New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

April 21, 2011

United States

Economic Indicators—Schedule and Forecasts

April 25 – May 6, 2011

Sinai/Ellis/Tan

f= DE forecast c=consensus a=advance s=second t=third r=revised

25

New Home Sales (10:00)
(Units, Thousands, SAAR)

Nov	286	Feb	250
Dec	333	**Mar (f)**	**280**
Jan	301	**Mar (c)**	**280**

3-and 6-Month Bills (13:00)
$56.0 Billion

26

FOMC Meeting
(Apr 26-27)

ICSC/Goldman Sachs Chain Sales
(7:45) (4/23)

Redbook Chain Sales (8:55)
(4/23)

S&P/Case-Shiller Index (9:00)
(20 City Index) (Y/Y)

Oct	-0.9%	Jan	-3.1%
Nov	-1.7%	**Feb (f)**	**-3.7%**
Dec	-2.4%	**Feb (c)**	**-3.3%**

Conference Board Consumer
Confidence Survey (10:00)

Dec	63.4	Mar	63.4
Jan	64.8	**Apr (f)**	**65.0**
Feb	72.0	**Apr (c)**	**64.5**

4-Week Bill (13:00)
$34.0 Billion (f)

2-Year Note (13:00)
$35.0 Billion

27

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Jan	3.7%	2.9%	0.2%
Feb	-0.6%	0.7%	0.3%
Mar (f)	**1.5%**	**1.5%**	**0.5%**
Mar (c)	**2.0%**		

5-Year Note (11:30)
$35.0 Billion

FOMC Meeting & Statement
(12:30)

Bernanke Press Briefing (14:15)

28

Initial Claims (8:30)

4/9	416	**4/23 (f)**	**390**
4/16	403	**4/23 (c)**	**390**

Gross Domestic Product (8:30)
(Advance)

	Real	Final Sales	Chain Prices
10:Q3	2.6%	0.9%	2.1%
10:Q4	3.1%	6.7%	0.4%
11:Q1 (f)	**2.0%**	**1.5%**	**2.1%**
11:Q1 (c)	**1.8%**		**2.4%**

Duke and Williams Speeches (8:30)
(Federal Reserve Community
Affairs Research Conference,
Arlington, Virginia)

Pending Home Sales (10:00)

Nov	10.5%	Feb	2.1%
Dec	-3.2%	**Mar (f)**	**3.2%**
Jan	-2.8%	**Mar (c)**	**1.5%**

7-Year Note (13:00)
$29.0 Billion

29

Employment Cost Index (8:30)
(Civilian Workers, Q/Q, SA)

	Comp.	Wages	Benefits
10:Q3	0.4%	0.3%	0.6%
10:Q4	0.4%	0.4%	0.4%
11:Q1 (f)	**0.5%**	**0.4%**	**0.5%**
11:Q1 (c)	**0.5%**		

Personal Income & Consumption
(8:30)

	Income	Cons.	Core Prices
Jan	1.2%	0.3%	0.2%
Feb	0.3%	0.7%	0.2%
Mar (f)	**0.3%**	**0.3%**	**0.2%**
Mar (c)	**0.3%**	**0.5%**	**0.1%**

Chicago Purchasing Managers'
Survey (9:45)

	Total	Prices Paid
Feb	71.2	81.2
Mar	70.6	83.4
Apr (f)	**70.8**	**83.5**
Apr (c)	**68.5**	

U of M Cons Sentiment Index
(9:55) (Final)

Mar	67.5	**Apr (f)**	**69.6**
Apr (p)	69.6	**Apr (c)**	**70.0**

U of M Inflation Expectations
(9:55) (Final)

	1-Year	5-Year
Mar	4.6%	3.2%
Apr (p)	4.6%	2.9%
Apr (f)	**4.6%**	**2.9%**

Bernanke Speech (12:30)
(Federal Reserve Community
Affairs Research Conference,
Arlington, Virginia)

2

ISM Manufacturing Survey (10:00)

	Total	Prices
Feb	61.4	82.0
Mar	61.2	85.0
Apr (f)	**59.5**	**82.2**

Construction Expenditure (10:00)

Dec	-3.2%	Feb	-1.4%
Jan	-1.8%	**Mar (f)**	**0.5%**

3-and 6-Month Bills (13:00)
$56.0 Billion (f)

3

ICSC/Goldman Sachs Chain Sales
(7:45) (4/30)

Redbook Chain Sales (8:55)
(4/30)

