New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

Eurozone

Economic Indicators—Schedule and Forecasts (Local Times)

Wroblewski/Liu

March 5 – March 16, 2012

5

Service Sector Purchasing Managers Survey, Final (10:00)

Nov	47.5	**Feb (p)**	**49.4**
Dec	48.8	**Feb (f)**	**49.4**
Jan	50.4	**Feb (c)**	**49.4**

Retail Sales (SA) (11:00)

	M/M	Y/Y
Dec	-0.4%	-1.6%
Jan (f)	**-0.3%**	**-1.7%**
Jan (c)	**-0.1%**	**-1.6%**

6

Gross Domestic Product, Second Estimate, (SA) (11:00)

	Q/Q	Y/Y
QIII'11	0.1%	1.3%
QIV'11 (p)	**-0.3%**	**0.7%**
QIV'11 (f)	**-0.3%**	**0.7%**
QIV'11 (c)	**-0.3%**	**0.7%**

7

8

ECB Governing Council meeting (decision at 13:45)
(no change expected)
Press conference at 14:30

9

Eurogroup conference call

12

Eurozone Finance Ministers meeting in Brussels

13

EU Finance Ministers meeting in Brussels

14

Harmonized Index of Consumer Prices, Final (11:00)

	M/M	Y/Y
Jan	-0.8%	2.6%
Feb (p)		**2.7%**
Feb (f)	**0.5%**	**2.7%**

Industrial Production (SA) (11:00)

	M/M	Y/Y
Nov	unch	0.1%
Dec	-1.1%	-2.0%
Jan (f)	**0.3%**	**-1.3%**

15

New Car Registrations (Feb) (8:00)

ECB Monthly Bulletin (Mar) (10:00)

Employment (Q4) (11:00)

Labor Costs (Q4) (11:00)

16

Trade Balance (Euro billion) (NSA) (11:00)

	'11/12	'10/11
Nov	6.3	-2.3
Dec	9.7	-1.7
Jan (f)	**1.0**	-16.1

M/M=month-over-month
Q/Q=quarter-over-quarter
Y/Y=year-over-year

f=forecast
r=revised
c=consensus

Recent History-Latest Results

27

M3 Money Supply (Y/Y) (SA) (10:00)

Aug	2.8	Nov	2.0
Sep	2.9	Dec	1.5
Oct	2.6	Jan	2.5

Private Sector Loans (Y/Y) (SA) (10:00)

Aug	2.5	Nov	1.7
Sep	2.5	Dec	1.0
Oct	2.7	Jan	1.1

28

Retail PMI (Feb) (10:10)

EU Commission Business and Consumer Survey (Feb) (11:00)

29

Harmonized Index of Consumer Prices, Final (11:00)

	M/M	Y/Y
Nov	0.1%	3.0%
Dec	0.3%	2.7%
Jan	-0.8%	2.6%

ECB 3-year LTRO allotted (11:15)

1

Purchasing Managers' Index Manufacturing, Flash (10:00)

Sep	48.5	Dec	46.9
Oct	47.1	Jan	48.8
Nov	46.4	Feb	49.0

Harmonized Index of Consumer Prices, Flash (11:00)

	M/M	Y/Y
Dec	0.3%	2.7%
Jan	-0.8%	2.7%
Feb		2.6%

Unemployment Rate (%) (SA) (11:00)

Aug	10.2	Nov	10.5
Sep	10.3	Dec	10.6
Oct	10.4	Jan	10.7

EU Heads of State Summit begins

2

Producer Prices (NSA) (11:00)

	M/M	Y/Y
Nov	0.2%	5.4%
Dec	-0.2%	4.3%
Jan	0.7%	3.7%

Eurozone Heads of State meeting

Indicator Highlights

Key potential market-moving indicators and events include: the final Services PMI (Mon. Mar. 5, 10:00 a.m.), Retail Sales (Mon. Mar. 5, 11:00 a.m.), the second estimate of Q4 Gross Domestic Product (Tue. Mar. 6, 11:00 a.m.) and the ECB Council meeting (decision due Thu. Mar. 8, 1:45 p.m.). In the following week, there are Harmonized Consumer Prices and Industrial Production (both Wed. Mar. 14, 11:00 a.m.) and the Visible Trade Balance (Fri. Mar. 16, 11:00 a.m.).

The flash February **services PMI** slid from a five-month high and ended a run of three successive rises. Real **retail sales** dropped in M/M terms in December, accentuating the fall seen in November. Q4 **GDP** fell, confirming that the Eurozone economy ended a run of nine successive periods of growth including the Q3 rise. February flash **HICP inflation** increased, exactly unwinding the drop seen in January. Eurozone **industrial production** dropped afresh in December, with the fall being the largest since September. The (unadjusted) December **trade balance** showed a surplus, a clear contrast to the deficit in the same month of 2010.

Indicator	Forecast	Consensus	Analysis
Purchasing Managers' Index (SA) - Final			
- Services	49.4	49.4	No revision envisaged.
Retail Sales (SA)			
M/M	-0.3%	-0.1%	Weak(er) underlying trend still very evident.
Y/Y	-1.7%	-1.6%	
Gross Domestic Product, Q4 (SA) – Second estimate			
Q/Q	-0.3%	-0.3%	No revision anticipated; breakdown detailed.
Y/Y	0.7%	0.7%	
Consumer Prices – HICP (Final) (NSA)			
M/M	0.5%		Core rate falls further?
Y/Y	2.7%		
Industrial Production (SA)			
M/M	0.3%		National data due this week will give more clues.
Y/Y	-1.3%		
Visible Trade (NSA)	€ 1.0 bln		Seasonal deterioration.

Post Mortem—Prior Week Results

Mixed monetary weakness? January M3 money supply growth picked up clearly, rising a full percentage point to 2.5% Y/Y, albeit only recovering from a cycle-low to a three-month high.

Confidence recovers further. EU Commission business and consumer survey figures for February provided less subdued messages for a second successive month, albeit with clear contraction still being flagged in all Eurozone countries bar Germany.

