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DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

October 28, 2011

United States

Economic Indicators—Schedule and Forecasts

October 31 - November 11, 2011

Sinai/Ellis/Edelstein

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

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Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Aug	56.5	68.6
Sep	60.4	62.3
Oct (f)	**60.5**	**64.7**
Oct (f)	**59.0**	

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

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ICSC/Goldman Sachs Chain Sales (7:45) (10/29)

Redbook Chain Sales (8:55) (10/29)

Construction Expenditure (10:00)

May	2.5%	Aug	1.4%
Jun	1.5%	**Sep (f)**	**0.5%**
Jul	-1.4%	**Sep (c)**	**0.3%**

ISM Manufacturing Survey (10:00)

	Total	Prices
Aug	50.6	55.5
Sep	51.6	56.0
Oct (f)	**52.8**	**56.6**
Oct (c)	**52.0**	**55.0**

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

Light Vehicle Sales (Units, Millions, SAAR)

	Total	Domestic	Import
Aug	12.1	9.5	2.6
Sep	13.0	10.2	2.9
Oct (f)	**13.2**	**10.2**	**3.0**
Oct (c)	**13.2**	**10.3**	

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ADP Employment Estimate (8:15) (Oct)

FOMC Meeting & Statement (14:15)
(Essentially a "stand put" meeting; focus on communications but essentially the same language in statement; still considering additional actions; one possibility is Changed mix on asset purchases in "Operation Twist")

Bernanke Press Conference (14:15)

Fisher Speech (20:00)
(Thoughts on Bastiat – With a Nod To Keynes!)

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Initial Claims (8:30)

10/15	404	**10/29 (f)**	**400**
10/22	402	**10/29 (c)**	**400**

Productivity and Costs (8:30)

(Prelim.)	Prod.	Comp.	ULC
11:Q1	-0.6%	5.6%	6.2%
11:Q2	-0.7%	2.7%	3.3%
11:Q3 (f)	**3.7%**	**1.7%**	**-1.9%**
11:Q3 (c)	**2.8%**		**-0.5%**

Lockhart Speech (8:30)
(Emory Economic Conference)

ISM Non-Manufacturing

(10:00)	Total	Prices
Aug	53.3	64.2
Sep	53.0	61.9
Oct (f)	**53.3**	**62.4**
Oct (c)	**53.6**	

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Jul	2.1%	1.2%	0.6%
Aug	-0.2%	-0.2%	0.4%
Sep (f)	**-0.4%**	**-0.4%**	**0.2%**
Sep (c)	**-0.1%**		

Monthly Chain Store Sales (Oct)

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Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Aug	57	34.2	-0.2%
Sep	103	34.3	0.2%
Oct (f)	**92**	**34.4**	**0.2%**
Oct (c)	**95**	**34.3**	**0.2%**

Unemployment Rate (8:30)

Jun	9.2%	Sep	9.1%
Jul	9.1%	**Oct (f)**	**9.0%**
Aug	9.1%	**Oct (c)**	**9.1%**

Tarullo Speech (13:00)
(The International Agenda for Financial Regulation)

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

8

ICSC/Goldman Sachs Chain Sales (7:45) (11/5)

Redbook Chain Sales (8:55) (11/5)

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

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

Kocherlakota Speech (13:00)
(South Dakota Chamber of Commerce)

Plosser Speech (13:30)
(Monetary Policy)

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Bernanke Speech (9:30)
(Fed conference on small business)

Wholesale Inventories (10:00)

Apr	1.1%	Jul	0.8%
May	1.7%	Aug	0.4%
Jun	0.6%	**Sep (f)**	**0.5%**

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

10

Initial Claims (8:30)

10/15	404	**10/29 (f)**	**400**
10/22	402	**11/5 (f)**	**395**

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

May	4.5%	Aug	5.5%
Jun	5.0%	Sep	5.5%
Jul	5.5%	**Oct (f)**	**5.0%**

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

	Total	Merch.	Serv.
Jul	-45.6	-61.3	15.6
Aug	-45.6	-61.4	15.8
Sep (f)	**-47.2**	**-63.0**	**15.8**

Evans Speech (13:00)
(Chicago Fed Banking Conf.)

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

Treasury Statement (14:00)
($ Billions)

	2011	2010
Aug	-134.2	-90.5
Sep	-64.6	-34.6
Oct (f)	**-125.0**	-140.4

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

Jun	71.5	Sep	59.4
Jul	63.7	Oct	60.9
Aug	55.7	**Nov (f)**	**61.5**

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

	1-Year	5-Year
Sep	3.3%	2.9%
Oct	3.2%	2.7%
Nov (f)	**3.1%**	**2.8%**

Yellen Speech (13:15)
(Chicago Fed Banking Conf.)

