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Forecast Calendar

January 13, 2012

United States

Economic Indicators—Schedule and Forecasts

January 16 – 27, 2012

Sinai/Ellis/Hooper

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

16

Holiday

Duke Speech (18:00)
(University of Richmond: "My Journey from Community Bank to Central Banker").

17

Empire State Manufacturing Survey
(8:30)

	Total	Prices
Dec	9.5	24.4
Jan (f)	**11.6**	**22.1**
Jan (c)	**11.0**	

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

18

ICSC/Goldman Sachs Chain Sales (7:45) (1/14)

Producer Price Index (8:30)

	Total	Ex-F&E
Nov	0.3%	0.1%
Dec (f)	**-0.1%**	**0.1%**
Dec (c)	**0.1%**	**0.1%**

Redbook Chain Sales (8:55) (1/14)

Monthly TIC flows (9:00) (Nov)

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Nov	-0.2%	77.8%
Dec (f)	0.6%	78.3%
Dec (c)	0.5%	78.1%

Tarullo Testimony (9:30)
(House Financial Services Committee: The Volcker Rule).

NAHB Housing Market Index (10:00)

Sep	14	Dec	21
Oct	17	**Jan (f)**	**23**
Nov	19	**Jan (c)**	**22**

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

19

Initial Claims (8:30)

12/31	375	**1/14 (f)**	**385**
1/7	399	**1/14 (c)**	**385**

Consumer Price Index (8:30)

	Total	Ex-F&E
Nov	0.0%	0.1%
Dec (f)	**0.1%**	**0.2%**
Dec (c)	**0.1%**	**0.1%**

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

	Starts	Permits
Nov	685	681
Dec (f)	**695**	**730**
Dec (c)	**680**	**680**

Philadelphia Fed Survey (10:00)

	Total	Prices
Dec	10.3	33.7
Jan (f)	**9.9**	**28.5**
Jan (c)	**10.7**	

10-Year TIPS (13:00)
$15.0 Billion

20

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

Aug	4.320	Nov	4.420
Sep	4.190	**Dec (f)**	**4.560**
Oct	4.250	**Dec (c)**	**4.650**

23

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

24

ICSC/Goldman Sachs Chain Sales (7:45) (1/21)

Redbook Chain Sales (8:55) (1/21)

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

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

25

Pending Home Sales (10:00)

Jul	-1.3%	Oct	10.4%
Aug	-1.2%	Nov	7.3%
Sep	-4.6%	**Dec (f)**	**-4.5%**

FOMC Rate Decision (14:15)
(Hold on rates; no change on balance sheet; economy outlook better and encouraging but still tentative: "forward guidance' on rates extended in time conditional on progress towards full employment and inflation stability).

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

26

Initial Claims (8:30)

12/31	375	**1/14 (f)**	**385**
1/7	399	**1/21 (f)**	**380**

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Oct	unch	1.1%	1.5%
Nov	3.8%	3.7%	-0.4%
Dec (f)	**2.0%**	**2.0%**	**0.5%**

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

Jul	295	Oct	310
Aug	290	Nov	315
Sep	306	**Dec (f)**	**320**

Leading Indicators (10:00)

Jul	0.5%	Oct	0.9%
Aug	0.3%	Nov	0.5%
Sep	0.1%	**Dec (f)**	**0.9%**

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

27

Gross Domestic Product (8:30)
(Advanced)

	Real	Final Sales	Chain Prices
11:Q2	1.3%	1.6%	2.5%
11:Q3	1.8%	3.2%	2.6%
11:Q4 (f)	**3.5%**	**3.1%**	**2.2%**

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

Sep	59.4	Dec	69.9
Oct	60.9	Jan	74.0
Nov	64.1	**Jan (f)**	**74.5**

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

	1-Year	5-Year
Dec	3.1%	2.7%
Jan	3.2%	2.8%
Jan (f)	**3.2%**	**2.8%**

Recent History-Latest Results

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

Lockhart Speech (12:40)
(Atlanta)

10

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

Redbook Chain Sales (8:55) (1/7)

Wholesale Inventories (10:00)

Jun	0.6%	Sep	unch
Jul	0.8%	Oct	1.2%
Aug	0.1%	Nov	0.1%

Williams Speech (10:30)
(Vancouver, Washington)

Pianalto Speech (11:10)
(On labor market, Ohio)

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

George Speech (13:00)
(Kansas City)

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

11

Evans Speech (8:40)
(Lake Forest, Illinois)

Lockhart Speech (9:00)
(Atlanta)

Plosser Speech (12:30)
(Rochester)

FOMC Beige Book (14:00)

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

12

Initial Claims (8:30)

12/17	366	12/31	375
12/24	387	1/7	399

Advance Retail Sales (8:30)

