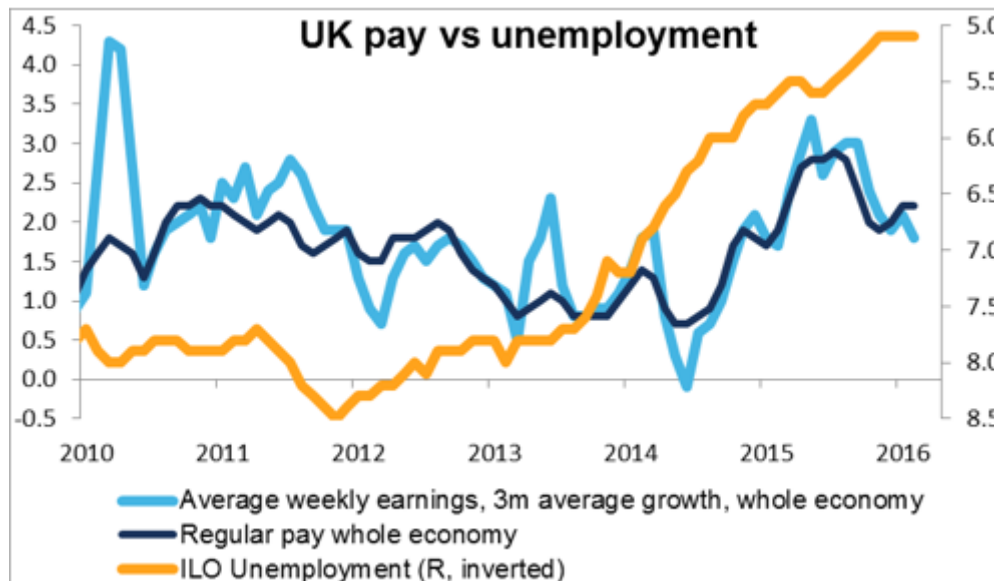


UK labour data, US oil inventories, FOMC minutes - Once again **Britain** will be the focus of the European day as the UK announces its **labour market data**. Yesterday's disappointing inflation data didn't seem to hurt sterling for long - it just gave people a better level to close out their shorts. So today again we might have a day of asymmetric response. The figures are expected to show some slowing in employment and earnings growth, which is well within the Bank of England's expectations of increased caution ahead of the Brexit vote. So I would guess that sterling won't fall far even if the figure misses expectations, while a beat would probably send it up sharply.

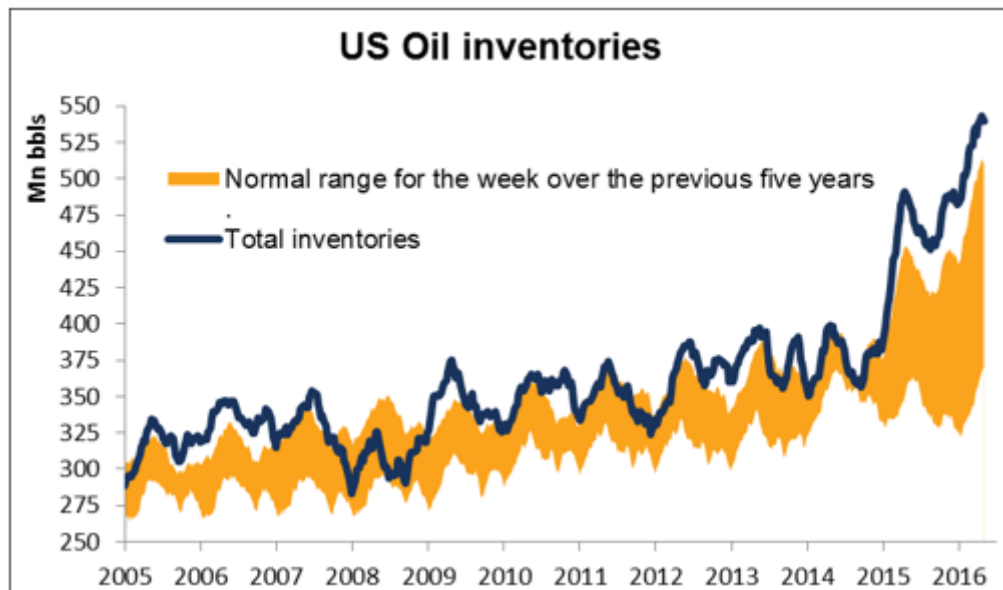


Upcoming economic indicators and events					
Time (GMT)	Country	Indicator	Month	Expected	Previous
Tuesday 17-May					
n.a.	NZ	Dairy auction results			
01:30	Australia	RBA May meeting minutes			
03:00	NZ	2yr inflation expectation	Q2	n.a.	1.63%
04:30	Japan	Industrial production (mom)	Mar (F)	n.a.	3.6%
07:45	EU	ECB's Praet speaks on economic reforms in Brussels			
08:00	EU	ECB's Nouy & Costa, EU's Koenig speak at conference on banking in Lisbon			
08:30	UK	CPI (mom)	Apr	0.3%	0.4%
08:30	UK	CPI (yoy)	Apr	0.5%	0.5%
08:30	UK	Core CPI (yoy)	Apr	1.4%	1.5%
08:30	UK	PPI Output (yoy)	Apr	-0.8%	-0.9%
12:30	Canada	Manufacturing sales (mom)	Mar (F)	-0.8%	-3.3%
12:30	US	Housing starts	Apr	1120k	1089k
12:30	US	Building permits	Apr	1128k	1076k
12:30	US	CPI (mom)	Apr	0.4%	0.1%
12:30	US	CPI (yoy)	Apr	1.1%	0.9%
12:30	US	CPI ex food and energy (mom)	Apr	0.2%	0.1%
12:30	US	CPI ex food and energy (yoy)	Apr	2.1%	2.2%
13:15	US	Industrial production (mom)	Apr	0.3%	-0.6%
13:15	US	Capacity utilization	Apr	75.0%	74.8%
16:00	US	Fed's Williams & Lockhart discuss economy at Politico event			
17:00	US	Dallas Fed's Kaplan in moderated Q&A at Petroleum Club of Midland			
23:30	Japan	GDP (SA qoq)	1Q P	0.1%	-0.3%
23:50	Japan	GDP (qoq SAAR)	1Q P	0.3%	-1.1%
23:50	Japan	GDP deflator (yoy)	1Q P	1.0%	1.5%
Wednesday 18-May					
00:30	Australia	Westpac leading index (mom)	Apr	n.a.	-0.12%





The final EU CPI data rarely deviates much from the initial figure and so shouldn't be that market-affecting. The market is expecting a huge drawdown in **US crude oil inventories**. That would be in line with normal behavior; we're now entering the destocking season. On average over the last five years inventories have fallen 1,748k barrels in the week in question. That still means the market is expecting a larger-than-normal big drop, although of course inventories are far above average to start with. In fact, they're well outside of the normal range for this time of year. A fall of the scale that's expected could be positive for oil, which would probably keep the CAD gaining. Higher oil prices could also lift inflation expectations, which would be **positive for the dollar**.



Source: [Fxprimus Forex Broker \(Review and Forex Rebates\)](#)