Less soggy retail sector? According to the latest retail PMI, sentiment in the sector improved in February as the headline index jumped exactly five points to 47.9, up from the three-year low of the previous month.

Inflation slips. Seeing a 0.1 percentage point downward revision from the flash numbers, final January data saw HICP inflation dropped to 2.6%, a five-month low, down from the 2.7% December reading.

Unemployment hits new record-high. The unemployment rate was 10.7% in January, a fresh record-high and up a further notch from an upwardly-revised December reading, therefore even more clearly up from the 9.9% cycle-low set in April last year.

Inflation rises back. Seeing a 0.1 percentage point rise, flash numbers for February data saw HICP inflation increase back to 2.7% Y/Y, exactly unwinding the drop seen in revised January data released earlier in the week.

Contracting afresh? The February final manufacturing PMI rose for the third month in succession, albeit with the 0.2 point rise to 49.0 being the smallest in that sequence and much softer than the 1.9 points January jump, it also being unchanged from the flash reading.

Producer prices bounce back clearly. Producer prices jumped by 0.7% M/M in January, a result more than unwinding the 0.2% fall of the previous month.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 4th Floor
London EC2M 4QP
Telephone: 011-44-20-7959-3045
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

United Kingdom

Economic Indicators—Schedule and Forecasts (Local Times)

Wroblewski/Liu

March 5 – March 16, 2012

5

Purchasing Managers' Survey - Services (SA) (9:30)

Oct	51.3	Jan	56.0
Nov	52.1	**Feb (f)**	**54.5**
Dec	54.0	**Feb (c)**	**55.0**

Possibly from today:

HBOS House Prices (Feb) (8:00)

6

BRC Retail Sales Monitor (Feb) (00:01)

New Car Registrations (Feb)

7

BRC Shop Price Index (Feb) (00:01)

REC/KPMG Report on Jobs (Feb) (00:01)

Narrow Money & Reserve Balances (Feb) (9:30)

8

Bank of England MPC meeting (rate announcement 12 noon – *no change expected)*

Friday March 9…

PPI Input (NSA) (9:30)

	MM	Y/Y
Jan	0.5%	7.0%
Feb (f)	**0.8%**	**6.4%**
Feb (c)	**1.0%**	**6.6%**

BoE Inflation Attitudes Survey (Q1) (9:30)

Construction Output (Jan) (9:30)

9

Manufacturing Production (SA) (9:30)

	MM	Y/Y
Dec	1.0%	0.8%
Jan (f)	**0.2%**	**0.1%**
Jan (c)	**0.3%**	**0.2%**

Industrial Production (SA) (9:30)

	M/M	Y/Y
Dec	0.5%	-3.3%
Jan (f)	**0.4%**	**-3.0%**
Jan (c)	**0.3%**	**-3.1%**

PPI Output (NSA) (9:30)

	MM	Y/Y
Jan	0.5%	4.1%
Feb (f)	**0.2%**	**3.9%**
Feb (c)	**0.3%**	**3.9%**

PPI Output Exc. Food, Drink, Tobacco & Oil (NSA) (9:30)

	MM	Y/Y
Jan	0.3%	2.4%
Feb (f)	**0.1%**	**2.5%**
Feb (c)	**0.1%**	**2.5%**

12

Visible Trade Balance, Global (SA) (£ Million) (9:30)

Oct	-8059	Dec	-7111
Nov	-8908	**Jan (f)**	**-7300**

13

BRC Retail Sales Monitor (Feb) (00:01)

RICS House Price Survey (Feb) (00:01)

Department for Communities & Local Government House Prices (Jan) (9:30)

14

Claimant Count Unemployment, (Change Thousands) (SA) (9:30)

Nov	0.2	Jan	6.9
Dec	1.9	**Feb (f)**	**5.0**

ILO Unemployment Rate (3 months ending, %) (9:30)

Oct	8.3	Dec	8.4
Nov	8.4	**Jan (f)**	**8.4**

Average Weekly Earnings (Y/Y) (3-Month Moving Average) (9:30)

Oct	2.1	Dec	2.0
Nov	2.0	**Jan (f)**	**2.0**

15

16

M/M=month-over-month
Q/Q=quarter-over-quarter
Y/Y=year-over-year

f=forecast
r=revised
c=consensus

Recent History-Latest Results

27

28

CBI Distributive Trades Monthly & Quarterly Survey (Feb) (11:00)

29

GfK Consumer Confidence (Feb) (00:01)

BoE Lending to Individuals (9:30)

Mortgage Lending (SA, Net, £ Billion)

Aug	0.6	Nov	0.7
Sep	0.3	Dec	1.0
Oct	1.4	Jan	1.6

M4 Money Supply (SA) (9:30)

	M/M	Y/Y
Nov	-0.5%	-2.5%
Dec	-1.4%	-2.5%
Jan	1.6%	-1.8%

M4 Lending (9:30) (SA, Change, £ billion)

Oct	-23.0	Dec	2.8
Nov	-20.6	Jan	2.4

BoE MPC Members testified before Parliamentary Committee (9:45)

1

Nationwide House Prices (Feb) (7:00)

Purchasing Managers' Survey - Manufacturing (SA) (9:30)

Sep	50.8	Dec	49.7
Oct	47.8	Jan	52.0
Nov	47.7	Feb	51.2

2

Purchasing Managers' Survey – Construction (SA) (Feb) (9:30)

Indicator Highlights

Key potential market-moving indicators and events include: the Services PMI (Mon. Mar. 5, 9:30 a.m.), the Bank of England Monetary Policy Committee Meeting (rate decision announced Thu. Mar. 8, 12 noon), as well as Industrial Production and Producer Prices (both Fri. Mar. 9, 9:30 a.m.). In the following week, there is the Trade Balance (Mon. Mar. 12, 9:30 a.m.) and the Labor Market Report – including unemployment and average earnings details – (Wed. Mar. 14, 9:30 a.m.).

