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Forecast Calendar

September 23, 2011

United States

Economic Indicators—Schedule and Forecasts

September 26 - October 7, 2011

Sinai/Ellis/Edelstein

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

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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)

Apr	316	Jul	298
May	309	**Aug (f)**	**286**
Jun	300	**Aug (c)**	**294**

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

Kocherlakota Speech (15:00)
(CME Group – Chicago)

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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)

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

Conference Board Consumer Confidence Survey (10:00)

May	61.7	Aug	44.5
Jun	57.6	**Sep (f)**	**47.8**
Jul	59.2	**Sep (cf)**	**46.0**

4-Week Bill (11:30)
$30.0 Billion (f)

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

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

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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%**
Aug (c)	**-0.5%**		

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

Bernanke Speech (17:00)
(Lessons from Emerging Market Economies on the Sources of Sustained Growth)

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

Initial Claims (8:30)

9/10	432	**9/24 (f)**	**420**
9/17	423	**9/24 (c)**	**420**

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%**
11:Q2 (c)	**1.2%**		**2.4%**

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

Pending Home Sales (10:00)

Apr	-11.3%	Jul	-1.3%
May	8.2%	**Aug (f)**	**unch**
Jun	2.4%	**Aug (c)**	**-1.6%**

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

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

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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%**
Aug (c)	**0.1%**	**0.2%**	**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**
Sep (c)	**55.5**	

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

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

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)

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Construction Expenditure (10:00)

Mar	-0.2%	Jun	1.6%
Apr	0.7%	Jul	-1.3%
May	2.5%	**Aug (f)**	**unch**

ISM Manufacturing Survey (10:00)

	Total	Prices
Jul	50.9	59.0
Aug	50.6	55.5
Sep (f)	**50.8**	**57.0**

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

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Jul	12.1	9.5	2.6
Aug	12.1	9.5	2.6
Sep (f)	**12.2**	**9.6**	**2.6**

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ICSC/Goldman Sachs Chain Sales (7:45) (10/1)

Redbook Chain Sales (8:55)
(10/1)

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Jun	-0.4%	0.6%	0.4%
Jul	2.4%	1.6%	0.5%
Aug (f)	**-0.3%**	**-0.3%**	**0.4%**

Bernanke Testimony (10:00)
(U.S. Economic Outlook – Joint Economic Committee of Congress)

4-Week Bill (11:30)
$30.0 Billion (f)

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ADP Employment Estimate (8:15)
(Sep)

ISM Non-Manufacturing (10:00)

	Total	Prices
Jul	52.7	56.6
Aug	53.5	64.2
Sep (f)	**53.6**	**65.5**

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Initial Claims (8:30)

9/10	432	**9/24 (f)**	**420**
9/17	423	**10/1(f)**	**415**

Monthly Chain Store Sales
(Sep)

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Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Jul	85	34.3	0.5%
Aug	0	34.2	-0.1%
Sep (f)	**50**	**34.2**	**unch**
Ex-Strikers (f)	**4**		
Private Ex-Strikers (f)	**24**		

Unemployment Rate (8:30)

Apr	9.0%	Jul	9.1%
May	9.1%	Aug	9.1%
Jun	9.2%	**Sep (f)**	**9.2%**

Wholesale Inventories (10:00)

Mar	1.3%	Jun	0.6%
Apr	1.1%	Jul	0.8%
May	1.7%	**Aug (f)**	**0.6%**

Lockhart Speech (10:45)
(U.S. Economy and Financial Stability)

Recent History-Latest Results

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NAHB Housing Market Index (10:00)

Apr	16	Jul	15
May	16	Aug	15
Jun	13	Sep	14

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

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

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

	Starts	Permits
Jun	615	617
Jul	601	601
Aug	571	620

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

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

4-Week Bill (11:30)
$30.0 Billion

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

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

Mar	5.090	Jun	4.840
Apr	5.000	Jul	4.670
May	4.810	Aug	5.030

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.)

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Initial Claims (8:30)

8/27	412	9/10	432
9/3	417	9/17	423

Leading Indicators (10:00)

Mar	0.7%	Jun	0.3%
Apr	-0.3%	Jul	0.6%
May	0.7%	Aug	0.3%

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

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Indicator Highlights

United States

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.

The ISM Manufacturing Survey (Mon, Oct. 3, 10:00 a.m.) is the definitive manufacturing activity diffusion index. A strong upturn in manufacturing continues to be a key element of economic recovery – the question is whether recent softness was dominated by special factors or indicates the beginning of a real slowdown. The ISM Non-Manufacturing Survey (Wed., Oct. 5, 10:00 a.m.) is a high-frequency gauge for the important services sector, which accounts for about 60% to almost 85% of the economy, depending on the measure. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., Oct. 7, 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, which began to rise again in April.

Indicator	Forecast	Consensus	Analysis
New Home Sales (Units, SAAR)	286,000	294,000	Another substantial decline.
S&P/Case-Shiller Index	-4.7%	-4.5%	Supply/demand imbalance and constrained income growth continue to weigh on prices.
Conference Board Consumer Confidence Survey	47.8	46.0	Small rebound after last month's sharp decline.
Durable Goods			
Orders	-1.0%	-0.5%	Commercial aircraft orders wobbly at a high level, while motor vehicle industry falls.
Ex-Defense	-1.0%		
Shipments	-1.0%		
Gross Domestic Product (Third)			
Real	+1.0%	+1.2%	No significant revisions from Second report.
Final Sales	+1.2%		
Chain Prices	+2.4%	+2.4%	
Pending Home Sales	unch	-1.6%	Flat demand last month.
Personal Income & Consumption			
Income	+0.3%	+0.1%	Softer increase in spending; modest core inflation.
Consumption	+0.3%	+0.2%	
Core Prices	+0.2%	+0.2%	
Chicago Purchasing Managers' Survey			
Total	53.5	55.5	Some downward drift.
Prices Paid	68.7		Little changed.
U. of M. Consumer Sentiment Index (Final)	58.0	57.8	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%		
Construction Expenditure	unch		Residential activity steadies the total.
ISM Manufacturing Survey			
Total	50.8		No real improvement.
Prices	57.0		Modest increase.
Light-Vehicle Sales (Units, SAAR)			
Total	12.2		Holding their own, but no more.
Domestic	9.6		
Import	2.6		
	Million		
Manufacturers'			
Orders	-0.3%		Durables decline pulls down the total.
Shipments	-0.3%		
Inventories	+0.4%		
ISM Non-Manufacturing Survey			
Total	53.6		No real improvement.
Prices	65.5		Prices edge up.
Employment Report			
Payrolls	50,000		Essentially flat excluding returning Verizon strikers.
Payrolls (Ex-Verizon Strikers)	4,000		
Payrolls (Private Ex-Verizon Strikers)	24,000		
Weekly Hours	34.2		
Hourly Earnings	unch		
Unemployment Rate	9.2%		Labor force growth doesn't keep up with job creation.
Wholesale Inventories	+0.6%		Increasing more slowly than last month.

Assessment

Economic growth – in the U.S. and globally – weakening and "expectationally" of concern. "Off-shore" risks to U.S. from the European sovereign debt crisis. Europe recession odds 50%, perhaps higher. A sovereign default is likely. 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. 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.

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