



Economics

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"In absolute terms, however, only one of the three was actually a solid reading in terms of growth."

Good US Numbers? Or Just Not Horrible?

by Avery Shenfeld

Three data releases from the US this week brought more cheer to the equity markets than to those trying to track the fortunes of America's economy. In traders' parlance, the numbers were "better than expected", and therefore a reason to swing from the safety of bonds into the risky, but perhaps more rewarding, world of equities.

In absolute terms, however, only one of the three was actually a solid reading in terms of growth. That was the ISM manufacturing index, which at its August level of 56.3, has typically been associated with roughly 4% real GDP growth.

But the reason the market was so surprised is that other signposts for manufacturing have not lined up with the robust view indicated by the ISM. New orders, including core measures that strip out aircraft or defense, have shown little momentum in recent months, at a time when both the ISM and its orders component pointed to better figures. The ISM employment index claimed manufacturers were hiring, while August payrolls instead showed small net job losses. And finally, most of the regional factory purchasers indexes were heading lower in August just as the NAPM pressed higher. So we have some reasons to be skeptical on the degree of strength indicated by the latter.

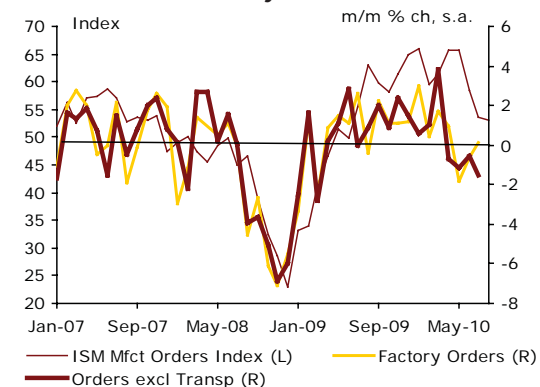
The other two reports that caught market attention beat expectations, but in absolute terms were still weak. The pace of private sector job creation, at 67,000 in August, and an average of 78,000 in the last three months, is not indicative of recession. But these tallies are still a far cry from

the 200,000 pace we would need to sustain to make significant inroads in the unemployment rate over the medium term.

Pending home sales looked good only in the one-month percentage change. That came after two abysmal months that were artificially low because sales had earlier been rushed to beat the deadline for an expiring tax incentive. The latest tally was still the third weakest on record, despite new lows in interest rates and still-cheap house prices.

So America-watchers enter the week ahead not far from where they stood a week earlier. The news suggested that those expecting a double dip, and particularly those believing we had already entered a US recession, are off the mark. To the extent that Treasury yields were starting to price in such a scenario, the latest news was a wake-up call. But we are also tracking a US economy that is nowhere near the pace it needs to be at this stage of the business cycle, one still needing easy monetary policy and a softening in next year's planned fiscal tightening if it is going to stay out of trouble.

Actual Orders Less Rosy Than ISM



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



Week Ahead Calendar And Forecast

CANADA		CIBC		Consensus		Prior		UNITED STATES		CIBC		Consensus		Prior	
Monday September 6	Markets closed							Markets closed							
Tuesday September 7	Markets closed							AUCTION: 3-M BILLS \$30B (prev), 6-M BILLS \$30B (prev) AUCTION: 3-YR TREASURIES \$34B (prev)							
Wednesday September 8	8:30 AM BUILDING PERMITS M/M	(Jul) (L)		-4.80%		6.5%		AUCTION: 4-WEEK BILLS \$34B (prev) AUCTION: 10-YR TREASURIES \$24B (prev)							
	9:00 AM BANK OF CANADA RATE	(Sep) (H)	0.75%	1.00%	0.75%		7:00 AM MBA-APPLICATIONS	Sep-03 (L)							2.7%
	10:00 AM IVEY PMI	(Aug) (L)		55.5	54		2:00 PM FED'S BEIGE BOOK								
							3:00 PM CONSUMER CREDIT	(Jul) (L)							-1.3B
Thursday September 9	8:15 AM HOUSING STARTS SAAR	(Aug) (M)	184K	185K	189K		AUCTION: 30-YR TREASURIES \$16B (prev)								
	8:30 AM MERCHANDISE TRADE BALANCE	(Jul) (H)	-\$0.8B	-\$0.8B	-\$1.1B		8:30 AM CONTINUING CLAIMS	Aug-28 (H)							4445K
	NEW HOUSING PRICES M/M	(Jul) (L)		0.2%	0.1%		INITIAL CLAIMS	Sep-04 (H)							470K
							GOODS & SERVICES TRADE BALANCE	(Jul) (H)							-\$47.5B
Friday September 10	7:00 AM EMPLOYMENT CHANGE	(Aug) (H)	30K	25K	-9.3K		10:00 AM WHOLESALE INVENTORIES M/M	(Jul) (L)							0.4%
	UNEMPLOYMENT RATE	(Aug) (H)	8.0%	8.0%	8.0%										0.1%
				SAAR = Seasonally Adjusted Annual Rate		Consensus Source: Reuters (Canada), Bloomberg (US)									
				H, M, L = High, Medium or Low Significance											

Week Ahead's Market Call

by Avery Shenfeld

In the US, the trading week will not only be short on days, but will be short on economic news as well, with the bond market likely focused more on how well new supply gets digested. Jobless claims might catch the most attention, but they are likely to remain stuck in the same sideways range that has prevailed for many months. The Beige Book is worth a read for a qualitative, but quite up-to-date, assessment of growth trends.

