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Forecast Calendar

October 26, 2012

United States

Economic Indicators—Schedule and Forecasts

October 29 – November 9, 2012

Sinai/Ellis/Pumphrey

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

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Personal Income & Consumption (8:30)

	Income	Cons.	Core Prices
Aug	0.1%	0.5%	0.1%
Sep (f)	**0.5%**	**0.4%**	**0.1%**
Sep (c)	**0.4%**	**0.6%**	**0.1%**

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

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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)

Apr	-1.8%	Jul	1.2%
May	-0.5%	**Aug (f)**	**1.8%**
Jun	0.6%	**Aug (c)**	**1.9%**

Conference Board Consumer Confidence Survey (10:00)

Jun	62.7	Sep	70.3
Jul	65.4	**Oct (f)**	**70.5**
Aug	61.3	**Oct (c)**	**73.0**

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

Dudley Speech (12:30)
(Regional and National Economy; Fairfield County Business Council, CT)

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

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

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

Raskin Speech (9:30)
(Maryland Asset Building and Community Development Network; Ellicott City)

Chicago Purchasing Managers' Survey (9:45)

	Total	Prices Paid
Sep	49.7	55.4
Oct (f)	**52.8**	**62.5**
Oct (c)	**51.0**	

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

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ADP Employment Estimate (8:15) (Oct) (New Methodology)

Productivity and Costs (8:30)

(Prelim)	Prod.	Comp.	ULC
12:Q2	2.2%	3.7%	1.5%
12:Q3 (f)	**2.3%**	**1.3%**	**-1.0%**
12:Q3 (c)	**1.5%**	**2.5%**	**1.0%**

Initial Claims (8:30)

10/13	392	**10/27 (f)**	**370**
10/20	369	**10/27 (c)**	**370**

ISM Manufacturing Survey (10:00)

	Total	Prices
Sep	51.5	58.0
Oct (f)	**50.5**	**58.5**
Oct (c)	**51.0**	**56.0**

Construction Expenditure (10:00)

May	1.7%	Aug	-0.6%
Jun	0.8%	**Sep (f)**	**0.5%**
Jul	-0.4%	**Sep (c)**	**0.7%**

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

Light Vehicle Sales (Units, Millions, SAAR)

	Total	Domestic	Import
Sep	14.9	11.5	3.4
Oct (f)	**14.7**	**11.4**	**3.3**
Oct (c)	**15.0**	**11.5**	**3.5**

Monthly Chain Store Sales (Oct)

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

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Unemployment Rate (8:30)

Jun	8.2%	Sep	7.8%
Jul	8.3%	**Oct (f)**	**7.9%**
Aug	8.1%	**Oct (c)**	**7.9%**

Employment Report (8:30)

	Payrolls (Thous.)	Weekly Hours	Hourly Earnings
Sep	114	34.5	0.6%
Oct (f)	**102**	**34.5**	**0.2%**
Oct (c)	**125**	**34.5**	**0.3%**

Manufacturers' (10:00)

	Orders	Ships.	Invs.
Aug	-5.2%	-0.3%	0.6%
Sep (f)	**4.5%**	**0.5%**	**0.3%**
Sep (c)	**4.6%**		

Tarullo Speech (12:40)
(Regulation of Foreign Banking Organizations, Yale Law School)

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

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ISM Non-Manufacturing (10:00)

	Total	Prices
Aug	53.7	64.3
Sep	55.1	68.1
Oct (f)	**54.6**	**68.9**

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

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ICSC/Goldman Sachs Chain Sales (7:45) (11/3)

Redbook Chain Sales (8:55) (11/3)

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

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

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

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

Apr	10.5	Jul	-2.5
May	19.3	Aug	18.1
Jun	11.4	**Sep (f)**	**10.0**

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

	Total	Merch.	Serv.
Jul	-42.5	-57.8	15.3
Aug	-44.2	-59.3	15.1
Sep (f)	**-45.9**	**-61.0**	**15.1**

Initial Claims (8:30)

10/13	392	**10/27 (f)**	**370**
10/20	369	**11/3 (f)**	**365**

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

Bullard Speech (20:00)
(Economy and Monetary Policy; Washington University, St. Louis)

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

May	1.0%	Aug	-0.5%
Jun	0.6%	Sep	-0.5%
Jul	unch	**Oct (f)**	**-0.3%**

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

Jun	73.2	Sep	78.3
Jul	72.3	Oct	82.6
Aug	74.3	**Nov (f)**	**79.9**

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

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

Wholesale Inventories (10:00)

Apr	0.5%	Jul	0.6%
May	unch	Aug	0.5%
Jun	-0.2%	**Sep (f)**	**0.5%**

Recent History-Latest Results

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

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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

