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Forecast Calendar

March 9, 2012

United States

Economic Indicators—Schedule and Forecasts

March 12 – 23, 2012

Sinai/Ellis/Hooper

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

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Treasury Statement (14:00)
($ Billions)

	2012	2011
Jan	-27.4	-49.8
Feb (f)	**-230.0**	-222.5
Feb (c)	**-229.4**	

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

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

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

Advance Retail Sales (8:30)

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

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

Business Inventories, Sales

(10:00)	Inven.	Sales	I/S
Dec	0.4%	0.7%	1.265
Jan (f)	**0.3%**	**0.4%**	**1.263**
Jan (c)	**0.6%**		

FOMC Meeting & Statement (14:15)
(Essentially same statement as last, except that June date for end of last plan on balance sheet suggests a possible elaboration. Balance sheet most likely to remain fixed in total, but composition of holdings can be altered to support housing market.)

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

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

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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:Q2	-124.7	**11:Q4 (f)**	**-117.0**
11:Q3	-110.3	**11:Q4 (c)**	**-114.2**

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

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

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Initial Claims (8:30)

2/25	354	**3/10 (f)**	**355**
3/3	362	**3/10 (c)**	**355**

Producer Price Index (8:30)

	Total	Ex-F&E
Jan	0.1%	0.4%
Feb (f)	**0.6%**	**0.2%**
Feb (c)	**0.5%**	**0.2%**

Empire State Manufacturing Survey

(8:30)	Total	Prices
Feb	19.5	25.9
Mar (f)	**21.4**	**28.4**
Mar (c)	**17.4**	

Monthly TIC flows (9:00) (Jan)

Philadelphia Fed Survey (10:00)

	Total	Prices
Feb	10.2	38.7
Mar (f)	**15.8**	**40.5**
Mar (c)	**11.0**	

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

	M1	M2
Dec	2173.9	9640.1
Jan	2228.9	9765.4
Feb (f)	**2223.0**	**9788.0**

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Consumer Price Index (8:30)

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

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Jan	0.0%	78.5%
Feb(f)	**0.5%**	**78.9%**
Feb(c)	**0.4%**	**78.8%**

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

Nov	64.1	Feb	75.3
Dec	69.9	**Mar (f)**	**76.5**
Jan	75.0	**Mar (c)**	**75.6**

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%**

Evans Speech (15:00)
(International Forum on Monetary

Policy, Frankfurt, Germany)

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NAHB Housing Market Index (10:00)

Oct	17	Jan	25
Nov	19	Feb	29
Dec	21	**Mar (f)**	**31**

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

Dudley Speech (TBA)
(On Local Economy, Long Island, NY)

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ICSC/Goldman Sachs Chain Sales (7:45) (3/17)

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

	Starts	Permits
Dec	689	671
Jan	699	682
Feb (f)	**712**	**695**

Redbook Chain Sales (8:55)
(3/17)

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

Bernanke Speech (12:45)
(Lecture to students at George Washington University, "The Federal Reserve and its Role in Today's Economy")

Kocherlakota Speech (17:30)
(Hyman Mnsky Lecture Series, Washington University)

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

Sep	4.280	Dec	4.380
Oct	4.320	Jan	4.570
Nov	4.400	**Feb (f)**	**4.618**

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Initial Claims (8:30)

2/25	354	**3/10 (f)**	**355**
3/3	362	**3/17 (f)**	**355**

Leading Indicators (10:00)

Sep	-0.5%	Dec	0.5%
Oct	0.5%	Jan	0.4%
Nov	0.3%	**Feb (f)**	**0.7%**

Bernanke Speech (12:45)
(Lecture to students at George Washington University, "The Federal Reserve and its Role in Today's Economy")

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

Evans Speech (16:00)
(Presenting "Macroeconomic Effects of FOMC Forward Guidance" at Brookings Instit.)

Bullard Speech (20:00)
(At Asian Investment Conference, Hong Kong)

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

Sep	302	Dec	324
Oct	311	Jan	321
Nov	318	**Feb (f)**	**332**

Lockhart Speech (14:30)
(Remarks on career and the Federal Reserve to Georgetown students)

Federal Reserve Board, Central Banking Conference (Mar. 23-24)
("Before During and After the Crisis")

Recent History-Latest Results

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ISM Non-Manufacturing (10:00)

	Total	Prices
Dec	53.0	62.0
Jan	56.8	63.5
Feb	57.3	68.4

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Nov	2.2%	0.2%	0.4%
Dec	1.4%	0.8%	0.2%
Jan	-1.0%	0.9%	0.6%

