



## Economics

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# THE WEEK AHEAD

August 23-27, 2010

## Sifting Through the Data Rubble

by Avery Shenfeld

While this publication is typically devoted to looking at what comes next, it's worth spending a few moments in this case on the week gone by. Specifically, in reviewing just what we learned from the wreckage in two indicators that were historically seen as of secondary importance in tracking the US economy, but which caught a bit more attention this time around.

The first was the further rise in weekly claims for unemployment benefits to the 500,000 level, which took it visibly outside the prevailing sideways range that it had been stuck in for several months. There are two reasons for taking that news with more than the usual grain of salt.

First, it's unclear the extent to which the winding down of census jobs is affecting this series. There were still about 200,000 such temporary positions at the July payrolls count that are now in the process of disappearing. True, many of the census workers will not have worked enough to qualify for benefits, but some will, and others will apply in the hopes of success. Remember, these are "claims" for benefits, not "approvals." Testing for this distortion is problematic, because as it turns out, several of the census periods of the past decades also coincided with economic shocks that sent unemployment higher.

Second, the recent restart of extended benefits makes it more tempting to file a jobless benefit claim where the chances of success are less than 100%, simply due

to the larger potential reward. We have observed similar impacts when benefits were extended or enriched in the past. The bottom line is that we will have to be patient and wait for the payrolls data in September to judge the implications of the rise in jobless claims.

The other downside surprise came in the Philadelphia Fed Index, which is by definition only a regional indicator, perhaps unduly influenced by how the demand for hoagies and a certain brand of cream cheese is faring. Draw a chart of that indicator for a few years back and the latest dive into negative territory looks ominous. But chart it going back several decades and one finds many similar and even deeper dives into negative terrain, particularly in early recovery years, ones that proved to be sustained expansions rather than double-dips.

None of this is to say that all is well with the US economy. The clouds are dark enough that we expect Bernanke to use his high profile platform in the week ahead to remind markets that he still has weapons available to combat recession and deflation risks. "Helicopter Ben" doesn't have the consensus on the FOMC to deploy that firepower yet. But it's not too early to start lifting inflation expectations (or, more precisely, combat deflation expectations) with a bit of verbal easing.

<http://research.cibcwm.com/res/Eco/EcoResearch.html>



# Week Ahead Calendar And Forecast

		CANADA			UNITED STATES		
		CIBC	Consensus	Prior	CIBC	Consensus	Prior
Monday August 23					<b>AUCTION: 3-M BILLS \$30B (prev), 6-M BILLS \$30B (prev)</b> <b>AUCTION: 30-YR TIPS \$8B (prev)</b> <b>8:30 AM</b> CHICAGO FED NAT. ACTIVITY INDEX (Jul) (M) -0.2% -0.6% Speaker(s): 10:30 AM Thomas M. Hoenig (Kansas City)		
Tuesday August 24	<b>8:30 AM</b> RETAIL TRADE TOTAL M/M (Jun) (H) 0.4% -0.2% RETAIL TRADE EX-AUTO M/M (Jun) (H) 0.6% 0.1% -0.1% Speaker(s): 12:15 PM John Murray (Deputy)				<b>AUCTION: 4-WEEK BILLS \$34B (prev), 52-WEEK BILLS \$25B (prev)</b> <b>AUCTION: 2-YR TREASURIES \$38B (prev)</b> <b>10:00 AM</b> EXISTING HOME SALES SAAR (Jul) (H) 4.73M 5.37M EXISTING HOME SALES M/M (Jul) (H) -13.9% -5.1% RICHMOND FED MANUF. INDEX (Aug) (M) 10.5 16.0 Speaker(s): 8:45 AM Charles Evans (Chicago)		
Wednesday August 25					<b>AUCTION: 5-YR TREASURIES \$37B (prev)</b> <b>7:00 AM</b> MBA-APPLICATIONS Aug-20 (L) 13.0% <b>8:30 AM</b> DURABLE GOODS ORDERS M/M (Jul) (H) 2.8% -1.2% DURABLE GOODS ORDERS EX-TRANS M/M (Jul) (H) 1.0% 0.5% -0.9% <b>10:00 AM</b> NEW HOME SALES SAAR (Jul) (H) 337K 330K NEW HOME SALES M/M (Jul) (H) 2.0% 0.8% 23.6% HOUSE PRICE INDEX M/M (Jun) (M) 0.2% 0.5%		
Thursday August 26					<b>AUCTION: 7-YR TREASURIES \$29B (prev)</b> <b>8:30 AM</b> CONTINUING CLAIMS Aug-14 (H) 4478K INITIAL CLAIMS Aug-21 (H) 500K		
Friday August 27					<b>8:30 AM</b> GDP (annualized) (Q2 S) (H) 1.5% 2.4% GDP DEFLATOR (annualized) (Q2 S) (H) 1.8% 1.8% <b>9:55 AM</b> MICHIGAN CONSUMER SENTIMENT (Aug F) (H) 70.0 69.6 Speaker(s): 10:00 AM Ben Bernanke (Chairman)		

