

United States

Economic Indicators—Schedule and Forecasts May 30 – June 10, 2011

Sinai/Ellis/Tan

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

Holiday	30	31	1	2	3																																																																																																																				
	<p>ICSC/Goldman Sachs Chain Sales (7:45) (5/28)</p> <p>Redbook Chain Sales (8:55) (5/28)</p> <p>S&P/Case-Shiller Index (9:00) (20 City Index) (Y/Y)</p> <p>Nov -1.7% Feb -3.3%</p> <p>Dec -2.4% Mar (f) -3.8%</p> <p>Jan -3.1% Mar (f) -3.4%</p> <p>Chicago Purchasing Managers' Survey (9:45)</p> <table border="1"> <tr> <th colspan="2">Prices</th> </tr> <tr> <th>Total</th> <th>Paid</th> </tr> <tr> <td>Mar 70.6</td> <td>83.4</td> </tr> <tr> <td>Apr 67.6</td> <td>81.8</td> </tr> <tr> <td>May (f) 65.1</td> <td>78.0</td> </tr> <tr> <td>May (c) 62.0</td> <td></td> </tr> </table> <p>Conference Board Consumer Confidence Survey (10:00)</p> <table border="1"> <tr> <td>Jan 64.8</td> <td>Apr 65.4</td> </tr> <tr> <td>Feb 72.0</td> <td>May (f) 63.0</td> </tr> <tr> <td>Mar 63.8</td> <td>May (c) 66.5</td> </tr> </table> <p>3-and 6-Month Bills (11:30) \$51.0 Billion</p>	Prices		Total	Paid	Mar 70.6	83.4	Apr 67.6	81.8	May (f) 65.1	78.0	May (c) 62.0		Jan 64.8	Apr 65.4	Feb 72.0	May (f) 63.0	Mar 63.8	May (c) 66.5	<p>ADP Employment Estimate (8:15) (May)</p> <p>ISM Manufacturing Survey (10:00)</p> <table border="1"> <tr> <th>Total</th> <th>Prices</th> </tr> <tr> <td>Mar 61.2</td> <td>85.0</td> </tr> <tr> <td>Apr 60.4</td> <td>85.5</td> </tr> <tr> <td>May (f) 56.0</td> <td>80.0</td> </tr> <tr> <td>May (c) 57.6</td> <td>81.5</td> </tr> </table> <p>Construction Expenditure (10:00)</p> <table border="1"> <tr> <td>Dec -3.2%</td> <td>Mar 1.4%</td> </tr> <tr> <td>Jan -1.0%</td> <td>Apr (f) 0.5%</td> </tr> <tr> <td>Feb -2.4%</td> <td>Apr (f) 0.3%</td> </tr> </table> <p>1-Year Bill (11:30) \$24.0 Bn</p> <p>4-Week Bill (11:30) \$28.0 Bn (f)</p> <p>Pianalto Speech (12:25) (Labor Markets and Monetary Policy – Columbus Metropolitan Club Forum, Columbus, Ohio)</p> <p>Light Vehicle Sales (Units, Millions, SAAR)</p> <table border="1"> <tr> <th>Total</th> <th>Domestic</th> <th>Import</th> </tr> <tr> <td>Mar 13.1</td> <td>9.9</td> <td>3.1</td> </tr> <tr> <td>Apr 13.1</td> <td>10.2</td> <td>2.9</td> </tr> <tr> <td>May (f) 12.1</td> <td>9.6</td> <td>2.5</td> </tr> <tr> <td>May (c) 12.5</td> <td></td> <td></td> </tr> </table> <p>Williams Speech (22:20) (Teaching Economics – National Conference on Teaching Economics, San Francisco)</p>	Total	Prices	Mar 61.2	85.0	Apr 60.4	85.5	May (f) 56.0	80.0	May (c) 57.6	81.5	Dec -3.2%	Mar 1.4%	Jan -1.0%	Apr (f) 0.5%	Feb -2.4%	Apr (f) 0.3%	Total	Domestic	Import	Mar 13.1	9.9	3.1	Apr 13.1	10.2	2.9	May (f) 12.1	9.6	2.5	May (c) 12.5			<p>Productivity and Costs (8:30) (Final)</p> <table border="1"> <tr> <th>Prod.