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Jan	3.3%	1.7%	1.5%
Feb	-0.1%	0.3%	0.8%
Mar (f)	**1.2%**	**0.8%**	**0.6%**

4-Week Bill (13:00)
$34.0 Billion (f)

1-Year Bill (13:00)
$25.0 Billion (f)

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Feb	13.4	10.2	3.2
Mar	13.1	9.9	3.1
Apr (f)	**13.1**	**9.9**	**3.2**

4

Rosengren Speech (8:00)
(Real Estate Conference – Boston,
Massachusetts)

ADP Employment Estimate (8:15)
(Apr)

ISM Non-Manufacturing

(10:00)	Total	Prices
Feb	59.7	73.3
Mar	57.3	72.1
Apr (f)	**58.0**	**72.0**

Williams Speech (15:00)
(Maintaining Price Stability in a
Global Economy – Los Angeles,
California)

Lockhart Speech (19:00)
(The Economic Outlook – National
Funding Association, Atlanta,
Georgia)

5

Initial Claims (8:30)

4/9	416	**4/23 (f)**	**390**
4/16	403	**4/30 (c)**	**385**

Productivity and Costs (8:30)

(Prelim.)	Prod.	Comp.	ULC
10:Q3	2.3%	2.5%	0.1%
10:Q4	2.6%	2.0%	-0.6%
11:Q1 (f)	**0.8%**	**1.9%**	**1.1%**

Bernanke Speech (9:30)
(Bank Structure and Competition –
Chicago Fed Banking Conference -
Chicago, Illinois)

Kocherlakota Speech (13:15)
(Some Contingent Planning for
Monetary Policy – Santa Barbara
Economic Summit, California)

Monthly Chain Store Sales
(Apr)

6

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Feb	194	34.3	unch
Mar	216	34.3	unch
Apr (f)	**162**	**34.3**	**0.1%**

Unemployment Rate (8:30)

Nov	9.8%	Feb	8.9%
Dec	9.4%	Mar	8.8%
Jan	9.0%	**Apr (f)**	**8.8%**

Dudley Speech (10:00)
(Regional Economic Briefing –
New York)

Recent History-Latest Results

18

NAHB Housing Market Index
(10:00)

Jan	16	Mar	17
Feb	16	Apr	16

3-and 6-Month Bills (13:00)
$58.0 Billion

19

ICSC/Goldman Sachs Chain Sales
(7:45) (4/16)

Housing Starts (8:30)
(Units, Millions, SAAR)

	Starts	Permits
Jan	0.628	0.563
Feb	0.512	0.534
Mar	0.549	0.594

Redbook Chain Sales (8:55)
(4/16)

4-Week Bill (13:00)
$34.0 Billion

20

Existing Home Sales (10:00)
(Units, Millions, SAAR)

Oct	4.380	Jan	5.400
Nov	4.640	Feb	4.920
Dec	5.220	Mar	5.100

21

Initial Claims (8:30)

3/26	392	4/9	416
4/2	385	4/16	403

Leading Indicators (10:00)

Oct	0.2%	Jan	0.2%
Nov	1.0%	Feb	1.0%
Dec	1.0%	Mar	0.4%

Philadelphia Fed Survey (10:00)

	Total	Prices
Feb	35.9	67.2
Mar	43.4	63.8
Apr	18.5	57.1

5-Year TIPS (13:00)
$14.0 Billion

22

Holiday

Indicator Highlights

United States

The S&P/Case-Shiller Index (Tue., Apr. 26, 9:00 a.m.) is a key gauge of housing prices for both year-on-year changes and on a running basis. Home prices in this index lifted for a while but have since fallen back. The FOMC policy announcement (Wed., Apr. 27, 12:30) and inaugural Bernanke press briefing (Wed., Apr. 27, 14:15) may illuminate the debate between 'Doves' and 'Hawks' about inflation risks. The "Advance" Report on Gross Domestic Product (Thu., Apr. 28, 8:30 a.m.) will provide a preliminary reading on the overall economy in Q1, and the impact of higher oil prices. Personal Income & Consumption (Fri., Apr. 29, 8:30 a.m.) will provide a third-month reading for Q1 consumer spending, currently the largest source (near 70%) of real GDP. How goes the consumer, so goes the economy. A new growth trend for consumption is emerging, much lower than historically, hard to pin down exactly, but significantly weaker than previously, perhaps about 2½%, maybe 3%. Meager real income growth expected, but a higher savings rate also expected. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Apr. 29, 9:55 a.m.) will give an updated look at consumer attitudes in late April. Consumer sentiment retreated steeply in March on gasoline price concerns, and bounced back only slightly in early April.