The January **services PMI** increased to the highest since last March. December **manufacturing output** jumped, a clear contrast to the drop of the previous month. January **producer output prices** rose in M/M terms, the largest rise in nine months. The total visible **trade gap** narrowed from a shortfall in November to a smaller deficit in December, the latter actually being the smallest shortfall in almost two years. Claimant count **unemployment** rose in January. Average weekly **earnings** growth was unchanged in the three months to December.

Indicator	Forecast	Consensus	Analysis
Purchasing Managers' Index (SA)			
- Services	54.5	55.0	Poor weather hits activity?
Manufacturing Production (SA)			
M/M	0.2%	0.3%	Survey somewhat less downbeat.
Y/Y	0.1%	0.2%	
Industrial Production (SA)			
M/M	0.4%	0.3%	High utility output.
Y/Y	-3.0%	-3.1%	
PPI Output (NSA)			
M/M	0.2%	0.3%	Higher fuel costs evident?
Y/Y	3.9%	3.9%	
PPI Input (SA)			
M/M	0.8%	1.0%	Fuel and food costs rising afresh!
Y/Y	6.4%	6.6%	
Visible Trade Balance, Global (SA)	-£ 7300 mln		Imports recover.
Claimant Count Unemployment (SA)			
M/M (change, thousands)	5.0		Modest rise continues.
ILO Unemployment Rate (SA)	8.4%		Mixed messages evident.
Headline Average Earnings (Y/Y)	2.0%		Still well below CPI inflation.

Post Mortem—Prior Week Results

Sales less weak. The latest (February) CBI distributive trades survey suggested that retail sales took a turn for the better following the clear slump that the survey envisaged in the previous month. Indeed, the balance of retailers reporting higher sales compared to a year before increased 20 points to -2, improving from a January figure which had been the weakest since March 2009.

Mortgage approvals rise yet again. According to BoE-computed data, the number of mortgage approvals rose even further in January, with the 58 728 reading not only above the recent average, but also the highest in 25 months.

Better monetary messages. BoE numbers on underlying monetary dynamics showed more reassuring messages in January data. These aggregates showed a marked M/M rebound of 1.9%, more than repairing the record fall of 0.7% in underlying broad money supply seen in December, the result of which pulled the three-month annualized rate back to a three-month high of 4.28%.

Consumer confidence steady. The GfK consumer confidence gauge in February remained at -29, thereby still up from a 35-month low in December.

Manufacturing still growing. Te headline manufacturing PMI for February remained in clear expansion territory despite the headline index losing 0.8 point (to 51.2).

House prices recover. According to Nationwide, seasonally adjusted house prices in February recovered, rising 0.6% M/M, largely unwinding the cumulative falls of the two previous months.

Construction sector improves. The construction PMI recovered 2.9 points in February to 54.3 swinging from a four-month low to an 11-month high.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 4th Floor
London EC2M 4QP
Telephone: 011-44-20-7959-3045
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

Germany

Economic Indicators—Schedule and Forecasts (Local Times)

Wroblewski/Liu

March 5 – March 16, 2012

5

Purchasing Managers Survey Services, Final (SA) (9:45)

Nov	50.3	**Feb (p)**	**52.6**
Dec	52.4	**Feb (f)**	**52.6**
Jan	53.7	**Feb (c)**	**52.6**

6

7

Manufacturing Orders, (M/M) (SA), (12 noon)

Sep	-4.6%	Dec	1.7%
Oct	5.0%	**Jan (f)**	**-0.5%**
Nov	-4.9%	**Jan (c)**	**0.6%**

8

Industrial Production (M/M) (SA) (12 noon)

Nov	unch	**Jan (f)**	**1.0%**
Dec	-2.9%	**Jan (c)**	**0.9%**

Manufacturing & Mining Output (M/M) (SA), (12 noon)

Oct	0.7%	Dec	-2.7%
Nov	-0.3%	**Jan (f)**	**1.0%**

ECB Governing Council meeting (decision at 13:45)
(no change expected)
Press conference at 14:30

9

Cost-of-Living, Final (NSA) (8:00)

	M/M	Y/Y
Jan	-0.4%	2.1%
Feb (p)	**0.7%**	**2.3%**
Feb (f)	**0.7%**	**2.3%**
Feb (c)	**0.7%**	**2.3%**

Trade Balance (NSA) (Euro billion) (8:00)

	'11/12	'10/11
Dec	12.9	12.6
Jan (f)	**12.5**	10.1
Jan (c)	**13.0**	

Current Account (NSA) (Euro billion) (8:00)

	'11/12	'10/11
Dec	19.3	19.3
Jan (f)	**9.5**	7.0
Jan (c)	**11.8**	

Labor Costs (Q4) (8:00)

12

Possibly from today:

Wholesale Price Index (NSA) (8:00)

	M/M	Y/Y
Dec	unch	3.0%
Jan	1.2%	3.0%
Feb (f)	**0.5%**	**2.1%**

13

ZEW Financial Experts Survey (Mar) (11:00)

14

15

16

M/M=month-over-month
Q/Q=quarter-over-quarter
Y/Y=year-over-year

f=forecast
r=revised
c=consensus

Recent History-Latest Results

27

Possibly from today…

German Lower House votes on Greek bail-out

28

GfK Consumer Confidence Outlook (Mar) (8:00)

Cost-of-Living, Preliminary (NSA)

	M/M	Y/Y
Dec	0.7%	2.1%
Jan	-0.4%	2.1%
Feb	0.7%	2.3%

29

Import Prices (NSA) (8:00)

	M/M	Y/Y
Nov	0.4%	6.0%
Dec	0.3%	3.9%
Jan	1.3%	3.7%

Unemployment (Change, 000's) (SA) (9:55)

Nov	-21	Jan	-26
Dec	-20	Feb	0

Employment (Change, 000's) (SA) (9:55)

Oct	46	Dec	57
Nov	53	Jan	86

1

Purchasing Managers Survey Manufacturing, Final (SA) (9:45)

Sep	50.3	Dec	48.4
Oct	49.1	Jan	51.0
Nov	47.9	Feb	50.2

VDMA Machinery Orders (Jan)

2

Real Retail Sales (M/M) (SA) (8:00)

Aug	-0.5%	Nov	-0.3%
Sep	0.6%	Dec	0.1%
Oct	-0.2%	Jan	-1.6%

Key potential market-moving indicators and events include: the final Services PMI (Mon. Mar. 5, 9:55 a.m.), Manufacturing Orders (Wed. Mar. 7, 12 noon), Industrial Production (Thu. Mar. 8, 12 noon), as well as the Trade Balance, Current Account and final Consumer Prices (all Fri. Mar. 9, 8:00 a.m.). In the following week, there are possibly Wholesale Prices.