In Canada, the Bank of Canada's decision should be a close call. We advocated standing pat for now, with elbow room to do so created by downside surprises in inflation readings, and the economy tracking only 1½% annualized growth when measured from March's monthly GDP to June's. But we admit that such a step will require a big change of heart from Carney's team, which had been much more optimistic on growth in its last forecast. We've assumed about half of the teaching jobs that vanished last month will be replenished in the August figures (consistent with the last late-Labour-day year), so our call for a 30K gain in employment is actually weak, counting on a flat reading excluding education.

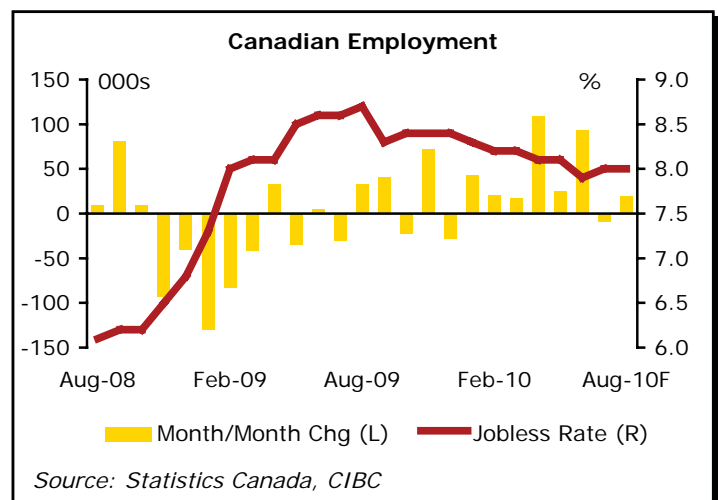
Week Ahead’s Key Canadian Number:

Labour Force Survey—August

(Friday, 7:00 a.m.)

Krishen Rangasamy (416) 956-3219

	CIBC	Mkt	Prior
Employment	30K	25K	-9K
Unemployment Rate	8.0%	8.0%	8.0%



The Canadian labour market’s hot streak ended in July with the first monthly drop in total employment this year. While we don’t usually make much of one month of employment data, preferring instead to look at the more reliable 6 month average, July’s report is worth a closer look because it included a somewhat suspicious drop of 65,000 education-related positions.

We’ve seen large declines in education employment in July in each of the last three years. That coincided, of course, with the end of the school year but should have been taken care of by the seasonal adjustment factor. Clearly, it hasn’t. Note that in two of the last three years, the July drops in education employment were reversed in the subsequent month. We’re anticipating a reversal this year as well, albeit to a lesser extent, given the later start to the school year.

With GDP growth now quite tepid, don’t expect the labour market to replicate Q2’s impressive performance anytime soon. The slowdown will have employers exercise more caution in expanding payrolls. Our call for 30,000 net new jobs for August reflects the recoupment of about half of the lost teaching positions in the prior month, with zero net new jobs created excluding education. That should keep the unemployment rate unchanged at 8%.

Forecast Implications—After pumping out 308,000 jobs in the first half of the year, the Canadian labour market will ramp down a notch in line with slower economic growth. So, expect the unemployment rate to remain sticky near current levels in coming months.

Market Impact—We are too close to consensus to cause any market reaction if our call is on the mark.

Other Canadian Releases:

Merchandise Trade Balance—July

(Thursday, 8:30 am)

Canadian trade may have started the current quarter like it ended the prior one, with another deficit on the merchandise trade account. Still, the expected \$800 million deficit represents a small improvement from June. The autos trade deficit may have narrowed a bit, helped by stronger US vehicle sales which fuelled demand for Canadian-made autos and parts. The broad ‘industrial goods and materials’ category, which dipped into deficit for the first time in 17 months, likely returned to black

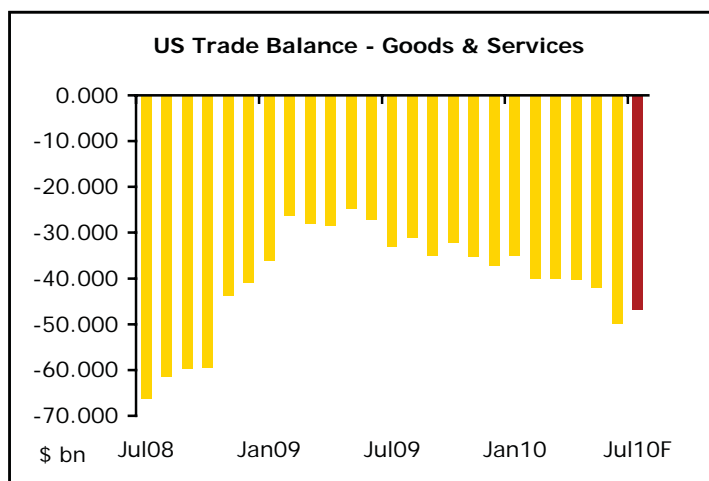
ink in July, helped by higher industrial product prices. However, the energy trade surplus may not have seen major improvements with softer energy prices offsetting any rebound in export volumes. All told, the goods trade report should reinforce the notion that the current account deficit will remain large over the near to medium term, leaving the Canadian dollar vulnerable to capital outflows.