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

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

Apr	358	Jul	373
May	369	Aug	368
Jun	360	Sep	389

FOMC Meeting & Statement (14:15)

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

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Durable Goods (8:30)

	Orders	Ex-Def.	Ships.
Jul	3.3%	4.7%	1.8%
Aug	-13.1%	-12.3%	-2.9%
Sep	9.9%	9.1%	0.8%

Initial Claims (8:30)

9/29	369	10/13	392
10/6	342	10/20	369

Pending Home Sales (10:00)

Apr	-5.5%	Jul	2.6%
May	5.5%	Aug	-2.6%
Jun	-1.4%	Sep	0.3%

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

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Gross Domestic Product (8:30) (Advance)

	Real	Final Sales	Chain Prices
12:Q1	2.0%	2.4%	2.0%
12:Q2	1.3%	1.7%	1.6%
12:Q3	2.0%	2.1%	2.8%

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

May	79.3	Aug	74.3
Jun	73.2	Sep	78.3
Jul	72.3	Oct	82.6

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

	1-Year	5-Year
Aug	3.6%	3.0%
Sep	3.3%	2.8%
Oct	3.1%	2.7%

Indicator Highlights

United States

Personal Income & Consumption (Mon., Oct. 29, 8:30 a.m.) will provide the final look into Q3 consumer spending, teeing up estimates of Q4 growth . 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 again, with prices rising clearly 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. 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. The Presidential Election and potential Fiscal Cliff still loom as major uncertainties for firms facing hiring decisions, but it is possible that the promise of Open-Ended QE3 might have eased worries somewhat.

The ISM Non-Manufacturing Survey (Mon., Nov. 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. It is running higher than its usual 3 point premium over the Manufacturing ISM, which has turned uneven since springtime. The Trade Balance (Thurs., Nov. 8, 8:30 a.m.) and its track of exports and imports show the impact of the global economy on the U.S.. The Reuters/University of Michigan Consumer Sentiment Index (Fri., Nov. 9, 9:55 a.m.) will give an initial look at consumer attitudes in November.

Indicator	Forecast	Consensus	Analysis
Personal Income & Consumption			
Income	+0.5%	+0.4%	Solid income growth.
Consumption	+0.4%	+0.6%	
Core Prices	+0.1%	+0.1%	
S&P/Case-Shiller Index (Y/Y)	+1.8%	+1.9%	Firmer still.
Conference Board Consumer Confidence Survey	70.5	73.0	Volatile confidence in 2012, back near middle of this year's range.
Employment Cost Index			
Compensation	+0.4%	+0.5%	Very luckluster wage increase.
Wages and Salaries	+0.4%		
Benefits	+0.5%		
Chicago Purchasing Managers' Survey			
Total	52.8	51.0	Strength in overall activity.
Prices Paid	62.5		Price index moves upward, but not as high as six months earlier.
Productivity & Costs (Prelim)			
Productivity	+2.3%	+1.5%	Modest productivity growth, but enough to restrain employment in a weak quarter.
Compensation	+1.3%	+2.5%	
Unit Labor Costs	-1.0%	+1.0%	
ISM Manufacturing Survey			
Total	50.5	51.0	Stays in expansion range.
Prices	58.5	56.0	Moves higher.
Construction Expenditure	+0.5%	+0.7%	Improvement on the residential side.
Light-Vehicle Sales (Units, SAAR)			
Total	14.7	15.0	No fading in demand.
Domestic	11.4	11.5	
Import	3.3 Million	3.5 Million	
Unemployment Rate	7.9%	7.9%	A setback.
Employment Report			
Payrolls	+102,000	+125,000	Still very mild; income growth slows.
Weekly Hours	34.5		
Hourly Earnings	+0.2%		
Manufacturers'			
Orders	+4.5%	+4.6%	Aircraft rebound on durables side lifts the total.
Shipments	+0.5%		
Inventories	+0.3%		
ISM Non-Manufacturing Survey			
Total	54.6		Little change in total non-manufacturing.
Prices	68.9		Modest upward movement in prices.
Consumer Credit	+$10.0 Billion		Accumulation trend not slowing.
Trade Balance (BOP Basis)			
Total	-$45.9		Exports and imports both up, imports by more.
Merchandise	-$61.0		
Services	$15.1 Billion		
Import Prices (Non-Fuel, Y/Y)	-0.3%		Materials prices fall a bit less year on year.
U. of M. Consumer Sentiment Index (Prelim)	79.9		Drops back after October gain.
U. of M. Inflation Expectations (Prelim.)			
1-Yr Ahead (Median)	+3.2%		Small upward movement.
5-Yr Ahead (Median)	+2.7%		Stable through mid-month.
Wholesale Inventories	+0.5%		Pace of stockpiling unchanged from August.

Assessment

Q3 U.S. economy little 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.