The February flash **services PMI** slipped, down further from the seven-month high in January. Manufacturing **orders** jumped in December, while **industrial production** dropped from a flat reading in the previous month, actually showing the steepest fall since January 2009. The February preliminary estimate for **CPI inflation** rose from the previous month. The December (unadjusted) **trade surplus** still widened from the same month of the previous year. **Wholesale prices** jumped in M/M terms in January, a stark contrast to the flat December reading.

Indicator	Forecast	Consensus	Analysis
Purchasing Managers' Index (SA) - Final			
- Services	52.6	52.6	No revision envisaged.
Manufacturing Orders, (SA)			
M/M	-0.5%	0.6%	Underlying trend still higher.
Industrial Production, (SA)			
M/M	1.0%	0.9%	Volatile, but uptrend re-emerging?
Consumer Prices – Final (NSA)			
M/M	0.7%	0.7%	Break-down detailed.
Y/Y	2.3%	2.3%	
Trade Balance, (NSA)	€ 12.5 bln	€ 13.0 bln	Exports recover.
Wholesale Prices (NSA)			
M/M	0.5%		Y/Y rate hits 24-month low!
Y/Y	2.1%		

Post Mortem—Prior Week Results

Consumer price inflation rises. According to preliminary data, February CPI inflation rose by around 0.2 percentage point from the 2.1% Y/Y rate seen in the previous month, albeit still some way below the cycle-high of 2.6% set in September.

Consumer confidence rises further. The GfK measure of the consumer confidence outlook for March increased to 6.0, up from an unrevised 5.9, thereby hitting a 12-month high.

Import prices rise even faster. Import prices jumped 1.3% in M/M terms in January, another and broadly-based rise that was much stronger than the rises seen in the two previous months.

Strength in labor market less evident. Showing a failure to fall further, unemployment was unchanged in February, following the 26 000 slide seen in the previous month.

Softer survey messages. The February final manufacturing PMI fell 0.8 point to 50.2, unwinding half the gain of the previous month, the latter result being a notch up from the flash estimate.

Sales slump yet further. According to Federal Statistics Office data, real retail sales (excluding auto and petrol sales) dropped 1.6% in M/M terms in January, a soft outcome even after the upwardly revised December reading now showing a rise of 0.1%.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 4th Floor
London EC2M 4QP
Telephone: 011-44-20-7959-3045
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

France

Economic Indicators—Schedule and Forecasts (Local Times)

Wroblewski/Liu

March 5 – March 16, 2012

5	6	7	8	9
Purchasing Managers' Index Services, Final (SA) (9:50) Nov 49.6 **Feb (p) 50.3** Dec 50.3 **Feb (f) 50.3** Jan 52.3 **Feb (c) 50.3**			Salaried Employment, Final (SA) (8:45) Q/Q Y/Y QIII'11 unch 1.2% **QIV'11 (p) -0.2% 0.7%** **QIV'11 (f) -0.2% 0.7%** **QIV'11 (c) -0.2% 0.7%** Visible Trade Balance (SA) (8:45) (Euro Billion) Sep -6.10 Dec -4.99 Oct -5.75 **Jan (f) -4.25** Nov -4.14 **Jan (c) -5.20** BoF Business Sentiment Survey (Feb) (8:45) ECB Governing Council meeting (decision at 13:45) *(no change expected)* *Press conference at 14:30*	Industrial Production, exc. Construction (SA) (8:45) M/M Y/Y Dec -1.4% -1.3% **Jan (f) 0.3% -1.3%** **Jan (c) 0.5% -1.1%** Manufacturing Production (SA) (8:45) M/M Y/Y Dec -1.4% 0.8% **Jan (f) 0.3% -0.8%** **Jan (c) 0.7% -0.2%** Central Government Budget (Jan) (8:45)
12	**13**	**14**	**15**	**16**
	Consumer Prices (NSA) (7:30) M/M Y/Y Dec 0.4% 2.5% Jan -0.4% 2.3% **Feb (f) 0.5% 2.4%**			

M/M=month-over-month
Q/Q=quarter-over-quarter
Y/Y=year-over-year

f=forecast
r=revised
c=consensus

Recent History-Latest Results

27	28	29	1	2
Producer Prices (NSA) (8:45) M/M Y/Y Nov 0.4% 5.6% Dec -0.1% 4.6% Jan 0.6% 4.2%	Housing Starts (Jan) (8:45)	Household Consumption of Goods (SA) (8:45) M/M Y/Y Nov unch -1.7% Dec -0.2% -2.5% Jan -0.4% -2.2%	Unemployment (Q1) (7:30) Purchasing Managers' Index Manufacturing, Final (SA) (9:50) Sep 48.2 Dec 48.9 Oct 48.5 Jan 48.5 Nov 47.3 Feb 50.0 New Car Registrations (Feb)	

Indicator Highlights

Key potential market-moving indicators and events include: the final Services PMI (Mon. Mar. 5, 9:50 a.m.), the final estimate for Salaried Employment and the Trade Balance (both Thu. Mar. 8, 8:45 a.m.), as well as Industrial Production (Fri. Mar. 9, 8:45 a.m.). In the following week, there are Consumer Prices (Tue. Mar 13. 13, 7:30 a.m.).

