What to watch

Hopes high for data on manufacturing, jobs

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The snowdrifts have melted from view. Now Wall Street will get its latest data, which it hopes will confirm that the spring thaw has arrived for the U.S. economy.

Investors will get key readings today on manufacturing in the New York and Philadelphia regions, as well as the latest data on consumer-price inflation, first-time jobless claims and industrial production.

Wall Street expects the Empire State manufacturing index to rebound in May to a reading of 6, up from 1.3 in April, according to consensus estimates provided by Bespoke Investment Group. "We suspect that a steady pickup in demand will continue to support manufacturing activity this year," Paul Ashworth, an economist at Capital Economics, told clients in a report.

Inflation will also be watched closely, as it is one of the key measures the Federal Reserve is using to decide when to start raising short-term interest rates, which are currently pegged around 0%. Core inflation is expected to remain steady at 1.7%, below the Fed's 2% target, according to Capital Economics.

The jobs number is also important. Economists are expecting the number of Americans filing for unemployment benefits in the most recent week to increase by 1,000 to 320,000. The fewer folks lining up for benefits is a sign the labor market continues to improve.

With the stock market selling off Wednesday after hitting fresh highs the past few days, good economic news would be welcomed.