New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

September 16, 2011

United States

Economic Indicators—Schedule and Forecasts
September 19 - September 30, 2011

Sinai/Ellis/Edelstein

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

19

NAHB Housing Market Index (10:00)

May	16	Aug	15
Jun	13	**Sep (f)**	**14**
Jul	15	**Sep (c)**	**15**

3-and 6-Month Bills (11:30)
$56.0 Billion

20

ICSC/Goldman Sachs Chain Sales (7:45) (9/17)

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

	Starts	Permits
Jun	613	617
Jul	604	601
Aug (f)	**585**	**600**
Aug (c)	**590**	**590**

FOMC Meeting (2-days)
(September 20-21)

Redbook Chain Sales (8:55)
(9/17)

4-Week Bill (11:30)
$27.0 Billion (f)

52-Week Bill (11:30)
$25.0 Billion

21

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

Apr	5.000	Jul	4.670
May	4.810	**Aug (f)**	**4.740**
Jun	4.840	**Aug (c)**	**4.750**

FOMC Meeting & Statement (14:15)
(Increased concern on economy with global risk cited along with high U.S. unemployment; "unconventional" measures taken are "operation twist" and reduction in "OIR" with hint of more to come depending on economy and inflation.)

22

Initial Claims (8:30)

9/3	417	**9/17 (f)**	**420**
9/10	428	**9/17 (c)**	**420**

Leading Indicators (10:00)

Apr	-0.3%	Jul	0.5%
May	0.7%	**Aug (f)**	**0.1%**
Jun	0.3%	**Aug (c)**	**0.1%**

10-Year TIPS (13:00)
$11.0 Billion

23

Dudley Speech (13:30)
(Deloitte/Bretton Woods Event)

Williams Speech (14:00)
(Unconventional Monetary Policy)

26

Raskin Speech (8:30)
(Loan Servicing: Where are We and Where are We Headed?)

Bullard Speech (9:30)
(Medley Global Advisors – NY)

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

Mar	305	Jun	300
Apr	316	Jul	298
May	309	**Aug (f)**	**286**

3-and 6-Month Bills (11:30)
$56.0 Billion (f)

27

ICSC/Goldman Sachs Chain Sales (7:45) (9/24)

Redbook Chain Sales (8:55)
(9/24)

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

Feb	-3.5%	May	-4.6%
Mar	-4.0%	Jun	-4.5%
Apr	-4.2%	**Jul (f)**	**-4.7%**

Conference Board Consumer Confidence Survey (10:00)

Apr	66.0	Jul	59.2
May	61.7	Aug	44.5
Jun	57.6	**Sep (f)**	**47.8**

4-Week Bill (11:30)
$27.0 Billion (f)

Lockhart Speech (12:30)
(A Discussion on the U.S. Economy)

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

28

Rosengren Speech (2:40)
(Swedbank Economic Outlook Conference)

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Jun	-1.1%	-0.8%	1.1%
Jul	4.1%	4.8%	2.5%
Aug (f)	**1.0%**	**1.0%**	**-1.0%**

5-Year Note (13:00)
$35.0 Billion (f)

29

Rosengren Speech (2:50)
(How Supervision Can Detect Failures Early – Stockholm)

Initial Claims (8:30)

9/3	417	**9/17 (f)**	**420**
9/10	428	**9/24 (f)**	**410**

Gross Domestic Product (8:30)

(Third)	Real	Final Sales	Chain Prices
11:Q1	0.4%	0.0%	2.5%
11:Q2 (s)	1.0%	1.2%	2.4%
11:Q2 (f)	**1.0%**	**1.2%**	**2.4%**

Plosser Speech (8:30)
(U.S. Economic Outlook)

Pending Home Sales (10:00)

Mar	3.5%	Jun	2.4%
Apr	-11.3%	Jul	-1.3%
May	8.2%	**Aug (f)**	**unch**

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

Lockhart Speech (13:00)
(Atlanta Fed Conference)

30

Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Jun	0.2%	-0.1%	0.2%
Jul	0.3%	0.8%	0.2%
Aug (f)	**0.3%**	**0.3%**	**0.2%**

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Jul	58.8	71.7
Aug	56.5	68.6
Sep (f)	**53.5**	**68.7**

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

May	74.3	Aug	55.7
Jun	71.5	Sep (p)	57.8
Jul	63.7	**Sep (f)**	**58.0**

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

	1-Year	5-Year
Aug	3.5%	2.9%
Sep (p)	3.7%	3.0%
Sep (f)	**3.7%**	**3.0%**

Bullard Speech (11:00)
(Annual Dealmakers Event – San Diego)

Recent History-Latest Results

12

3-and 6-Month Bills (11:30)
$56.0 Billion

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

13

ICSC/Goldman Sachs Chain Sales (7:45) (9/10)

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

Mar	4.4%	Jun	5.0%
Apr	4.6%	Jul	5.5%
May	4.6%	Aug	5.3%

Redbook Chain Sales (8:55)
(9/10)

4-Week Bill (11:30)
$27.0 Billion

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

Treasury Statement (14:00)
($ Billions)

	2011	2010
Jun	-43.1	-68.4
Jul	-129.4	-165.0
Aug	-134.2	-90.5

14

Producer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.4%	0.3%
Jul	0.2%	0.4%
Aug	0.0%	0.1%

Advance Retail Sales (8:30)

