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Forecast Calendar

September 21, 2012

United States

Economic Indicators—Schedule and Forecasts
September 24 – October 5, 2012

Sinai/Ellis/Pumphrey

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

24

3-and 6-Month Bills (13:00)
$60.0 Billion

Williams Speech (15:30)
(City Club Roundtable; San Francisco)

25

ICSC/Goldman Sachs Chain Sales (7:45) (9/22)

Redbook Chain Sales (8:55) (9/22)

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

Mar	-2..6%	Jun	0.5%
Apr	-1.8%	**Jul (f)**	**1.1%**
May	-0.7%	**Jul (c)**	**1.1%**

Conference Board Consumer Confidence Survey (10:00)

May	64.4	Aug	60.6
Jun	62.7	**Sep (f)**	**63.5**
Jul	65.4	**Sep (c)**	**63.2**

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

Plosser Speech (12:00)
(Economic Outlook; Philadelphia)

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

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

Apr	358	Jul	372
May	372	**Aug (f)**	**365**
Jun	359	**Aug (c)**	**380**

5-Year Note (11:30)
$35.0 Billion

Evans Speech (13:15)
(Lake Shore (IN) Chamber of Commerce)

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Gross Domestic Product (8:30)

(Third)	Real	Final Sales	Chain Prices
12:Q2 (s)	1.7%	2.0%	1.6%
12:Q2 (f)	**1.8%**	**2.0%**	**1.6%**
12:Q2 (c)	**1.7%**		**1.6%**

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Jul	4.1%	5.6%	2.5%
Aug (f)	**-4.5%**	**-4.5%**	**-1.0%**
Aug (c)	**-5.0%**		

Initial Claims (8:30)

9/8	385	**9/22 (f)**	**375**
9/15	382	**9/22 (c)**	**375**

Pending Home Sales (10:00)

Apr	-5.5%	Jul	2.4%
May	5.5%	**Aug (f)**	**1.0%**
Jun	-1.4%	**Aug (c)**	**unch**

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

28

Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Jul	0.3%	0.4%	0.1%
Aug (f)	**0.2%**	**0.4%**	**0.1%**
Aug (c)	**0.2%**	**0.5%**	**0.1%**

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Aug	53.0	57.0
Sep (f)	**52.4**	**57.7**
Sep (c)	**53.0**	

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

Jun	73.2	Sep (p)	79.2
Jul	72.3	**Sep (f)**	**79.2**
Aug	74.3	**Sep (c)**	**79.0**

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

	1-Year	5-Year
Aug	3.6%	3.0%
Sep (p)	3.5%	2.8%
Sep (f)	**3.5%**	**2.8%**

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ISM Manufacturing Survey (10:00)

	Total	Prices
Jul	49.7	37.0
Aug	49.8	39.5
Sep (f)	**49.9**	**60.1**

Construction Expenditure (10:00)

Mar	-0.3%	Jun	0.4%
Apr	0.9%	Jul	-0.9%
May	1.7%	**Aug (f)**	**0.5%**

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

2

ICSC/Goldman Sachs Chain Sales (7:45) (9/29)

Redbook Chain Sales (8:55) (9/29)

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

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Jul	14.1	11.0	3.1
Aug	14.5	11.5	3.0
Sep (f)	**14.5**	**11.5**	**3.0**

3

ADP Employment Estimate (8:15) (Sep)

ISM Non-Manufacturing (10:00)

	Total	Prices
Jul	52.6	54.9
Aug	53.7	64.3
Sep (f)	**54.7**	**64.5**

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Initial Claims (8:30)

9/8	385	**9/22 (f)**	**375**
9/15	382	**9/29 (f)**	**375**

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Jun	-0.5%	-1.1%	0.1%
Jul	2.8%	2.0%	0.5%
Aug (f)	**-2.0%**	**-0.5%**	**0.3%**

FOMC Minutes (14:00)
(September 12-13 Meeting)

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Unemployment Rate (8:30)

Apr	8.1%	Jul	8.3%
May	8.2%	Aug	8.1%
Jun	8.2%	**Sep (f)**	**8.1%**

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Jul	141	34.4	0.1%
Aug	96	34.4	unch
Sep (f)	**128**	**34.4**	**0.1%**

Consumer Credit (15:00)
($ Billions, Chg.)

Mar	13.6	Jun	9.8
Apr	10.4	Jul	-3.3
May	19.3	**Aug (f)**	**5.0**

Recent History-Latest Results

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Empire State Manufacturing Survey (8:30)

	Total	Prices
Jul	7.4	7.4
Aug	-5.9	16.5
Sep	-10.4	19.2

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

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ICSC/Goldman Sachs Chain Sales (7:45) (9/15)

Current Account ($ Billions) (8:30)

11:Q3	-108.2	12:Q1	-133.6
11:Q4	-118.7	12:Q2	-117.4

Redbook Chain Sales (8:55) (9/15)

Monthly TIC flows (9:00) (Jul)

NAHB Housing Market Index (10:00)

