

Week Ahead Economic Overview

- **Bank of Japan monetary policy meeting**
- **US FOMC minutes**
- **Industrial production numbers for Japan, the UK and the eurozone**

The week sees policy announcements from the Bank of Japan and the central bank of Brazil, as well as the minutes from the previous Federal Reserve meeting. Industrial production numbers for Europe and inflation data for China, Germany, France and the US are also released.

The Bank of Japan will meet next week, announcing their latest monetary policy decision on Thursday. With the Bank governor, Haruhiko Kuroda, facing the ambitious plan to get inflation up to 2% within two years, the Bank will surely be pleased with recent news that consumer prices were unchanged in May, the first time that prices had not fallen since last October. [Recent PMI data](#) suggest that prices increased in June, with prices charged by manufacturers and service providers rising for a second consecutive month, the first such increases since the 2008-09 crisis.

Alongside the policy announcement in Japan, the US Federal Reserve publishes the minutes from its June meeting. The Fed decided to keep the pace of its bond purchases at \$85bn per month, but suggested that the quantitative easing programme may start to be scaled back later this year if unemployment continues to fall at a satisfactory pace. Continued strong gains in the job market are by no means assured, however. [PMI data](#), for example, suggested the weakest employment trend for three-and-a-half years in June.

Brazil's central bank is likely to raise its policy rate, to combat rising inflation, but policymakers are caught in a quandary over a simultaneous [slowing of economic growth](#), meaning a hike is by no means assured.

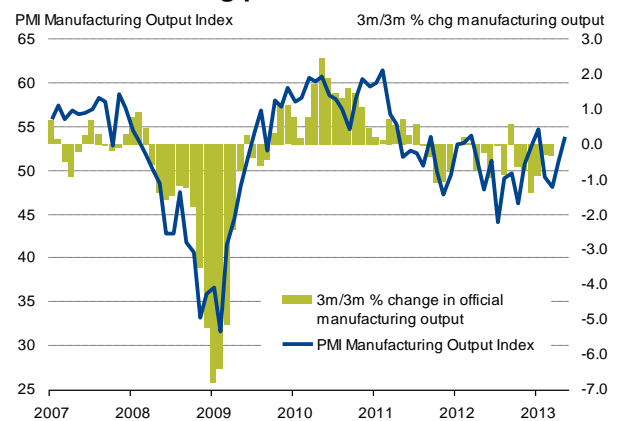
Industrial production data are meanwhile published for India, Japan, the UK, Germany, France, Italy and the wider euro area.

The [manufacturing PMI](#) in the UK signalled the strongest rise in output in 25 months during May and indicated an even faster increase in June. Trade

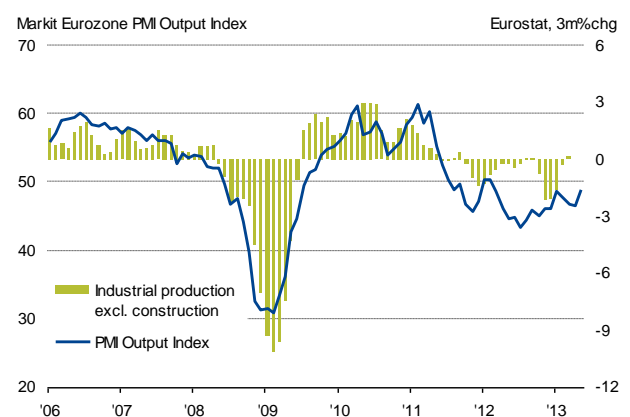
balance data also out next week will meanwhile provide a deeper understanding of the [UK exports](#) situation. Both the trade and production data, plus new data on construction, will give guidance on UK economic growth in the second quarter, which is currently looking set to impress.

Other economic highlights include consumer prices updates for Germany, France and China, with the latter also seeing international trade and money supply numbers.

UK manufacturing production and the PMI



Eurozone industrial production and the PMI



Monday 8 July

The KPMG/REC report on jobs provides an update of the UK labour market in June.

In Japan, bank lending and trade balance figures are published, as well as the latest economy watchers survey results.

The eurozone sentix indicator is published alongside French business sentiment figures (Bank of France). Meanwhile, Germany reports industrial production numbers and trade balance statistics.

In the US, the Federal Reserve releases the latest consumer credit report.

Tuesday 9 July

Producer and consumer prices data are issued in China, in advance of latest money supply data for Japan.

Industrial production figures are published alongside international trade data in the UK. Meanwhile, retail sales and house price data are released by BRC and RICS respectively.

France announces its latest budget figures.

In the US, business optimism indicators from NFIB are released alongside employment trends from the Conference Board.

Wednesday 10 July

In China, trade balance statistics and money supply figures are issued.

In Japan, consumer confidence indicators (Cabinet Office), the METI tertiary activity indicators and corporate goods prices data are published.

Industrial production numbers are published in France and Italy, with the former also seeing an update on international trade.

Meanwhile, consumer prices data are released in Germany.

The latest interest rate decision is announced in Brazil.

In the US, the Federal Reserve publishes minutes from its June FOMC meeting. Meanwhile, mortgage data from MBA are released alongside wholesale inventories figures.

Thursday 11 July

Central banks in Japan and South Korea announce their latest monetary policy decisions. Figures on key machinery orders are meanwhile released for the former.

France reports its latest consumer price figures.

Initial jobless claims numbers, import prices figures and the monthly federal budget are released in the US.

Brazil monetary policy decisions



Source: Ecowin

Friday 12 July

The Bank of Japan issues its monthly economic report for July on Friday. Industrial production and capacity utilisation figures are also released.

India similarly sees industrial output numbers.

Consumer prices numbers are published for Spain and Italy. Industrial production numbers for the euro area follow.

In the UK, May data for construction output are published.

Producer prices numbers are issued in the US alongside consumer confidence indicators from the University of Michigan.

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