**Week Ahead’s Key US Number:
Goods & Services Trade Balance—July**

(Thursday, 8:30 a.m.)

Peter Buchanan (416) 594-7354

	CIBC	Mkt	Prior
Goods & Services Bal.	-\$46.8B	-\$47.5B	-49.9B



After an ugly deterioration in June, July’s balance should show improvement, as weak domestic spending restrains imports while exports regain some of the ground lost in the preceding month. We expect the deficit to tip the scales at around \$46.8 billion. That’s roughly a \$3 billion improvement on June, when the gap widened to its highest level in 20 months, and slightly narrower than what the consensus currently anticipates. Although durable goods orders disappointed in July, shipments were up over 1% on the month with healthy increases of 7% or more, in both the export-intensive transportation equipment and computer/electronics areas. On the reverse side of the ledger, softening growth will help to restrain demand for a range of imports although Q2’s solid momentum in business equipment spending should see continued traction in that category. Oil prices showed little change on the month, suggesting the energy deficit remained in a holding pattern.

Forecast Implications—The widening trade balance shaved a whopping 3%-pts from Q2 GDP growth, contributing to the economy’s softest performance in a year. A narrower gap in July could be a sign that the export-import position isn’t destined to be quite as large a spoiler in Q3. That doesn’t spell good times by any means, with housing cratering, following the tax credit’s expiry and consumers still in a deleveraging mode. But it is one of a number of factors that lead us to believe that a double dip is an outside chance rather than the most probable outcome at this stage.

Market Impact— Our expectation for the trade deficit is on the low side of the consensus and could therefore provide some support for the US\$.

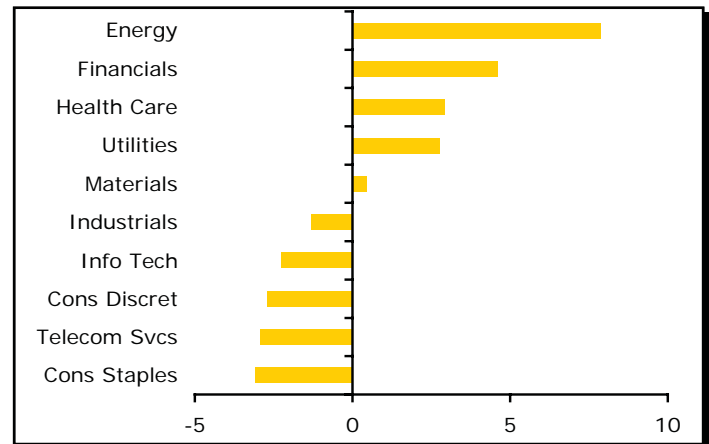
Equity Insights

Peter Buchanan

Analysts Raise TSX Financial, Energy Outlook; More Guarded on Telecoms, Info Tech

With only a few Q2 stragglers still to cross the plate, analysts have been turning their attention to the earnings landscape ahead. Insurers' losses dragged financial sector earnings down to the weakest year-on-year performance of any sector in Q2. Low natural gas prices hurt upstream energy producers. Those sectors have led in positive revisions momentum, with next year's earnings expected, in both cases, to come in measurably above what analysts collectively were expecting three months ago. The sectors with highest EPS beat rates in Q2, meanwhile, were telecom and info tech. Analysts have trimmed their forward earnings estimates modestly for those segments. The downshift in tech coincides with growing competitive pressures in some sectors and slowing PC sales.

Change in Consensus 2011 TSX Composite Earnings Estimates in Last 3 Months (%)

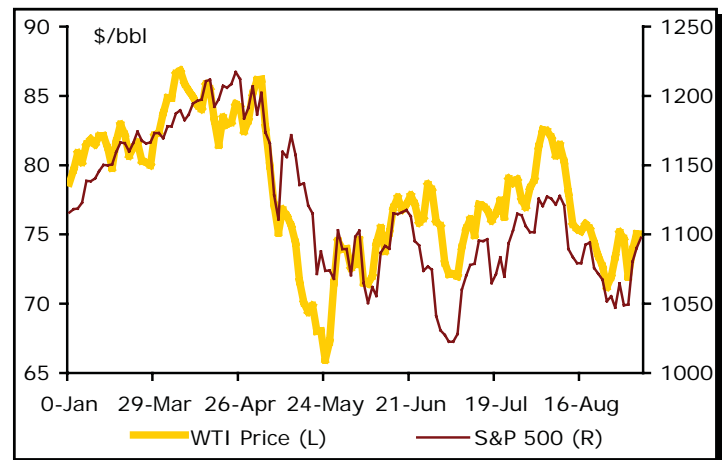


Source: Thomson Reuters, CIBC

Oil Prices and Stock Markets in a Close Embrace

Speculators' influence on energy prices has been hotly debated in recent years. While argumentation continues, the uncanny fit between spot oil prices and the S&P 500 is evidence that prices for some key commodities track financial market conditions much more closely than they once did. Stocks were a prime casualty in the past when supply-driven price spikes sparked recession fears. Today's altered relationship is likely due, in part, to the fact that the focus these days is on demand, with oil and stocks both reacting similarly to the incoming economic news. The wider acceptance of commodities as an asset class means, moreover, that more investors are holding both commodities and stocks. That makes it likelier that changes in sentiment will impact both asset classes similarly.

