



MNI US DataWatch

By Kevin Kastner

The October 5 week's most interesting event will be the FOMC minutes released Thursday what will provide some background insight into the September 16-17 meeting and decision to maintain the existing level of the Fed Funds rate. Outside of that, the key data point will come Monday with the nonmanufacturing index for September, which is expected to decline further to 57.8 from 59.0 in August. Other data released in the week will include trade and consumer credit for August and the weekly claims data.

Here is a closer look at the key data in the coming week:

NONMANUFACTURING ISM FOR SEPTEMBER, MONDAY, OCTOBER 5, AT 10:00 A.M. ET

The ISM non-manufacturing index is expected to decline to 57.8 in September after falling to 59.0 in August, but the index still indicates solid services growth. Regional data from the Richmond district suggested considerably slower growth, while the Dallas Fed services survey pointed to moderately faster growth. The flash Markit Services index fell to 55.6 from 56.1 in August, an indication of more modest expansion.

INTERNATIONAL TRADE FOR AUGUST, TUESDAY, OCTOBER 6, AT 8:30 A.M. ET

The international trade gap is expected to widen to \$48.6 billion in August after narrowing to \$41.9 billion in July. The advance report on goods trade already released for August indicated a significant \$8 billion widening. Because revisions have been small between the advance and final readings and the services surplus is not very volatile, it is a good bet that the overall trade gap will widen considerably. The relatively strong dollar and economic turmoil abroad restrained export growth, while imports rose in the month despite lower energy prices.

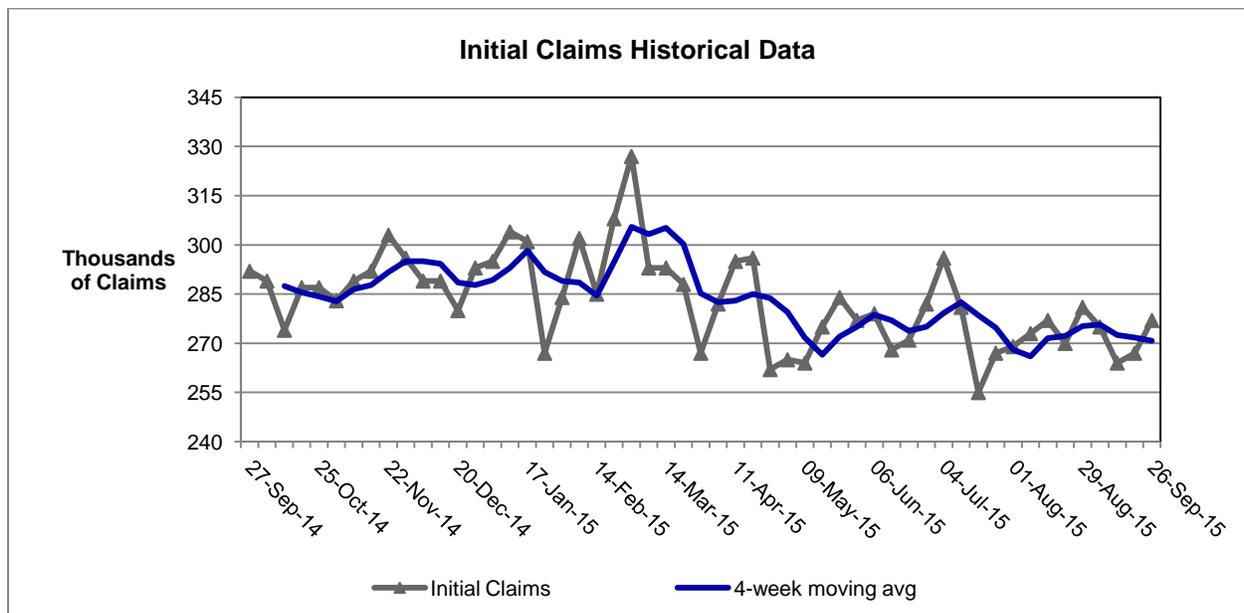
CONSUMER CREDIT FOR AUGUST, WEDNESDAY, OCTOBER 7, AT 3:00 P.M. ET

Consumer credit usage is forecast to rise by \$21.8 billion in August after a \$19.1 billion rise in July. Retail sales were up only 0.2% while sales were up just 0.1% excluding motor vehicles, suggesting that revolving credit use was up only modestly after a solid July gain. As a result, nonrevolving credit use should be again the core of the overall increase, led by solid gains in vehicle sales over the past two months.

Retail Sales Percent Changes Seasonally Adjusted				
	May-15	Jun-15	Jul-15	Aug-15
Retail Sales	1.2	0.0	0.7	0.2
Ex. Motor Vehicle	1.0	0.4	0.6	0.1
Motor Vehicle and Parts	1.9	-1.6	1.3	0.7
Gasoline Station Sales	3.9	1.2	-0.6	-1.8
Clothing Stores	1.9	-0.9	0.6	0.4
Department Stores	2.1	-0.2	-0.4	-0.2
Retail Sales Ex Gas, MV	0.7	0.3	0.7	0.3

WEEKLY JOBLESS CLAIMS FOR OCTOBER 3 WEEK, THURSDAY, OCTOBER 8, AT 8:30 A.M. ET

The level of initial jobless claims is expected to fall by 9,000 in the October 3 week to 268,000, roughly offsetting the 10,000 increase in the previous week. The four-week moving average fell by 1,000 to 270,750 in the September 26 week, a third straight decline and should continue that string in the coming week. The 275,000 level in the September 5 week will roll off the four-week average calculation as the current week is added, which would pull the moving average by 1,750 if the MNI forecast is realized in the current week, all else being equal.



Seasonal adjustment factors expect unadjusted claims to rebound in the October 3 week after falling by 3,856 in the previous week. In the comparable week a year ago, unadjusted claims rose by 29,974, slightly less than seasonal factors had expected. As a result, seasonally adjusted claims fell by 3,000 that week. In the same week in 2013, unadjusted claims surged due to filings by non-government workers related to the Federal Government shutdown, as well as a computer glitch in California.

