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Forecast Calendar

May 18, 2012

United States

Economic Indicators—Schedule and Forecasts

Sinai/Ellis/Hooper

May 14– 25, 2012

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

21	22	23	24	25
Lockhart Speech (5:15) (Institute of Regulation and Risk North Asia, Tokyo: Monetary Policy) 3-and 6-Month Bills (11:30) $57.0 Billion	Lockhart Speech (6:15) (Institute of Regulation and Risk North Asia, Hong Kong: Monetary Policy) ICSC/Goldman Sachs Chain Sales (7:45) (5/19) Redbook Chain Sales (8:55) (5/19) Existing Home Sales (10:00) (Units, Millions, SAAR) Dec 4.380 Mar 4.480 Jan 4.630 **Apr (f) 4.230** Feb 4.600 **Apr (c) 4.620** 4-Week Bill (11:30) $30.0 Billion (t) 2- Year Note (13:00) $35.0 Billion	New Home Sales (10:00) (Units, Thousands, SAAR) Dec 341 Mar 328 Jan 329 **Apr (f) 350** Feb 353 **Apr (c) 335** Kocherlakota Speech (14:00) (Data Matters Forum, South Dakota School of Mines: Economy and Monetary Policy) 5- Year Note (11:30) $35.0 Billion	Initial Claims (8:30) 5/5 370 **5/19 (f) 370** 5/12 370 **5/19 (c) 370** Durable Goods (8:30) Orders Ex-Def. Ships. Mar -3.9% -4.3% 0.8% **Apr (f) -1.0% -1.0% 0.5%** **Apr (c) 0.3%** 7- Year Note (11:30) $29.0 Billion Dudley Speech (13:00) (Council on Foreign Relations, NYC: Economy)	Plosser Speech (5:30) (Deutsche Bundesbank Spring Conference on Monetary Policy: Inflation, and International Linkages) U of M Cons Sentiment Index (9:55) (Final) Feb 75.3 May (p) 77.8 Mar 76.2 **May (f) 77.8** Apr 76.4 **May (c) 77.8** U of M Inflation Expectations (9:55) (Final) 1-Year 5-Year Apr 3.2% 2.9% May (p) 3.1% 3.0% **May 3.2% 3.0%**
28	**29**	**30**	**31**	**1**
Holiday	S&P/Case-Shiller Index (9:00) (20 City Index) (Y/Y) Oct -3.6% Jan -3.9% Nov -3.9% Feb -3.5% Dec -4.1% **Mar (f) -2.8%** Conference Board Consumer Confidence Survey (10:00) Dec 64.8 Mar 69.5 Jan 61.5 Apr 69.2 Feb 71.6 **May (f) 70.1** 3-and 6-Month Bills (11:30) $57.0 Billion (t)	ICSC/Goldman Sachs Chain Sales (7:45) (5/26) Redbook Chain Sales (8:55) (5/26) Pending Home Sales (10:00) Nov 4.6% Feb 0.4% Dec -1.9% Mar 4.1% Jan 2.0% **Apr (f) -1.7%** 4-Week Bill (11:30) $30.0 Billion (t) 52-Week Bill (11:30) $26.0 Billion (t) Dudley Speech (13:30) (Remarks to media, NYC: Regional Economy) Rosengren Speech (16:30) (Worchester Regional Research Center: US Economy and Macroeconomic Policy)	Pianalto Speech (8:00) (National Association for Business Economics Industry Conference, Ohio: Monetary Policy and Economic Outlook) ADP Employment Estimate (8:15) (May) Gross Domestic Product (8:30) (Second) Real Final Sales Chain Prices 11:Q4 3.0% 1.1% 0.8% 12:Q1 (a) 2.2% 1.6% 1.5% **12:Q1 (s) 2.0% 1.8% 1.5%** Initial Claims (8:30) 5/5 370 **5/19 (f) 370** 5/12 370 **5/26 (f) 365** Chicago Purchasing Managers' Survey (9:45) Total Prices Paid Mar 62.2 70.1 Apr 56.2 68.6 **May (f) 58.6 67.5** Monthly Chain Store Sales (May)	Employment Report (8:30) Payrolls (Thous.) Weekly Hours Hourly Earnings Mar 154 34.5 0.2% Apr 115 34.5 0.0% **May (f) 160 34.5 0.2%** Unemployment Rate (8:30) Dec 8.5% Mar 8.2% Jan 8.3% Apr 8.1% Feb 8.3% **May (f) 8.1%** Personal Income & Consumption (8:30) Income Cons. Core Prices Feb 0.3% 0.9% 0.3% Mar 0.4% 0.3% 0.2% **Apr (f) 0.2% 0.2% 0.2%** ISM Manufacturing Survey (10:00) Total Prices Mar 53.4 61.0 Apr 54.8 61.0 **May(f) 55.6 60.5** Light Vehicle Sales (Units, Millions, SAAR) Total Domestic Import Mar 14.3 11.1 3.2 Apr 14.4 11.1 3.3 **May (f) 14.5 11.2 3.3**