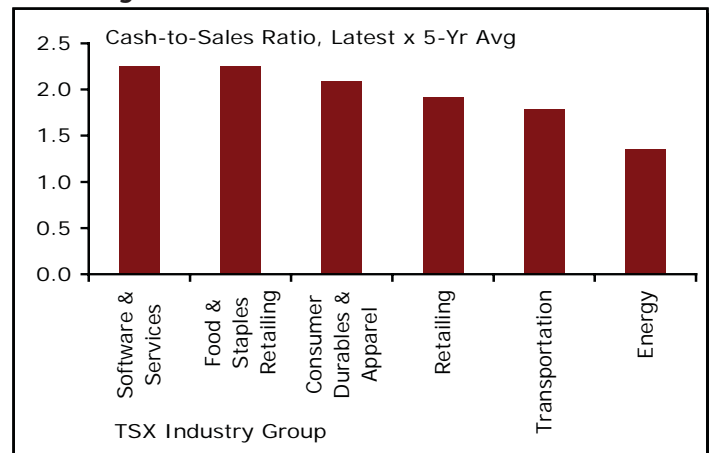
Crude and Stock Prices Moving Together Recently



Corporate Cash Levels Remain High

Canadian firms, like their US counterparts, seem to be taking to heart the old but tested principle that cash is king in challenging times. Cash levels for non-financial TSX Composite members were about 26% above normal at the end of Q2, based on the average cash-to-sales ratio of the last five years. That's a bit more than at the end of Q1. Retailers in particular remained liquid, with a number of other sectors including energy and software companies having above-average levels of cash. Companies appear to be trying to keep levels high as a guard against uncertainty with fewer dividend hikes so far in Q3 than in the first half of the year.

Guarding the Cash



6 Source: Bloomberg, CIBC

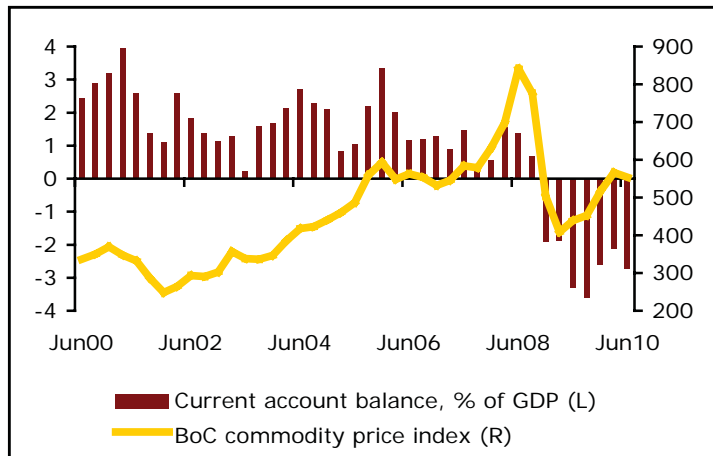
Currency Currents

Krishen Rangasamy

C\$ Volatility to Increase

At 2.7% of GDP, Canada's current account deficit in Q2 was the third worst on record. And with US growth remaining soft, and commodity prices staying off their 2008 highs, don't expect a major improvement on the current account soon. That, of course, leaves the Canadian dollar vulnerable to capital outflows. While foreign direct investment and foreign demand for Canadian bonds should remain healthy over the longer term, buoyed by Canada's strength in resources and superior fiscal standing, a period of global risk aversion could diminish those inflows over the near-to-medium term. So expect some extra C\$ volatility ahead.

Canadian Current Account Balance and Commodity Prices

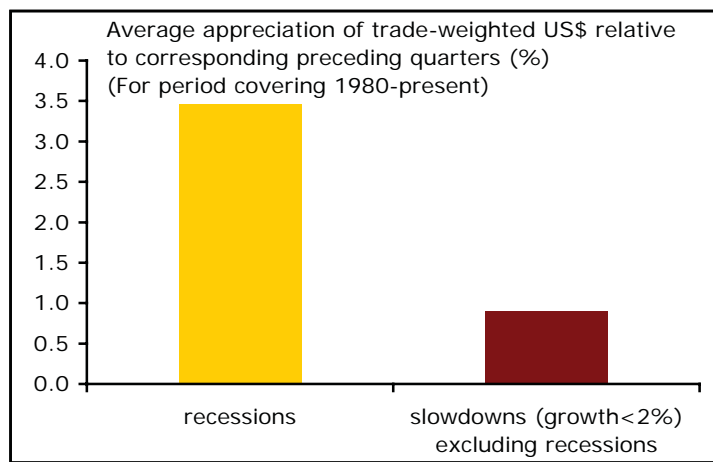


Source: Statistics Canada, Bank of Canada, CIBC

US\$ Tends to Do Well in Periods of Slow Growth

Talk of a US double-dip recession has been reinforced by a sluggish Q2 and the continuing weakness in the housing and labour markets. While we're not in the double-dip camp, taking encouragement from the still-healthy ISM and ADS indices, and reasonable corporate spreads, we acknowledge a forthcoming period of sub-par growth for the US, possibly below 2%. That's good news for the US\$, if history is any guide. In fact, over the last three decades, the greenback has benefited from risk aversion associated with recessions or periods of slow growth.

