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Forecast Calendar

December 16, 2011

United States

Economic Indicators—Schedule and Forecasts

December 19 - 30, 2011

Sinai/Ellis/Hooper

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

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NAHB Housing Market Index (10:00)

Aug	15	Nov	20
Sep	14	**Dec (f)**	**20**
Oct	17	**Dec (c)**	**20**

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

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

Lacker Speech (12:30)
(Charlotte, NC)

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ICSC/Goldman Sachs Chain Sales (7:45) (12/17)

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

	Starts	Permits
Oct	628	644
Nov (f)	**648**	**639**
Nov (c)	**635**	**635**

Redbook Chain Sales (8:55)
(12/10)

4-Week Bill (11:30)
$35.0 Billion (f)

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

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

Jul	4.670	Oct	4.970
Aug	5.060	**Nov (f)**	**5.000**
Sep	4.900	**Nov (c)**	**5.070**

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

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Initial Claims (8:30)

12/3	385	**12/17 (f)**	**385**
12/10	366	**12/17 (c)**	**378**

Gross Domestic Product (8:30)
(Third)

	Real	Final Sales	Chain Prices
09:Q2	1.3%	2.5%	2.5%
09:Q3 (s)	2.0%	2.6%	2.5%
09:Q3 (f)	**2.2%**	**2.8%**	**2.5%**
09:Q3 (c)	**2.0%**		**2.5%**

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

Aug	55.7	Dec (p)	67.7
Sep	59.4	**Dec (f)**	**66.3**
Nov	64.1	**Dec (c)**	**68.0**

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

	1-Year	5-Year
Nov	3.2%	2.7%
Dec (p)	3.1%	2.7%
Dec (f)	**3.1%**	**2.7%**

Leading Indicators (10:00)

Jul	0.6%	Oct	0.9%
Aug	0.3%	**Nov (f)**	**0.2%**
Sep	0.1%	**Nov (c)**	**0.3%**

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Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Oct	-0.7%	0.2%	0.7%
Nov (f)	**1.5%**	**1.5%**	**0.6%**
Nov (c)	**2.0%**		

Personal Income & Consumption
(8:30)

	Income	Cons.	Core Prices
Oct	0.4%	0.1%	0.1%
Nov (f)	**0.4%**	**0.4%**	**0.2%**
Nov (c)	**0.2%**	**0.3%**	**0.1%**

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

Jul	295	Oct	307
Aug	293	**Nov (f)**	**312**
Sep	303	**Nov (c)**	**315**

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ICSC/Goldman Sachs Chain Sales (7:45) (12/17)

Redbook Chain Sales (8:55)
(12/10)

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

May	-4.5%	Aug	-3.8%
Jun	-4.4%	Sep	-3.6%
Jul	-4.1%	**Oct (f)**	**-3.2%**

Conference Board Consumer Confidence Survey (10:00)

Jul	59.2	Oct	40.9
Aug	45.2	Nov	56.0
Sep	46.4	**Dec (f)**	**56.3**

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

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4-Week Bill (11:30)
$35.0 Billion (f)

29

Initial Claims (8:30)

12/3	385	**12/17 (f)**	**385**
12/10	366	**12/24 (f)**	**380**

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Oct	58.4	66.0
Nov	62.6	60.2
Dec (f)	**64.8**	**59.7**

Pending Home Sales (10:00)

Jun	2.4%	Sep	-4.6%
Jul	-1.3%	Oct	10.4%
Aug	-1.2%	**Nov (f)**	**-1.8%**

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Recent History-Latest Results

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Treasury Statement (14:00)
($ Billions)

	2011	2010
Sep	-64.7	-34.6
Oct	-98.5	-140.4
Nov	-137.3	-150.4

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

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

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ICSC/Goldman Sachs Chain Sales (7:45) (12/10)

Advance Retail Sales (8:30)

	Total	Ex-Auto
Sep	1.3%	0.6%
Oct	0.6%	0.6%
Nov	0.2%	0.2%

Redbook Chain Sales (8:55)
(12/10)

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
Aug	0.4%	0.4%	1.275
Sep	0.0%	0.6%	1.268
Oct	0.8%	0.7%	1.270

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

4-Week Bill (11:30)
$35.0 Billion

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

FOMC Rate Decision (14:15)
(No policy changes)

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

Jun	5.0%	Sep	5.4%
Jul	5.5%	Oct	4.9%
Aug	5.5%	Nov	3.8%

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

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Initial Claims (8:30)

