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DECISION ECONOMICS, INC.
Information for Decisions™

Forecast Calendar

March 2, 2012

United States

Economic Indicators—Schedule and Forecasts

March 5 – 16, 2012

Sinai/Ellis/Hooper

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

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ISM Non-Manufacturing (10:00)

	Total	Prices
Jan	56.8	63.5
Feb (f)	**57.1**	**64.8**
Feb (c)	**56.2**	

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Dec	1.1%	0.7%	0.1%
Jan (f)	**-0.7%**	**1.0%**	**0.7%**
Jan (c)	**-1.5%**		

3-and 6-Month Bills (11:30)
$64.0 Billion

Fisher Speech (13:20)
(Dallas Regional Chamber, "The State of the Economy")

Fisher Speech (19:30)
(CERA Week 2012, "The State of the Economy", Houston)

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ICSC/Goldman Sachs Chain Sales (7:45) (3/2)

Redbook Chain Sales (8:55) (3/2)

4-Week Bill (11:30)
$40.0 Billion (f)

52-Week Bill (13:00)
$26.0 Billion

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Productivity and Costs (8:30)

(Revised)	Prod.	Comp.	ULC
11:Q4 (p)	0.7%	1.9%	1.2%
11:Q4 (f)	**0.9%**	**1.7%**	**0.8%**
11:Q4 (c)	**0.8%**		**1.2%**

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Initial Claims (8:30)

2/18	353	**3/3 (f)**	**350**
2/25	351	**3/3 (c)**	**351**

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Unemployment Rate (8:30)

Oct	8.9%	Jan	8.3%
Nov	8.7%	**Feb (f)**	**8.2%**
Dec	8.5%	**Feb (c)**	**8.3%**

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Jan	243	34.5	0.2%
Feb (f)	**257**	**34.5**	**0.2%**
Feb (c)	**220**	**34.5**	**0.2%**

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

	Total	Merch.	Serv.
Dec	-48.8	-64.3	15.5
Jan (f)	**-49.0**	**-64.6**	**15.6**
Jan (c)	**-49.0**		

Wholesale Inventories (10:00)

Sep	0.0%	Dec	1.0%
Oct	1.2%	**Jan (f)**	**0.8%**
Nov	0.0%	**Jan (c)**	**0.6%**

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Treasury Statement (14:00)
($ Billions)

	2012	2011
Dec	-86.0	-78.1
Jan	-27.4	-49.8
Feb (f)	**-220.0**	-222.5

3-and 6-Month Bills (11:30)
$64.0 Billion (f)

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

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ICSC/Goldman Sachs Chain Sales (7:45) (3/10)

Advance Retail Sales (8:30)

	Total	Ex-Auto
Dec	0.0%	-0.5%
Jan	0.4%	0.7%
Feb (f)	**1.0%**	**0.5%**

Redbook Chain Sales (8:55) (3/10)

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
Nov	0.3%	0.4%	1.269
Dec	0.4%	0.7%	1.265
Jan (f)	**0.5%**	**0.7%**	**1.261**

FOMC Meeting & Statement (14:15)

4-Week Bill (11:30)
$40.0 Billion (f)

10-Year Note (13:00)
$24.0 Billion (f)

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

Sep	5.4%	Dec	3.5%
Oct	4.8%	Jan	2.9%
Nov	3.7%	**Feb (f)**	**3.0%**

Current Account Balance (8:30)
($ Billions)

11:Q1	-119.6	11:Q3	-110.3
11:Q2	-124.7	**11:Q4 (f)**	**-108.5**

Bernanke Speech (9:00)
(Independent Community Bankers of America National Convention, Nashville)

30-Year Bond (13:00)
$16.0 Billion (f)

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Initial Claims (8:30)

2/18	353	**3/3 (f)**	**350**
2/25	351	**3/10(f)**	**350**

Producer Price Index (8:30)

	Total	Ex-F&E
Dec	-0.1%	0.3%
Jan	0.1%	0.4%
Feb (f)	**0.6%**	**0.2%**

Empire State Manufacturing Survey (8:30)