</th> <th>Comp.</th> <th>ULC</th> </tr> <tr> <td>10:Q4 (p) 2.9%</td> <td>1.9%</td> <td>-1.0%</td> </tr> <tr> <td>10:Q4 (f) 2.9%</td> <td>1.0%</td> <td>-1.8%</td> </tr> <tr> <td>11:Q1 (p) 1.6%</td> <td>2.6%</td> <td>1.0%</td> </tr> <tr> <td>11:Q1 (f) 1.7%</td> <td>2.6%</td> <td>0.9%</td> </tr> <tr> <td>11:Q1 (c) 1.7%</td> <td></td> <td>0.8%</td> </tr> </table> <p>Initial Claims (8:30)</p> <table border="1"> <tr> <td>5/14 414</td> <td>5/28 (f) 415</td> </tr> <tr> <td>5/12 424</td> <td>5/28 (c) 417</td> </tr> </table> <p>Manufacturers' (10:00)</p> <table border="1"> <tr> <th>Orders</th> <th>Ships.</th> <th>Invs.</th> </tr> <tr> <td>Feb -0.3%</td> <td>0.2%</td> <td>1.2%</td> </tr> <tr> <td>Mar 3.4%</td> <td>2.7%</td> <td>1.2%</td> </tr> <tr> <td>Apr (f) -1.0%</td> <td>-0.3%</td> <td>0.7%</td> </tr> <tr> <td>Apr (c) -1.0%</td> <td></td> <td></td> </tr> </table> <p>Monthly Chain Store Sales (May)</p>	Prod.	Comp.	ULC	10:Q4 (p) 2.9%	1.9%	-1.0%	10:Q4 (f) 2.9%	1.0%	-1.8%	11:Q1 (p) 1.6%	2.6%	1.0%	11:Q1 (f) 1.7%	2.6%	0.9%	11:Q1 (c) 1.7%		0.8%	5/14 414	5/28 (f) 415	5/12 424	5/28 (c) 417	Orders	Ships.	Invs.	Feb -0.3%	0.2%	1.2%	Mar 3.4%	2.7%	1.2%	Apr (f) -1.0%	-0.3%	0.7%	Apr (c) -1.0%			<p>Employment Report (8:30)</p> <table border="1"> <tr> <th>Payrolls (Thous.)</th> <th>Weekly Hours</th> <th>Hourly Earnings</th> </tr> <tr> <td>Mar 221</td> <td>34.3</td> <td>0.2%</td> </tr> <tr> <td>Apr 244</td> <td>34.3</td> <td>0.1%</td> </tr> <tr> <td>May (f) 177</td> <td>34.3</td> <td>0.2%</td> </tr> <tr> <td>May (c) 185</td> <td>34.3</td> <td>0.2%</td> </tr> </table> <p>Unemployment Rate (8:30)</p> <table border="1"> <tr> <td>Jan 9.0%</td> <td>Apr 9.0%</td> </tr> <tr> <td>Feb 8.9%</td> <td>May (f) 8.9%</td> </tr> <tr> <td>Mar 8.8%</td> <td>May (c) 8.9%</td> </tr> </table> <p>ISM Non-Manufacturing (10:00)</p> <table border="1"> <tr> <th>Total</th> <th>Prices</th> </tr> <tr> <td>Mar 57.3</td> <td>72.1</td> </tr> <tr> <td>Apr 52.8</td> <td>70.1</td> </tr> <tr> <td>May (f) 51.5</td> <td>69.5</td> </tr> <tr> <td>May (c) 54.0</td> <td></td> </tr> </table> <p>Tarullo Speech (12:30) (Financial Regulation – Peterson Institute, Washington)</p> <p>Rosengren Speech (15:30) (Stanford University, California)</p>	Payrolls (Thous.)	