Williams Speech (14:45)
(IMF Annual Research Conference)

(Bond Market Holiday)

Recent History-Latest Results

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

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ICSC/Goldman Sachs Chain Sales (7:45) (10/22)

Redbook Chain Sales (8:55) (10/22)

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

Mar	-4.0%	Jun	-4.4%
Apr	-4.2%	Jul	-4.2%
May	-4.5%	Aug	-3.8%

Conference Board Consumer Confidence Survey (10:00)

May	61.7	Aug	45.2
Jun	57.6	Sep	46.4
Jul	59.2	Oct	39.8

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

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

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Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Jul	4.2%	4.9%	2.1%
Aug	-0.1%	-0.3%	0.1%
Sep	-0.8%	-1.1%	-0.7%

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

Apr	316	Jul	297
May	308	Aug	296
Jun	303	Sep	313

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

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Initial Claims (8:30)

10/1	405	10/15	404
10/8	411	10/22	402

Gross Domestic Product (8:30)
(Advance)

	Real	Final Sales	Chain Prices
11:Q1	0.4%	0.0%	2.5%
11:Q2	1.3%	1.6%	2.5%
11:Q3	2.5%	3.6%	2.5%

Pending Home Sales (10:00)

Apr	-11.3%	Jul	-1.3%
May	8.2%	Aug	-1.2%
Jun	2.4%	Sep	-4.6%

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

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

	Comp.	Wages	Benefits
11:Q1	0.6%	0.4%	1.1%
11:Q2	0.7%	0.4%	1.3%
11:Q3	0.3%	0.3%	0.1%

Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Jul	0.1%	0.9%	0.2%
Aug	-0.1%	0.2%	0.2%
Sep	0.1%	0.6%	0.0%

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

Jun	71.5	Sep	59.4
Jul	63.7	Oct (p)	57.5
Aug	55.7	Oct	60.9

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

	1-Year	5-Year
Sep	3.3%	2.9%
Oct (p)	3.2%	2.7%
Oct	3.2%	2.7%

Indicator Highlights

The ISM Manufacturing Survey (Tue, Nov. 1, 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. Productivity & Costs (Thu., Nov. 3, 8:30 a.m.) will provide an initial look at Q3 unit labor costs and will be suggestive about corporate profits performance. The ISM Non-Manufacturing Survey (Thu., Nov. 3, 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., Nov. 4, 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.

The Trade Balance (Thu., Nov. 10, 8:30 a.m.) and its track of exports and imports can indicate the strength of the global economy. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Nov. 11, 9:55 a.m.) will provide an initial look at consumer attitudes in November. Consumer sentiment retreated sharply on concerns over the economic outlook and policy makers' wrangling over the debt ceiling, but appears to have bottomed. Inflation expectations in the survey are also important, particularly for Fed-watching.

Indicator	Forecast	Consensus	Analysis
Chicago Purchasing Managers' Survey			
Total	60.5	59.0	Activity strengthens.
Prices Paid	64.7		Prices move upward.
Construction Expenditure	+0.5%	+0.3%	Continuing an extended bottoming process.
ISM Manufacturing Survey			
Total	52.8	52.0	Small advance.
Prices	56.6	55.0	Prices rise, but not as high as in April-June.
Light-Vehicle Sales (Units, SAAR)			
Total	13.2	13.2	Increasing availability of imports helps sales pick up.
Domestic	10.2	10.3	
Import	3.0 Million	Million	
Productivity & Costs (Preliminary)			
Productivity	+3.7%	+2.8%	Productivity growth and slowing compensation push unit labor cost down.
Compensation	+1.7%		
Unit Labor Costs	-1.9%	-0.5%	
ISM Non-Manufacturing Survey			
Total	53.3	53.6	Activity strengthens somewhat.
Prices	62.4		Price edge upward.
Manufacturers'			
Orders	-0.4%	-0.1%	Commercial aircraft drop pulls down the total.
Shipments	-0.4%		
Inventories	+0.2%		
Employment Report			
Payrolls	92,000	95,000	Better in the private sector.
Weekly Hours	34.4	34.3	Workweek expands.
Hourly Earnings	+0.2%	+0.2%	Modest wage growth.
Unemployment Rate	9.0%	9.1%	Small move down.
Wholesale Inventories	+0.5%		Inventories edge upward.
Import Prices (Non-Fuel, Y/Y)	+5.0%		Easing year-on-year rise in materials prices.
Trade Balance (BOP Basis)			
Total	-$47.2		Relatively strong import growth.
Merchandise	-$63.0		
Services	-$15.8 Billion		
Treasury Statement	-$125.0 Billion		Deficit narrows slightly from a year ago.
U. of M. Consumer Sentiment Index (Prelim.)	61.5		Sentiment edges upward cautiously.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.1%		1-year expectations edge downward.
5-Yr Ahead (Median)	2.8%		Slight upward movement.

Assessment

Economy firming from late summer into early fall. Q4 start OK, perhaps 3%+. No imminent "Double-Dip" signs forthcoming for awhile but neither any big bounce. "Off-shore" risks to U.S. still, especially from a European downturn and weaker growth in Asia. Europe recession odds for Q4 and Q1 over 50%. Eurozone policy on debt crisis "muddling through" with visibility now and implementation the issue. Still a "Wall Street – Main Street" disconnect on earnings, the stock market, and jobs. S&P500 EPS surprisingly good again. Main DE scenario remains uptilted "L". Now 65% odds; 55% before. Fed likely to pause on easing, neither easing more nor exiting for quite awhile.

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