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DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

September 2, 2011

United States

Economic Indicators—Schedule and Forecasts

September 5 – September 16, 2011

Sinai/Ellis/Edelstein

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

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Holiday

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ISM Non-Manufacturing

(10:00)	Total	Prices
Jun	53.3	60.9
Jul	52.7	56.6
Aug (f)	**49.8**	**54.5**
Aug (c)	**51.0**	

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

Kocherlakota Speech (13:10)
(University of Minnesota - Minneapolis)

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ICSC/Goldman Sachs Chain Sales (7:45) (9/3)

Redbook Chain Sales (8:55)
(9/3)

Evans Speech (11:15)
(Monetary Policy and the Economy - London)

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

FOMC Beige Book (14:00)
(Soft expansion in many regions with housing and jobs on the weak side, retail sales mixed, no recession message here.)

Williams Speech (16:00)
(Seattle Rotary Club)

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Initial Claims (8:30)

8/20	421	**9/3 (f) 405**
8/27	409	**9/3 (c) 405**

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

	Total	Merch.	Serv.
May	-50.8	-65.4	14.6
Jun	-53.1	-67.6	14.5
Jul (f)	**-51.8**	**-66.4**	**14.6**
Jul (c)	**-51.0**		

Bernanke Speech (13:00)
(Economics Club of Minnesota)

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Wholesale Inventories (10:00)

Mar	1.3%	Jun	0.6%
Apr	1.1%	**Jul (f)**	**0.7%**
May	1.7%	**Jul (c)**	**0.8%**

Williams Speech (11:30)
(San Francisco Fed Symposium on Asian Banking and Finance)

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

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

Fisher Speech (16:00)
(NABE Conference – Dallas, TX)

Bullard Speech (20:00)
(St. Louis Fed Event)

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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 (f)**	**5.5%**

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

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

10-Year Note (13:00)
$24.0 Billion (f)

Treasury Statement (14:00)
($ Billions)

	2011	2010
Jun	-43.1	-68.4
Jul	-129.4	-165.0
Aug (f)	**-140.0**	-90.5

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Producer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.4%	0.3%
Jul	0.2%	0.4%
Aug (f)	**0.1%**	**0.3%**

Advance Retail Sales (8:30)

	Total	Ex-Auto
Jun	0.3%	0.2%
Jul	0.5%	0.5%
Aug (f)	**0.5%**	**0.4%**

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
May	0.9%	-0.1%	1.279
Jun	0.4%	0.8%	1.274
Jul (f)	**0.5%**	**0.6%**	**1.272**

30-Year Bond (13:00)
$16.0 Billion (f)

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Initial Claims (8:30)

8/20	421	**9/3 (f) 405**
8/27	409	**9/10 (f) 410**

Consumer Price Index (8:30)

	Total	Ex-F&E
Jun	-0.2%	0.3%
Jul	0.5%	0.2%
Aug (f)	**0.3%**	**0.2%**

Empire State Manufacturing Survey

(8:30)	Total	Prices
Jul	-3.7	43.3
Aug	-7.7	28.2
Sep (f)	**-7.0**	**24.2**

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Jun	0.4%	76.9%
Jul	0.9%	77.5%
Aug (f)	**-0.2%**	**77.4%**

Philadelphia Fed Survey (10:00)

	Total	Prices
Jul	3.2	25.1
Aug	-30.7	12.8
Sep (f)	**-29.0**	**13.4**

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

	M1	M2
Jul	2006.1	9313.7
Aug (f)	**2104.0**	**9534.0**

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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 (f)**	**56.5**

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

	1-Year	5-Year
Jul	3.4%	2.9%
Aug	3.5%	2.9%
Sep (f)	**3.5%**	**3.0%**

Recent History-Latest Results

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Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
May	0.3%	0.1%	0.3%
Jun	0.2%	-0.1%	0.2%
Jul	0.3%	0.8%	0.2%

Pending Home Sales (10:00)

Feb	0.7%	May	8.2%
Mar	3.5%	Jun	2.4%
Apr	-11.3%	Jul	-1.3%

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

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ICSC/Goldman Sachs Chain Sales (7:45) (8/27)

Redbook Chain Sales (8:55)
(8/27)

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

Jan	-3.2%	Apr	-4.2%
Feb	-3.5%	May	-4.6%
Mar	-4.0%	Jun	-4.5%

Conference Board Consumer Confidence Survey (10:00)

Mar	63.8	Jun	57.6
Apr	66.0	Jul	59.2
May	61.7	Aug	44.5

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

FOMC Minutes (14:00)
(Aug. 9 meeting)

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ADP Employment Estimate (8:15)
(Aug)

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Jun	61.1	70.5
Jul	58.8	71.7
Aug	56.5	68.6

Manufacturers' (10:00)