H, M, L = High, Medium or Low Significance

SAAR = Seasonally Adjusted Annual Rate

Consensus Source: Reuters (Canada), Bloomberg (US)

## Week Ahead's Market Call

by Krishen Rangasamy

**In the US**, a mixed week is in the offing with relatively strong durable goods orders for July, providing some offset to the negative sentiment associated with still-weak housing sales and a downgrade in second quarter GDP later in the week. Markets will also be looking closely at the weekly jobless claims numbers given their recent uptick. A large supply of bonds will hit markets at the right time from the US government's perspective, with yields at all-time lows. Bernanke speaks at Jackson Hole, an event that typically has the Fed Chair lay out broad policy principles.

**In Canada**, a very light calendar will showcase June retail data due on Tuesday. After two consecutive monthly declines, sales may have bounced back, helped by autos, which will provide a lift to June's GDP.

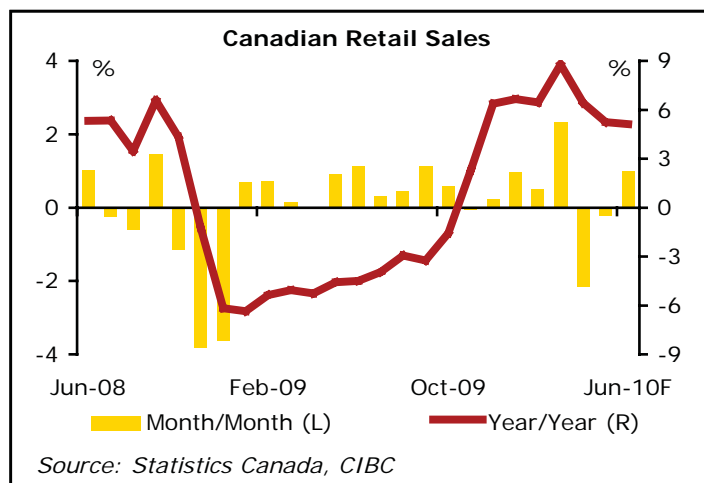
**Week Ahead’s Key Canadian Number:**

**Retail Trade—June**

(Tuesday, 8:30 a.m.)

Krishen Rangasamy (416) 956-3219

	CIBC	Mkt	Prior
Retail Trade m/m	0.9%	0.4%	-0.2%
Retail Trade ex-autos m/m	0.6%	0.1%	-0.1%



After declining in the two preceding months, Canadian retail sales may have bounced back in June, helped primarily by autos. The latest new vehicle sales report indeed suggested a healthy increase in volumes with a tilt towards the generally higher-priced trucks. Ex-autos performance is also looking up, with higher consumer incomes propping up volumes. A warmer-than-usual June may have provided a lift to sales of seasonal retail items, while the soccer world cup likely lent some support to sales of booze and electronics (e.g. big screen TV’s). Partly offsetting those gains were likely the smaller revenues from gasoline stations due to lower pump prices in June. We’re calling for an overall 0.9% increase in total retail sales, with a healthy 0.6% gain ex-autos representative of the fact that consumers remain well supported by a strong labour market.

**Forecast Implications**—The relatively strong retail sales data should translate into decent growth for the month of June and keep Canadian GDP on track towards a 2.6% or so annualized expansion for Q2. That’s close enough to the BoC’s estimate to maintain, at least for the very near-term, the current stance on monetary policy. We therefore continue to expect a 25-bp rate hike in September.

**Market Impact**—We are higher than consensus, which could be positive for the C\$ and negative for fixed income if our call is on the mark.