	Total	Ex-Auto
Oct	0.7%	0.5%
Nov	0.4%	0.3%
Dec	0.1%	-0.2%

Business Inventories, Sales (10:00)

	Inven.	Sales	I/S
Sep	unch	0.6%	1.268
Oct	0.8%	0.6%	1.270
Nov	0.3%	0.3%	1.270

Treasury Statement (14:00)
($ Billions)

	2011	2010
Oct	-98.5	-140.4
Nov	-137.3	-150.4
Dec	-86.0	-78.1

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

	M1	M2
Oct	2150.1	9607.6
Nov	2149.1	9641.7
Dec	2158.0	9675.8

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

13

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

Jul	5.5%	Oct	4.9%
Aug	5.5%	Nov	3.8%
Sep	5.4%	Dec	3.4%

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

	Total	Merch.	Serv.
Sep	-44.2	-59.5	15.3
Oct	-43.3	-58.7	15.3
Nov	-47.8	-63.2	15.4

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

Aug	55.7	Nov	64.1
Sep	59.4	Dec	69.9
Oct	60.9	Jan	74.0

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

	1-Year	5-Year
Nov	3.2%	2.7%
Dec	3.1%	2.7%
Jan	3.2%	2.8%

Duke Speech (11:10)
(On Regulation, Santa Barbara, CA)

Lacker Speech (12:45) (Richmond)

Evans Speech (13:00)
(Indianapolis)

Indicator Highlights

The Producer Price Index (Weds., Jan. 18, 8:30 a.m.) should be watched for further signs that commodity price inflation is abating. Industrial Production & Capacity Utilization (Weds, Jan. 18, 9:15 a.m.) will give a detailed read on industrial-side activity and capacity use progress. Slack, as measured by capacity utilization, is of interest. The Consumer Price Index (CPI-U) (Thurs., Jan. 19, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed. Is the overall CPI-U coming downward towards the "core"? Housing Starts (Thurs., Dec. 19, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% of it now. Existing Home Sales (Fri., Jan. 20, 10:00 a.m.) will offer a glimpse of how demand is going in the broad housing market.

The Advance Report on Gross Domestic Product (Fri., Jan. 27, 8:30 a.m.) will give a preview on the overall economy in Q4 and the degree of strength for the economic recovery. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Jan. 27, 9:55 a.m.) will provide an updated look at consumer attitudes in late-January. Inflation expectations in the Survey are also important, particularly for Fed-watching.

Indicator	Forecast	Consensus	Analysis
Empire State Manufacturing Survey			
Total	11.6	11.0	Strengthening activity to mid-2011 levels.
Prices	22.1		Prices move upward gradually.
Producer Price Index			
Total	-0.1%	+0.1%	Energy prices take a step down this month. Elsewhere, modestly firmer.
Ex-Food & Energy	+0.1%	+0.1%	
Industrial Production	+0.6%	+0.5%	A solid rebound.
Capacity Utilization	+78.3%	+78.1%	Rising again
NAHB Housing Market Index	23	22	Continues momentum upward.
Consumer Price Index			
Total	+0.1%	+0.1%	Retail gasoline prices fall. Service price inflation steady to lower.
Ex-Food & Energy	+0.2%	+0.1%	
Housing Starts (Units, SAAR)	695,000	680,000	More strength following large run-up in November.
Housing Permits (Units, SAAR)	730,000	680,000	Moderate increase in housing permits.
Philadelphia Fed Manufacturing Survey			
Total	9.9	10.7	Growth a bit narrower this month, but broadening over time.
Prices	28.5		Prices move upward following a choppy half-year.
Existing Home Sales (Units, SAAR)	4.560 Million	4.650 Million	Modest increase.
Pending Home Sales	-4.5%		Market still choppy.
Durable Goods			
Orders	+2.0%		Another month of big aircraft orders.
Ex-Defense	+2.0%		
Shipments	+0.5%		
New Home Sales (Units, SAAR)	320,000		New home sales edge upward, but remain below the average for 2010.
Leading Indicators	+0.9%		Good-sized increase, one in a now-long series.
Gross Domestic Product (Advanced)			
Real	+3.5%		Solid sales growth and a bit of inventory building.
Final Sales	+3.1%		
Chain Prices	+2.2%		
U. of M. Consumer Sentiment Index (Final)	74.5		Strong upward momentum over the last three months.
U. of M. Inflation Expectations (Final.)			
1-Yr Ahead (Median)	3.2%		Near-term price expectations remain stable.
5-Yr Ahead (Median)	2.8%		Longer-term price expectation likely to move upward, but not right away.

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; maybe longer, maybe deeper. Fed likely to continue pause on easing, neither easing more nor exiting for quite awhile. Reacceleration of U.S. economy noticeable to Fed, but the Central Bank will be cautious given previous premature expectations on a better economy.

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