	Total	Prices
Jan	13.5	26.4
Feb	19.5	25.9
Mar (f)	**21.4**	**28.4**

Monthly TIC flows (9:00) (Jan)

Philadelphia Fed Survey (10:00)

	Total	Prices
Jan	7.3	31.8
Feb	10.2	38.7
Mar (f)	**15.8**	**40.5**

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

	M1	M2
Dec	2173.9	9640.1
Jan	2228.9	9765.4
Feb (f)	**2227.0**	**9792.0**

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Consumer Price Index (8:30)

	Total	Ex-F&E
Dec	0.0%	0.2%
Jan	0.2%	0.2%
Feb(f)	**0.4%**	**0.2%**

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Dec	1.0%	78.6%
Jan	0.0%	78.5%
Feb(f)	**0.5%**	**78.9%**

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

Oct	60.9	Jan	75.0
Nov	64.1	Feb	75.3
Dec	69.9	**Mar (f)**	**75.5**

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

	1-Year	5-Year
Jan	3.3%	2.7%
Feb	3.3%	2.9%
Mar (f)	**3.3%**	**3.0%**

Recent History-Latest Results

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Pending Home Sales (10:00)

Aug	-1.0%	Nov	4.6%
Sep	-3.0%	Dec	-1.9%
Oct	6.7%	Jan	2.0%

3-and 6-Month Bills (11:30)
$64.0 Billion

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ICSC/Goldman Sachs Chain Sales (7:45) (2/25)

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Nov	4.2%	4.5%	-0.2%
Dec	3.2%	3.8%	1.9%
Jan	-4.0%	-4.5%	0.4%

Redbook Chain Sales (8:55) (2/25)

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

Jul	-4.0%	Oct	-3.6%
Aug	-3.7%	Nov	-3.9%
Sep	-3.6%	Dec	-4.0%

Conference Board Consumer Confidence Survey (10:00)

Sep	46.4	Dec	64.8
Oct	40.9	Jan	61.5
Nov	55.2	Feb	70.8

4-Week Bill (11:30)
$40.0 Billion

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Gross Domestic Product (8:30)

(Third)	Real	Final Sales	Chain Prices
11:Q3	1.8%	3.2%	2.6%
11:Q4 (a)	2.8%	0.8%	0.4%
11:Q4 (s)	3.0%	1.1%	0.9%

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Dec	62.2	63.8
Dec	60.2	62.4
Feb	64.0	65.6

FOMC Beige Book (14:00)

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Initial Claims (8:30)

2/4	361	2/18	353
2/11	351	2/25	351

Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Nov	0.0%	0.1%	0.1%
Dec	0.5%	0.0%	0.2%
Jan	0.3%	0.2%	0.2%

ISM Manufacturing Survey (10:00)

	Total	Prices
Dec	53.1	47.5
Jan	54.1	55.5
Feb	52.4	61.5

Light Vehicle Sales (Units, Millions, SAAR)

	Total	Domestic	Import
Dec	13.5	10.5	3.0
Jan	14.1	11.1	3.1
Feb	15.0	11.7	3.4

Monthly Chain Store Sales (Feb)

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Indicator Highlights

United States

The ISM Non-Manufacturing Survey (Mon., Mar. 5, 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. Revised Productivity & Costs (Wed., Mar. 7, 8:30 a.m.) will provide a more refined look at Q4 unit labor costs and can be suggestive about corporate profits performance. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., Mar. 9, 8:30 a.m.) are key data for a host of upcoming economic indicators, the overall economic prospect, and particularly the Fed's view. The Fed remains focused on the unemployment rate and getting to full employment. 8.3% is still way too high for the Fed. The Trade Balance (Fri., Mar. 9, 8:30 a.m.) and its track of exports and imports can indicate the strength of the global economy.

