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## Consumers, Greece the Focus in Coming Week

By Melinda Peer

WASHINGTON (TheStreet) -- Investors enter the coming week breathing a collective sigh of relief, after February nonfarm payrolls fell less than expected and the unemployment rate held at 9.7%.

Many of last week's economic reports contributed to the sense that the economy is steadily improving, even in the U.S.'s all-important services sector, with a better-than-expected February reading from the Institute for Supply Management's nonmanufacturing index. Impressive same-store sales figures on Thursday also provided a much-needed boost to the retail sector.

**Ralph Fogel**, an investment strategist at **Fogel Neale Wealth Management**, believes retailers will continue to hold investors' attention in the coming week, since stocks have showed such strong gains.

"On the heels of strong store sales, I think the [International Council of Shopping Centers] weekly chain store number is going to be a really important one -- and not just because of what it says about the consumer or what a big part of the economy it is, but because those stocks have been on fire," **Fogel** says.

Over the past week, Abercrombie & Fitch's stock has gained roughly 16%, while shares of Urban Outfitters are nearly 9% higher.

"It seems to be that this whole retail sector is on the move," **Fogel** says, adding that he expects a range of retail stocks including Target Polo Ralph Lauren and Wal-Mart to see gains on stronger sales data.

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Separately, Brian Bethune, chief U.S. financial economist at Global Insight, agrees that retail sales and consumer sentiment data on Friday will attract the most interest among investors in the coming week.

"We've seen some evidence that at least some, if not all, retailers are seeing stronger sales so it would be good if Friday's retail report can confirm that," Bethune said.

As far as consumer sentiment is concerned, investors need clear signs of a strengthening trend.

"Michigan sentiment has been holding out pretty well, but then the Conference Board number took a huge dive. We expect the Michigan number to go up by a point and a half," Bethune says.

Earnings season is winding down, but several retailers have releases scheduled in the coming week. J. Crew reports on Tuesday, American Eagle on Wednesday, Aeropostale on Thursday and Ann Taylor on Friday.

Although the past week cleared up some questions surrounding Greece's debt crisis, concerns will bleed into the coming week. Prime Minister George Papandreou finished his much anticipated meeting with German Chancellor Angela Merkel on Friday before speaking with French President Nicolas Sarkozy Sunday, March 7.

On Sunday, Sarkozy reportedly said eurozone countries would stand behind Greece after Athens committed to tough measures designed to reduce the nation's budget deficit. But Sarkozy declined to say what specific steps France and Germany would take as part of that support.

Papandreou meets with President Obama in Washington on March 9.

John Sitalides, a government relations and international affairs specialist with Trilogy Advisors in Washington, says meetings with Germany and France are the most relevant to Greece's financial future. Even though Papandreou's meeting with Obama will likely deal with ongoing issues that aren't necessarily related to its debt troubles, Sitalides said the White House remains very concerned about how Greece's financial health could affect the global economy.

"Both the White House and European powers will be monitoring the situation very closely because there is concern about a possible contagion," Sitalides said.

Global Insight's Bethune said markets just need closure on the Greece issue. "Basically they're waiting for the press conference between Merkel and Papandreou," he said.