

## Indicator/Action Economics Survey:

## Last Actual:

## Regions' View:

### Fed Funds Rate

(after the FOMC meeting on April 29-30)

Range: 0.00 to 0.25 percent

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

0.00% to 0.25%

After a slow start, the week kicks into high gear on Wednesday. Sure, as fast paced excitement goes, it isn't exactly the same as going from 0 to 60 in 2.9 seconds in a Porsche 911 Turbo S but, as economists, we take our thrills as they come. In addition to a dizzying array of top-tier data, which should affirm an improving pace of economic activity after the harsh winter, the week includes the FOMC meeting (ending Wednesday). We expect another \$10 billion cut in the pace of monthly asset purchases and no material change to the forward guidance.

### April Consumer Confidence

Range: 81.0 to 85.0

Median: 82.8

Tuesday, 4/29 Mar = 82.3

Up to 84.8.

### Q1 Real GDP – 1<sup>st</sup> Estimate

Range: 0.5 to 2.1 percent

Median: 1.1 percent SAAR

Wednesday, 4/30 Q4 2013 = +2.6%

Up at an annualized rate of 1.6 percent though, honestly, nothing will surprise us here. Aside from reflecting the impacts of unusually harsh winter weather, the BEA's first estimate of Q1 real GDP will be based on incomplete data for trade, inventories, and government spending which, individually or collectively, can have a material impact on the initial print while serving as the basis for what are often significant revisions between the first and second estimates. Either way, current quarter growth figures to be substantially faster than that logged in Q1.

### Q1 Employment Cost Index

Range: 0.4 to 0.6 percent

Median: 0.5 percent

Wednesday, 4/30 Q4 2013 = +0.5%

Up by 0.6 percent with wage costs and benefit costs each up 0.6 percent. Year-over-year, the total ECI should be up 2.0 percent, with wage costs up 1.9 percent and benefit costs up 2.2 percent.

### March Personal Income

Range: 0.2 to 0.8 percent

Median: 0.5 percent

Thursday, 5/1 Feb = +0.3%

Up by 0.5 percent. Private sector wage and salary earnings should be up big given the jump in hours worked, transfer payments will reflect ongoing expansion of ACA coverage, and rental income and dividends will also provide support.

### March Personal Spending

Range: 0.4 to 0.7 percent

Median: 0.6 percent

Thursday, 5/1 Feb = +0.3%

Up by 0.6 percent. We already know spending on goods, both durable and nondurable, was solid in March. The remaining – and largest – piece of the consumer spending puzzle is spending on services, and we look for a decent gain here as well. The total and core PCE price deflators should each be up 0.2 percent with over-the-year increases of 1.1 percent and 1.2 percent, respectively.

### April ISM Manufacturing Index

Range: 53.0 to 57.0 percent

Median: 54.2 percent

Thursday, 5/1 Mar = 53.7%

Up to 54.4 percent as the components for new orders and current production regain more of their footing after having slipped during the winter.

### March Construction Spending

Range: 0.2 to 1.1 percent

Median: 0.7 percent

Thursday, 5/1 Feb = +0.1%

Up by 1.1 percent as residential construction outlays reverse their February decline and private nonresidential construction outlays provide further support.

### March Factory Orders

Range: 0.6 to 1.9 percent

Median: 1.4 percent

Friday, 5/2 Feb = +1.6%

Up by 1.6 percent, largely on the strength of durable goods orders. Orders for and shipments of core capital goods finished Q1 on a strong note, in line with our expectations of faster growth in capital spending in the months ahead.

### April Nonfarm Employment

Range: 174,000 to 250,000 jobs

Median: 210,000 jobs

Friday, 5/2 Mar = +192,000

We look for total nonfarm payrolls to be up by 241,000 jobs, with broad based hiring pushing private sector payrolls up by 235,000 jobs. We also look for government sector payrolls to increase by 6,000 jobs.

### April Manufacturing Employment

Range: 2,000 to 22,000 jobs

Median: 6,000 jobs

Friday, 5/2 Mar = -1,000

Up by 12,000 jobs.

### April Average Weekly Hours

Range: 34.4 to 34.5 hours

Median: 34.5 hours

Friday, 5/2 Mar = 34.5 hrs

Unchanged at 34.5 hours. The first thing to look for here is whether the initial figure for March will be revised – it seemed a bit high to us given the number of people forced to work part-time due to the weather while within the goods producing industries, where the workweek tends to be longer, a jump in overtime offset a smaller gain in jobs. Absent weather effects, a larger job gain in the goods producing industries could put the workweek at 34.5 hours in April.

### April Average Hourly Earnings

Range: 0.1 to 0.3 percent

Median: 0.2 percent

Friday, 5/2 Mar = 0.0%

Up by 0.2 percent which along with our calls on employment and hours worked yields a 0.4 percent increase in aggregate private sector earnings, for a year-over-year increase of 4.4 percent. It is here total hours worked has a powerful impact.

### April Unemployment Rate

Range: 6.5 to 6.7 percent

Median: 6.6 percent

Friday, 5/2 Mar = 6.7%

Down to 6.5 percent, though a larger increase in the labor force than we are expecting would limit the decline in the unemployment rate.

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