	Total	Ex-Auto
Jun	0.2%	0.1%
Jul	0.3%	0.3%
Aug	0.0%	0.1%

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
May	0.9%	-0.1%	1.279
Jun	0.4%	0.5%	1.278
Jul	0.4%	0.7%	1.274

30-Year Bond (13:00)
$13.0 Billion

15

Initial Claims (8:30)

8/20	421	9/3	417
8/27	412	9/10	428

Consumer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.2%	0.3%
Jul	0.5%	0.2%
Aug	0.4%	0.2%

Empire State Manufacturing Survey

(8:30)	Total	Prices
Aug	-7.7	28.2
Sep	-8.8	32.6

Current Account ($ Billions) (8:30)
11:Q1 -119.6 11:Q2 -118.0

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Jul	0.9%	77.3%
Aug	0.2%	77.4%

Philadelphia Fed Survey (10:00)

	Total	Prices
Aug	-30.7	12.8
Sep	-17.5	23.2

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

	M1	M2
Jul	2006.1	9313.7
Aug	2108.7	9544.9

16

Monthly TIC flows (9:00)
(Jul)

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

Apr	69.8	Jul	63.7
May	74.3	Aug	55.7
Jun	71.5	Sep	57.8

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

	1-Year	5-Year
Jul	3.4%	2.9%
Aug	3.5%	2.9%
Sep	3.7%	3.0%

Indicator Highlights

United States

Housing Starts (Tue., Sep. 20, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% now. Builders remain pessimistic about demand prospects. Existing Home Sales (Wed., Sep. 21, 10:00 a.m.) and New Home Sales (Mon., Sep. 26, 10:00 a.m.) will offer a glimpse of demand conditions in the broad housing market. Underlying demand for homes appears to have stabilized, but at a low level.

The S&P/Case-Shiller Index (Tue., Sep. 27, 9:00 a.m.) is a key gauge of house prices for both year-on-year changes and on a running basis. Home prices in this index have double dipped. The "Third" Report on Gross Domestic Product (Thu., Sep. 29, 8:30 a.m.) will give a final reading on the overall economy in Q2, and on the impact of higher oil prices and the Japan tsunami. Personal Income & Consumption (Fri., Sep. 30, 8:30 a.m.) will provide a second-month reading of Q3 consumer spending, currently the largest source (over 70%) of real GDP. How goes the consumer, so goes the economy. A new growth trend for consumption has emerged: much lower than historically, hard to pin down exactly, but significantly weaker, at perhaps about 2½%, or 3% at the most. Modest income growth is expected, as well as a higher savings rate. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Sep. 30, 9:55 a.m.) will provide an updated look at consumer attitudes in September. Consumer sentiment retreated sharply in the past two months on concerns over the economic outlook and policy makers' wrangling over the debt ceiling. Inflation expectations in the survey are also important, particularly for Fed-watching.

Indicator	Forecast	Consensus	Analysis
NAHB Housing Market Index	14	15	Small step backwards.
Housing Starts (Units, SAAR)	585,000	590,000	Weather damage, on top of already poor market conditions.
Housing Permits (Units, SAAR)	600,000	590,000	
Existing Home Sales (Units, SAAR)	4.740 Million	4.750 Million	Would be higher if not for cancellations.
Leading Indicators	+0.1%	+0.1%	Another M2 surge keeps index moving up; other components mostly flat or negative.
New Home Sales (Units, SAAR)	286,000		Another substantial decline.
S&P/Case-Shiller Index	-4.7%		Supply/demand imbalance and constrained income growth continue to weigh on prices.
Conference Board Consumer Confidence Survey	47.8		Small rebound after last month's sharp decline.
Durable Goods			
Orders	+1.0%		Commercial aircraft orders up again, motor vehicle industry falls a bit.
Ex-Defense	+1.0%		
Shipments	-1.0%		
Gross Domestic Product (Third)			
Real	+1.0%		No significant revisions from Second report.
Final Sales	+1.2%		
Chain Prices	+2.4%		
Pending Home Sales	unch		Flat demand last month.
Personal Income & Consumption			
Income	+0.3%		Softer increase in spending; modest core inflation.
Consumption	+0.3%		
Core Prices	+0.2%		
Chicago Purchasing Managers' Survey			
Total	53.5		Some downward drift.
Prices Paid	68.7		Little changed.
U. of M. Consumer Sentiment Index (Final)	58.0		Little upward movement from preliminary reading.
U. of M. Inflation Expectations (Final)			
1-Yr Ahead (Median)	3.7%		Unchanged from preliminary reading. Long-term expectations stable.
5-Yr Ahead (Median)	3.0%		

Assessment

Economic growth – in the U.S. and globally – weakening and "expectationally" of concern. Global dimension is new to business cycle. Second half improvement seems in-process, but not on jobs or unemployment. The industrial side of the U.S. and global economies is also softer, and U.S. exports are vulnerable to overseas weakness. "Off-shore" risks remain from the European sovereign debt crisis and China's attempt to disinflate. Europe recession odds 40-50%. Odds of some sort of "Double-Dip," particularly a "Japan-like" situation, for the U.S. are now higher. Fed divided internally on additional supportive measures, with large range of candidates for further stimulus measures – some to be used.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 3rd Floor
London EC2M 4QB
Telephone: 011-44-20-7814-6706
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2011. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.