

Indicator/Action Economics Survey:

Last Actual:

Regions' View:

Fed Funds Rate

(after the FOMC meeting on January 29-30)

Range: 0.00 to 0.25 percent

Median: 0.125 percent (mid-point of target range)

0.00% to 0.25%

The January employment report brings the results of the annual benchmark revisions to the payroll survey data. While the BLS has stated that the level of employment as of March 2012 will be revised up by about 400,000 jobs, we don't know what that will mean for the month-to-month changes. Also, each January sees the introduction of new population controls into the household survey which, at least technically, means we can't compare data from one year to another. As such, we may see some wild swings in the levels of the labor force and household employment without a change in the unemployment rate. In short, don't be surprised by anything you may see in the January employment report.

December Durable Goods Orders

Range: -1.4 to 3.5 percent

Median: 1.9 percent

Monday, 1/28 Nov = +0.8%

Up by 3.2 percent. A gain in aircraft orders will lift the headline number, and we also look for further growth in orders for metals and machinery. As always, core capital goods orders will be the most closely watched number here.

January Consumer Confidence

Range: 61.7 to 67.0

Median: 65.0

Tuesday, 1/29 Dec = 65.1

Up to 66.2. It was a sharp decline in the expectations component of the index that dragged overall confidence down in December, and we look for a partial reversal of that decline to push the January print slightly higher.

Q4 Real GDP – first estimate

Range: 0.8 to 2.0 percent

Median: 1.2 percent SAAR

Wednesday, 1/30 Q3 = +3.1%

Up at an annualized rate of 1.4 percent. Sure, it won't look as good Q3 growth but it will feel better than it looks. Inventories and defense spending propped up Q3 growth but acted as drags on Q4 growth as growth in residential investment, consumer spending, and business spending on equipment and software picked up.

Q4 GDP Price Index – first estimate

Range: 0.4 to 2.7 percent

Median: 1.5 percent SAAR

Wednesday, 1/30 Q3 = +2.7%

Up at an annualized rate of 1.7 percent.

Q4 Employment Cost Index

Range: 0.3 to 0.6 percent

Median: 0.5 percent

Wednesday, 1/30 Q3 = +0.4%

Up by 0.6 percent, with the wage component up by 0.6 percent and the benefits component up by 0.5 percent. Year-over-year, we expect the total index to be up by 2.0 percent, with wages up by 1.9 percent and benefits up by 2.3 percent.

December Personal Income

Range: 0.4 to 1.2 percent

Median: 0.8 percent

Thursday, 1/31 Nov = +0.6%

Up by 0.8 percent. Growth in private sector labor earnings and what we expect to be higher dividend payments will lead the way. Enjoy it now, because the January income data will reflect the impact of higher payroll taxes.

December Personal Spending

Range: 0.1 to 1.3 percent

Median: 0.3 percent

Thursday, 1/31 Nov = +0.4%

Up by 0.3 percent with spending on services accounting for most of the gain. With flat to slightly lower inflation, however, growth in real consumer spending will outpace growth in nominal spending.

January Nonfarm Employment

Range: 125,000 to 185,000 jobs

Median: 155,000 jobs

Friday, 2/1 Dec = +155,000

Up by 174,000 jobs, with private sector payrolls up by 168,000 and a small increase in government payrolls.

January Manufacturing Employment

Range: -15,000 to 25,000 jobs

Median: 10,000 jobs

Friday, 2/1 Dec = +25,000

Up by 12,000 jobs.

January Average Weekly Hours

Range: 34.4 to 34.5 hours

Median: 34.5 hours

Friday, 2/1 Dec = 34.5 hrs

Unchanged at 34.5 hours.

January Average Hourly Earnings

Range: 0.1 to 0.3 percent

Median: 0.2 percent

Friday, 2/1 Dec = +0.3%

Up by 0.3 percent. Our calls on private sector job gains, average weekly hours, and average hourly earnings translate into a 0.4 percent increase in aggregate private sector earnings (up 3.9 percent year-over-year).

January Unemployment Rate

Range: 7.7 to 7.9 percent

Median: 7.8 percent

Friday, 2/1 Dec = 7.8%

Unchanged at 7.8 percent. This is more or less a default forecast thanks to the uncertain impact of the new population controls introduced into the household survey.

January ISM Manufacturing Index

Range: 49.5 to 51.5 percent

Median: 50.5 percent

Friday, 2/1 Dec = 50.7%

Up to 51.0 percent. This is perhaps a bit of a leap given how the regional manufacturing surveys have uniformly disappointed, but we look for slight increases in the orders and production components to carry the total index higher.

December Construction Spending

Range: 0.2 to 1.0 percent

Median: 0.7 percent

Friday, 2/1 Nov = -0.3%

Up by 0.7 percent

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