



Weekly US Data Highlights – July 6-10

MNI US DataWatch

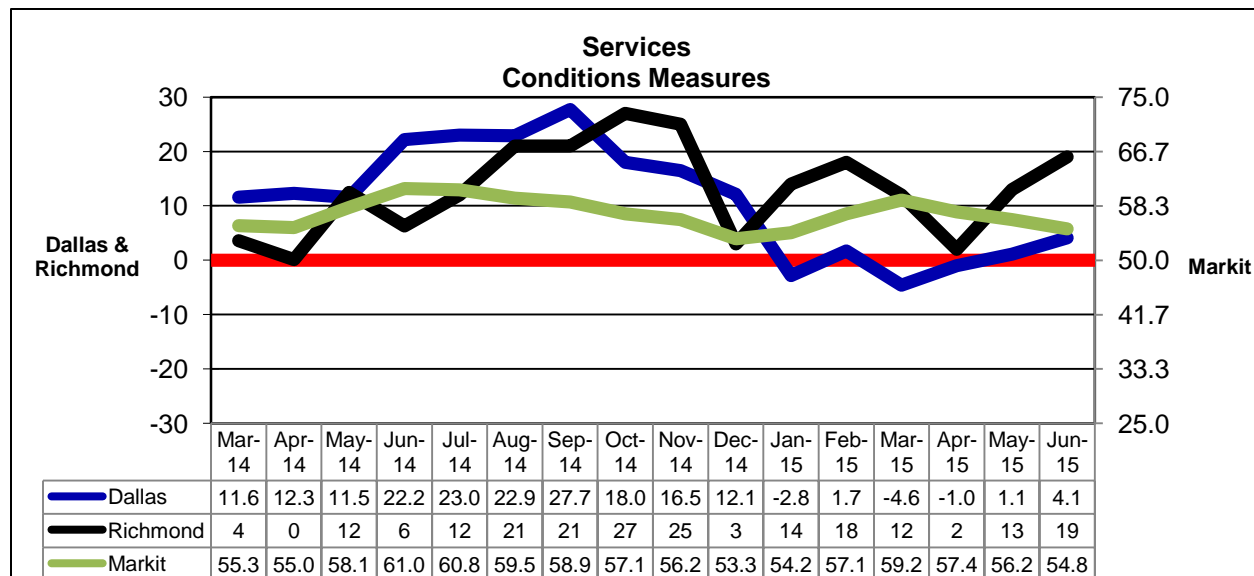
By Kevin Kastner

The July 6 week will be relatively quiet, falling between two busy weeks on the calendar. Data on non-manufacturing conditions, trade, consumer credit, and weekly initial claims make up the key data in the week, a breather before the release of all of the mid-month data in the following week.

Here is a closer look at the key data in the coming week:

NONMANUFACTURING ISM FOR JUNE, MONDAY, JULY 6, AT 10:00 A.M. ET

The ISM non-manufacturing index is expected to rise to 56.0 in June after falling to 55.7 in May. Regional data from the Dallas and Richmond districts suggest a stronger pace of growth, but the flash Markit Services index fell 1.4 points to 54.8 in the month.



INTERNATIONAL TRADE FOR MAY, TUESDAY, JULY 7, AT 8:30 A.M. ET

The international trade gap is expected to widen to \$43.0 billion in May after sharp movements in the previous two months. Boeing reported another decline in aircraft deliveries to foreign buyers while manufacturing industrial production was down 0.2% and excluding motor vehicles was down 0.3%, suggesting exports were soft. At the same time, import prices were up 1.3% overall and flat excluding a strong gain in the price of imported petroleum products.