US\$ Showed Decent Gains in Past Recessions or Slowdowns

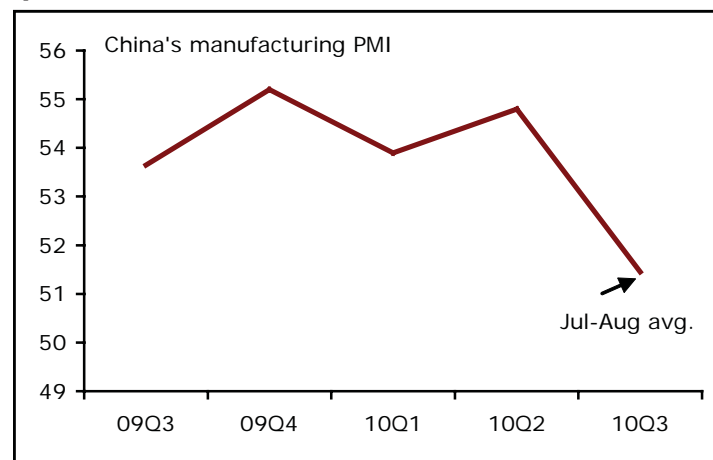


Source: Haver Analytics, CIBC

Brazilian Real Overshoots

After raising interest rates 200 basis points, the Banco Central do Brasil took a pause in August. But the anticipated decline in the real did not materialize, with the currency instead gaining solace from the uptick in China's August manufacturing PMI and the expected inflows from the forthcoming equity issue by Brazil's oil giant Petrobras. The real's ascent may, however, have been an over-reaction. Third quarter PMI for China is averaging below Q2's levels, suggesting a slowdown, and hence a negative for Brazil's exports. Also, markets are seemingly underestimating the Banco's ability to intervene in currency markets to stem real overshoots.

Despite August Uptick, China's PMI Still Averaging Below Q2's Levels



Source: Bloomberg, CIBC

CANADIAN RELEASE AND EVENT DATES

August/September 2010



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
<p>30</p> <p>BALANCE OF INT'L PAYMENTS</p> <p>8:30 AM CURR. ACCT. BAL. \$BN(QR) \$BN(AR)</p> <p>09:Q4 -10.2 -40.8</p> <p>10:Q1 -8.5 -33.8</p> <p>10:Q2 -11.0 -44.1</p> <p>INDUSTRIAL PRICES</p> <p>8:30 AM M (NSA) Y</p> <p>MAY 0.4 1.5</p> <p>JUN -0.9 0.2</p> <p>JUL 0.1 1.0</p>	<p>31</p> <p>NATIONAL ACCOUNTS</p> <p>8:30 AM REAL PRICE GDP DEF LATOR %ch AR %ch AR</p> <p>09:Q4 4.9 3.8</p> <p>10:Q1 5.8 3.7</p> <p>10:Q2 2.0 1.0</p> <p>GDP BY INDUSTRY (2002\$)</p> <p>8:30 AM GDP IND.PROD. M M</p> <p>APR 0.0 0.1</p> <p>MAY 0.1 1.0</p> <p>JUN 0.2 0.6</p>	<p>1</p>	<p>2</p>	<p>3</p> <p>INTERNATIONAL RESERVES</p> <p>8:15 AM \$BN \$BN CHANGE LEVEL</p> <p>JUN -0.634 55.4</p> <p>JUL 1.918 57.3</p> <p>AUG 0.589 57.9</p>
<p>6</p> <p>LABOUR DAY (HOLIDAY) (Markets Closed)</p>	<p>7</p>	<p>8</p> <p>BUILDING PERMITS (\$)</p> <p>8:30 AM M M (RES) (NON-RES)</p> <p>MAY -3.3 -14.8</p> <p>JUN -4.5 23.5</p> <p>JUL</p> <p>Bank of Canada Interest Rate Announcement</p> <p>IVEY PURCHASING MANAGERS' INDEX</p> <p>10:00 AM</p>	<p>9</p> <p>HOUSING STARTS</p> <p>8:15 AM 000's (AR) TOTAL SINGLES</p> <p>JUN 192 77</p> <p>JUL 189 68</p> <p>AUG</p> <p>MERCHANDISE TRADE</p> <p>8:30 AM \$MN 12 MO. BALANCE</p> <p>MAY -695 -2,362</p> <p>JUN -1,132 -3,391</p> <p>JUL</p> <p>NEW HOUSING PRICE INDEX</p> <p>8:30 AM</p>	<p>10</p> <p>LABOUR FORCE SURVEY</p> <p>7:00 AM AVG EMPLOY UNEMP HRLY (HOUSE) RATE EARN M Y % Y</p> <p>JUN 0.5 2.2 7.9 2.0</p> <p>JUL -0.1 2.3 8.0 2.6</p> <p>AUG</p>
<p>13</p>	<p>14</p> <p>CAR & TRUCK SALES</p> <p>8:30 AM 000's (AR) TOTAL DOM.BUILT CAR SALE</p> <p>MAY 1,524 369</p> <p>JUN 1,562 377</p> <p>JUL</p> <p>LABOUR PRODUCTIVITY</p> <p>8:30 AM</p> <p>CAPACITY UTILIZATION</p> <p>8:30 AM LEVEL (%) TOTAL MANUF.</p> <p>09:Q4 71.3 70.7</p> <p>10:Q1 74.2 75.0</p> <p>10:Q2</p>	<p>15</p> <p>SURVEY OF MANUFACTURING SHIPMENTS</p> <p>8:30 AM M Y</p> <p>MAY 0.5 16.4</p> <p>JUN 0.1 12.7</p> <p>JUL</p> <p>WAGE SETTLEMENTS</p> <p>10:00 AM (%) PVT. PUB. TOT.</p> <p>MAY 2.4 1.9 2.3</p> <p>JUN 2.9 2.0 2.2</p> <p>JUL</p>	<p>16</p>	<p>17</p>
<p>20</p> <p>INT'L TRANSACTIONS IN SECURITIES C\$BN, NET</p> <p>8:30 AM BONDS MONEY STOCKS TOT MARKET</p> <p>MAY 15.2 2.7 5.2 23.0</p> <p>JUN 7.0 -1.6 0.0 5.4</p> <p>JUL</p> <p>WHOLESALE TRADE</p> <p>8:30 AM</p>	<p>21</p> <p>CONSUMER PRICE INDEX</p> <p>7:00 AM M (NSA) Y</p> <p>JUN -0.1 1.0</p> <p>JUL 0.5 1.8</p> <p>AUG</p>	<p>22</p> <p>RETAIL TRADE (Current\$)</p> <p>8:30 AM M Y</p> <p>MAY -0.4 4.9</p> <p>JUN 0.1 3.8</p> <p>JUL</p> <p>LEADING INDICATOR</p> <p>8:30 AM</p>	<p>23</p>	<p>24</p> <p>PAYROLL EMPLOYMENT, EARNINGS & HOURS</p> <p>8:30 AM</p>
<p>27</p>	<p>28</p>	<p>29</p> <p>INDUSTRIAL PRICES</p> <p>8:30 AM M (NSA) Y</p> <p>JUN -0.9 0.2</p> <p>JUL 0.1 1.0</p> <p>AUG</p>	<p>30</p> <p>GDP BY INDUSTRY (2002\$)</p> <p>8:30 AM GDP IND.PROD. M M</p> <p>MAY 0.1 1.0</p> <p>JUN 0.2 0.6</p> <p>JUL</p>	<p>1</p>