The February flash **services PMI** dropped for the first time in four months, easing from a five-month high. Preliminary data for Q4 showed (non-farm) **employment** falling afresh. The December **trade gap** widened clearly. **Manufacturing output** fell in M/M terms in December, unwinding the rise of the previous month. Headline **CPI inflation** dropped in January, easing from a cycle-high.

Indicator	Forecast	Consensus	Analysis
Purchasing Managers' Index (SA)			
- Services – Final	50.3	50.3	No revision envisaged.
Salaried Employment (SA) – Final			
Q/Q	-0.2%	-0.2%	No revision envisaged.
Y/Y	0.7%	0.7%	
Visible Trade (SA)	-€ 4.25 bln	-€ 5.20 bln	Exports recover.
Industrial Production (SA)			
M/M	0.3%	0.5%	Energy output bounces back.
Y/Y	-1.3%	-1.1%	
Consumer Prices (NSA)			
M/M	0.5%		Headline rate no longer falling?
Y/Y	2.4%		

Post Mortem—Prior Week Results

Producer price pressures return. Producer prices jumped 0.6% in M/M terms in January, a reading that was in sharp contrast to 0.1% December drop.

Household spending slips further. Household spending on goods in January fell 0.4% in M/M terms, adding to the 0.2% drop seen in the previous month (revised from -0.7%).

Better survey signals. Largely confirming the message of the flash number, the final manufacturing PMI bounced afresh, with the 1.5 points rise to 50.0 taking it to a seven-month high.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 4th Floor
London EC2M 4QP
Telephone: 011-44-20-7959-3045
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago

DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

Italy

Economic Indicators—Schedule and Forecasts (Local Times)

Wroblewski/Liu

March 5 – March 16, 2012

5	6	7	8	9
Purchasing Managers Survey Service (SA) (9:45) Oct 43.9 Jan 44.8 Nov 45.8 **Feb (f) 45.0** Dec 44.5 **Feb (c) 44.8** Producer Prices (NSA) (10:00) M/M Y/Y Nov 0.3% 4.7% Dec 0.1% 4.0% **Jan (f) 0.4% 3.2%**				Industrial Production* (10:00) M/M Y/Y Dec 1.4% -1.7% **Jan (f) unch unch** **Jan (c) -1.4% -1.4%**
12	**13**	**14**	**15**	**16**
Gross Domestic Product, Second Estimate (SA) (11:00) Q/Q Y/Y QII'11 0.3% 0.8% QIII'11 -0.2% 0.3% **QIV'11 (p) -0.7% -0.5%** **QIV'11 (f) -0.7% -0.5%**	NIC Consumer Prices, Final, (NSA) (11:00) M/M Y/Y Jan 0.3% 3.2% **Feb (p) 0.4% 3.3%** **Feb (f) 0.4% 3.3%**			Visible Trade Balance, Global (NSA) (Euro billion) (11:00) '11/12 '10/11 Nov -1.6 -3.4 Dec 1.5 -3.0 **Jan (f) -5.0** -6.3

* M/M is seasonally-adjusted and working day adjusted. Y/Y is not seasonally adjusted but working-day adjusted.

Q/Q=quarter-over-quarter
Y/Y=year-over-year
M/M=month-over-month
r=revised
c=consensus
f=forecast

Recent History-Latest Results

27	28	29	1	2
ISAE Business Sentiment (Feb) (10:00)			Purchasing Managers' Survey Manufacturing (SA) (9:45) Sep 48.3 Dec 44.3 Oct 43.3 Jan 46.8 Nov 44.0 Feb 47.8 NIC Consumer Prices, Preliminary, (NSA) (11:00) M/M Y/Y Dec 0.4% 3.3% Jan 0.3% 3.2% Feb 0.4% 3.3% New Car Registrations (Feb)	Annual GDP and Budget Data for 2011 (10:00)

Key potential market-moving indicators and events include: the Services PMI (Mon. Mar. 5, 9:45 a.m.), Producer Prices (Mon. Mar. 5, 10:00 a.m.) and Industrial Production (Fri. Mar. 9, 10:00 a.m.). In the following week, there is the second estimate of Q4 Gross Domestic Product (Mon. Mar. 12, 11:00 a.m.), final Consumer Prices (Tue. Mar. 13, 11:00 a.m.) and the Global Trade Balance (Fri. Mar. 16, 11:00 a.m.).

The January **services PMI** was little changed, unwinding little of the fall see in the previous month. December **industrial production** jumped, accentuating bounce seen in the previous month. Q4 **GDP** decreased according to preliminary data, accentuating the drop of the previous quarter. February preliminary data showed **consumer price inflation** rising, exactly unwinding the fall seen the previous month. The (unadjusted) December **trade balance** showed a surplus, a marked contrast to the shortfall seen in the same month of 2010.

Indicator	Forecast	Consensus	Analysis
Purchasing Managers' Index (SA)			
- Services	45.0	44.8	Little changed and still very weak.
Producer Prices (NSA)			
M/M	0.4%		Y/Y rate lowest in 21 months.
Y/Y	3.2%		
Industrial Production*			
M/M	unch	-1.4%	Slight uptrend in tact?
Y/Y	unch	-1.4%	
Gross Domestic Product, 2nd Estimate (SA)			
Q/Q	-0.7%		No revision expected.
Y/Y	-0.5%		
Consumer Prices – Final (NSA)			
M/M	0.4%		EU-harmonized break-down detailed.
Y/Y	3.3%		
Trade Balance – Global	-€ 5.0 bln		Seasonal deterioration.

* M/M is seasonally-adjusted and working day adjusted. Y/Y is not seasonally adjusted but working-day adjusted.

Post Mortem—Prior Week Results

Business confidence falls further. The February ISAE business confidence index fell 0.6 point to 91.5, thereby hitting a third successive cycle-low.

Inflation edges higher. Preliminary data showed that consumer price inflation rose 0.1 percentage point to 3.3% Y/Y in February, thereby exactly unwinding a fall seen the previous month.