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

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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

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

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ADP Employment Estimate (8:15 (Feb)

Productivity and Costs (8:30)

	Prod.	Comp.	ULC
11:Q3	1.8%	5.7%	3.9%
11:Q4 (p)	0.7%	1.9%	1.2%
11:Q4	0.9%	3.7%	2.8%

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Initial Claims (8:30)

2/11	351	2/25	354
2/18	353	3/3	362

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Unemployment Rate (8:30)

Sep	9.0%	Dec	8.5%
Oct	8.9%	Jan	8.3%
Nov	8.7%	Feb	8.3%

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Dec	223	34.5	0.1%
Jan	284	34.5	0.1%
Feb	227	34.5	0.1%

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

	Total	Merch.	Serv.
Nov	-47.5	-62.8	15.3
Dec	-50.4	-65.0	14.6
Jan	-52.6	-67.5	14.9

Wholesale Inventories (10:00)

Aug	0.1%	Nov	0.0%
Sep	0.0%	Dec	1.1%
Oct	1.2%	Jan	0.4%

Indicator Highlights

United States

A big indicator for the economy now is Retail Sales (Tues., Mar. 13, 8:30 a.m.), a key for assessing aggregate consumption, sometimes marking well the direction of consumer spending. The consumer is central to the business expansion, its pace and strength. Industrial Production & Capacity Utilization (Fri, Mar. 16, 9:15 a.m.) will give a detailed read on industrial-side activity and capacity use, the latter a potential inflation indicator. The Producer Price Index (Thurs., Mar. 15, 8:30 a.m.) should be watched for signs of commodity price and cost-push inflation. 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 Surveys (Thu., Mar. 15, 10:00 a.m.) 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 has been rising sharply on better household financial conditions and an improved jobs climate.

Housing Starts (Tues., Mar. 20, 8:30 a.m.) will provide a forward look at residential construction, a component of real GDP, though less than 3% now; five years ago it was 6%. Existing Home Sales (Wed., Mar. 21, 10:00 a.m.) will offer a demand update for the broad housing market.

Indicator	Forecast	Consensus	Analysis
Treasury Statement	-$230.0 Billion	-229.4 Billion	Despite a slightly worse deficit in February, the deficit so far this fiscal year is running about $60B under last year.
Advance Retail Sales			
Total	+1.0%	+1.0%	Big jump in auto sales, and surprisingly firm in other categories too. Weather helps.
Ex-Auto	+0.5%	+0.7%	
Business Inventories, Sales			
Inventories	+0.3%	+0.6%	Controlled inventory buildup.
Sales	+0.4%		
I/S	1.263		
Import Prices (Non-Fuel, Y/Y)	+3.0%		Roughly steady year-on-year moves in many prices.
Current Account Balance	-$117.0 Billion	-$114.2 Billion	Moderate worsening from third quarter.
Producer Price Index			
Total	+0.6%	+0.5%	Gasoline prices jump.
Ex-Food & Energy	+0.2%	+0.2%	
Empire State Manufacturing Survey			
Total	21.4	17.4	Modest improvement, but a fairly strong level.
Prices	28.4		Prices firm up further.
Philadelphia Fed Manufacturing Survey			
Total	15.8	11.0	Good step up, from low base.
Prices	40.5		Prices get even stiffer.
Monthly Money (SA)			
M1	-$5.9		M2 continues strong.
M2	+$22.6 Billion		
Consumer Price Index			
Total	+0.4%	+0.4%	Gasoline a big factor. The issue is whether services prices are firming.
Ex-Food & Energy	+0.2%	+0.2%	
Industrial Production	+0.5%	+0.4%	Another solid manufacturing gain.
Capacity Utilization	78.9%	78.8%	Utilization inches higher.
U. of M. Consumer Sentiment Index (Prelim.)	76.5	75.6	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%		
NAHB Housing Market Index	31		Housing market slows following two months of sharp upward movement.
Housing Starts (Units, SAAR)	712,000		Production up very modestly.
Housing Permits (Units, SAAR)	695,000		
Existing Home Sales (Units, SAAR)	4.618 Million		Demand side continues to firm—issue is whether supply is absorbed.
Leading Indicators	+0.7%		Broad based gain on labor market and financial market improvement.
New Home Sales (Units, SAAR)	332,000		Still extremely feeble.

Assessment

Economy firming in a more broad-based way, lifting up in Q4 and Q1 relative to a year ago on better consumption, a little pick-up in residential construction, and capital spending. "Off-shore" risks to U.S. still from European recession 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. 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.

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