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DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

June 3, 2011

United States

Economic Indicators—Schedule and Forecasts

June 6 – June 17, 2011

Sinai/Ellis/Tan

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

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Plosser Speech (3:30)
(Central Bank Policy After the Crisis – Global Interdependence Center, Helsinki)

3-and 6-Month Bills (11:30)
$51.0 Billion

Fisher Speech (17:30)
(Market News International Seminar – New York)

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ICSC/Goldman Sachs Chain Sales (7:45) (6/4)

Redbook Chain Sales (8:55)
(6/4)

4-Week Bill (11:30)
$28.0 Billion (f)

Lockhart Speech (12:30)
(U.S. Economy – Charlotte Economics Club, North Carolina)

3-Year Note (13:00)
$32.0 Billion

Bernanke Speech (15:45)
(International Monetary Conference – Atlanta, Georgia)

Dudley Speech (21:00)
(Foreign Policy Association Corporate Dinner, New York)

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10-Year Note (13:00)
$21.0 Billion

FOMC Beige Book (14:00)
(Soft retail sales; housing markets dormant, exporters and manufacturing weakening.)

Hoenig Speech (14:20)
(Steamboat Springs, Colorado)

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Plosser Speech (4:00)
(U.S. Economy – Society of Business Economists Conference, London)

Trade Balance (8:30)
($ Billions, BOP Basis)

	Total	Merch.	Serv.
Feb	-45.4	-59.1	13.7
Mar	-48.2	-62.1	13.9
Apr (f)	**-47.1**	**-61.0**	**13.9**
Apr (c)	**-48.9**		

Initial Claims (8:30)

5/21	428	**6/4 (f)**	**420**
5/28	422	**6/4 (c)**	**419**

Wholesale Inventories (10:00)

Dec	1.2%	Mar	1.1%
Jan	1.0%	**Apr (f)**	**1.0%**
Feb	1.0%	**Apr (c)**	**1.0%**

Yellen Speech (11:30)
(Housing, Human Capital, and Inequality – Cleveland Fed Conference, Cleveland, Ohio)

30-Yr Bond (13:00) $13.0 Bn

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Import Prices (Non-Fuel, Y/Y)
(8:30)

Dec	3.0%	Mar	4.3%
Jan	3.4%	Apr	4.3%
Feb	3.8%	**May (f)**	**4.5%**

Treasury Statement (14:00)
($ Billions)

	2011	2010
Mar	-188.2	-65.4
Apr	-40.5	-82.7
May (f)	**-120.0**	-135.9
May (c)	**-150.0**	-135.9

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Lacker Speech (9:30)
(Manufacturing in the New Southern Economy – Southern Growth Conference, Roanoke, Virginia)

3-and 6-Month Bills (11:30)
$51.0 Billion (f)

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ICSC/Goldman Sachs Chain Sales (7:45) (6/11)

Producer Price Index (8:30)

	Total	Ex-F&E
Mar	0.7%	0.3%
Apr	0.8%	0.3%
May (f)	**0.1%**	**0.2%**

Advance Retail Sales (8:30)

	Total	Ex-Auto
Mar	0.9%	1.2%
Apr	0.5%	0.6%
May (f)	**-0.5%**	**0.1%**

Redbook Chain Sales (8:55)
(6/11)

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
Feb	1.0%	-1.4%	1.267
Mar	1.1%	2.4%	1.250
Apr (f)	**0.8%**	**0.8%**	**1.251**

4-Week Bill (11:30)
$28.0 Billion (f)

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Consumer Price Index (8:30)

	Total	Ex-F&E
Mar	0.5%	0.1%
Apr	0.4%	0.2%
May (f)	**0.3%**	**0.2%**

Empire State Manufacturing Survey

(8:30)	Total	Prices
Apr	21.7	57.7
May	11.9	69.9
Jun (f)	**10.8**	**64.5**

Monthly TIC flows (9:00) (Apr)

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Mar	0.7%	77.0%
Apr	unch	76.9%
May (f)	**-0.2%**	**76.7%**

NAHB Housing Market Index (10:00)

