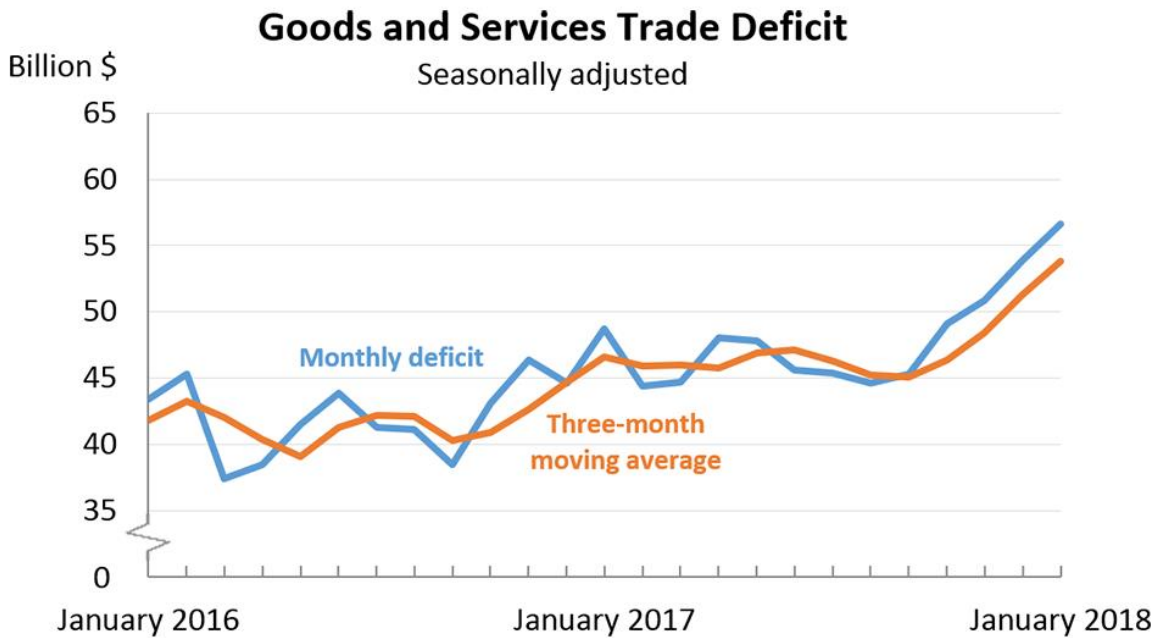


Summary: The trade deficit increased significantly, largely because of a decrease in exports of civilian aircraft. Sales of aircraft are volatile, so this is not surprising. Randal Quarles, the Federal Reserve’s Vice Chair for Supervision, said [regulators are considering major changes to the “Volker” rule](#), which was put in place after the 2007-2009 financial crisis to limit speculation by banks. Reminder: Spring your clocks forward for daylight savings time.

Census

Tuesday, [Manufacturers’ Shipments, Inventories, and Orders](#): “New orders for manufactured goods in January, down following five consecutive monthly increases, decreased \$6.9 billion or 1.4 percent to \$491.7 billion. . . . Shipments, up thirteen of the last fourteen months, increased \$2.8 billion or 0.6 percent to \$498.8 billion. . . . Unfilled orders, down following four consecutive monthly increases, decreased \$2.9 billion or 0.3 percent to \$1,141.2 billion.”

Wednesday, [International Trade](#): “The goods and services deficit was \$56.6 billion in January, up \$2.7 billion from \$53.9 billion in December, revised.” A decrease in capital goods exports drove the overall 1.3 percent decrease in exports, led by a \$1.8 billion decrease in exports of civilian aircraft. Imports stayed about the same, while exports of services and consumer goods increased.



U.S. Bureau of Economic Analysis
U.S. Census Bureau

U.S. International Trade in Goods and Services
March 7, 2018

Thursday, [Services](#): Selected services total revenue increased 2.2 percent from the third to fourth quarter of 2017.

Friday, [Wholesale Trade](#): Sales of wholesalers increased 0.8 percent from November to December of 2017. Inventories increased 0.7 percent, and so, the inventories to sales ratio decreased to 1.23.

Bureau of Labor Statistics

Wednesday, [Productivity and Costs](#): Nonfarm labor productivity didn't change in the fourth quarter of 2017. Most of the increase in output in 2017 came from an increase in hours worked. "From the fourth quarter of 2016 to the fourth quarter of 2017, productivity increased 1.1 percent, reflecting a 3.2-percent increase in output and a 2.1-percent increase in hours worked." Labor costs of nonfarm businesses increased 2.5 percent in the fourth quarter of 2017.

Thursday, [County Employment and Wages](#): "The U.S. average weekly wage decreased 0.6 percent over the year, declining to \$1,021 in the third quarter of 2017." The national job growth rate was 1.0 percent. For Tennessee, employment increased 1.1 percent from one year earlier, but average weekly wages decreased 1.2 percent.

Friday, [Employment Situation](#): "Total nonfarm payroll employment increased by 313,000 in February, and the unemployment rate was unchanged at 4.1 percent. . . . Employment rose in construction, retail trade, professional and business services, manufacturing, financial activities, and mining."

Department of Labor

Thursday, [Initial Claims](#): Initial claims of unemployment insurance increased a little this week. So far this year, initial claims have trended down. "In the week ending March 3, the advance figure for seasonally adjusted initial claims was 231,000, an increase of 21,000 from the previous week's unrevised level of 210,000. The 4-week moving average was 222,500, an increase of 2,000 from the previous week's unrevised average of 220,500."

Institute for Supply Management

Monday, [Non-manufacturing](#): "Economic activity in the non-manufacturing sector grew in February for the 97th consecutive month." The index "registered 59.5 percent, which is 0.4 percentage point lower than the January reading of 59.9 percent. This represents continued growth in the non-manufacturing sector at a slightly slower rate."

HIS Markit

Monday, [Services](#): The index "registered 55.9 in February, up from 53.3 in January. Following a nine-month low in the previous survey period, the rate of expansion in business activity picked up to the fastest since August 2017. Service providers generally attributed the sharp rise in output to greater client demand."

Mortgage Bankers Association

Wednesday, [Mortgage Applications](#): "Mortgage applications increased 0.3 percent from one week earlier. . . . The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances (\$453,100 or less) increased to its highest level since January 2014, 4.65 percent, from 4.64 percent."

ADP

Wednesday, [Employment Report](#): "Private sector employment increased by 235,000 jobs from January to February." Ahu Yildirmaz, vice president and co-head of the ADP Research Institute, said, "The labor market continues to experience uninterrupted growth. We see persistent gains across most industries with leisure and hospitality and retail leading the way as consumer spending kicked up. At this pace of job growth employers will soon become hard-pressed to find qualified workers." Mark Zandi, chief economist of Moody's Analytics, said, "The job market is red hot and threatens to overheat. With government spending increases and tax cuts, growth is set to accelerate."

Challenger

Thursday, [Job Cuts](#): “The nation’s employers announced plans to cut 35,369 jobs in February, down 20 percent from the 44,653 cuts announced in January. . . . Last month’s total is 4.3 percent lower than the 36,957 announced job cuts in February 2017. So far this year, employers have announced 80,022 cuts, 3.5 percent lower than through February last year. This is the lowest number of announced job cuts between January and February since 1995, when 69,907 cuts were announced.”

Bloomberg

Thursday, [Consumer Comfort](#): The index increased to 56.8 from 56.2 last week. “Americans have become increasingly upbeat about their personal finances. . . . Younger adults drove the gain in the personal finances gauge over the past two weeks.”