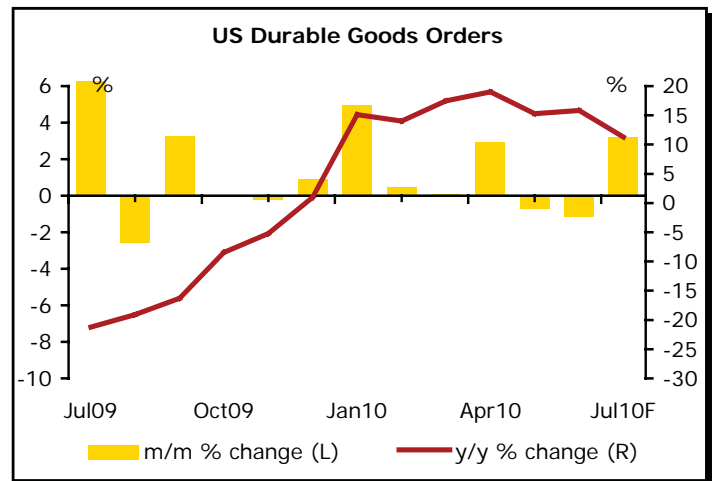
**Week Ahead’s Key US Number:**

**Durable Goods Orders—July**

(Wednesday, 8:30 a.m.)

Peter Buchanan (416) 594-7354

	CIBC	Mkt	Prior
Durable Goods	3.2%	2.8%	-1.2%



Investors seeking solace after a slew of downbeat readings on the economy may find some in the July durable orders report. We expect headline to stage a 3.2% rebound on the month, paced by a turnaround in the normally highly volatile transportation equipment series after that component’s 10% two-month decline. A near trebling in Boeing orders and 3.5% mo/mo rise in seasonally adjusted motor vehicles sales point to a solid rebound in that component, which accounts for about a quarter of the headline. Computer and electronic orders posted a surprising 1.9% drop in June. That appears to be out of sync with recent reports on the industry’s health and a bounceback there should contribute to 1.0% rise in orders, ex transportation equipment. Non-defense capital goods orders, a useful bellwether for capital investment, have been a relative bright spot of late. We expect that component to advance by some 1.5% between June and

July. While businesses have been reluctant to re-hire so far, they have been readier to invest in new cost saving equipment.

**Forecast Implications**—With the lift from restocking and the stimulus package poised to fade further, the recovery’s prospects from here rest squarely on the corporate sector’s back. Business spending surprised to the upside in Q2. While it may be hard to sustain the recent pace, good earnings and capital stock’s above-average age contribute to a positive outlook.

**Market Impact**—Our expectations for the July durable orders number is a bit above the fairly positive consensus, but not by enough to suggest a heavy duty market reaction.

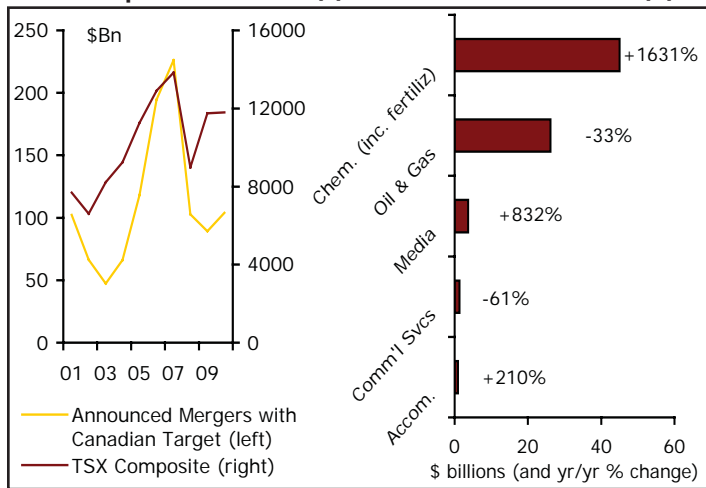
## Equity Insights

Peter Buchanan

### Material Group Paces Pick-up In TSX M&A Action

Takeover fervour has helped power the materials group's TSX-leading gain in the last month. While fertilizer stocks have been in the acquisition spotlight recently, takeover activity is also up appreciably on the year in the media and mining segments, though not in oil and gas. Gains in the first three sectors have helped lift deal flow involving a Canadian target to \$104 billion so far this year, 17% more than in the whole of 2009. M&A activity can lift market valuations directly, by bidding up share prices. It's a further, though less obvious, positive to the extent that it reflects acquirers' affirmative outlook. M&A activity has tended to track the ups and downs in the stock market for these and other reasons, typically lagging share prices slightly.