Manufacturing contraction less acute. The manufacturing PMI recovered further in February albeit less sizably. Indeed it jumped 1.0 point to 47.8, still a five-month high, with activity hurt somewhat by the poor weather seen during the month.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 4th Floor
London EC2M 4QP
Telephone: 011-44-20-7959-3045
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago

DECISION ECONOMICS, INC.

Information for Decisions™

Forecast Calendar

March 2, 2012

Japan

Economic Indicators—Schedule and Forecasts

Ellis/Wroblewski

March 5 – March 16, 2012 (Local Times)

5

6

7

Official Reserves ($Billion, NSA) (8:50)

Sep	1200.6	Dec	1295.8
Oct	1209.9	Jan	1306.7
Nov	1304.8	**Feb (f)**	**1312.5**

Business Conditions Composite Indexes (Prelim.) (14:00)

	Leading	Coincident
Nov	93.7	90.3
Dec	94.0	93.6
Jan (f)	**95.0**	**93.4**

8

Real GDP (Revised) (SA) (Q/Q) (8:50)

10:Q4	-0.1%	11:Q3	1.7%
11:Q1	-1.8%	11:Q4 (p)	-0.6%
11:Q2	-0.4%	**11:Q4 (f)**	**-0.1%**

Current Account Balance (¥Billion, NSA) (8:50)

	2011	2010
Nov	138.5	955.4
Dec	303.5	1197.9
Jan (f)	**-395.0**	547.2

Current Account Visible Trade (¥Billion, NSA) (8:50)

	2011	2010
Nov	-585.1	256.2
Dec	-145.8	763.5
Jan (f)	**-1350.0**	-399.4

Bank Lending (Y/Y) (8:50)

Sep	-0.3%	Dec	0.4%
Oct	unch	Jan	0.6%
Nov	0.2%	**Feb (f)**	**0.7%**

9

Money Supply(M2) (Y/Y) (8:50)

Sep	2.7%	Dec	3.2%
Oct	2.8%	Jan	3.0%
Nov	3.0%	Feb **(f)**	**3.0%**

12

BOJ Monetary Policy Meeting

Corporate Goods Price Index (Y/Y) (8:50)

Sep	2.5%	Dec	1.2%
Oct	1.6%	Jan	0.5%
Nov	1.6%	**Feb (f)**	**0.8%**

Machinery Orders, Core (SA) (14:00)

Aug	11.0%	Nov	14.8%
Sep	-8.2%	Dec	-7.1%
Oct	-6.9%	**Jan (f)**	**3.0%**

13

BOJ Monetary Policy Meeting

Tertiary Industry Activity (SA) (M/M) (8:50)

Aug	0.1%	Nov	-0.6%
Sep	-0.4%	Dec	1.4%
Oct	0.8%	**Jan (f)**	**0.5%**

BOJ Shirakawa Press Conference (15:30)

14

MOF Business Outlook Survey (8:50) (First Quarter)

Industrial Production (Revised)

Sep	-3.3%	Dec	3.8%
Oct	2.2%	Jan (p)	2.0%
Nov	-2.7%	**Jan (f)**	**2.0%**

BOJ Monthly Report (14:00) (March)

15

16

BOJ Monetary Policy Meeting Minutes (8:50) (February 13, 14)

M/M=month-over-month f= forecast
Y/Y=year-over-year c=consensus

Recent History-Latest Results

27

28

Retail Sales (Y/Y) (8:50)

Aug	-2.6%	Nov	-2.2%
Sep	-1.1%	Dec	2.5%
Oct	1.9%	Jan	1.9%

29

Industrial Production (SA) (M/M) (8:50)

Aug	0.6%	Nov	-2.7%
Sep	-3.3%	Dec	3.8%
Oct	2.2%	Jan	2.0%

Housing Starts (Y/Y) (14:00)

Aug	14.0%	Nov	-0.3%
Sep	-10.8%	Dec	-7.3%
Oct	-5.8%	Jan	-1.1%

1

MOF Corporate Financial Data (8:50) (Fourth Quarter)

Vehicle Sales (Y/Y) (14:00)

Sep	1.7%	Dec	23.5%
Oct	28.3%	Jan	40.7%
Nov	24.1%	Feb	31.9%

2

Tokyo CPI (Y/Y) (8:30)

	Total	Ex-Fresh Food
Dec	-0.4%	-0.3%
Jan	-0.3%	-0.4%
Feb	-0.3%	-0.3%

Nationwide CPI (Y/Y) (8:30)

	Total	Ex-Fresh Food
Nov	-0.5%	-0.2%
Dec	-0.2%	-0.1%
Jan	0.1%	-0.1%

Unemployment Rate (SA) (8:30)

Aug	4.4%	Nov	4.5%
Sep	4.2%	Dec	4.5%
Oct	4.4%	Jan	4.6%

Effective Job Offers to Applicants Ratio (8:30)

Aug	0.66	Nov	0.69
Sep	0.67	Dec	0.71
Oct	0.67	Jan	0.73

Family Income and Expenditure Survey (Real) (Y/Y) (8:30)

	PCE (All)	PCE (Workers)	Disp. Income
Nov	-3.2%	-4.1%	-1.2%
Dec	0.5%	0.9%	-1.0%
Jan	-2.3%	-2.8%	1.3%

Indicator Highlights

Key potential market-moving indicators and events include: Real GDP (Revised) (Thu., Mar. 8, 8:50); Bank Lending (Thu., Mar. 8, 8:50); Machinery Orders, Core (Mon., Mar. 12, 14:00); and Tertiary Industry Activity (Tue., Mar. 13, 8:50).

The GDP revision will reflect more complete data, particularly on corporate activities, giving a better sense of the nature—and permanence—of the fourth-quarter weakening. Bank lending results will tell whether the recent pickup in flows, attributed to corporate acquisition financing, continues.

Machinery orders will hint whether the strong fourth quarter Capex performance carried on into the first. Tertiary industry results will give into an initial look at the strength of service industries in the new quarter, following on a surge at the end of the last.