The ISM Manufacturing Survey (Mon, May. 2, 10:00 a.m.) is the definitive manufacturing activity index. A strong upturn in manufacturing continues to be a key element of economic recovery. Light-Vehicle Sales (Tue., May. 3) will give an idea of overall demand for the important and large motor vehicle sales component of retail sales and consumption. The ISM Non-Manufacturing Survey (Wed., May. 4, 10:00 a.m.) is a high-frequency gauge for the services sector, about 60% to almost 85% of the economy, depending on the measure. Productivity & Costs (Thu., May. 5, 8:30 a.m.) will give an preliminary look at Q1 unit labor costs and will be suggestive about potentially higher profits. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., May. 6, 8:30 a.m.) are key data, for a host of upcoming economic indicators, the prospect, and particularly the Fed. The Fed remains focused on the unemployment rate.

Indicator	Forecast	Consensus	Analysis
New Home Sales (Units, SAAR)	280,000	280,000	Rebound after a particularly bad month.
S&P/Case-Shiller Index	-3.7%	-3.3%	Weak demand and high supply puts pressure on prices.
Conference Board Consumer Confidence Survey	65.0	64.5	Some improvement from the decline in March.
Durable Goods			
Orders	+1.5%	+2.0%	Aircraft orders rise further; moderate gains elsewhere.
Ex-Defense	+1.5%		
Shipments	+0.5%		
Gross Domestic Product (Advance)			
Real	+2.0%	+1.8%	Disappointing slowdown in demand growth.
Final Sales	+1.5%		
Chain Prices	+2.1%	+2.4%	
Pending Home Sales	+3.2%	+1.5%	Second month of increase suggests sturdier housing demand.
Employment Cost Index			
Compensation	+0.5%	+0.5%	Benefits increase lifts the total.
Wages and Salaries	+0.4%		
Benefits	+0.5%		
Personal Income & Consumption			
Income	+0.3%	+0.3%	Mild growth in labor income; consumption growth held back by easing vehicle sales.
Consumption	+0.3%	+0.5%	
Core Prices	+0.2%	+0.1%	
Chicago Purchasing Managers' Survey			
Total	70.8	68.5	Slight improvement in industrial activity.
Prices Paid	83.5		
U. of M. Consumer Sentiment Index (Final)	69.6	70.0	Consumers still absorbing energy price hikes.
U. of M. Inflation Expectations (Final)			
1-Yr Ahead (Median)	4.6%		No changes late in month for price expectations.
5-Yr Ahead (Median)	2.9%		
ISM Manufacturing Survey			
Total	59.5		Small downward move.
Prices	82.2		Prices move in narrow range.
Construction Expenditure	+0.5%		Residential sector likely bottoming out.
Manufacturers'			
Orders	+1.2%		Decent durables increase, nondurables boosted a bit by prices.
Shipments	+0.8%		
Inventories	+0.6%		
Light-Vehicle Sales (Units, SAAR)			
Total	13.1		Holding steady- but consumer share possibly rising.
Domestic	9.9		
Import	3.2		
ISM Non-Manufacturing Survey			
Total	58.0		Small move downward, but still expanding.
Prices	72.0		Little change.
Productivity & Costs (Final)			
Productivity	+0.8%		Productivity growth eases.
Compensation	+1.9%		
Unit Labor Costs	+1.1%		
Employment Report			
Payrolls	+162,000		Pace of improvement eases, at least temporarily.
Weekly Hours	34.3		
Hourly Earnings	+0.1%		
Unemployment Rate	8.8%		No further progress, for now, as employment growth slows.

Assessment

Economic growth has turned uneven, bouncing on net exports and inventories. Industrial side of the economy is strong. A question is whether, when, and how much crude oil, gasoline and energy price hikes will take out of the economy in Q2 and Q3. Q1 track near 2.0%. Effects of oil-price spike, if it continues to persist, will show in leading-edge indicators. "Off-shore" risks remain from European sovereign debt crisis and China's attempt to disinflate. Japan recession will also have impact. Inflation in Asia an Asian problem, but there is a question now on U.S. inflation risk. Fed providing "wind" to back of economy with QE2, aiming to raise growth, raise inflation, and lower the unemployment rate. Deficit-financed 2010 fiscal stimulus helps 2011 and 2012 prospects by about 0.5 to 0.7 percentage points. U.S. sovereign debt risk remains huge; Washington is still fiddling on this, though seems intent on action. Whether it does enough remains a question.