TSX Composite vs M&A (L), Cdn Deal Volume YTD (R)

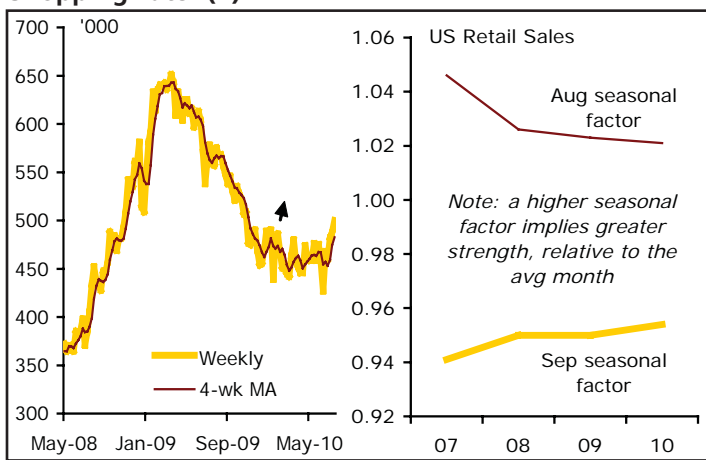


Source: Bloomberg

### Soft Data Raises Concerns for US Back-to-School-Sales Season

US consumers are a more frugal lot than previously believed with the savings rate well above 6% according to latest data revisions. That ordinarily good piece of news is less welcome, as the economy seeks to dodge the bullet of a "double dip". The recent jump in claims to nine-month highs suggests one vital prop for household spending and the economy is still lacking. The back-to-school sales season is the second busiest slot in the retail calendar, and investors will be watching closely for signs job-wary households are maintaining their thrifter ways. Bargain-conscious shoppers have learned that waiting means price cuts, though. Later shopping habits mean the complete picture of how the season went may not emerge until September, when the kids are back in class.

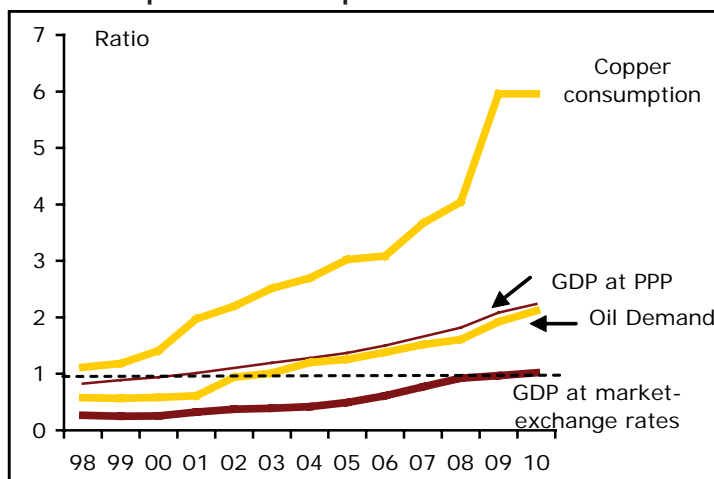
9-Month High in Jobless Claims (L), Household's Shopping Later (R)



### China Overtakes its Asian Neighbour—Again!

China's displacing Japan as the number two economic superpower was front page news almost everywhere this week. There may be a bit less to the story than the recent media frenzy would suggest, however. Global economic growth is generally calculated from GDP weighted by purchasing power, which purports to better measure the broad economy, and is not affected by day-to-day currency volatility. On that basis, China's economy overtook Japan nearly a decade ago. What matters most for Canadian oil and metals stocks, moreover, is comparative resource demand. China also outstripped its Asian neighbour by that yardstick quite some time ago.

China vs Japan: Some Comparative Metrics



## Currency Currents

Krishen Rangasamy

### Trade Woes and the Loonie

As usual, blame the C\$ for the disappointing trade performance in Q2. Not the recent movements of the currency per se, but rather the latter's appreciating trend over the last decade which helped shrink our exporters' market share in the US from around 18% in 2005 to under 15% today. So much so, that Canada hasn't been able to fully capitalize on the American inventory restocking boom in this recovery, with some of that foregone benefit going to countries taking advantage of their more competitive currencies. With the loonie expected to remain strong against the US\$ next year, don't count too much on trade as a major source of growth for Canada.

