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Forecast Calendar

October 19, 2012

United States

Economic Indicators—Schedule and Forecasts
October 22 – November 2, 2012

Sinai/Ellis/Pumphrey

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

22

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

Pianalto Speech (13:30)
(Chicago Fed payments symposium)

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ICSC/Goldman Sachs Chain Sales (7:45) (10/20)

Redbook Chain Sales (8:55) (10/20)

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

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

24

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

May	369	Aug	373
Jun	361	**Sep (f)**	**367**
Jul	374	**Sep (c)**	**385**

FOMC Meeting & Statement (14:15)
(Policy on hold with bias toward ease. Statement all but actually eases some more)

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

25

Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Aug	-13.2%	-12.4%	-3.0%
Sep (f)	**6.0%**	**6.0%**	**1.0%**
Sep (c)	**7.0%**		

Initial Claims (8:30)

10/6	342	**10/20 (f)**	**370**
10/13	388	**10/20 (c)**	**370**

Pending Home Sales (10:00)

May	5.5%	Aug	-2.7%
Jun	-1.4%	**Sep (f)**	**2.5%**
Jul	2.6%	**Sep (c)**	**2.5%**

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

26

Gross Domestic Product (8:30)

(Advance)	Real	Final Sales	Chain Prices
12:Q2	1.3%	1.7%	1.6%
12:Q3 (a)	**1.5%**	**1.5%**	**1.9%**
12:Q3 (c)	**1.8%**		**2.1%**

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

Jul	72.3	Oct (p)	83.1
Aug	74.3	**Oct (f)**	**83.6**
Sep	78.3	**Oct (c)**	**83.0**

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

	1-Year	5-Year
Sep	3.3%	2.8%
Oct (p)	3.1%	2.6%
Oct (f)	**3.2%**	**2.7%**

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Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Jul	0.1%	0.4%	0.1%
Aug	0.1%	0.5%	0.1%
Sep (f)	**0.5%**	**0.4%**	**0.1%**

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

30

ICSC/Goldman Sachs Chain Sales (7:45) (10/27)

Redbook Chain Sales (8:55) (10/27)

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

Mar	-2..6%	Jun	0.6%
Apr	-1.8%	Jul	1.2%
May	-0.5%	**Aug (f)**	**1.8%**

Conference Board Consumer Confidence Survey (10:00)

May	64.4	Aug	61.3
Jun	62.7	Sep	70.3
Jul	65.4	**Oct (f)**	**69.4**

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

Kocherlakota Speech (20:00)
(Townhall Forum; Duluth, MN)

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ADP Employment Estimate (8:15) (Oct)

Employment Cost Index (8:30)
(Civilian Workers, Q/Q, SA)

	Comp.	Wages	Benefits
12:Q1	0.5%	0.5%	0.5%
12:Q2	0.5%	0.4%	0.6%
12:Q3 (f)	**0.4%**	**0.4%**	**0.5%**

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Aug	53.0	57.4
Sep	49.7	55.4
Oct (f)	**54.0**	**62.5**

Williams Speech (12:45)
(Monetary Policy and Economy; Forecasters' Club, New York, NY)

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Productivity and Costs (8:30)

(Prelim)	Prod.	Comp.	ULC
12:Q1	-0.5%	5.9%	6.4%
12:Q2	2.2%	3.7%	1.5%
12:Q3 (f)	**1.0%**	**1.5%**	**0.5%**

Initial Claims (8:30)

10/6	342	**10/20 (f)**	**370**
10/13	388	**10/27 (f)**	**365**

ISM Manufacturing Survey (10:00)

	Total	Prices
Aug	49.6	54.0
Sep	51.5	58.0
Oct (f)	**50.5**	**58.5**

Construction Expenditure (10:00)

Apr	0.9%	Jul	-0.4%
May	1.7%	Aug	-0.6%
Jun	0.8%	**Sep (f)**	**0.5%**

Lockhart Speech (12:30)
(Chattanooga Downtown Rotary Club)

Light Vehicle Sales
(Units, Millions, SAAR)

	Total	Domestic	Import
Aug	14.5	11.5	3.0
Sep	14.9	11.5	3.4
Oct (f)	**14.7**	**11.4**	**3.3**

Monthly Chain Store Sales (Oct)

Rosengren Speech (17:00)
(Outlook; Wellesley, MA)

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Unemployment Rate (8:30)

May	8.2%	Aug	8.1%
Jun	8.2%	Sep	7.8%
Jul	8.3%	**Oct (f)**	**7.8%**

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Aug	142	34.4	unch
Sep	114	34.5	0.3%
Oct (f)	**135**	**34.5**	**0.2%**

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Jul	2.6%	1.9%	0.6%
Aug	-5.2%	-0.3%	0.6%
Sep (f)	**3.0%**	**0.5%**	**0.5%**

Williams Speech (14:25)
(Community Leaders Luncheon, Salt Lake City)

Recent History-Latest Results

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Empire State Manufacturing Survey (8:30)

	Total	Prices
Aug	-5.9	16.5
Sep	-10.4	19.2
Oct	-6.2	17.2

Advance Retail Sales (8:30)

	Total	Ex-Auto
Jul	0.7%	0.9%
Aug	1.2%	1.0%
Sep	1.1%	1.1%

Business Inventories, Sales (10:00)

	Inven.	Sales	I/S
Jun	0.1%	-1.2%	1.29
Jul	0.8%	0.9%	1.28
Aug	0.6%	0.5%	1.28

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

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ICSC/Goldman Sachs Chain Sales (7:45) (10/13)

Consumer Price Index (8:30)