11/19	396	12/3	385
11/26	404	12/10	366

Producer Price Index (8:30)

	Total	Ex-F&E
Sep	0.8%	0.2%
Oct	-0.3%	0.0%
Nov	0.3%	0.1%

Empire State Manufacturing Survey

(8:30)	Total	Prices
Oct	-8.5	22.5
Nov	0.6	18.3
Dec	9.5	24.4

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Sep	unch	77.6%
Oct	0.7%	78.0%
Nov	-0.2%	77.8%

Philadelphia Fed Survey (10:00)

	Total	Prices
Oct	8.7	20.0
Nov	3.6	22.8
Dec	10.3	33.7

5-Year Tips (13:00)
$12.0 Billion

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

	M1	M2
Oct	2150.1	9607.5
Nov	2149.1	9641.9

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Consumer Price Index (8:30)

	Total	Ex-F&E
Sep	0.3%	0.1%
Oct	-0.1%	0.1%
Nov	0.0%	0.2%

Indicator Highlights

Housing Starts (Tues., Dec. 20, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% of it now. Builders remain pessimistic about demand prospects. Existing Home Sales (Weds., Dec. 21, 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 Final Report on Gross Domestic Product (Thurs., Dec. 22, 8:30 a.m.) will give a final reading on the overall economy in Q3, and on the continued strength of the economic recovery. The Reuters/University of Michigan Consumer Sentiment Index (Thu., Dec. 22, 9:55 a.m.) will provide an updated look at consumer attitudes in late-December. Consumer sentiment retreated sharply on concerns over the economic outlook and policy makers' wrangling over the debt ceiling, but appears to have rebounded. Inflation expectations in the survey are also important, particularly for Fed-watching. Personal Income & Consumption (Fri., Dec. 23, 8:30 a.m.) will provide a second-month reading of Q4 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.

Case-Shiller House Price results (Tue., Dec. 27, 9:00am) will be important for indications whether the sharp month-to-month price drop in September carried on into October. The Conference Board Consumer Confidence report (Tue., Dec. 27, 10:00am) will give a sense of the stability of the sharp rebound that occurred last month. Pending home sales results (Thurs., Dec. 29, 10:00am) will answer a similar question, telling whether the big October jump was retained in November.

Indicator	Forecast	Consensus	Analysis
NAHB Housing Market Index	20	20	Hanging high – revival beginning?
Housing Starts (Units, SAAR)	648,000	635,000	Slightly stronger production, maybe more optimism.
Existing Home Sales (Units, SAAR)	5.000 Million	5.070 Million	About steady, but too slow.
Gross Domestic Product (Second)			
Real	+2.2%	+2.0%	Modestly stronger.
Final Sales	+2.8%		
Chain Prices	+2.5%	+2.5%	
U. of M. Consumer Sentiment Index (Final)	66.3	68.0	Mood fades slightly as month goes by.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.1%		Expectations creeping lower.
5-Yr Ahead (Median)	2.7%		
Leading Indicators	+0.2%	+0.3%	Weakness in real-activity components.
Durable Goods			
Orders	+1.5%	+2.0%	Commercial aircraft orders jump.
Ex-Defense	+1.5%		
Shipments	+0.6%		
Personal Income & Consumption			
Income	+0.4%	+0.2%	Moderate-growth numbers
Consumption	+0.4%	+0.3%	
Core Prices	+0.2%	+0.1%	
New Home Sales (Units, SAAR)	312,000	315,000	Stuck in a low range – edging up?
S&P/Case-Shiller Index	-3.2%		Decline slows a bit more.
Conference Board Consumer Confidence Survey	56.3		November rebound is preserved.
Chicago Purchasing Managers' Survey			
Total	64.8		Activity firms at a bit further.
Prices Paid	59.7		Materials-price weakness continues.
Pending Home Sales	1.8%		Mild step down, after October surge.

Assessment

Economy has firmed nicely, late Q3 and Q4. Q4 real GDP track 3.5%+ with underpinnings better and self-sustaining. "Off-shore" risks to U.S. still, from European downturn and weaker growth in Asia. Europe recession for Q4 and Q1 in-place. Super-Committee breakdown a disappointment, leaving "on books" a Draconian fiscal contraction starting in 2013. Washington surely will change this. Fed likely to continue pause on easing, neither easing more nor exiting for quite awhile. Reacceleration of U.S. economy notable to Fed, but will be cautious given previous premature expectations on a better economy.

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