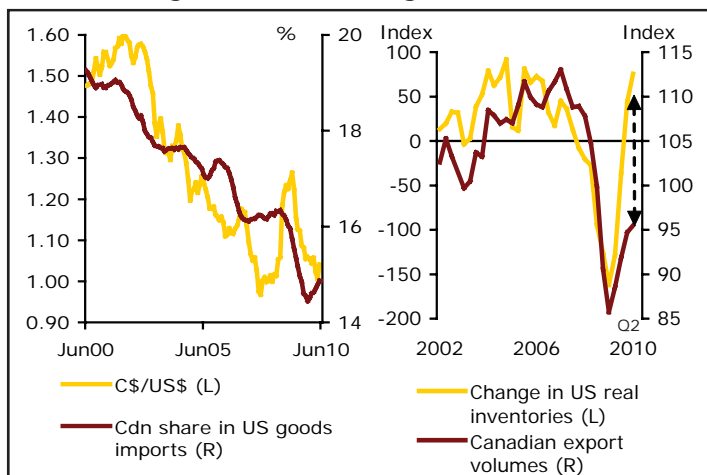
### Canada's Deficit in Investment Income

After purchasing large amounts of foreign securities up to 2007, Canadians have pulled back in the most recent years, divesting primarily from foreign bonds. In contrast, since early 2009, foreigners have scaled up their purchases of Canadian bonds, lured by relatively low sovereign risks and soft inflation. That trend, coupled with the strong C\$, explains why the deficit on Canada's portfolio investment income account has deteriorated in every single quarter since Q109, with Canadians reaping smaller portfolio receipts from abroad while payments to foreigners keep rising. Without significant offsetting net inflows, e.g. FDI, the deficit on the investment income account may have widened further in Q2, a negative for the current account and hence the C\$.

### Real Targets Revised Down

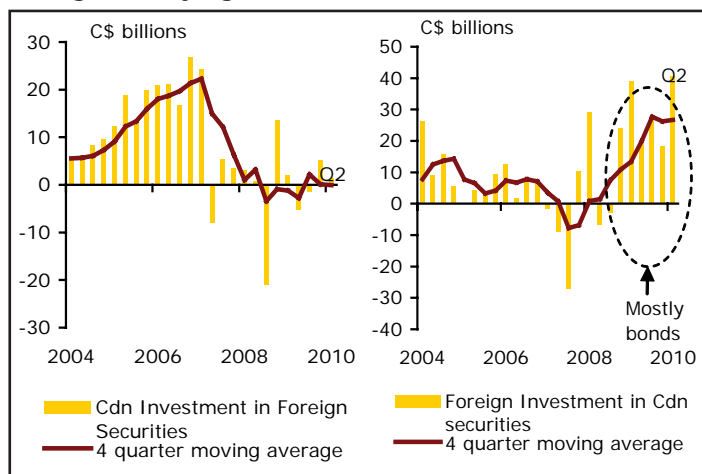
Repeating Q1's sizzling 11% annualized rate of growth was always a tall order for Brazil and it's becoming apparent, after the release of soft industrial production data for June, that second-quarter GDP growth will be modest, perhaps less than half the prior quarter's print. July's manufacturing PMI reading suggests that the downshift in factory activity extended to Q3. While retail activity has been robust during the recovery, there are signs of it also cooling down, and with the expiry of temporary government incentives, the contribution of consumption spending to growth will ramp down a notch in the second half of the year. The slowdown could get the Banco Central do Brasil to take a pause sooner rather than later, and that, accordingly, prompted us to lower our end-of-year target from 1.75 to 1.81 real/US\$.

