



## US NCI™

### Now-Casting Index

Released: 15:00 GMT, 17<sup>th</sup> May, 2016

Next release: 15:00 GMT, 15<sup>th</sup> June, 2016

www.now-casting.com

Bloomberg: NCIXUS

### Recovery in US growth rate continuing

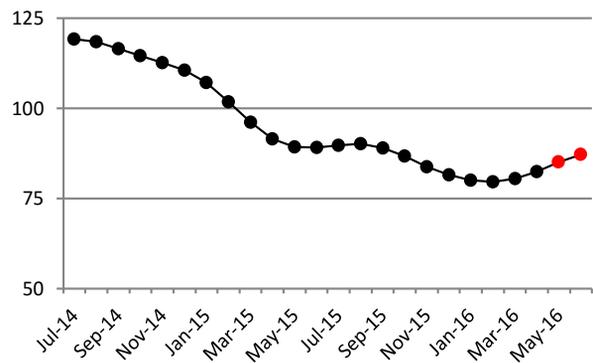
- The US NCI™ is at 85.09 in May, up from 82.49 for April and expected to rise further to 87.16 for June. This moderate acceleration is in line with GDP growth getting back to 2% annualised in the third quarter
- Surprises in the economic data published since last month's NCI™ have on balance been negative, causing a modest downward revision in the level of the NCI™ series

#### NCI™ release data

reference period	NCI™ Release Dates	
	15/04/2016	17/05/2016
Apr-16	83.18 (A)	82.49 (U)
May-16	87.41 (F)	85.09 (A)
Jun-16	--	87.16 (F)

Notes: (A), ACTUAL, denotes the estimate of economic activity for the current month; (F), FORECAST, the forecast for next month; (U) UPDATED, denotes updates reflecting data released since the last NCI publication date. *Source:* Now-Casting Economics Ltd

#### Revised NCI™ history



#### The newswflow: macroeconomic data releases since last month's NCI™

Release Date	Release Name	Reference Period	Model Unit	Release Value*	Model Expectation	Impact of Data Releases	
						US NCI™ April	US NCI™ May
17/05/2016	Industrial Production	Apr-16	MoM %	0.58	0.01	0.73	1.05
17/05/2016	Capacity Utilization: Industry	Apr-16	Rate %	75.40	74.76	0.91	1.32
17/05/2016	Housing Starts	Apr-16	MoM %	6.64	2.01	0.03	0.10
13/05/2016	University of Michigan: Cons. Sentiment	May-16	Index	95.80	89.06	-0.01	-0.01
06/05/2016	Change in Nonfarm Payrolls	Apr-16	Thousands	160.00	166.85	0.13	0.24
04/05/2016	ISM Nonmanuf Composite Index	Apr-16	Index	55.70	53.88	0.26	0.66
04/05/2016	Exports	Mar-16	MoM %	-1.56	-0.83	-0.14	-0.17
04/05/2016	Imports	Mar-16	MoM %	-4.29	-0.61	-0.93	-1.09
04/05/2016	Change in ADP Nonfarm Priv Payr Empl	Apr-16	Thousands	121,639.00	163.79	0.00	-0.08
02/05/2016	ISM Mfg: PMI Composite Index	Apr-16	Index	50.80	52.30	-0.11	-0.34
29/04/2016	MNI Chicago Business Barometer	Apr-16	Index	50.40	53.05	-0.53	-1.13
29/04/2016	Real Retail Sales	Mar-16	MoM %	-0.20	-0.44	0.03	0.05
29/04/2016	Real Disposable Personal Income	Mar-16	MoM %	0.32	0.02	0.02	0.03
29/04/2016	Real Personal Consumption Expenditure	Mar-16	MoM %	0.05	-0.01	0.04	0.06
28/04/2016	Kansas City Fed Mfg Survey	Apr-16	Index	-4.00	-2.85	-0.11	-0.24
28/04/2016	Gross Domestic Product	Q1'16	QoQ %	0.13	0.45	-0.16	-0.15
26/04/2016	Conference Board: Cons Confid Index	Apr-16	Index	94.20	93.69	0.02	0.03
26/04/2016	PMI: Svcs Business Activity Index	Apr-16	MoM %	52.06	53.01	-0.01	-0.02
26/04/2016	Manuf's New Orders: Durable Goods	Mar-16	MoM %	0.78	0.23	0.06	0.07
26/04/2016	Manuf's Unfilled Orders: Durable Goods	Mar-16	MoM %	-0.11	0.19	-0.12	-0.15
26/04/2016	Manuf's Inventories: Durable Goods	Mar-16	MoM %	0.00	0.08	-0.10	-0.13
22/04/2016	PMI: Manufacturing	Apr-16	Index	50.80	51.69	-0.15	-0.53
21/04/2016	Phil FRB Bus Outlook: Current Activity	Apr-16	Index	-1.60	9.11	-1.00	-2.04
19/04/2016	Housing Starts	Mar-16	MoM %	-8.79	-3.76	-0.01	-0.07
19/04/2016	New Private Housing Units Authorized	Mar-16	MoM %	-7.73	-0.18	-0.03	-0.16
						<b>-1.18</b>	<b>-2.70</b>

