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Forecast Calendar

January 27, 2012

United States

Economic Indicators—Schedule and Forecasts

Sinai/Ellis/Hooper

January 30 – February 10, 2012

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

30

Personal Income & Consumption (8:30)

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

3-and 6-Month Bills (11:30)
$60.0 Billion

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ICSC/Goldman Sachs Chain Sales (7:45) (1/28)

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

	Comp.	Wages	Benefits
11:Q3	0.3%	0.3%	0.1%
11:Q4 (f)	**0.4%**	**0.4 %**	**0.5%**
11:Q4 (c)	**0.4%**		

Redbook Chain Sales (8:55)
(1/28)

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

Jul	-4.0%	Oct	-3.4%
Aug	-3.7%	**Nov (f)**	**-3.2%**
Sep	-3.5%	**Nov (c)**	**-3.3%**

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Dec	62.5	65.7
Jan (f)	**64.8**	**67.8**
Jan (c)	**63.0**	

Conference Board Consumer Confidence Survey (10:00)

Sep	46.4	Dec	64.5
Oct	40.9	**Jan (f)**	**64.6**
Nov	55.2	**Jan (c)**	**68.0**

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

1

ADP Employment Estimate (8:15)
(Jan)

Plosser Speech (8:30)
(Economic Outlook, Pennsylvania)

Construction Expenditure (10:00)

Aug	2.2%	Nov	1.2%
Sep	1.1%	**Dec (f)**	**1.0%**
Oct	-0.2%	**Dec (c)**	**0.5%**

ISM Manufacturing Survey (10:00)

	Total	Prices
Dec	52.7	47.5
Jan (f)	**55.6**	**50.1**
Jan (c)	**54.5**	**49.8**

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Dec	13.5	10.5	3.1
Jan (f)	**13.6**	**10.5**	**3.1**
Jan (c)	**13.5**	**10.5**	**3.0**

Refunding Announcement

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Initial Claims (8:30)

1/14	356	**1/28 (f)**	**370**
1/21	377	**1/28 (c)**	**370**

Productivity and Costs (8:30)

(Revised)	Prod.	Comp.	ULC
11:Q3	2.3%	-0.2%	-2.5%
11:Q4 (f)	**0.5%**	**1.1%**	**0.5%**
11:Q4 (c)	**0.8%**		**0.9%**

Monthly Chain Store Sales
(Jan)

Evan Speech (9:00)
(Press meeting, Chicago)

Bernanke Speech (10:00)
(To testify for House budget Committee, Washington DC)

Fisher Speech (19:15)
(Economy and policy, Austin TX)

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Unemployment Rate (8:30)

Sep	9.0%	Dec	8.5%
Oct	8.9%	**Jan (f)**	**8.5%**
Nov	8.7%	**Jan (c)**	**8.5%**

Employment Report (8:30)
(Annual Revision)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Dec	200	34.4	0.2%
Jan (f)	**120**	**34.4**	**0.2%**
Jan (c)	**150**	**34.4**	**0.2%**

ISM Non-Manufacturing (10:00)

	Total	Prices
Dec	52.6	61.2
Jan (f)	**53.2**	**63.9**
Jan (c)	**53.2**	

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Nov	1.8%	0.0%	0.9%
Dec (f)	**1.5%**	**1.0%**	**0.5%**
Dec (c)	**1.5%**		

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Bullard Speech (8:55)
(On inflation targeting, Chicago)

3-and 6-Month Bills (11:30)
$60.0 Billion (f)

Fisher Speech (12:15)
(On economic outlook, Wash. DC)

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ICSC/Goldman Sachs Chain Sales (7:45) (2/4)

Redbook Chain Sales (8:55)
(2/4)

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

52-Week Bill (13:00)
$25.0 Billion (f)

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

8

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

Williams Speech (10:40)
(On Economic Recovery, San Ramon, California)

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Initial Claims (8:30)

1/14	356	**1/28 (f)**	**370**
1/21	377	**2/4 (f)**	**365**

Wholesale Inventories (10:00)

Jul	0.8%	Oct	1.2%
Aug	0.1%	Nov	0.1%
Sep	0.0%	**Dec (f)**	**0.7%**

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

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

	Total	Merch.	Serv.
Oct	-43.3	-58.6	15.3
Nov	-47.8	-63.2	15.4
Dec (f)	**-44.7**	**-60.1**	**15.4**

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

Sep	59.4	Dec	69.9
Oct	60.9	Jan	75.0
Nov	64.1	**Feb (f)**	**75.3**

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

	1-Year	5-Year
Dec	3.1%	2.7%
Jan	3.3%	2.7%
Feb (f)	**3.3%**	**2.7%**

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) (1/21)

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

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

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

State of the Union Address (21:00)

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Pending Home Sales (10:00)

