

[text] **Latest Forex News US jobs, Euro inflation and UK GDP should detract attention from Greece** Source: [XM Forex Broker \(Review and Forex Rebate System\)](#) Following an uneventful week where economic data took second string to the Greek crisis talks, important data out next week should provide better excitement for the markets. This is not to say that there will be lack of headlines on Greece as the deadline on the IMF's debt repayments falls on Tuesday (June 30) and depending on the outcome of Saturday's Eurogroup meeting, further meetings may be scheduled. Apart from the ongoing developments of the Greek negotiations, Eurozone data is set to dominate the week. Germany will see flash CPI figures for June on Monday. Inflation is expected to pick up to 0.2% annually from 0.1%. Retail sales data are also out on Monday and unemployment figures are out on Tuesday. The more important Euro area flash CPI data is released on Tuesday. Inflation is expected to ease to 0.2% year-on-year in June from 0.3% previously and Eurozone unemployment is forecast to stay unchanged in May at 11.1%. Retail sales are estimated to come in at 0.1% month-on-month in May, a sharp slowdown from 0.7% the previous month. Final PMI data for June are not forecast to show any changes from initial estimates. For the UK, the key data will be the PMI and GDP revision. The third estimate of UK first quarter GDP out on Tuesday is expected to show an upward revision of quarterly growth to 0.4% following the unrevised second estimate of 0.3%. Recent revisions to construction output could involve upward revisions to previous quarters' growth. Markit's June PMI for manufacturing,

services and construction should affirm the sustained recovery in the UK economy. Services PMI is expected to increase to 57.5 after unexpectedly falling in May. Construction activity is also expected to improve solidly in June but only a marginal improvement is forecast for manufacturing activity. The main data for the US will be Thursday's batch of employment data. Non-farm payrolls are expected to slow, rising by 227,000 in June versus 280,000 in May. However, the unemployment rate is expected to show a drop to 5.4% in June from 5.5% previously. Average hourly earnings are forecast to hold steady in June at 2.3% (annual) with the month-on-month rise slowing to 0.2%. The ADP measure of non-farm employment change is estimated to come in at 210,000. Any sharp deviation from the employment forecasts would likely cause a major swing in the dollar. Markets will also be looking at the various US surveys out next week, starting with the Chicago PMI on Tuesday, which is expected to climb out of contraction territory to 50 in June. The Conference Board consumer confidence index released the same day and the ISM manufacturing index out on Wednesday are both expected to show an improvement in June. In Japan, preliminary industrial production figures on Monday are expected to show a monthly contraction of 0.8% in May, versus 1.2% increase in April. But the Bank of Japan's quarterly Tankan reports are likely to get more attention on Tuesday. The Tankan manufacturing index is not expected to show an improvement for the second quarter and is likely to come in unchanged at 12. The non-manufacturing index is estimated to

increase to 22 from 19. China's official PMI manufacturing data is published on Wednesday followed by the final HSBC/Markit version. June PMI is forecast at 50.4, a slight improvement on May's figure, underlying the lack of momentum in China's manufacturing sector. Meanwhile, the Australian dollar could see some volatility next week as trade balance and retail sales data are published, bringing in focus the RBA's next move. [/text]