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<p>Plosser Speech (3:30) (Central Bank Policy After the Crisis – Global Interdependence Center, Helsinki)</p> <p>3-and 6-Month Bills (11:30) \$51.0 Billion (f)</p> <p>Fisher Speech (17:30) (Market News International Seminar – New York)</p>	<p>ICSC/Goldman Sachs Chain Sales (7:45) (6/4)</p> <p>Redbook Chain Sales (8:55) (6/4)</p> <p>4-Week Bill (11:30) \$28.0 Billion (f)</p> <p>Lockhart Speech (12:30) (U.S. Economy – Charlotte Economics Club, North Carolina)</p> <p>3-Year Note (13:00) \$32.0 Billion (f)</p>	<p>10-Year Note (13:00) \$24.0 Billion (f)</p> <p>FOMC Beige Book (14:00)</p> <p>Hoeng Speech (14:20) (Steamboat Springs, Colorado)</p>	<p>Plosser Speech (4:00) (U.S. Economy – Society of Business Economists Conference, London)</p> <p>Trade Balance (8:30) (\$ Billions, BOP Basis)</p> <table border="1"> <tr> <th>Total</th> <th>Merch.</th> <th>Serv.</th> </tr> <tr> <td>Feb -45.4</td> <td>-59.1</td> <td>13.7</td> </tr> <tr> <td>Mar -48.2</td> <td>-62.1</td> <td>13.9</td> </tr> <tr> <td>Apr (f) -47.1</td> <td>-61.0</td> <td>13.9</td> </tr> </table> <p>Initial Claims (8:30)</p> <table border="1"> <tr> <td>5/14 414</td> <td>5/28 (f) 415</td> </tr> <tr> <td>5/12 424</td> <td>6/4 (f) 405</td> </tr> </table> <p>Wholesale Inventories (10:00)</p> <table border="1"> <tr> <th>Nov</th> <th>unch</th> <th>Feb</th> <th>Mar</th> </tr> <tr> <td>1.2%</td> <td></td> <td>1.0%</td> <td>1.1%</td> </tr> <tr> <td>Jan 1.0%</td> <td></td> <td>Apr (f) 1.0%</td> <td></td> </tr> </table> <p>Yellen Speech (11:30) (Housing, Human Capital, and Inequality – Cleveland Fed Conference, Cleveland, Ohio)</p> <p>30-Yr Bond (13:00) \$16.0 Bn (f)</p>	Total	Merch.	Serv.	Feb -45.4	-59.1	13.7	Mar -48.2	-62.1	13.9	Apr (f) -47.1	-61.0	13.9	5/14 414	5/28 (f) 415	5/12 424	6/4 (f) 405	Nov	unch	Feb	Mar	1.2%		1.0%	1.1%	Jan 1.0%		Apr (f) 1.0%		<p>Import Prices (Non-Fuel, Y/Y) (8:30)</p> <table border="1"> <tr> <td>Dec 3.0%</td> <td>Mar 4.3%</td> </tr> <tr> <td>Jan 3.4%</td> <td>Apr 4.3%</td> </tr> <tr> <td>Feb 3.8%</td> <td>May (f) 4.5%</td> </tr> </table> <p>Treasury Statement (14:00) (\$ Billions)</p> <table border="1"> <tr> <th colspan="2">2011</th> <th>2010</th> </tr> <tr> <td>Mar</td> <td>-188.2</td> <td>-65.4</td> </tr> <tr> <td>Apr</td> <td>-40.5</td> <td>-82.7</td> </tr> <tr> <td>May (f) -120.0</td> <td></td> <td>-135.9</td> </tr> </table>	Dec 3.0%	Mar 4.3%	Jan 3.4%	Apr 4.3%	Feb 3.8%	May (f) 4.5%	2011		2010	Mar	-188.2	-65.4	Apr	-40.5	-82.7	May (f) -120.0		-135.9																																																																							
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Recent History-Latest Results