	Total	Ex-F&E
Jul	unch	0.1%
Aug	0.6%	0.1%
Sep	0.6%	0.1%

Redbook Chain Sales (8:55) (10/13)

Monthly TIC flows (9:00) (Aug)

Industrial Production & Capacity Utilization (9:15)

	Prod.	Util.
Jul	0.7%	79.2%
Aug	-1.4%	78.0%
Sep	0.4%	78.3%

NAHB Housing Market Index (10:00)

May	29	Aug	37
Jun	29	Sep	40
Jul	35	Oct	41

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

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

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

	Starts	Permits
Jul	733	811
Aug	758	801
Sep	872	894

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Initial Claims (8:30)

9/22	363	10/6	342
9/29	369	10/13	388

Philadelphia Fed Survey (10:00)

	Total	Prices
Aug	-7.1	11.2
Sep	-1.9	8.0
Oct	5.7	19.0

Leading Indicators (10:00)

Apr	-0.1%	Jul	0.4%
May	0.3%	Aug	-0.4%
Jun	-0.5%	Sep	0.6%

30-Year TIPS (13:00)
$7.0 Billion

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

Apr	4.62	Jul	4.47
May	4.62	Aug	4.83
Jun	4.37	Sep	4.75

Indicator Highlights

New Home Sales (Wed., Oct. 24, 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 Advance release of third quarter Gross Domestic Product (Fri., Oct. 26, 8:30 a.m.) will give a first look into the overall economy and the degree of strength for the economic expansion. After disappointing Q2 real GDP at 1.3% annualized, any strength may be viewed more as a catch up than an acceleration in growth. Consumer spending a key aggregate; exports important because of Eurozone downturn. Can QE3 restore business and consumer confidence enough to bolster real activity?

Personal Income & Consumption (Mon., Oct. 29, 8:30 a.m.) will provide the final look into Q3 consumer spending, currently the largest source (over 70%) of real GDP. How goes the consumer, so goes the economy. The S&P/Case-Shiller Index (Tue., Oct. 30, 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 the index has turned as prices turn positive in year-over-year terms. The strength of price gains going forward is somewhat dependent upon the pace at which banks offload real estate holdings. Overzealous selling of foreclosed homes could undermine the market. Productivity & Costs (Thurs., Nov. 1, 8:30 a.m.) will give a first look at Q3 unit labor costs. Recently, costs have risen as compensation gains have outpaced productivity. The ISM Manufacturing Survey (Thurs., Nov. 1, 10:00 a.m.) is the definitive diffusion index relating to this dimension of the economy. Last month it bounced into positive territory; can it stay there? Nonfarm Payroll Jobs and the Unemployment Rate (Fri., Nov. 2, 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. While 7.8% is an improvement on where the economy began 2012 at 8.3%, it is still far too high. While the Presidential Election and potential Fiscal Cliff still loom as major uncertainties for firms facing hiring decisions, it is possible that the promise of Open-Ended QE3 might have eased worries somewhat.

Indicator	Forecast	Consensus	Analysis
New Home Sales (Units, SAAR)	367,000	385,000	Some downward movement from July and August, but still solid.
Durable Goods			
Orders	+6.0%	+7.0%	A rebound in commercial aircraft orders.
Ex-Defense	+6.0%		
Shipments	+1.0%		
Pending Home Sales	+2.5%	+2.5%	Choppy behavior of past months continues.
Gross Domestic Product (Advance)			
Real	+1.5%	+1.8%	Final sales slack, inventories firm.
Final Sales	+1.5%		
Chain Prices	+1.9%	+2.1%	
U. of M. Consumer Sentiment Index (Final)	83.6	83.0	Substantial improvement since July, particularly in the economic outlook.
U. of M. Inflation Expectations (Final)			
1-Yr Ahead (Median)	+3.2%		Inflation expectations revert somewhat.
5-Yr Ahead (Median)	+2.7%		
Personal Income & Consumption			
Income	+0.5%		Solid income growth.
Consumption	+0.4%		
Core Prices	+0.1%		
S&P/Case-Shiller Index (Y/Y)	+1.8%		Firmer still.
Conference Board Consumer Confidence Survey	69.4		Volatile confidence in 2012, back near middle of this year's range.
Employment Cost Index			
Compensation	+0.4%		Very luckluster wage increase.
Wages and Salaries	+0.4%		
Benefits	+0.5%		
Chicago Purchasing Managers' Survey			
Total	54.0		Strength in overall activity.
Prices Paid	62.5		Price index moves upward, but not as high as six months earlier.
Productivity & Costs (Prelim)			
Productivity	+1.0%		Modest productivity growth, but enough to restrain employment in a weak quarter.
Compensation	+1.5%		
Unit Labor Costs	+0.5%		
ISM Manufacturing Survey			
Total	50.5		Stays in expansion range.
Prices	58.5		Moves higher.
Construction Expenditure	+0.5%		Improvement on the residential side.
Light-Vehicle Sales (Units, SAAR)			
Total	14.7		No fading in demand.
Domestic	11.4		
Import	3.3		
	Million		
Unemployment Rate	7.8%		No further progress.
Employment Report			
Payrolls	+135,000		Still very mild; income growth slows.
Weekly Hours	34.5		
Hourly Earnings	+0.2%		
Manufacturers'			
Orders	+3.0%		Aircraft rebound on durables side lifts the total.
Shipments	+0.5%		
Inventories	+0.5%		

Assessment

Q3 track on U.S. economy no stronger than first half—relative strengths: consumption and housing. 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 out and beyond, is better. Europe recession for Q4, Q1 and Q2, now looks longer, deeper, and continuing into 2013—biggest issue for global economy through trade. 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, this is huge support.