

The U.S. Nonfarm Payrolls and Unemployment Rate are out this coming Friday, January 5, 2018, at 13:30 UK Time (GMT), and are expected to cause significant volatility in the markets. An economic indicator that tends to trigger sharp market movements in the minutes leading up to its release and afterwards, the NFP is usually released by the U.S. Department of Labor on the first Friday of each month, outlining changes in the number of employees, excluding farm workers and those employed by the government, non-profit organisations and private households. What to expect this month:

Nonfarm Payrolls: 189K Consensus; 228K Previous U.S.

Unemployment Rate: 4.1% Consensus; 4.1% Previous

This week's NFP release, per market consensus, is expected to show that the U.S. economy added 189K jobs in December after adding 228K in November - which was well above market expectations. The global economy has strengthened, with many developing nations growing in unison for the first time in 10 years, which has subsequently helped the U.S. Labour market. The markets will be closely watching the annualized average hourly earnings figure, which was 2.5% in November, with many forecasts calling for December's release to be unchanged. If we see a significantly bad NFP release of < 85K, coupled with an Unemployment Rate >4.2%, the markets will most likely see USD come under downward pressure. A strong NFP release of >240K, with the Unemployment Rate below 4.0%, will likely result in USD strengthening. As always, it will be important to note any revision from the previous month (228K) as this will impact market

sentiment regardless of the current release. **Source:** [Fxpro Broker](#)