All data seasonally adjusted except where noted "NSA". M: per cent change from previous month. Q: per cent change from previous quarter at annual rates. Y: per cent change from year earlier. AR: Annual Rate. YTD: Year to date. Release dates are provided by sources outside CIBC World Markets Inc. Dates are subject to change. Sources for historical data: Statistics Canada, CMHC, Human Resources Development Canada and the Bank of Canada.

U.S. RELEASE AND EVENT DATES August/September 2010



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY																																																																										
<p>30</p> <p>PERS. INCOME & OUTLAYS</p> <p>8:30 AM SAVING</p> <table border="1"> <thead> <tr> <th></th> <th>INCOME</th> <th>CONS</th> <th>RATE</th> </tr> </thead> <tbody> <tr> <td></td> <td>M</td> <td>M</td> <td>AR</td> </tr> <tr> <td>MAY</td> <td>0.3</td> <td>0.1</td> <td>6.1</td> </tr> <tr> <td>JUN</td> <td>0.0</td> <td>0.0</td> <td>6.2</td> </tr> <tr> <td>JUL</td> <td>0.2</td> <td>0.4</td> <td>5.9</td> </tr> </tbody> </table>		INCOME	CONS	RATE		M	M	AR	MAY	0.3	0.1	6.1	JUN	0.0	0.0	6.2	JUL	0.2	0.4	5.9	<p>31</p> <p>S&P/CASE-SHILLER HOUSE PRICE INDEX</p> <p>9:00 AM</p> <p>CHICAGO PMI</p> <p>9:45 AM</p> <p>CONSUMER CONFIDENCE</p> <p>10:00 AM</p> <p>2-, 5-, 7-Yr NOTE SETTLEMENT</p> <p>FOMC Minutes</p> <p><i>BOT (9:00) REDBOOK (10:40)</i></p>	<p>1</p> <p>ADP SURVEY</p> <p>8:15 AM</p> <p>ISM MFG SURVEY</p> <p>10:00 AM COMP. PRICES INDEX INDEX</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>56.2</td> <td>57.0</td> <td>57.5</td> <td>61.5</td> </tr> </tbody> </table> <p>LIGHT VEHICLES</p> <p>SALES MIL (AR) Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>11.140</td> <td>13.8</td> <td>11.527</td> <td>2.2</td> </tr> <tr> <td>11.439</td> <td>-19.1</td> <td></td> <td></td> </tr> </tbody> </table>		JUN	JUL	AUG	56.2	57.0	57.5	61.5		JUN	JUL	AUG	11.140	13.8	11.527	2.2	11.439	-19.1			<p>2</p> <p>NON-FARM PRODUCTIVITY</p> <p>8:30 AM Q/Q (AR) Y/Y</p> <table border="1"> <thead> <tr> <th></th> <th>10:Q1 (R)</th> <th>10:Q2 (R)</th> </tr> </thead> <tbody> <tr> <td>3.9</td> <td>6.1</td> <td>-1.8</td> </tr> </tbody> </table> <p>FACTORY ORDERS</p> <p>10:00 AM M Y</p> <table border="1"> <thead> <tr> <th></th> <th>MAY</th> <th>JUN</th> <th>JUL</th> </tr> </thead> <tbody> <tr> <td>-1.8</td> <td>13.9</td> <td>-0.6</td> <td>11.9</td> </tr> <tr> <td>0.1</td> <td>9.2</td> <td></td> <td></td> </tr> </tbody> </table> <p>3-, 10-Yr BOND ANNOUNCEMENT</p> <p>30-Yr NOTE ANNOUNCEMENT</p> <p><i>INITIAL JOBLESS CLAIMS (8:30)</i></p>		10:Q1 (R)	10:Q2 (R)	3.9	6.1	-1.8		MAY	JUN	JUL	-1.8	13.9	-0.6	11.9	0.1	9.2			<p>3</p> <p>EMPLOY. SITUATION</p> <p>8:30 AM</p> <table border="1"> <thead> <tr> <th></th> <th>NON-FARM PAYROLL (000s) M</th> <th>CIV UNEMP RATE</th> <th>AVG HRLY EARN Y</th> </tr> </thead> <tbody> <tr> <td>JUN</td> <td>-175</td> <td>9.5</td> <td>2.4</td> </tr> <tr> <td>JUL</td> <td>-54</td> <td>9.5</td> <td>2.3</td> </tr> <tr> <td>AUG</td> <td>-54</td> <td>9.6</td> <td>2.1</td> </tr> </tbody> </table> <p>ISM NON-MFG SURVEY</p> <p>10:00 AM</p>		NON-FARM PAYROLL (000s) M	CIV UNEMP RATE	AVG HRLY EARN Y	JUN	-175	9.5	2.4	JUL	-54	9.5	2.3	AUG	-54	9.6	2.1
	INCOME	CONS	RATE																																																																											
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MAY	0.3	0.1	6.1																																																																											
