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Forecast Calendar

December 9, 2011

United States

Economic Indicators—Schedule and Forecasts

December 12 - 23, 2011

Sinai/Ellis/Hooper

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

12

Treasury Statement (14:00)
($ Billions)

	2011	2010
Oct	-98.5	-140.4
Nov (f)	-145.0	-150.4
Nov (c)	-139.8	

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) (12/10)

Advance Retail Sales (8:30)

	Total	Ex-Auto
Oct	0.5%	0.6%
Nov (f)	**0.4%**	**0.2%**
Nov (c)	**0.6%**	**0.4%**

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

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
Sep	0.0%	0.6%	1.269
Oct (f)	**0.8%**	**0.8%**	**1.269**
Oct (c)	**0.8%**		

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

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

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

FOMC Rate Decision (14:15)
No change meeting, as economy and labor markets motion is firming and inflation the same. All elements of policy on hold: rates, balance sheet, composition of purchases. More information coming on communications strategy.

14

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

Jun	5.0%	Sep	5.4%
Jul	5.5%	Oct	4.9%
Aug	5.5%	**Nov(f)**	**4.9%**

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

Lockhart Speech (3:30)
(Commencement speech on Career and life, Atlanta)

15

Initial Claims (8:30)

11/26	404	**12/10 (f)**	**395**
12/3	381	**12/10 (c)**	**390**

Producer Price Index (8:30)

	Total	Ex-F&E
Oct	-0.3%	0.0%
Nov (f)	**0.4%**	**0.2%**
Nov (c)	**0.2%**	**0.2%**

Empire State Manufacturing Survey
(8:30)

	Total	Prices
Nov	0.6	18.3
Dec (f)	**1.3**	**16.5**
Dec (c)	**3.0**	

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Oct	0.7%	77.8%
Nov (f)	**0.5%**	**78.0%**
Nov (c)	**0.2%**	**77.9%**

Philadelphia Fed Survey (10:00)

	Total	Prices
Nov	3.6	22.8
Dec (f)	**6.6**	**21.5**
Dec (c)	**5.0**	

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

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

	M1	M2
Oct	2150.1	9607.5
Nov(f)	**2147.3**	**9635.6**

16

Consumer Price Index (8:30)

	Total	Ex-F&E
Oct	-0.1%	0.1%
Nov (f)	**0.1%**	**0.2%**
Nov (c)	**0.1%**	**0.1%**

Fisher Speech (12:00)
(Austin, TX)

19

NAHB Housing Market Index (10:00)

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

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

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

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

20

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

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

	Starts	Permits
Sep	630	589
Oct	628	644
Nov (f)	**648**	**639**

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

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

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

21

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

Jun	4.840	Sep	4.900
Jul	4.670	Oct	4.970
Aug	5.060	**Nov (f)**	**5.000**

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

22

Initial Claims (8:30)

11/26	404	**12/10 (f)**	**395**
12/3	381	**12/17 (f)**	**390**

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%**

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

Jul	63.7	Nov	64.1
Aug	55.7	Dec (p)	67.7
Sep	59.4	**Dec (f)**	**66.3**

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)

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

23

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Sep	-1.5%	-1.7%	0.6%
Oct	-0.7%	0.2%	0.7%
Nov (f)	**1.5%**	**1.5%**	**0.6%**

Personal Income & Consumption
(8:30)

	Income	Cons.	Core Prices
Sep	0.1%	0.5%	unch
Oct	0.4%	0.1%	0.1%
Nov (f)	**0.4%**	**0.4%**	**0.2%**

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

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

Recent History-Latest Results

5

ISM Non-Manufacturing
(10:00)

	Total	Prices
Sep	53.0	61.9
Oct	52.9	57.1
Nov	52.0	62.5

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Aug	0.1%	0.0%	-0.5%
Sep	-0.1%	0.9%	0.4%
Oct	-0.4%	-0.3%	1.7%

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

6

ICSC/Goldman Sachs Chain Sales (7:45) (12/3)

Redbook Chain Sales (8:55)
(12/3)

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

7

8

Initial Claims (8:30)

11/12	392	11/26	404
11/19	396	12/3	381

Wholesale Inventories (10:00)

May	1.7%	Aug	0.1%
Jun	0.6%	Sep	0.0%
Jul	0.8%	Oct	1.7%

9

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

	Total	Merch.	Serv.
Aug	-$45.3	-$61.0	$15.6
Sep	-$44.2	-$59.5	$15.4
Oct (f)	**-$43.5**	**-$58.8**	**$15.3**

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

Jul	63.7	Oct	60.9
Aug	55.7	Nov	64.1
Sep	59.4	Dec	67.7

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

	1-Year	5-Year
Oct	3.2%	2.7%
Nov	3.2%	2.7%
Dec	3.1%	2.7%

Indicator Highlights

United States

A big indicator for the Fed now is Retail Sales (Tues., Dec. 13, 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 Producer Price Index (Thurs., Dec. 15, 8:30 a.m.) should be watched for further signs that commodity price inflation is abating. Industrial Production & Capacity Utilization (Thurs, Dec. 15, 9:15 a.m.) will give a detailed read on industrial-side activity. Also of interest is slack, as measured by capacity utilization. The Consumer Price Index (CPI-U) (Fri., Dec. 16, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed.

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 bottomed. 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.

Indicator	Forecast	Consensus	Analysis
Treasury Statement	-$145.0 Billion	-$139.8 Billion	Nearly matches year-ago figure.
Advance Retail Sales			
Total	+0.4%	+0.6%	Auto sales firmer, but pauses in some categories after strong gains last month.
Ex-Auto	+0.2%	+0.4%	
Business Inventories, Sales			
Inventories	+0.8%	+0.8%	Sales outpace inventory increase.
Sales	+0.8%		
I/S	1.269		
Import Prices (Non-Fuel, Y/Y)	+4.9%		Swing to year-on-year decline persists.
Producer Price Index			
Total	+0.4%	+0.2%	Energy prices bounce back up this month.
Ex-Food & Energy	+0.2%	+0.2%	
Empire State Manufacturing Survey			
Total	1.3	3.0	Manufacturing activity still stagnant in NY state.
Prices	16.5		
Industrial Production	+0.5%	+0.2%	Output up a bit, but less than last time.
Capacity Utilization	78.0%	77.9	Creeping upward slowly.
Philadelphia Fed Manufacturing Survey			
Total	6.6	5.0	Sticks in mild-growth zone.
Prices	21.5		
Monthly Money (SA)			
M1	-$2.8		A drop in M1.
M2	+$28.1 Billion		
NAHB Housing Market Index	20		Hanging high – revival beginning?
Housing Starts (Units, SAAR)	648,000		Slightly stronger production, maybe more optimism.
Existing Home Sales (Units, SAAR)	5.000 Million		About steady, but too slow.
Gross Domestic Product (Second)			
Real	+2.2%		Modestly stronger.
Final Sales	+2.8%		
Chain Prices	+2.5%		
U. of M. Consumer Sentiment Index (Final)	66.3		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%		Weakness in real-activity components.
Durable Goods			
Orders	+1.5%		Commercial aircraft orders jump.
Ex-Defense	+1.5%		
Shipments	+0.6%		
Personal Income & Consumption			
Income	+0.4%		Moderate-growth numbers
Consumption	+0.4%		
Core Prices	+0.2%		
New Home Sales (Units, SAAR)	312,000		Stuck in a low range – edging up?

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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