Recent History-Latest Results

14	15	16	17	18
3-and 6-Month Bills (11:30) $57.0 Billion	ICSC/Goldman Sachs Chain Sales (7:45) (5/12) Consumer Price Index (8:30) Total Ex-F&E Feb 0.4% 0.1% Mar 0.3% 0.2% Apr 0.0% 0.2% Empire State Manuf. Survey (8:30) Total Prices Mar 20.2 50.6 Apr 6.6 45.8 May 17.1 37.4 Advance Retail Sales (8:30) Total Ex-Auto Feb 1.0% 1.0% Mar 0.7% 0.8% Apr 0.1% 0.1% Redbook Chain Sales (8:55) (5/12) Business Inventories, Sales (10:00) Inven. Sales I/S Jan 0.8% 0.4% 1.279 Feb 0.6% 0.7% 1.277 Mar 0.3% 0.6% 1.273 NAHB Housing Market Index (10:00) Feb 28 Apr 24 Mar 28 May 29 4-Week Bill (11:30) $30.0 Billion	Housing Starts (8:30) (Units, Thousands, SAAR) Starts Permits Feb 718 707 Mar 699 769 Apr 717 715 Industrial Production & Capacity Utilization (9:15) Prod. Util. Feb 0.0% 78.9% Mar -0.1% 78.4% Apr 1.1% 79.2% FOMC Minutes (14:00) (April 24–25 meeting)	Initial Claims (8:30) 4/21 392 5/5 370 4/28 368 5/12 370 Philadelphia Fed Survey (10:00) Total Prices Mar 12.5 18.7 Apr 8.5 22.5 May -5.8 5.0 Leading Indicators (10:00) Nov 0.2% Feb 0.7% Dec 0.5% Mar 0.3% Jan 0.2% Apr -0.1% 10 –Year TIPS (13:00) $13.0 Billion	Manufacturers' Orders (8:30) (Annual Revision)

Indicator Highlights

Existing Home Sales (Tues., May. 22, 10:00 a.m.) will offer a demand update for the broad housing market. The Reuters/University of Michigan Consumer Sentiment Index (Fri., May. 25, 9:55 a.m.) will give a final look at consumer attitudes in May. Consumer sentiment has been rising on better household financial conditions and an improved jobs climate, but is now threatened by higher gasoline prices.

The S&P/Case-Shiller Index (Tue., May. 29, 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 when will the corner be turned? Revised Gross Domestic Product (Thurs., May. 31, 8:30 a.m.) will give more clarity on the overall economy in Q1 and the degree of strength for the economic expansion. Consumer spending a key aggregate, exports important because of Eurozone downturn. Personal Income & Consumption (Fri., June 1, 8:30 a.m.) will provide first month reading of Q2 consumer spending, currently the largest source (over 70%) of real GDP. How goes the consumer, so goes the economy, making it a very significant indicator A new growth trend for consumption has emerged: weaker than historically, but significantly better, perhaps about +2% to +2½% or so, than the last few years. Real disposable income to be watched especially now that jobs are improving. The ISM Manufacturing Survey (Fri., June 1, 10:00 a.m.) is the definitive diffusion index relating to this dimension of the economy. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., June 1, 8:30 a.m.) are key data for a host of upcoming economic indicators, the overall economic prospect, and particularly the Fed. The report is also a potential huge mover of financial markets. The Fed remains focused on the unemployment rate and getting to full employment. 8.1% is still way too high.

Indicator	Forecast	Consensus	Analysis
Existing Home Sales (Units, SAAR)	4.230 Million	4.620 Million	Second month of decline, but from a high level.
New Home Sales (Units, SAAR)	350,000	335,000	New home sales stay in the existing range, but at the high end.
Durable Goods			
Orders	-1.0%	+0.3%	Another month of declining commercial aircraft orders.
Ex-Defense	-1.0%		
Shipments	+0.5%		
U. of M. Consumer Sentiment Index (Final)	77.8	77.8	Consumer sentiment remains firm.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	3.2%		Short-term and long term forecasts stabilize.
5-Yr Ahead (Median)	3.0%		
S&P/Case-Shiller Index (Y/Y)	-2.8%		Hopeful slowing of decline.
Conference Board Consumer Confidence Survey	70.1		Sentiment edges upward, but not solidly so.
Pending Home Sales	-1.7%		Pending home sales decline following a strong March gain. Overall tone is solid.
Gross Domestic Product (Second)			
Real	+2.0%		Total less strong, but final sales firmer.
Final Sales	+1.8%		
Chain Prices	+1.5%		
Chicago Purchasing Managers' Survey			
Total	58.6		Upward movement following April decline, while prices drift down slightly.
Prices Paid	67.5		
Employment Report			
Payrolls	+160,000		A modest, but reassuring, improvement from last time.
Weekly Hours	34.5		
Hourly Earnings	+0.2%		
Unemployment Rate	8.1%		Progress stalls, for the moment.
Personal Income & Consumption			
Income	+0.2%		A relatively mild start to the quarter, but from a strong position.
Consumption	+0.2%		
Core Prices	+0.2%		
ISM Manufacturing Survey			
Total	55.6		Overall index advances, while prices ease modestly.
Prices	60.5		
Light-Vehicle Sales (Units, SAAR)			
Total	14.5		Demand is firming slowly.
Domestic	11.2		
Import	3.3 Million		

Assessment

Economy firming in a more broad-based way, lifting up in Q4 and Q1 relative to last year. Better consumption, and a pick-up in residential construction, reflect pent-up demands for big ticket items. Recent data on March and April on soft side, raising questions on sustainability of lift-up. But, it is likely sustainable on lots of signs that easy money is taking hold. "Off-shore" risks to U.S. from European recession and ongoing weaker growth in Asia showing up in exports and trade and some weakening in PM data. But, the look ahead, six months and more out, is better. Europe recession for Q4, Q1, and Q2, maybe longer, maybe deeper—the biggest issue. Fed likely to continue alert on unemployment being too high, but the possibility of another balance sheet easing still pretty low. Acceleration of U.S. economy noted by Fed, but the central bank cautious given previous premature expectations of a better economy that did not unfold.

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