JUN	0.0	0.0	6.2																																																																											
JUL	0.2	0.4	5.9																																																																											
	JUN	JUL	AUG																																																																											
56.2	57.0	57.5	61.5																																																																											
	JUN	JUL	AUG																																																																											
11.140	13.8	11.527	2.2																																																																											
11.439	-19.1																																																																													
	10:Q1 (R)	10:Q2 (R)																																																																												
3.9	6.1	-1.8																																																																												
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	NON-FARM PAYROLL (000s) M	CIV UNEMP RATE	AVG HRLY EARN Y																																																																											
JUN	-175	9.5	2.4																																																																											
JUL	-54	9.5	2.3																																																																											
AUG	-54	9.6	2.1																																																																											
<p>6</p> <p>LABOR DAY (HOLIDAY) (Markets Closed)</p>	<p>7</p> <p>3-Yr NOTE AUCTION</p>	<p>8</p> <p>Beige Book</p> <p>CONSUMER CREDIT</p> <p>3:00PM</p> <p>10-Yr NOTE AUCTION</p> <p><i>BOT (9:00) REDBOOK (10:40)</i></p>	<p>9</p> <p>GOODS & SERVICES BALANCE (BOP) \$B</p> <p>8:30 AM GDS SERV TOT</p> <table border="1"> <thead> <tr> <th></th> <th>MAY</th> <th>JUN</th> <th>JUL</th> </tr> </thead> <tbody> <tr> <td>-54.3</td> <td>12.4</td> <td>-42.0</td> <td>-49.9</td> </tr> </tbody> </table> <p>30-Yr BOND AUCTION</p> <p><i>INITIAL JOBLESS CLAIMS (8:30)</i></p>		MAY	JUN	JUL	-54.3	12.4	-42.0	-49.9	<p>10</p>																																																																		
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<p>13</p> <p>TREASURY BUDGET</p> <p>2:00 PM</p>	<p>14</p> <p>RETAIL SALES</p> <p>8:30 AM M Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>-0.3</td> <td>5.2</td> <td>0.4</td> <td>5.5</td> </tr> </tbody> </table> <p>BUSINESS INVENTORIES</p> <p>10:00 AM</p> <p><i>BOT (9:00) REDBOOK (10:40)</i></p>		JUN	JUL	AUG	-0.3	5.2	0.4	5.5	<p>15</p> <p>CAPACITY UTIL./IND. PROD.</p> <p>9:15 AM LEV M Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>74.1</td> <td>-0.1</td> <td>8.2</td> <td>7.7</td> </tr> </tbody> </table> <p>3, 10-Yr NOTE ANNOUNCEMENT</p> <p>30-Yr BOND ANNOUNCEMENT</p>		JUN	JUL	AUG	74.1	-0.1	8.2	7.7	<p>16</p> <p>PRODUCER PRICE INDEX</p> <p>8:30 AM M (SA) Y (NSA)</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>-0.5</td> <td>2.8</td> <td>0.2</td> <td>4.2</td> </tr> </tbody> </table> <p>CURRENT ACCOUNT BAL.</p> <p>8:30 AM</p> <p>NET CAPITAL INFLOWS TICS</p> <p>9:00 AM</p> <p>PHILADELPHIA FED INDEX</p> <p>10:00 AM</p> <p>MONEY SUPPLY M-2</p> <p>4:30 PM M Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>0.4</td> <td>1.8</td> <td>0.0</td> <td>2.0</td> </tr> </tbody> </table> <p><i>INITIAL JOBLESS CLAIMS (8:30)</i></p>		JUN	JUL	AUG	-0.5	2.8	0.2	4.2		JUN	JUL	AUG	0.4	1.8	0.0	2.0	<p>17</p> <p>CPI</p> <p>8:30 AM M(SA) Y (NSA)</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>-0.1</td> <td>1.1</td> <td>0.3</td> <td>1.2</td> </tr> </tbody> </table> <p>MICHIGAN SENTIMENT (P)</p> <p>10:00 AM</p>		JUN	JUL	AUG	-0.1	1.1	0.3	1.2																																		