### Loss of Market Share (L) Resulted in Canada Not Taking Full Advantage of US Restocking (R)



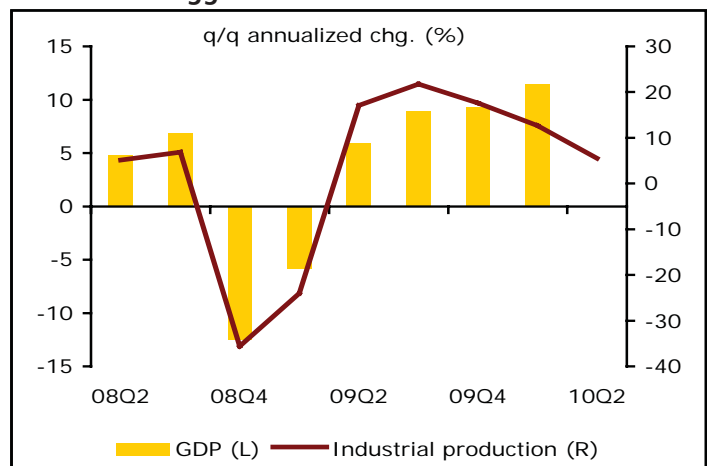
Source: Haver Analytics, CIBC

### Canadians Not Buying as Many Foreign Securities (L), Foreigners Buying More Canadian Securities (R)



Source: Haver Analytics, CIBC

### Brazilian IP Suggests Softer GDP Growth



Source: Bloomberg, CIBC

# CANADIAN RELEASE AND EVENT DATES August/September 2010



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY																																																																
<p>16</p> <p><b>WAGE SETTLEMENTS</b> 10:00 AM (%)</p> <table border="1"> <thead> <tr> <th></th> <th>PVT.</th> <th>PUB.</th> <th>TOT.</th> </tr> </thead> <tbody> <tr> <td>APR</td> <td>2.3</td> <td>1.8</td> <td>1.8</td> </tr> <tr> <td>MAY</td> <td>2.4</td> <td>1.9</td> <td>2.3</td> </tr> <tr> <td>JUN</td> <td>2.9</td> <td>2.0</td> <td>2.2</td> </tr> </tbody> </table>		PVT.	PUB.	TOT.	APR	2.3	1.8	1.8	MAY	2.4	1.9	2.3	JUN	2.9	2.0	2.2	<p>17</p> <p><b>INT'L TRANSACTIONS IN SECURITIES C\$BN, NET</b> 8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>BONDS</th> <th>MONEY</th> <th>STOCKS</th> <th>TOT MARKET</th> </tr> </thead> <tbody> <tr> <td>APR</td> <td>10.0</td> <td>-0.4</td> <td>2.7</td> <td>12.3</td> </tr> <tr> <td>MAY</td> <td>15.2</td> <td>2.7</td> <td>5.2</td> <td>23.0</td> </tr> <tr> <td>JUN</td> <td>7.0</td> <td>-1.6</td> <td>0.0</td> <td>5.4</td> </tr> </tbody> </table> <p><b>SURVEY OF MANUFACTURING</b> 8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>SHIPMENTS</th> <th>M</th> <th>Y</th> </tr> </thead> <tbody> <tr> <td>APR</td> <td>0.1</td> <td>10.7</td> <td></td> </tr> <tr> <td>MAY</td> <td>0.5</td> <td>16.4</td> <td></td> </tr> <tr> <td>JUN</td> <td>0.1</td> <td>12.7</td> <td></td> </tr> </tbody> </table>		BONDS	MONEY	STOCKS	TOT MARKET	APR	10.0	-0.4	2.7	12.3	MAY	15.2	2.7	5.2	23.0	JUN	7.0	-1.6	0.0	5.4		SHIPMENTS	M	Y	APR	0.1	10.7		MAY	0.5	16.4		JUN	0.1	12.7		<p>18</p>	<p>19</p> <p><b>LEADING INDICATOR</b> 8:30 AM</p> <p><b>WHOLESALE TRADE</b> 8:30 AM</p>	<p>20</p> <p><b>CONSUMER PRICE INDEX</b> 7:00 AM</p> <table border="1"> <thead> <tr> <th></th> <th>M (NSA)</th> <th>Y</th> </tr> </thead> <tbody> <tr> <td>MAY</td> <td>0.3</td> <td>1.4</td> </tr> <tr> <td>JUN</td> <td>-0.1</td> <td>1.0</td> </tr> <tr> <td>JUL</td> <td>0.5</td> <td>1.8</td> </tr> </tbody> </table>		M (NSA)	Y	MAY	0.3	1.4	JUN	-0.1	1.0	JUL	0.5	1.8
