Indicator/Action Economics Survey:	Last Actual:	Regions' View:
Fed Funds Rate: Target Range Midpoint *(After the October 31-November 1 FOMC meeting):* Target Range Midpoint: 1.125 to 1.125 percent Median Target Range Midpoint: 1.125 percent	1.125%	Prior to Hurricanes Harvey and Irma, our sense was the U.S. economy had built up a considerable degree of positive momentum, the most encouraging element of which was the improvement in business investment. This week's reports on durable goods orders (mind the details, not the headline) and Q3 GDP will show an economy firmly on track despite a high volume of noise in the data stemming from the hurricanes.
September Durable Goods Orders Wednesday, 10/25 Range: 0.0 to 6.0 percent Median: 1.2 percent	Aug = +2.0%	Up by 1.7 percent thanks in large measure to a jump in civilian aircraft orders. We look for ex-transportation orders to be up by 0.4 percent core capital goods orders to be up by 0.3 percent.
September New Home Sales Wednesday, 10/25 Range: 540,000 to 575,000 units Median: 550,000 units SAAR	Aug = 560,000 units SAAR	Down to an annualized sales rate of 548,000 units. September is typically part of a seasonally slow period for new home sales, at least on the basis of the not seasonally adjusted data (keep in mind new home sales are booked when the sales contract is signed, whereas existing home sales are booked at closing). On top of being in that seasonally slow period, this September's sales will have been impacted by Hurricanes Harvey and Irma, and we expect this to be apparent in the South region. The South region includes both Florida and Texas and typically accounts for over 55 percent of total new home sales. We look for total not seasonally adjusted sales of just 42,000 units in September, with fewer than half coming from the South region; our forecast for unadjusted sales in the South would be the region's lowest since November 2014. Still, there is simply too much uncertainty surrounding the timing and pace of the recovery in the housing market for us to have much confidence in our forecast of September new home sales. Across the whole of the economic data, once the impacts of the hurricanes (and the fires in California) fall out of the data, the underlying trends will look pretty much as they did before these events. In the market for new homes, that means sales increasing at a grudging pace as supply constraints counter solid demand, with sales remaining skewed toward the higher end of the price distribution and sales of units on which construction has not yet started accounting for an elevated share of overall sales. Despite a high degree of noise in the data in the near term, nothing we've seen leads us to think any of these trends have changed.
Sep. Advance Trade Balance: Goods Thursday, 10/26 Range: -\$65.0 to -\$62.5 billion Median: -\$64.0 billion	Aug = -\$63.3 billion	Widening to -\$64.2 billion.
Q3 Real GDP – Advance Estimate Friday, 10/27 Range: 2.2 to 3.2 percent Median: 2.6 percent SAAR	Q2 = +3.1% SAAR	Up at an annualized rate of 3.2 percent. In any given quarter, the advance estimate of GDP is based on highly incomplete source data, the significant holes being consumer spending on services, inventory accumulation in the nonfarm business sector, net exports, and government spending. The BEA makes assumptions and estimates to fill in these holes but as more complete source data become available in subsequent months the advance estimate is prone to sizeable revision. The data available at this point suggest a materially faster pace of inventory build in the nonfarm business sector than seen in Q2, which we think could add as much as seven-tenths of a point to top-line real GDP growth. The drawback here of course is that unless this pace of inventory accumulation is sustained, which we do not expect will be the case, inventories will flip to being a drag on Q4 growth. We look for net exports to make a marginal contribution to Q3 growth on what should be a smaller trade deficit. Growth in inflation adjusted consumer spending in Q3 will be notably slower than was the case in Q2, including spending on services, which accounts for roughly two-thirds of all consumer spending as measured in the GDP data. That the hurricanes suppressed utilities outlays is one factor behind slower growth in services spending. On the flip side, however, consumer spending will have gotten some support from the surge in motor vehicle sales in September, reflecting post-hurricane replacement demand. Given that the hurricanes held down residential construction, fixed residential investment should be a drag on Q3 growth but another quarter of solid growth means business fixed investment will add to top-line real GDP growth. How closely our estimates match those of the BEA's will determine how close we are on our forecast of the advance estimate of Q3 real GDP growth, but we nonetheless look for a fairly strong headline print.
Q3 GDP Price Index – Advance Estimate Friday, 10/27 Range: 1.4 to 2.4 percent Median: 1.8 percent SAAR	Q2 = +1.0% SAAR	Up at an annualized rate of 1.9 percent.

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