Indicator	Forecast	Consensus	Analysis
Official Reserves (NSA)	$1312.5 Billion		Favorable currency translation.
Business Conditions Composite Indexes (Prelim.)			
Leading	95.0		Little changed.
Coincident	93.4		
Real GDP (Revised) (SA) (Q/Q)	-0.1%		Stronger Capex cushions the GDP decline.
Current Account Balance (NSA)	-¥395.0 Billion		Serious merchandise trade deterioration.
Current Account Visible Trade (NSA)	-¥1350.0 Billion		
Bank Lending (Y/Y)	+0.7%		Firms up a bit further.
Money Supply (M2) (Y/Y)	+3.0%		Steady growth.
Corporate Goods Price Index (Y/Y)	+0.8%		Firmer energy prices.
Machinery Orders, Core (SA)	+3.0%		A solid new bounce.
Tertiary Industry Activity (SA) (M/M)	+0.5%		First quarter starts on a strong foot.
Industrial Production (Revised)	+2.0%		Little or no revision.

Post Mortem—Recent Data Results

Sales surge. Retail sales jumped 4.1% M/M in January, very much accentuating the 0.3% bounce of the previous month. Even so, Y/Y growth turned less positive, at 1.9%.

Industrial production recovers clearly. Surprising to the upside once again, preliminary data for January showed industrial production rising 2.0% M/M, half the jump seen in December. However, the data seemingly continues volatility in the series, albeit with a firmer uptrend potentially emerging given METI's latest survey of firms pointing to a further bounce of 1.7% projected for February to be followed by a same-sized rise in March. Elsewhere, the data also showed a drop back in shipments in January (-0.7% M/M vs 4.6%), while inventories jumped 3.1%.

Housing data less weak. Housing starts fell for the fifth successive month in January, at least in Y/Y terms, but with the growth rate turning less negative (at -1.1%).

Manufacturing growing modestly. The February manufacturing PMI edged down 0.2 point to 50.5, albeit only from the five-month high seen in January.

Capex recovery. According to the latest Ministry of Finance (MoF) survey, capital spending increased by 7.6% Y/Y in Q4, surprisingly recovering from 9.8% drop seen in Q3. The rise reflected recoveries on both the non-manufacturing and in the factory sector, with Q/Q seasonally adjusted numbers actually showing a further recovery for the latter sector. Meanwhile, total sales growth moved less negative, recovering to -1.3%. *The data suggest some upward revision to Q4 GDP numbers in updated figures due on March 8.*

Vehicle sales growing. February data saw a sixth successive, albeit less positive, reading in regard to vehicle sales. Indeed, sales rose by 31.9%, down from the 40.7% rise of the previous month.

More mixed inflation updates. Exceeding expectations, national core CPI inflation (ex fresh food) remained at -0.1% Y/Y in January. Headline CPI inflation rose to 0.1%, the first positive reading since last August, although the rate excluding food and energy increased to -0.9% from -1.1% in December.

Higher jobless rate. Exceeding expectations, the unemployment rate edged up to 4.6% in January, up further from downwardly-revised reading of the previous month. However, on a less downbeat note, Y/Y employment edged up 0.1%, albeit largely continuing the flat trend of the last few months. In addition, the participation rate slipped to 58.6% in January, while (more reassuringly) the job-to-applicant ratio improved to 0.73, still the highest since November 2008.

Weaker household spending. The Y/Y growth rate for overall household spending turned negative afresh at -2.3% in January, partly a result of there being a further M/M decline (of 0.1%). The outcome was softer than expected, with Y/Y growth in household spending for workers also showing a clear deterioration (to -2.8%).

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 3rd Floor
London EC2M 4QB
Telephone: 011-44-20-7814-6706
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2012. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.

New York • London • Boston • Chicago
DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

Canada

Economic Indicators—Schedule and Forecasts

Ellis/Husby/Pumphrey

March 5 – March 16, 2012

5	6	7	8	9
	Ivey Purchasing Managers' Survey (10:00) (SA) Oct 54.4 Jan 64.1 Nov 59.9 **Feb (f) 63.0** Dec 63.5 **Feb (c) 62.0**	Building Permits (8:30) (M/M) (SA) Sep -4.1% Dec 11.1% Oct 11.6% **Jan (f) 3.0%** Nov -2.6% **Jan (c) -4.0%**	Bank of Canada Rate Decision (9:00) (**Hold.** Inflation higher, but so is unemployment. Europe still presents near-term risk, high household debt levels a longer- term concern. That plus better signs so far out of the U.S., means rates will stay on hold.) Housing Starts (8:15) (Thousand, SAAR) Oct 211.4 Jan 198.0 Nov 185.8 **Feb (f) 198.5** Dec 199.8 **Feb (c) 200.0**	Labor Force Survey (7:00) Employment (Change, Thous., SA) Oct -52.7 Jan 2.3 Nov -5.5 **Feb (f) 20.0** Dec 21.7 **Feb (c) 14.5** Unemployment Rate (SA) Oct 7.4% Jan 7.6% Nov 7.5% **Feb (f) 7.5%** Dec 7.5% **Feb (c) 7.6%** International Trade (8:30) (Balance, C$ Billion, SA) Sep 1.0 Dec 2.7 Oct -0.5 **Jan (f) 1.8** Nov 1.2 **Jan (c) 2.0** Productivity and Costs (8:30) (Q/Q) (SA) Prod. Comp. ULC 11:Q1 0.4% 1.0% 0.6% 11:Q2 -0.9% unch 0.9% 11:Q3 0.4% unch -0.5% **11:Q4 (f) 0.6% 1.3% 0.7%** **11:Q4 (c) 0.6%**
12	**13**	**14**	**15**	**16**
		Capacity Utilization (8:30) 11:Q1 80.2% 11:Q3 81.3% 11:Q2 79.9% **11:Q4 (f) 82.5%**		Survey of Manufacturing (8:30) (M/M) (SA) Ships. Inv. New Ord. Oct -0.6% 1.5% -4.0% Nov 2.0% 0.4% 3.6% Dec 0.6% -0.9% -2.8% **Jan (f) 0.8% -0.4% 1.0%**