Jan	16	Apr	16
Feb	16	May	16
Mar	17	**Jun (f)**	**16**

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

	Starts	Permits
Mar	0.585	0.574
Apr	0.523	0.551
May (f)	**0.575**	**0.535**

Current Account ($ Billions) (8:30)

10:Q2	-122.7	10:Q4	-113.3
10:Q3	-125.5	**11:Q1 (f)**	**-139.1**

Initial Claims (8:30)

5/21	428	**6/4 (f)**	**420**
5/28	422	**6/11 (f)**	**410**

Philadelphia Fed Survey (10:00)

	Total	Prices
Apr	18.5	57.1
May	3.9	48.3
Jun (f)	**-1.0**	**42.0**

Monthly Money (16:30)
(SA, $ Billions)

	M1	M2
Mar	1890.0	8912.9
Apr	1900.9	8946.1
May (f)	**1933.0**	**8999.0**

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U of M Cons Sentiment Index (9:55) (Prelim.)

Jan	74.2	Apr	69.8
Feb	77.5	May	74.3
Mar	67.5	**Jun (f)**	**71.5**

U of M Inflation Expectations (9:55) (Prelim.)

	1-Year	5-Year
Mar	4.6%	3.2%
Apr	4.6%	2.9%
May	4.1%	2.9%
Jun (f)	**4.2%**	**2.9%**

Leading Indicators (10:00)

Dec	0.8%	Mar	0.7%
Jan	0.2%	Apr	-0.3%
Feb	0.9%	**May (f)**	**0.5%**

Recent History-Latest Results

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Holiday

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ICSC/Goldman Sachs Chain Sales (7:45) (5/28)

Redbook Chain Sales (8:55)
(5/28)

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

Oct	-0.9%	Jan	-3.1%
Nov	-1.7%	Feb	-3.4%
Dec	-2.4%	Mar	-3.6%

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Mar	70.6	83.4
Apr	67.6	81.8
May	56.6	78.6

Conference Board Consumer Confidence Survey (10:00)

Dec	63.4	Mar	63.8
Jan	64.8	Apr	66.0
Feb	72.0	May	60.8

3-and 6-Month Bills (11:30)
$51.0 Billion

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ADP Employment Estimate (8:15)
(May)

ISM Manufacturing Survey (10:00)

	Total	Prices
Mar	61.2	85.0
Apr	60.4	85.5
May	53.5	76.5

Construction Expenditure (10:00)

Nov	0.1%	Feb	-2.0%
Dec	-3.2%	Mar	0.1%
Jan	-1.0%	Apr	0.4%

1-Year Bill (11:30) $24.0 Bn

4-Week Bill (11:30) $28.0 Bn

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Mar	13.1	9.9	3.1
Apr	13.1	10.2	2.9
May	11.8	9.2	2.5

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Productivity and Costs (8:30)

(Final)	Prod.	Comp.	ULC
10:Q4	2.9%	0.1%	-2.8%
11:Q1 (p)	1.6%	2.6%	1.0%
11:Q1	1.8%	2.5%	0.7%

Initial Claims (8:30)

5/7	438	5/21	428
5/14	414	5/28	422

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Feb	-0.3%	0.2%	1.2%
Mar	3.8%	3.1%	1.4%
Apr	-1.2%	-0.2%	1.3%

Monthly Chain Store Sales
(May)

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Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Mar	194	34.3	unch
Apr	232	34.4	0.1%
May	54	34.4	0.3%

Unemployment Rate (8:30)

Dec	9.4%	Mar	8.8%
Jan	9.0%	Apr	9.0%
Feb	8.9%	May	9.1%

ISM Non-Manufacturing (10:00)

	Total	Prices
Mar	57.3	72.1
Apr	52.8	70.1
May	54.6	69.6

Indicator Highlights

United States

The Trade Balance (Thu., Jun. 9, 8:30 a.m.) and its track of exports and imports can indicate the strength of the global economy. How much is the weaker dollar helping U.S. exports, and how much trouble from Japan weakness and China disinflation attempt?