Jul	2.4%	Oct	10.4%
Aug	-1.2%	Nov	7.3%
Sep	-4.6%	Dec	-3.5%

FOMC Rate Decision (12:30)
(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

FOMC Charts Release (14:00)

Bernanke Press Conference (14:15)

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Initial Claims (8:30)

12/31	375	1/14	356
1/7	402	1/21	377

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Oct	0.1%	1.1%	1.5%
Nov	4.3%	4.6%	-0.3%
Dec	3.0%	3.5%	2.1%

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

Aug	290	Oct	310
Aug	290	Nov	314
Sep	306	Dec	307

Leading Indicators (10:00)

Aug	0.2%	Oct	0.6%
Aug	-0.7%	Nov	0.2%
Sep	-0.6%	Dec	0.4%

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

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Gross Domestic Product (8:30)

(Advanced)	Real	Final Sales	Chain Prices
11:Q2	1.3%	1.6%	2.6%
11:Q3	1.8%	3.2%	2.6%
11:Q4	2.8%	0.8%	0.4%

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

Sep	59.4	Dec	69.9
Oct	60.9	Jan (pre)	74.0
Nov	64.1	Jan	75.0

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

	1-Year	5-Year
Dec	3.1%	2.7%
Jan (pre)	3.2%	2.8%
Jan	3.3%	2.7%

Dudley Speech (10:00)
(Local Economy and School Financing)

Indicator Highlights

United States

Personal Income & Consumption (Mon., Jan. 30, 8:30 a.m.) will provide the last 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%. Modest income growth is expected. The S&P/Case-Shiller Index (Tue., Jan. 31, 9:00 a.m.) is a key gauge of house prices for both year-on-year changes and on a running basis. Home prices in this index have double dipped but may be turning the corner. The ISM Manufacturing Survey (Wed., Feb. 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., Feb. 2, 8:30 a.m.) will provide an initial look at Q4 unit labor costs and will be suggestive about corporate profits performance. The ISM Non-Manufacturing Survey (Fri., Feb. 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., Feb. 3, 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 (Fri., Feb. 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., Feb. 10, 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
Personal Income & Consumption			
Income	+0.4%	+0.4%	Spending quiets as year ends, ticking up the savings rate.
Consumption	+0.1%	+0.1%	
Core Prices	+0.1%	+0.1%	
Employment Cost Index			
Compensation	+0.4%	+0.4%	Trend is broadly steady, so far.
Wages and Salaries	+0.4%		
Benefits	+0.5%		
S&P/Case-Shiller Index	-3.2%	-3.3%	Supply of existing homes coming down.
Chicago Purchasing Managers' Survey			
Total	64.8	63.0	Activity increases slightly.
Prices Paid	67.8		Modest upward movement in prices.
Conference Board Consumer Confidence Survey	64.6	68.0	Due for a pause after tow months of large gains.
Construction Expenditure	+1.0%	+0.5%	Residential sector is stirring.
ISM Manufacturing Survey			
Total	55.6	54.5	Manufacturing activity strengthens and prices remain stable.
Prices	50.1	49.8	
Light-Vehicle Sales (Units, SAAR)			
Total	13.6	13.5	Healthy, but gaining momentum only slowly.
Domestic	10.5	10.5	
Import	3.1	3.0	
	Million	Million	
Productivity & Costs (Prelim.)			
Productivity	+0.5%	+0.8%	Productivity growth slows from an unsustainably high rate.
Compensation	+1.1%		
Unit Labor Costs	+0.5%	+0.9%	
Unemployment Rate	8.5%	8.5%	No new progress this month, after two strong ones.
Employment Report			
Payrolls	+120,000	+150,000	'Departing' couriers hold down the total.
Weekly Hours	34.4	34.4	Stable workweeks suggest no strain.
Hourly Earnings	+0.2%	+0.2%	Wages move up moderately.
ISM Non-Manufacturing Survey			
Total	53.2	53.2	Small upward moment in activity and prices.
Prices	63.9		
Manufacturers'			
Orders	+1.5%	+1.5%	Durables strong, on aircraft, elsewhere still quite moderate.
Shipments	+1.0%		
Inventories	+0.5%		
Wholesale Inventories	+0.7%		Monthly pattern has inventories increasing following a nearly flat figure last month.
Trade Balance (BOP Basis)			
Total	-$44.7		Petroleum deficit shrinks a bit.
Merchandise	-$60.1		
Services	$15.4		
	Billion		
U. of M. Consumer Sentiment Index (Prelim)	75.3		Sentiment strengthens slightly.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.3%		Prices remain stable in February.
5-Yr Ahead (Median)	2.7%		Longer term price expectations are unchanged.

Assessment

Economy firmed in late Q3 and Q4, but Q4 real GDP, at 2.8%, was mixed and spotty and not clear on the outlook. "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 high alert on employment and inflation undershoot, and the possibility of another balance sheet easing move is in play. 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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