Q. Reference: Dr. Booth Evidence, Page 32, Lines 11-13: Please explain the basis for Dr. Booth's conclusion that with the end of QE3, conditions in US markets returned to average or normal. What markets is Dr. Booth referring to – bond markets, equity markets, futures markets, options markets, or some combination of these?

A. Dr. Booth is referring to overall conditions in the capital markets as indicated by the Kansas City Federal Reserve Stress index graphed on page 31 to which those comments are directed. Note that normal is neutral on the horizontal axis and the index was increasing to close in on that value.