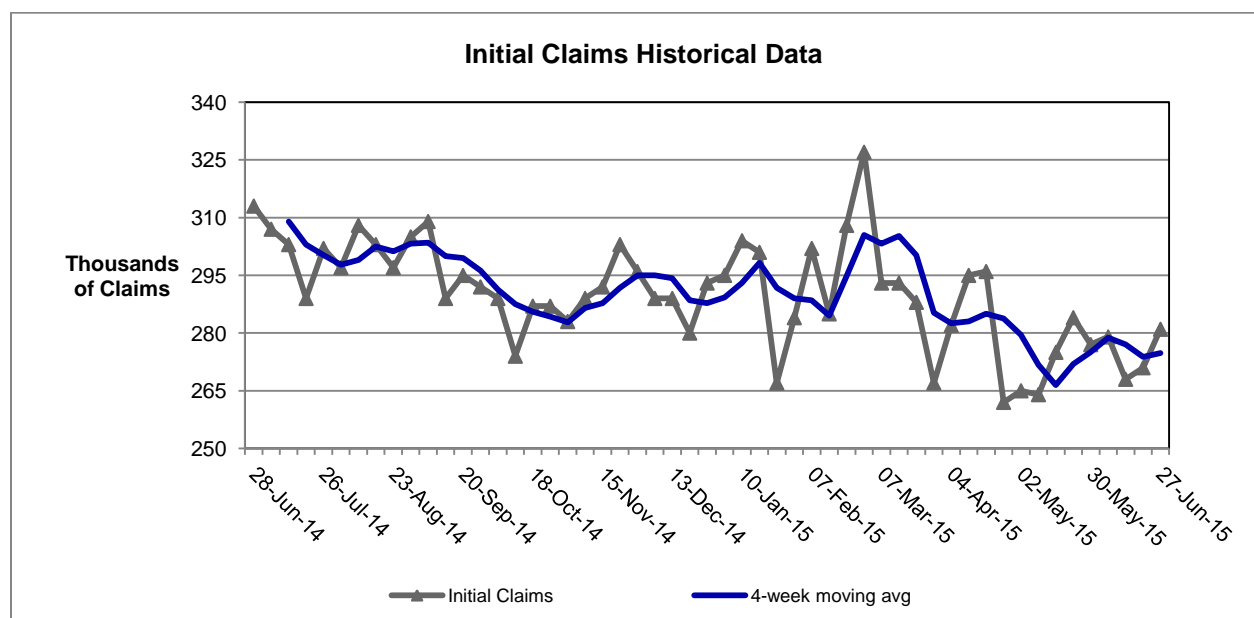
CONSUMER CREDIT FOR MAY, TUESDAY, JULY 7, AT 3:00 P.M. ET

Consumer credit usage is forecast to rise by \$18.5 billion in May after \$20.5 billion rise in April. Retail sales were up 1.2% while sales were up 1.0% excluding motor vehicles and still up 0.7% also excluding gasoline station sales, suggesting that revolving credit use posted another solid gain. Nonrevolving credit use should be again the core of the overall increase.

Retail Sales Percent Changes Seasonally Adjusted				
	Feb-15	Mar-15	Apr-15	May-15
Retail Sales	-0.5	1.5	0.2	1.2
Ex. Motor Vehicle	-0.1	1.0	0.1	1.0
Motor Vehicle and Parts	-2.2	3.5	0.7	2.0
Gasoline Station Sales	2.5	1.1	-0.6	3.7
Clothing Stores	0.3	1.1	0.0	1.5
Department Stores	-2.0	3.1	-2.9	0.8
Retail Sales Ex Gas, MV	-0.4	1.0	0.2	0.7

WEEKLY JOBLESS CLAIMS FOR JULY 4 WEEK, THURSDAY, JULY 9, AT 8:30 A.M. ET

The level of initial jobless claims is expected to decline by 3,000 to 278,000 in the July 4 holiday week after a 10,000 increase in the previous week. Claims data in July tend to be volatile due to annual auto retooling shutdowns, though the impact recently has been smaller than in previous years. In any case, analysts will look for any large movements in the next few weeks with caution. The four-week moving average rose by 1,000 to 274,750 in the June 27 week. The 279,000 level in the June 6 week will roll off the four-week average calculation as the current week is added, which would keep the moving average roughly steady if the MNI forecast is realized in the current week, all else being equal.



Seasonal adjustment factors expect unadjusted claims to rise sharply in the July 4 week, typically the start of a spike in claims related to auto retooling shutdowns. Unadjusted claims rose by 9,983 in the previous week. In the comparable week a year ago, unadjusted claims rose by 16,721, less than seasonal factors had expected, resulting in a 6,000 decline in the seasonally adjusted figure.