The Producer Price Index (Tue., Jun. 14, 8:30 a.m.) should be watched for information on whether any abatement of high commodity price inflation. A big deal for the Fed now is Retail Sales (Tue., Jun. 14, 8:30 a.m.), a key indicator for consumption, sometimes marking well the direction of aggregate consumer spending. The consumer is central to the expansion, its risks, and extent. The Consumer Price Index (CPI-U) (Wed., Jun. 15, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed. The Empire State Manufacturing (Wed., Jun. 15, 8:30 a.m.) and Philadelphia Fed (Thu., Jun. 16, 10:00 a.m.) Surveys are indicators of regional manufacturing activity that can foreshadow the national picture. Trouble on exports, tied to the global economy, would show up here. The indices have retreated in the last two months, suggesting that the recent strength in industry may be fading. Industrial Production & Capacity Utilization (Wed, Jun. 15, 9:15 a.m.) will give a detailed read on industrial-side activity and be watched for evidence on how much help manufacturing is getting from exports. Also of interest is slack, as measured by capacity utilization. Housing Starts (Thu., Jun. 16, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% of real GDP now. Builders remain pessimistic about demand prospects. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Jun 17, 9:55 a.m.) will provide a look at consumer attitudes in early June. Consumer sentiment retreated steeply in March on gasoline price concerns, but has recovered in the last couple of months. Inflation expectations in the survey are also important, particularly for Fed-watching.

Indicator	Forecast	Consensus	Analysis
Trade Balance (BOP Basis)			
Total	-$47.1 Billion	-$48.9 Billion	Goods imports and exports both decline slightly.
Merchandise	-$61.0		
Services	$13.9		
Wholesale Inventories	+1.0%	+1.0%	Wholesale inventories continue to increase solidly – the nondurable component is more volatile.
Import Prices (Non-Fuel, Y/Y)	+4.5%		Dollar falls a bit more, and materials prices rise a bit more, on year-to-year basis.
Treasury Statement	-$120.0 Billion	-$150.0 Billion	Deficit a little narrower.
Producer Price Index			
Total	+0.1%		Energy prices decline, modestly. 'Core' inflation stays on trend.
Ex-Food & Energy	+0.2%		
Advance Retail Sales			
Total	-0.5%		Auto sales fall; gasoline price weakness holds down ex-auto total.
Ex-Auto	+0.1%		
Business Inventories, Sales			
Inventories	+0.8%		Fairly stable conditions.
Sales	+0.8%		
I/S	1.251		
Consumer Price Index			
Total	+0.3%		Energy prices a bit less firm.
Ex-Food & Energy	+0.2%		
Empire State Manufacturing Survey			
Total	10.8		Small move downward.
Prices	64.5		
Industrial Production	-0.2%		Another soft manufacturing month.
Capacity Utilization	76.7%		
NAHB Housing Market Index	16		No improvement in builders' sentiment.
Housing Starts (Units, SAAR)	0.575 Million		Bouncing along the bottom.
Housing Permits (Units, SAAR)	0.535 Million		No signs of revival.
Current Account	-$139.1 Billion		Deficit widens out severely, on goods trade.
Philadelphia Fed Manufacturing Survey			
Total	-1.0		Downward motion continues.
Prices	42.0		
Monthly Money (SA)			
M1	+$32.1		Money supply expands relatively sharply.
M2	+$52.9 Billion		
U. of M. Consumer Sentiment Index (Prelim.)	71.5		Strength fades.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	4.2%		Small move upward.
5-Yr Ahead (Median)	2.9%		Stable.
Leading Indicators	+0.5%		Boosted by consumer expectations and yield curve, held down by ISM.

Assessment

Economic growth – in the U.S. and globally – has softened, probably on higher inflation, especially energy costs, and the early effects from Japan's downturn. Industrial side of the U.S. economy has been strong, now weakening. A question is how much crude oil, gasoline and energy price hikes will take from growth in Q2 and Q3. "Off-shore" risks remain from the European sovereign debt crisis and China's attempt to disinflate. Employment weakness reinforces Fed's conviction to hold, not tighten, post-QE2 – still aiming to raise growth, raise inflation, and lower the unemployment rate, with a long way to go.

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