M/M=month-over-month Y/Y=year-over-year
f=forecast c=consensus p=preliminary
r= revised

Recent History-Latest Results

27	28	29	1	2
			Current Account Balance (8:30) (C$ Billion, SA) 11:Q1 -10.1 11:Q3 -12.3 11:Q2 -15.6 11:Q4 -10.3 Industrial Product Prices (8:30) (NSA) M/M Y/Y Oct -0.2% 4.7% Nov 0.2% 4.3% Dec -0.9% 2.7% Jan 0.3% 2.2% Raw Materials Prices (8:30) (NSA) M/M Y/Y Oct -1.0% 11.4% Nov 3.9% 11.8% Dec -2.5% 4.6% Jan 0.1% 4.2%	Real GDP (8:30) (Q/Q) (SAAR) 11:Q1 3.7% 11:Q3 4.2% 11:Q2 -0.6% 11:Q4 1.8% Real GDP (8:30) (M/M) (SA) Jul 0.5% Oct unch Aug 0.4% Nov -0.1% Sep 0.2% Dec 0.4%

Indicator Highlights

Canada

Key potential market-moving indicators and events include: Building Permits (Wed., Mar. 7, 8:30 a.m.); the Bank of Canada rate decision (Thurs., Mar. 8, 9:00 a.m.); Housing Starts (Thurs., Mar. 8, 8:15 a.m.); the Labor Force Survey (Fri., Mar. 9, 7:00 a.m.); International Trade (Fri., Mar. 9, 8:30 a.m.); Productivity and Costs (Fri., Mar. 9, 8:30 a.m.); Capacity Utilization (Wed., Mar. 14, 8:30 a.m.) and the Survey of Manufacturing (Fri., Mar. 16, 8:30 a.m.).

The Bank of Canada will again acknowledge clear external risks and headwinds to Canadian growth along with a disappointing domestic labor market, but with a healthier-than-expected U.S. economy starting to gain momentum and inflation already above the 2% target, there is little room to take rates lower.

Housing starts and building permits data may show moderation from their recent highs, however previous strong building permits still should keep housing starts above their sustainable long-run pace. The Labor Force Survey provides a timely-but-volatile read on the underlying economic backdrop.

The International Trade Balance report will show if the late-2011 trend of positive net exports will carry over into 2012 Q1. Productivity and Costs is important in the estimation of potential GDP and as a gauge of labor costs.

Capacity Utilization is a key indicator for the Bank of Canada, providing information on the amount of slack in the economy. The Survey of Manufacturing will be important in gauging the extent and nature of a pickup in activity with gains likely to be due to autos.

Indicator	Forecast	Consensus	Analysis
Ivey Purchasing Managers' Survey (SA)	63.0	62.0	Still moderate business activity.
Building Permits (M/M) (SA)	+3.0%	-4.0%	Residential permits still high, on rising prices and low mortgage rates.
Housing Starts (SAAR)	198,500 units	200,000 units	Low mortgage rates keep housing starts above projected long run level.
Labor Force Survey, Employment (Change, SA)	+20,000	+14,500	Manufacturing employment at historic lows, despite global rebound.
Unemployment Rate (SA)	7.5%	7.6%	Slack remains.
International Trade (Balance, SA)	C$1.8 billion	C$2.0 billion	Higher oil prices' boost to exports outweighs increased imports on strong currency.
Productivity and Costs (Q/Q) (SA)			
Productivity	+0.6%	+0.6%	Output growth outpaces hours.
Compensation	+1.3%		
Unit Labor Costs	+0.7%		
Capacity Utilization	82.5%		More slack taken up, particularly in autos.
Survey of Manufacturing (M/M) (SA)			
Shipments	+0.8%		Shipments likely rise on auto sales.
Inventories	-0.4%		
New Orders	+1.0%		

Post Mortem—Prior Week Results—Prior Week Results

The current account balance narrowed to –C$10.3 bn in Q4 on energy and autos. While the data undershot expectations (Consensus and Decision Economics: -C$9.6 bn), it still is a marked deficit decline from –C$12.3 bn in Q3 and –C$ 15.6bn in Q2. This trend is due to fourth quarter increases in energy (+C$4.1 bn) and auto sales (+C$1.9 bn) exports.

The **raw materials price index** rose 0.1% m/m (Consensus: 0.5% Decision Economics: 1.5%) in January, bringing the y/y change to 4.9%. The **industrial products price index** rose 0.3% (Consensus: 0.3% Decision Economics: unch.) in January, bringing the y/y change to 2.3%. Taken together, this may suggest a drop in factory margins.

Domestic demand and commodity prices boost GDP. Canadian **monthly GDP** matched expectations, at 0.4% M/M (Consensus: 0.3%, Decision Economics: 0.4%) for December, as rising energy prices helped oil and gas extraction contribute 0.2% to the headline. Canadian **Q4 GDP** came in at 1.8% (Consensus: 1.8%, Decision Economics: 1.7%) following Q3 which was revised upward from 3.5% to 4.2%. This deceleration was predicted, as Q3 was artificially strong due to repaired supply chains from Japan. Consumption, net exports, and private investment provided lifts to Q4 GDP, while government investment and business inventories fell.

Decision Economics, Inc.
555 5th Avenue, 15th Floor
New York, New York 10017
Telephone: 212-884-9440
Facsimile: 212-884-9451

Decision Economics, Inc.
288 Bishopsgate, 3rd Floor
London EC2M 4QB
Telephone: 011-44-20-7814-6706
Facsimile: 011-44-20-7959-3344

Decision Economics, Inc.
One Boston Place, 16th Floor
Boston, Massachusetts 02108
Telephone: 617-994-0500
Facsimile: 617-994-0501/0502

Decision Economics, Inc.
2 North La Salle, Suite 1200
Chicago, IL 60602
Telephone: 312-476-7504

© 2011. Decision Economics, Inc. All rights reserved. Reproduction in whole or in part without the written permission of the copyright owner is prohibited.