A big indicator for the Fed now is Retail Sales (Tues., Mar. 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. Industrial Production & Capacity Utilization (Fri, Mar. 16, 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 Producer Price Index (Thurs., Mar. 15, 8:30 a.m.) should be watched for further signs that commodity price inflation is abating. The Consumer Price Index (CPI-U) (Fri., Mar. 16, 8:30 a.m.) is important for its overall and "core" readings on inflation, the latter for the Fed. The Empire State Manufacturing (Thurs., Mar. 15, 8:30 a.m.) and Philadelphia Fed Manufacturing (Thu., Mar. 15, 10:00 a.m.) surveys are important indicators of regional manufacturing activity that can foreshadow the national picture. Trouble on exports, tied to the global economy, would show up here. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Mar. 16, 9:55 a.m.) will provide an initial look at consumer attitudes in March. Consumer sentiment had retreated, but it is rising sharply on better household financial conditions.

Indicator	Forecast	Consensus	Analysis
ISM Non-Manufacturing Survey			
Total	57.1	56.2	Basically stable, but with an upward drift.
Prices	64.8		Prices edge upward slightly.
Manufacturers'			
Orders	-0.7%	-1.5%	Durables decline weighs on orders total.
Shipments	+1.0%		
Inventories	+0.7%		
Productivity & Costs			
Productivity	+0.9%	+0.8%	Slightly firmer than initial estimate.
Compensation	+1.7%		
Unit Labor Costs	+0.8%	+1.2%	
Unemployment Rate	8.2%	8.3%	Continuing improvement, especially household survey employment.
Employment Report			
Payrolls	257,000	220,000	Another month of very solid gains.
Weekly Hours	34.5	34.5	
Hourly Earnings	+0.2%	+0.2%	
Trade Balance (BOP Basis)			
Total	-$49.0	-$49.0	Staying negative, because consumption spending is up.
Merchandise	-$64.6		
Services	$15.6		
	Billion	Billion	
Wholesale Inventories	+0.8%	+0.6%	Inventories continue to be volatile, with large swings up and down in the course of six months.
Treasury Statement	-$220.0 Billion		Comes in a touch below last year.
Advance Retail Sales			
Total	+1.0%		Big jump in auto sales, and surprisingly firm in other categories too. Weather helps.
Ex-Auto	+0.5%		
Business Inventories, Sales			
Inventories	+0.5%		Controlled inventory buildup.
Sales	+0.7%		
I/S	1.261		
Import Prices (Non-Fuel, Y/Y)	+3.0%		Steady year-on-year moves in many prices.
Current Account Balance	-$108.5 Billion		Improves from a third-quarter level revised to be more severely negative.
Producer Price Index			
Total	+0.6%		Gasoline prices jump.
Ex-Food & Energy	+0.2%		
Empire State Manufacturing Survey			
Total	21.4		Modest improvement, but a fairly strong level.
Prices	28.4		Prices firm up further.
Philadelphia Fed Manufacturing Survey			
Total	15.8		Good step up, from low base.
Prices	40.5		Prices get even stiffer.
Monthly Money (SA)			
M1	-$1.9		M2 continues strong.
M2	+$26.6 Billion		
Consumer Price Index			
Total	+0.4%		Gasoline a big factor. The issue is whether services prices are firming.
Ex-Food & Energy	+0.2%		
Industrial Production	+0.5%		Another solid manufacturing gain.
Capacity Utilization	78.9%		Utilization inches higher.
U. of M. Consumer Sentiment Index (Prelim.)	75.5		Stable, but solid.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.3%		Some deterioration on long-term front.
5-Yr Ahead (Median)	3.0%		

Assessment

Economy firmed in late Q3 and Q4, lifting up in Q1 relative to a year ago on private sector non-inventory spending, better consumption, and a little pick-up in residential construction. "Off-shore" risks to U.S. still from European downturn and ongoing weaker growth in Asia, but the look ahead is much better. Europe recession for Q4, Q1, and Q2 in-place; maybe longer, maybe deeper. Fed still likely to continue high alert on unemployment being too high, but the possibility of another balance sheet easing move lessened on the improving labor market. Fed on Hold, with an Easing Bias message. Reacceleration of U.S. economy noticeable, but the central bank will be cautious given previous premature expectations of a better economy that did not unfold.