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<p>30</p> <p><b>BALANCE OF INT'L PAYMENTS</b> 8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>CURR. ACCT. BAL. \$BN(QR)</th> <th>BAL. \$BN(AR)</th> </tr> </thead> <tbody> <tr> <td>09:Q4</td> <td>-10.2</td> <td>-40.8</td> </tr> <tr> <td>10:Q1</td> <td>-7.8</td> <td>-31.3</td> </tr> <tr> <td>10:Q2</td> <td></td> <td></td> </tr> </tbody> </table> <p><b>INDUSTRIAL PRICES</b> 8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>M (NSA)</th> <th>Y</th> </tr> </thead> <tbody> <tr> <td>MAY</td> <td>0.4</td> <td>1.5</td> </tr> <tr> <td>JUN</td> <td>-0.9</td> <td>0.2</td> </tr> <tr> <td>JUL</td> <td></td> <td></td> </tr> </tbody> </table>		CURR. ACCT. BAL. \$BN(QR)	BAL. \$BN(AR)	09:Q4	-10.2	-40.8	10:Q1	-7.8	-31.3	10:Q2				M (NSA)	Y	MAY	0.4	1.5	JUN	-0.9	0.2	JUL			<p>31</p> <p><b>NATIONAL ACCOUNTS</b> 8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>REAL GDP %ch AR</th> <th>PRICE DEF. %ch AR</th> </tr> </thead> <tbody> <tr> <td>09:Q4</td> <td>4.9</td> <td>3.8</td> </tr> <tr> <td>10:Q1</td> <td>6.1</td> <td>4.4</td> </tr> <tr> <td>10:Q2</td> <td></td> <td></td> </tr> </tbody> </table> <p><b>GDP BY INDUSTRY</b> 8:30 AM (2002\$)</p> <table border="1"> <thead> <tr> <th></th> <th>GDP</th> <th>IND.PROD.</th> </tr> </thead> <tbody> <tr> <td></td> <th>M</th> <th>M</th> </tr> <tr> <td>APR</td> <td>0.0</td> <td>0.1</td> </tr> <tr> <td>MAY</td> <td>0.1</td> <td>1.2</td> </tr> <tr> <td>JUN</td> <td></td> <td></td> </tr> </tbody> </table>		REAL GDP %ch AR	PRICE DEF. %ch AR	09:Q4	4.9	3.8	10:Q1	6.1	4.4	10:Q2				GDP	IND.PROD.		M	M	APR	0.0	0.1	MAY	0.1	1.2	JUN			<p>1</p>	<p>2</p>	<p>3</p> <p><b>INTERNATIONAL RESERVES</b> 8:15 AM</p> <table border="1"> <thead> <tr> <th></th> <th>\$BN CHANGE</th> <th>\$BN LEVEL</th> </tr> </thead> <tbody> <tr> <td>JUN</td> <td>-0.634</td> <td>55.4</td> </tr> <tr> <td>JUL</td> <td>1.918</td> <td>57.3</td> </tr> <tr> <td>AUG</td> <td></td> <td></td> </tr> </tbody> </table>		\$BN CHANGE	\$BN LEVEL	JUN	-0.634	55.4	JUL	1.918	57.3	AUG			
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# U.S. RELEASE AND EVENT DATES August/September 2010



