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## Weekly Economic News & Updates

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### FOMC NEWS!

If “no news is good news,” then today ought to be a great day. But, it’s Fed Week and the FOMC will begin its meeting tomorrow with the Chairman’s Press Conference scheduled for Wednesday afternoon. Before that happens, though, the New York Fed will kick off the week’s data pronouncements with the release of its Empire Manufacturing Index first thing tomorrow. That measure is expected to show some substantial improvement with a move in September to a value of 7, up from August’s level of 3.7. Also tomorrow, the BLS is expected to report that its Import Price Index rose by 0.5% in August as Export Prices rose 0.4%. Year-over-year, that should take the Import Price Index to minus 2.2% from minus 3.3%; a little less deflationary. Market surveys don’t have a year-over-year forecast for Export Prices, but that measure was minus 4.4% in August. Also on Tuesday, the Federal Reserve is expected to report that Industrial Production rose 1% last month with Capacity Utilization also rising to 71.4% from 70.6%. Any indications that the economy’s massive output gap is narrowing is a good sign, but we’ve got a long way to go. Tomorrow will also see the Treasury selling another \$22B Twenty-Year bonds as those efforts continue to go a long way.

### RETAIL SALES

On Wednesday morning, the Census Bureau will release its August report for Retail Sales and an overall rise of 1% is expected as a follow-up to July’s gain of 1.2%. Core Retail Sales, without food services, auto dealers, gas stations, and building materials, should post a gain of 0.4% in a pull-back from July’s rise of 1.4%. Also on that day, the National Association of Home Builders is expected to report that its Housing Market Index was unchanged this month with a value of 78; a little bit surprising amid all the activity in the housing market.

We’ll learn a bit more about that activity on Thursday with what might be a disconcerting report from the Census Bureau showing that Housing Starts fell 1.1% last month after July’s spike of almost 23%. New Building Permits are expected to have risen 2.5% last month after July’s burst of around 18%. Also mildly disappointing may be the Philadelphia Fed’s September reading of its Business Conditions Outlook Survey. That broad measure might have slipped to 15 this month and that would be down a bit from August’s level of 17.2.

### EMPLOYEEMENT NEWS

Thursday also brings the weekly Jobless Claims totals and, for the week ending September 12th, Initial Claims

### Lobbies are open!

#### WEEKLY QUOTE

*“Popularity: it is glory’s small change.”*

**VICTOR HUGO**

#### WEEKLY TIP

*Some companies match employee retirement plan contributions. So if your budget allows, contribute enough to qualify for the match.*

#### WEEKLY RIDDLE

*A plastic bottle filled with cola weighs one liter. What do you need to add to it to make it weigh less than two ounces*

#### Last week’s answer:

**9:00 PM.**

Sources: MarketingPro, Financial Strategies Group, The Baker Group, wsj.com, bigcharts.com, treasury.gov, Randy Baker and Chris Low and Rebecca Kooshak FTN Financial  
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are expected to be 850k, down slightly from the prior week's 884k. Continuing Claims for the week ending September 5th are also expected to dip slightly to around 13M from the prior week's 13.39M. Despite September's upbeat Jobs Report, the slow pace of decline in these totals have caused disquiet among policy-makers.

#### **OTHER NEWS**

If there's disquiet among consumers, it may be revealed on Friday with the release of the University of Michigan's preliminary September report on Consumer Sentiment. The broad Sentiment Index is expected to have moved up slightly to 75 from 74.1. The Conference Board will also be chiming in on Friday with a report showing that its Index of Leading Economic Indicators rose 1.3% in August in a positive follow-up to July's improvement of 1.4%.

So far today, the Treasury market has recovered from some early morning slippage with a modest rally pushing the Ten-Year's yield down to around 65 basis points as the Long Bond has slipped below 1.40%. The short-end is pretty steady with a 13 basis point Two-Year. Gold is up around \$15 to \$1,956 while crude oil is struggling to hold on to a \$37 handle. So, while there's not much news today, there is Monday Night Football. Have a great week; be careful out there.