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<p>3-and 6-Month Bills (11:30) \$51.0 Billion</p>	<p>ICSC/Goldman Sachs Chain Sales (7:45) (5/21)</p> <p>Redbook Chain Sales (8:55) (5/21)</p> <p>New Home Sales (10:00) (Units, Thousands, SAAR)</p> <table border="1"> <tr> <td>Nov 287</td> <td>Feb 278</td> </tr> <tr> <td>Dec 331</td> <td>Mar 301</td> </tr> <tr> <td>Jan 310</td> <td>Apr 323</td> </tr> </table> <p>4-Week Bill (11:30) \$28.0 Billion</p> <p>2-Year Note (13:00) \$35.0 Billion</p>	Nov 287	Feb 278	Dec 331	Mar 301	Jan 310	Apr 323	<p>Durable Goods (8:30)</p> <table border="1"> <tr> <th>Orders</th> <th>Ex-Def.</th> <th>Ships.</th> </tr> <tr> <td>Feb -1.1%</td> <td>0.6%</td> <td>0.0%</td> </tr> <tr> <td>Mar 4.4%</td> <td>4.1%</td> <td>3.1%</td> </tr> <tr> <td>Apr -3.6%</td> <td>-3.6%</td> <td>-1.0%</td> </tr> </table> <p>5-Year Note (13:00) \$35.0 Billion</p>	Orders	Ex-Def.	Ships.	Feb -1.1%	0.6%	0.0%	Mar 4.4%	4.1%	3.1%	Apr -3.6%	-3.6%	-1.0%	<p>Gross Domestic Product (8:30) (Second)</p> <table border="1"> <tr> <th>Real Sales</th> <th>Final Sales</th> <th>Chain Prices</th> </tr> <tr> <td>10:Q4 3.1%</td> <td>6.7%</td> <td>0.4%</td> </tr> <tr> <td>11:Q1 (a) 1.8%</td> <td>0.8%</td> <td>1.9%</td> </tr> <tr> <td>11:Q1 1.8%</td> <td>0.6%</td> <td>1.9%</td> </tr> </table> <p>Initial Claims (8:30)</p> <table border="1"> <tr> <td>4/30 478</td> <td>5/14 414</td> </tr> <tr> <td>5/7 438</td> <td>5/21 424</td> </tr> </table> <p>7-Year Note (13:00) \$29.0 Billion</p>	Real Sales	Final Sales	Chain Prices	10:Q4 3.1%	6.7%	0.4%	11:Q1 (a) 1.8%	0.8%	1.9%	11:Q1 1.8%	0.6%	1.9%	4/30 478	5/14 414	5/7 438	5/21 424	<p>Personal Income & Consumption (8:30)</p> <table border="1"> <tr> <th>Income</th> <th>Cons.</th> <th>Core</th> </tr> <tr> <td>Feb 0.4%</td> <td>0.8%</td> <td>0.2%</td> </tr> <tr> <td>Mar 0.4%</td> <td>0.5%</td> <td>0.1%</td> </tr> <tr> <td>Apr 0.4%</td> <td>0.4%</td> <td>0.2%</td> </tr> </table> <p>U of M Cons Sentiment Index (9:55) (Final)</p> <table border="1"> <tr> <td>Jan 74.2</td> <td>Apr 69.8</td> </tr> <tr> <td>Feb 77.5</td> <td>May (p) 72.4</td> </tr> <tr> <td>Mar 67.5</td> <td>May 74.3</td> </tr> </table> <p>U of M Inflation Expectations (9:55) (Final)</p> <table border="1"> <tr> <th colspan="2">1-Year</th> <th>5-Year</th> </tr> <tr> <td>Mar 4.6%</td> <td></td> <td>3.2%</td> </tr> <tr> <td>Apr 4.6%</td> <td></td> <td>2.9%</td> </tr> <tr> <td>May (p) 4.4%</td> <td></td> <td>3.0%</td> </tr> <tr> <td>May 4.1%</td> <td></td> <td>2.9%</td> </tr> </table> <p>Pending Home Sales (10:00)</p> <table border="1"> <tr> <td>Jan -2.8%</td> <td>Mar 3.5%</td> </tr> <tr> <td>Feb 0.7%</td> <td>Apr -11.6%</td> </tr> </table>	Income	Cons.	Core	Feb 0.4%	0.8%	0.2%	Mar 0.4%	0.5%	0.1%	Apr 0.4%	0.4%	0.2%	Jan 74.2	Apr 69.8	Feb 77.5	May (p) 72.4	Mar 67.5	May 74.3	1-Year		5-Year	Mar 4.6%		3.2%	Apr 4.6%		2.9%	May (p) 4.4%		3.0%	May 4.1%		2.9%	Jan -2.8%	Mar 3.5%	Feb 0.7%	Apr -11.6%
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Feb 0.7%	Apr -11.6%																																																																										