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<p>20</p> <p>HOUSING STARTS</p> <p>8:30 AM MIL (AR) M</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>0.537</td> <td>-8.7</td> <td>0.546</td> <td>1.7</td> </tr> </tbody> </table> <p>FOMC Rate Decision</p> <p><i>BOT (9:00) REDBOOK (10:40)</i></p>		JUN	JUL	AUG	0.537	-8.7	0.546	1.7	<p>21</p>	<p>22</p>	<p>23</p> <p>EXISTING HOME SALES</p> <p>10:00 AM</p> <p>LEADING INDICATOR</p> <p>10:00 AM</p> <p>2, 5, 7-Yr NOTE ANNOUNCEMENT</p> <p><i>INITIAL JOBLESS CLAIMS (8:30)</i></p>	<p>24</p> <p>DURABLE GOODS ORDERS</p> <p>8:30 AM M Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUN</th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>-0.2</td> <td>17.0</td> <td>0.4</td> <td>9.3</td> </tr> </tbody> </table> <p>NEW HOME SALES</p> <p>10:00 AM</p>		JUN	JUL	AUG	-0.2	17.0	0.4	9.3																																																										
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<p>27</p> <p>2-Yr NOTE AUCTION</p>	<p>28</p> <p>S&P/CASE-SHILLER HOUSE PRICE INDEX</p> <p>9:00 AM</p> <p>CONSUMER CONFIDENCE</p> <p>10:00 AM</p> <p>5-Yr NOTE AUCTION</p> <p><i>BOT (9:00) REDBOOK (10:40)</i></p>	<p>29</p> <p>7-Yr NOTE AUCTION</p>	<p>30</p> <p>GDP</p> <p>8:30 AM (AR)</p> <table border="1"> <thead> <tr> <th></th> <th>10:Q1 (F)</th> <th>10:Q2 (P)</th> <th>10:Q2 (F)</th> </tr> </thead> <tbody> <tr> <td>3.7</td> <td>1.1</td> <td>1.6</td> <td>2.0</td> </tr> </tbody> </table> <p>CORPORATE PROFITS</p> <p>8:30 AM</p> <p>CHICAGO PMI</p> <p>9:45 AM</p> <p>2-, 5-, 7-Yr NOTE SETTLEMENT</p> <p><i>INITIAL JOBLESS CLAIMS (8:30)</i></p>		10:Q1 (F)	10:Q2 (P)	10:Q2 (F)	3.7	1.1	1.6	2.0	<p>1</p> <p>PERS. INCOME & OUTLAYS</p> <p>8:30 AM SAVING</p> <table border="1"> <thead> <tr> <th></th> <th>INCOME</th> <th>CONS</th> <th>RATE</th> </tr> </thead> <tbody> <tr> <td></td> <td>M</td> <td>M</td> <td>AR</td> </tr> <tr> <td>JUN</td> <td>0.0</td> <td>0.0</td> <td>6.2</td> </tr> <tr> <td>JUL</td> <td>0.2</td> <td>0.4</td> <td>5.9</td> </tr> </tbody> </table> <p>ISM MFG SURVEY</p> <p>10:00 AM COMP. PRICES INDEX INDEX</p> <table border="1"> <thead> <tr> <th></th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>55.5</td> <td>57.5</td> <td>61.5</td> </tr> </tbody> </table> <p>MICHIGAN SENTIMENT (F)</p> <p>10:00 AM</p> <p>LIGHT VEHICLES</p> <p>SALES MIL (AR) Y</p> <table border="1"> <thead> <tr> <th></th> <th>JUL</th> <th>AUG</th> </tr> </thead> <tbody> <tr> <td>11.527</td> <td>2.2</td> <td>11.439</td> </tr> <tr> <td>-19.1</td> <td></td> <td></td> </tr> </tbody> </table>		INCOME	CONS	RATE		M	M	AR	JUN	0.0	0.0	6.2	JUL	0.2	0.4	5.9		JUL	AUG	55.5	57.5	61.5		JUL	AUG	11.527	2.2	11.439	-19.1																																					
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All data seasonally adjusted except where noted "NSA". M: per cent change from previous month. Q: per cent change from previous quarter at annual rates. Y: per cent change from year earlier. AR: Annual Rate. YTD: Year to date. Release dates are provided by sources outside CIBC World Markets inc. Dates are subject to change. Sources for historical data: U.S. Department of Commerce, U.S. Department of Labor and U.S. Federal Reserve Board.

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