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
<p>16</p> <p><b>NET CAPITAL INFLOWS TICS</b> 9:00 AM</p> <p>3, 10, 30-Yr NOTE SETTLEMENT</p>	<p>17</p> <p><b>PRODUCER PRICE INDEX</b> 8:30 AM M (SA) Y (NSA) MAY -0.3 5.3 JUN -0.5 2.8 JUL 0.2 4.2</p> <p><b>HOUSING STARTS</b> 8:30 AM MIL (AR) M MAY 0.588 -13.4 JUN 0.537 -8.7 JUL 0.546 1.7</p> <p><b>CAPACITY UTIL/IND. PROD.</b> 9:15 AM LEV M Y MAY 74.1 1.3 7.9 JUN 74.1 -0.1 8.2 JUL 74.8 1.0 7.7</p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>18</p>	<p>19</p> <p><b>LEADING INDICATOR</b> 10:00 AM</p> <p><b>PHILADELPHIA FED INDEX</b> 10:00 AM</p> <p>2, 5, 7-Yr NOTE ANNOUNCEMENT</p> <p>INITIAL JOBLESS CLAIMS (8:30)</p>	<p>20</p>
<p>23</p>	<p>24</p> <p><b>EXISTING HOME SALES</b> 10:00 AM</p> <p>2-Yr NOTE AUCTION</p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>25</p> <p><b>DURABLE GOODS ORDERS</b> 8:30 AM M Y MAY -0.7 15.3 JUN -1.2 15.8</p> <p>5-Yr NOTE AUCTION</p> <p><b>NEW HOME SALES</b> 10:00 AM</p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>26</p> <p>7-Yr NOTE AUCTION</p> <p>INITIAL JOBLESS CLAIMS (8:30)</p>	<p>27</p> <p><b>GDP</b> 8:30 AM (AR) REAL IMPLICIT GDP DEFLATOR 10:Q1 (F) 3.7 1.1 10:Q2(A) 2.4 0.8 10:Q2(P)</p> <p><b>CORPORATE PROFITS</b> 8:30 AM</p> <p><b>MICHIGAN SENTIMENT (F)</b> 10:00 AM</p> <p>Chair. Bernanke speaks in Jackson Hole at Kansas City Fed Conf, 10:30 AM ET</p>
<p>30</p> <p><b>PERS. INCOME &amp; OUTLAYS</b> 8:30 AM INCOME CONS SAVING RATE M M AR MAY 0.3 0.1 6.3 JUN 0.0 0.0 6.4 JUL</p>	<p>31</p> <p><b>S&amp;P/CASE-SHILLER HOUSE PRICE INDEX</b> 9:00 AM</p> <p><b>CHICAGO PMI</b> 9:45 AM</p> <p><b>CONSUMER CONFIDENCE</b> 10:00 AM</p> <p>2-, 5-, 7-Yr NOTE SETTLEMENT</p> <p><b>FOMC Minutes</b></p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>1</p> <p><b>ADP SURVEY</b> 8:15 AM</p> <p><b>ISM MFG SURVEY</b> 10:00 AM COMP. PRICES INDEX JUN 56.2 57.0 JUL 55.5 57.5 AUG</p> <p><b>LIGHT VEHICLES SALES MIL (AR) Y</b> JUN 11.139 13.7 JUL 11.522 2.2 AUG</p>	<p>2</p> <p><b>NON-FARM PRODUCTIVITY</b> 8:30 AM Q/Q (AR) Y/Y 10:Q1 (R) 3.9 6.1 10:Q2 (P) -0.9 3.9 10:Q2 (R)</p> <p><b>FACTORY ORDERS</b> 10:00 AM M Y MAY -1.8 13.9 JUN -1.2 11.3 JUL</p> <p>3-, 10-Yr BOND ANNOUNCEMENT 30-Yr NOTE ANNOUNCEMENT</p> <p>INITIAL JOBLESS CLAIMS (8:30)</p>	<p>3</p> <p><b>EMPLOY. SITUATION</b> 8:30 AM NON-FARM CIV AVG FARM UNEMP HRLY PAYROLL RATE EARN (000s) M % Y JUN -221 9.5 2.4 JUL -131 9.5 2.3 AUG</p> <p><b>ISM NON-MFG SURVEY</b> 10:00 AM</p>
<p>6</p> <p>LABOR DAY (HOLIDAY) (Markets Closed)</p>	<p>7</p> <p>3-Yr NOTE AUCTION</p>	<p>8</p> <p><b>Beige Book</b> <b>CONSUMER CREDIT</b> 3:00PM</p> <p>10-Yr NOTE AUCTION</p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>9</p> <p><b>GOODS &amp; SERVICES BALANCE (BOP) \$B</b> 8:30 AM GDS SERV TOT MAY -54.3 12.4 -42.0 JUN -62.0 12.1 -49.9 JUL</p> <p>30-Yr BOND AUCTION</p> <p>INITIAL JOBLESS CLAIMS (8:30)</p>	<p>10</p>
<p>13</p> <p>TREASURY BUDGET 2:00 PM</p>	<p>14</p> <p><b>RETAIL SALES</b> 8:30 AM M Y JUN -0.3 5.2 JUL 0.4 5.5 AUG</p> <p><b>BUSINESS INVENTORIES</b> 10:00 AM</p> <p>BOT (9:00) REDBOOK (10:40)</p>	<p>15</p> <p><b>CAPACITY UTIL/IND. PROD.</b> 9:15 AM LEV M Y JUN 74.1 -0.1 8.2 JUL 74.8 1.0 7.7 AUG</p> <p>3, 10-Yr NOTE ANNOUNCEMENT 30-Yr BOND ANNOUNCEMENT</p>	<p>16</p> <p><b>PRODUCER PRICE INDEX</b> 8:30 AM M (SA) Y (NSA) JUN -0.5 2.8 JUL 0.2 4.2 AUG</p> <p><b>CURRENT ACCOUNT BAL.</b> 8:30 AM</p> <p><b>NET CAPITAL INFLOWS TICS</b> 9:00 AM</p> <p><b>PHILADELPHIA FED INDEX</b> 10:00 AM</p> <p><b>MONEY SUPPLY M-2</b> 4:30 PM M Y JUN 0.4 1.8 JUL 0.0 2.0 AUG</p> <p>INITIAL JOBLESS CLAIMS (8:30)</p>	<p>17</p> <p><b>CPI</b> 8:30 AM M(SA) Y (NSA) JUN -0.1 1.1 JUL 0.3 1.2 AUG</p> <p><b>MICHIGAN SENTIMENT (P)</b> 10:00 AM</p>

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