BEAR STEARNS

Daily Economic Calendar

January 10, 2008

B=Bear C=Consensus R=Range L=Last

Chain store sales (December)

y/y percent chg.	Dec (e)	Nov	Oct	Sep	Dec '06
WalMart	1.5	1.9	0.7	0.8	2.6
Target	0.0	10.8	4.1	1.2	4.1
JC Penney	-6.0	2.6	-1.8	-4.6	2.6
Macy's	-5.5	13.4	-1.5	-2.7	4.4
Limited	-6.0	-7.0	-6.0	-4.0	4.0
Gap	-4.0	0.0	-8.0	-7.0	-8.0
Costco	6.0	9.0	9.0	4.0	9.0
Nordstrom	-4.0	8.7	-2.4	3.2	9.0
TJX	3.0	7.0	3.0	2.0	6.0
Kohls	-8.0	10.2	-3.8	-3.2	3.0
Weighted Index	**0.5**	**4.7**	**1.3**	**0.4**	**3.6**

Weekly Redbook sales data suggest that general merchandise spending slowed in December. Underlying retail sales should have weakened in December due to the early Thanksgiving. We expect that the surge in retail sales in November came partly at the expense of spending in December.

Initial jobless claims (January 5th) 8:30am
B=340K C=340K R=320K to 350K L=336K
Continuing claims (December 29th)
C=NA L=2.761ml
Given the rise in unemployment in December, jobless claims have likely become a more important indicator. Jobless claims in December averaged 344,000, which is some 30,000 higher than the average trend earlier in 2007. We look for initial claims to have risen 4,000 to 340,000 in the week ending January 5th. We are entering a period where claims have tended to be volatile in previous years due to uncertainties over seasonal patterns.

Wholesale inventories (November) 10:00am
B=0.6% C=0.4% R=-0.1% to 0.6% L=0.0%
Wholesale inventories were unchanged in October but, given record-low inventory-to-sales ratios in this sector, we expect that inventory investment in this sector picked up in November. We look for a 0.6% increase in wholesale inventories in November.

CP outstanding (January 9th week) around 10:00am
Asset backed commercial paper increased $26.2 billion in the week ended January 2nd. This was the first weekly increase in ABCP outstanding since the ABCP market began to implode in the middle of August. Asset backed commercial paper has declined $421 billion from the peak.

Fed reserve balances data (January 9th week) 4:30pm
The Fed reported that a daily average of $5.8 billion was borrowed from the discount window in the week ending January 2nd. However, there was only $4.9 billion outstanding as of January 2nd, which implies that more than $5.8 billion was borrowed from the discount window for turn of the year funding, which was then partially repaid by January 2nd . As of January 2nd, $4.8 billion of the total $4.9 billion discount window loans outstanding were from the Federal Reserve Bank of New York.

Fed Speaking
Fed Chairman Bernanke will speak on financial markets, the economic outlook and monetary policy (1:00pm; Q&A expected). This is Bernanke's first public appearance since November 29th. Kansas City Fed President Hoenig (nonvoting) speaks on the U.S. economic outlook (1:00pm; no advanced text).

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FED POLICY EXPECTATIONS

MONTH	IMPLIED FED FUNDS RATE	(PREVIOUS DAY)
January	4.14%	(4.14%)
February	3.82%	(3.83%)
March	3.68%	(3.72%)
April	3.53%	(3.60%)
May	3.31%	(3.40%)

Commentary: The fed funds futures market is fully pricing in a quarter-point rate cut at the January 30th FOMC meeting and is leaning heavily in the direction of a larger cut with February fed funds futures at 3.82%

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