliff

presented by
Marc F. Fovinci, CFA
Principal

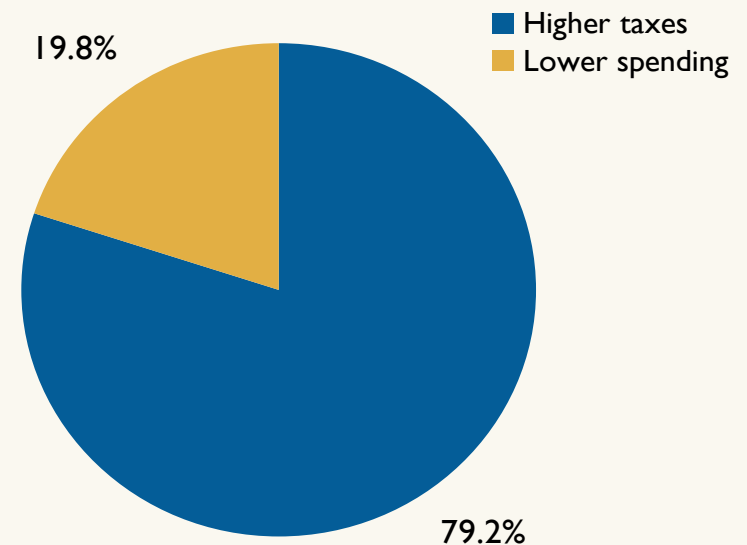


We Will Not Fall Off the “Fiscal Cliff”

2013 projected GDP growth
(Congressional Budget Office)



Makeup of Fiscal Cliff



Source: Congressional Budget Office, *Economic Effects of Reducing the Fiscal Restraint That Is Scheduled to Occur in 2013*, May 2012

- No politician will want to drive the economy into recession in the first half of the year
- Expect talk and posturing, but no action prior to the election
- Expect a temporary fix around the first of the year and brinkmanship in negotiations