Apr	24	Jul	35
May	28	Aug	37
Jun	29	Sep	40

1-Year Bill (11:30)
$25.0 Billion

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

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

	Starts	Permits
Jun	754	760
Jul	733	811
Aug	750	803

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

Mar	4.47	Jun	4.37
Apr	4.62	Jul	4.47
May	4.62	Aug	4.82

20

Initial Claims (8:30)

8/25	377	9/8	385
9/1	367	9/15	382

Philadelphia Fed Survey (10:00)

	Total	Prices
Jul	-12.9	3.7
Aug	-7.1	11.2
Sep	-1.9	8.0

Leading Indicators (10:00)

Mar	0.2%	Jun	-0.4%
Apr	-0.1%	Jul	0.5%
May	0.3%	Aug	-0.1%

10-Year TIPS (13:00)
$13.0 Billion

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Indicator Highlights

United States

The S&P/Case-Shiller Index (Tue., Sept. 25, 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 it seems as the index has turned as prices turn positive in year-over-year terms. New Home Sales (Wed., Sept. 26, 10:00 a.m.) give a very prompt reading on buying decisions in the sector which generates new construction. With inventories low, a pickup in sales would promote new starts. The Third release of Gross Domestic Product (Thurs., Sept. 27, 8:30 a.m.) will give a more updated reading on the overall economy in Q2 and the degree of strength for the economic expansion. Consumer spending a key aggregate, exports important because of Eurozone downturn. Personal Income & Consumption (Fri., Sept. 28, 8:30 a.m.) will provide an updated look into Q3 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: weaker than historically. Can QE3 turn this around? Real disposable income to be watched, especially now that jobs are uncertain.

The ISM Manufacturing Survey (Mon., Oct. 4, 10:00 a.m.) is the definitive diffusion index relating to this dimension of the economy. It has slipped below the 50-point line recently, suggesting deteriorating conditions and less overall manufacturing activity. The ISM Non-Manufacturing Survey (Wed., Oct. 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. While it is running close to its usual 3 point premium over the Manufacturing ISM, it is not exactly showing burgeoning activity in the service sector and instead is hovering slightly above 50. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., Oct. 5, 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. While it is still too early for QE3 to have any real effects on the labor market, perhaps the promise of continuing Fed purchases will be enough to ease firms' worries and spur hiring.

Indicator	Forecast	Consensus	Analysis
S&P/Case-Shiller Index (Y/Y)	+1.1%	+1.1%	Better supply-demand balance supporting prices.
Conference Board Consumer Confidence Survey	63.5	63.2	Small increase in confidence, but choppy.
New Home Sales (Units, SAAR)	365,000	380,000	Modest decline in line with recent behavior.
Gross Domestic Product (Third)			
Real	+1.8%	+1.7%	Purely technical revision.
Final Sales	+2.0%		
Chain Prices	+1.6%	+1.6%	
Durable Goods			
Orders	-4.5%	-5.0%	Aircraft orders drop steeply.
Ex-Defense	-4.5%		
Shipments	-1.0%		
Pending Home Sales	+1.0%	unch	Pending home sales edge upward.
Personal Income & Consumption			
Income	+0.2%	+0.2%	Very mild income growth, following on a downward-revised July result.
Consumption	+0.4%	+0.5%	
Core Prices	+0.1%	+0.1%	
Chicago Purchasing Managers' Survey			
Total	52.4	53.0	Modest drift upward.
Prices Paid	57.7		Prices edge upward.
U. of M. Consumer Sentiment Index (Final)	79.2	79.0	Minimal late-month change.
U. of M. Inflation Expectations (Final)			
1-Yr Ahead (Median)	3.5%		No shift as month went by.
5-Yr Ahead (Median)	2.8%		
ISM Manufacturing Survey			
Total	49.9		Activity just under expansion.
Prices	60.1		Prices move upward.
Construction Expenditure	+0.5%		Residential spending firms.
Light-Vehicle Sales (Units, SAAR)			
Total	14.5		Steady, at a high level.
Domestic	11.5		
Import	3.0		
	Million		
ISM Non-Manufacturing Survey			
Total	54.7		Solidly in expansion territory.
Prices	64.5		Small advance in gain over last month.
Manufacturers'			
Orders	-2.0%		Durables weakness pulls down the total.
Shipments	-0.5%		
Inventories	+0.3%		
Unemployment Rate	8.1%		
Employment Report			
Payrolls	+128,000		Not hiring kicks up a bit, but not strong.
Weekly Hours	34.4		No great intensity to labor demand.
Hourly Earnings	+0.1%		Little reinforcement to income growth.
Consumer Credit	+$5.0 Billion		Level stabilizes.

Assessment

Q3 track on U.S. economy a little stronger than first half—relative strengths: consumption, housing, business equipment spending. Pick-up in residential construction reflecting long, long period of low interest rates and easy monetary policy. "Off-shore" risks to U.S. from ongoing European recession and weaker growth in Asia showing up in exports and trade and some in PM survey data. The look ahead, six months and more out, is better. Europe recession for Q4, Q1 and Q2, now looks longer, deeper, into 2013—biggest issue for global economy through trade. Federal Reserve has eased sharply on "grave" situation in labor market. Fed "Quantitative Easing Unlimited" to continue until conditions improve 'substantially," or the unemployment rate tacks down into the 7% range. More Fed members dovish now.

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