Note: Released values are expressed in Model Units

Source: Now-Casting Economics Ltd and Official Data Sources



## US NCI™

### Now-Casting Index

---

For further information, please contact:

**Now-Casting Economics Limited**

Jasper McMahan

+44 (0)7802 485904

jasper.mcmahan@now-casting.com

#### Notes

**What is the NCI™?** The Now-Casting Index - NCI™ - is an index that measures the state of the business cycle. It is calculated from a broad set of economic indicators.

**How to read the NCI™?** The NCI™ is normalized to have a mean value of 100 and a standard deviation of 25 calculated over the estimation sample, which starts in 1995. Values above 100 indicate that real activity is growing above the mean.

**NCI™ updates** The NCI™ is updated in relation to surprises in data releases (*news*) computed as the difference between the release value and model-based now-cast for each input indicator. The weights attached to each *news* are also model-based.

**Impact of data releases** The impact of each data release on the NCI™ is the product of the economic *news* associated with that release and a model-based weight which reflects the importance of each variable and is a function of its timeliness. 'News' is defined in this context as the difference between the actual value of a release and the model's expectation of that value.

**Impact of revisions** The difference between the value of the NCI™ released today and the forecast of it made a month ago may be more or less than the total impact of all the releases listed in the table on page 1, because of the impact of any revisions to prior data releases made during this period.

**Source of data** The Now-Casting Index for the US is produced by Now-Casting Economics Limited and is based on a model built on monthly and quarterly economic indicators covering production, labour, construction, domestic and international trade, services and surveys. Raw data are supplied by Haver Analytics. Now-Casting Economics releases the US NCI™ monthly for the current month together with a forecast for the next month and updates to the previous release. Forecast updates are based on data released since the last NCI™ publication. The model is estimated in real-time at each data release; now-casts of GDP and other macroeconomic series are published live within 30 minutes of the data release.

**Now-Casting model** The NCI™ is an output of the Now-Casting model, which is designed to capture commonalities among macroeconomic data while filtering out idiosyncratic noise. The model produces estimates of the real economic conditions in different countries in real time, taking into account non-synchronous data sampled at mixed frequency. The NCI™ and its revisions are produced automatically, without judgment or other intervention. The deep parameters of Now-Casting model are estimated at the beginning of every year; the NCI™ is the result of a pure out-of-sample forecast. Normalization is updated at the beginning of every year in concomitance with updates of deep parameters.

**Now-Casting Economics Limited** is a company delivering high-frequency information on current conditions in the world's major economies. The service covers the US, the Euro Area, China, Japan, Germany, France, Italy, Spain, the UK, Canada and Brazil, and is available by subscription. Weekly now-casts for the Euro Area are available free on the Now-Casting web site ([www.now-casting.com](http://www.now-casting.com)).

**Legal** The intellectual property rights to the US NCI™ provided herein are owned by Now-Casting Economics Limited. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing in this release is not permitted without Now-Casting Economics' prior consent. Now-Casting Economics shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Now-Casting Economics be liable for any special, incidental, or consequential damages, arising out of the use of the data. NCI™ is a registered trademark of Now-Casting Economics Limited. The Now-Casting.com logo is a registered trademark of Now-Casting Economics Limited.