	Orders	Ships.	Invs.
May	0.6%	0.0%	0.8%
Jun	-0.4%	0.6%	0.4%
Jul	2.4%	1.6%	0.5%

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Initial Claims (8:30)

8/6	399	8/20	421
8/13	412	8/27	409

Productivity and Costs (8:30)

(Revised)	Prod.	Comp.	ULC
11:Q1	-0.6%	4.2%	4.8%
11:Q2 (p)	-0.3%	1.9%	2.2%
11:Q2	-0.7%	2.7%	3.3%

Construction Expenditure (10:00)

Apr	0.7%	Jun	1.6%
May	2.5%	Jul	-1.3%

ISM Manufacturing Survey (10:00)

	Total	Prices
Jun	55.3	68.0
Jul	50.9	59.0
Aug	50.6	55.5

Monthly Chain Store Sales (Aug)

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Jun	11.5	9.0	2.5
Jul	12.1	9.5	2.6
Aug	12.1	9.5	2.6

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Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Jun	20	34.3	0.0%
Jul	85	34.3	0.5%
Aug	0	34.2	-0.1%

Unemployment Rate (8:30)

Mar	8.8%	Jun	9.2%
Apr	9.0%	Jul	9.1%
May	9.1%	Aug	9.1%

Indicator Highlights

United States

The ISM Non-Manufacturing Survey (Tue., Sep. 6, 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. The Trade Balance (Thu., Sep. 8, 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 (Wed., Sep. 14, 8:30 a.m.) should be watched for further signs that commodity price inflation is abating. A big deal for the Fed now is Retail Sales (Wed., Sep. 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) (Thu., Sep. 15, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed. The Empire State Manufacturing (Thu., Sep. 15, 8:30 a.m.) and Philadelphia Fed Manufacturing (Thu., Sep. 15, 10:00 a.m.) surveys are important 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 dipped into negative territory recently, suggesting fading industry strength. Industrial Production & Capacity Utilization (Thu, Sep. 15, 9:15 a.m.) will give a detailed read on industrial-side activity and be watched for whether manufacturing is shrugging off recent supply disruptions. Also of interest is slack, as measured by capacity utilization. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Sep. 16, 9:55 a.m.) will provide an initial look at consumer attitudes in September. Consumer sentiment retreated sharply last month 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
ISM Non-Manufacturing Survey			
Total	49.8	51.0	Small contraction.
Prices	54.5		Prices advance slightly.
Trade Balance (BOP Basis)			
Total	-$51.8	-$51.0	Export growth helps narrow the deficit after last month's decline.
Merchandise	-$66.4		
Services	$14.6		
	Billion	Billion	
Wholesale Inventories	+0.7%	+0.8%	Moderate increase.
Import Prices (Non-Fuel, Y/Y)	+5.5%		Materials prices and dollar both pointing to a relatively big year-on-year rise.
Treasury Statement	-$140.0 Billion		Deficit jumps from year ago figure.
Producer Price Index			
Total	+0.1%		Energy prices fall this month, but core prices not easing.
Ex-Food & Energy	+0.3%		
Advance Retail Sales			
Total	+0.5%		Gasoline prices boost the ex-auto numbers a bit, but other sales categories continue to rise modestly – no negative signals.
Ex-Auto	+0.4%		
Business Inventories, Sales			
Inventories	+0.5%		Retail inventories edge higher.
Sales	+0.6%		
I/S	1.272		
Consumer Price Index			
Total	+0.3%		Gasoline prices jump; core holds steady.
Ex-Food & Energy	+0.2%		
Empire State Manufacturing Survey			
Total	-7.0		Slight rebound.
Prices	24.2		Modest decline in prices.
Industrial Production	-0.2%		Small decline centered on manufacturing.
Capacity Utilization	77.4%		
Philadelphia Fed Manufacturing Survey			
Total	-29.0		Small improvement.
Prices	13.4		Slight move upwards.
Monthly Money (SA)			
M1	+$97.9		Big increase in M1 and M2.
M2	+$220.3 Billion		
U. of M. Consumer Sentiment Index (Prelim.)	56.5		Small move upwards, but not much optimism.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.5%		Long-term price move upward.
5-Yr Ahead (Median)	3.0%		

Assessment

Economic growth – in the U.S. and globally – weakening mid-year in part due to higher inflation, especially energy costs. U.S. facing a weak consumer and state & local government cutbacks. Some second half improvement likely. 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 effects of the European sovereign debt crisis on the economy and the financial system, and China's attempt to disinflate. Eurozone debt crisis looms larger as a threat. Slow growth and high unemployment appear entrenched in the U.S. Odds of some sort of "Double-Dip," particularly a "Japan-like" situation, are now higher. Fed divided internally on additional supportive measures, with large range of further stimulus possibilities under discussion.

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