The S&P/Case-Shiller Index (Tue., May 31, 9:00 a.m.) is a key gauge of housing prices for both year-on-year changes and on a running basis. Home prices in this index rose for a while but have since fallen back. The ISM Manufacturing Survey (Wed, Jun. 1, 10:00 a.m.) is the definitive manufacturing activity diffusion index. A strong upturn in manufacturing continues to be a key element of economic recovery – but will it continue? Early signs of Japan's deep recession may be starting to show. Light-Vehicle Sales (Wed., Jun. 1) will give an idea of overall demand for the important and large motor vehicle sales component of retail sales and consumption. Productivity & Costs (Thu., Jun. 2, 8:30 a.m.) will provide the final look at Q1 unit labor costs and will be suggestive about corporate profits performance. Nonfarm Payroll Jobs and the Unemployment Rate (Fri., Jun. 3, 8:30 a.m.) are key data for a host of upcoming economic indicators, the prospect, and particularly the Fed. The Fed remains focused on the unemployment rate. The ISM Non-Manufacturing Survey (Fri., Jun. 3, 10:00 a.m.) is a high-frequency gauge for the services sector, which accounts for about 60% to almost 85% of the economy, depending on the measure.

The Trade Balance (Thu., Jun. 9, 8:30 a.m.) and its track of exports and imports can indicate the strength of the global economy. How much is the weaker dollar helping U.S. exports, and how much are higher oil prices affecting demand?

Indicator	Forecast	Consensus	Analysis
S&P/Case-Shiller Index	-3.8%	-3.4%	Home prices pressured by unfavorable supply/demand imbalance.
Chicago Purchasing Managers' Survey			
Total	65.1	62.0	Manufacturing activity expands at a slightly slower pace.
Prices Paid	78.0		Prices edge downward.
Conference Board Consumer Confidence Survey	63.0	66.5	Sentiment drifts lower as gasoline prices remain elevated.
ISM Manufacturing Survey			
Total	56.0	57.6	Manufacturing expands at a slower pace.
Prices	80.0	81.5	Prices slightly less pressured.
Construction Expenditure	+0.5%	+0.3%	Moderates considerably, on residential weakness.
Light-Vehicle Sales (Units, SAAR)			
Total	12.1	12.5	Inventory shortages and weak incentives come to bear.
Domestic	9.6		
Import	2.5		
	Millions		
Productivity & Costs (Final)			
Productivity	+1.7%	+1.7%	Marginal revisions in first quarter, but fourth quarter compensation and ULC pulled down.
Compensation	+2.6%		
Unit Labor Costs	+0.9%	+0.8%	
Manufacturers'			
Orders	-1.0%	-1.0%	Non-durables continue to firm on prices.
Shipments	-0.3%		
Inventories	+0.7%		
Employment Report			
Payrolls	177,000	185,000	Payrolls gains slow.
Weekly Hours	34.3	34.3	
Hourly Earnings	+0.2%	+0.2%	Earnings continue to advance moderately.
Unemployment Rate	8.9%	8.9%	Falls slightly.
ISM Non-Manufacturing Survey			
Total	51.5	54.0	Non-manufacturing retreats further in May.
Prices	69.5		Prices move lower.
Trade Balance (BOP Basis)			
Total	-\$47.1		Goods imports and exports both decline slightly.
Merchandise	-\$61.0		
Services	\$13.9		
	Billion		
Wholesale Inventories	+1.0%		Wholesale inventories continue to increase solidly – the nondurable component is more volatile.
Import Prices (Non-Fuel, Y/Y)	+4.5%		Dollar falls a bit more, and materials prices rise a bit more, on year-to-year basis.
Treasury Statement	-\$120.0		Deficit a little narrower.
	Billion		

Assessment

Economic growth – in the U.S. and globally – has softened, probably on higher inflation, especially energy costs, and the early effects from Japan's downturn. Industrial side of the U.S. economy is still strong. A question is how much crude oil, gasoline and energy price hikes will take from growth in Q2 and Q3. "Main Street" is being squeezed by slow jobs growth and high gas prices, while strong corporate earnings have driven "Wall Street" higher. "Off-shore" risks remain from the European sovereign debt crisis and China's attempt to disinflate. Japan's recession is beginning to have an impact. The Fed is providing "wind" to the back of economy and markets with QE2. Employment weakness reinforces Fed's conviction to hold, not tighten, post-QE2 – still aiming to raise growth, raise inflation, and lower the unemployment rate, with a long way to go.