

Key events in developed markets

Amid a quiet week in US markets, keep an eye out for fireworks from the dollar bloc central banks, as well as some particularly volatile UK growth numbers



Source: Shutterstock

UK growth set to flatline as stockpiling effect unwinds

Next week's second quarter GDP report will be dominated by the unwinding impact of the pre-Brexit stockpiling frenzy of the first quarter. [Firms will need to rebuild stocks ahead](#) of the new October Brexit deadline, but in the meantime, many firms will have had little choice but to unwind the inventory they had previously built up. After all, stock is expensive to store (particularly given a lack of warehousing space in the UK) and comes with an opportunity cost. That's likely to see growth flatline through the second quarter, but even when stripping out this volatility, the underlying story doesn't look great. We'll be watching to see if business investment resumes its downward trend, while retail spending also looked fairly lacklustre through the spring. With Brexit noise set to intensity, we don't expect the Bank of England to move interest rates this year.

Developed Markets Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Monday 5 August					
US	1500	Jul ISM Non-manufacturing	55.7	55.5	55.1
Eurozone	0900	Jul F Markit Services PMI	-	-	53.3
	0900	Jul F Markit Composite PMI	-	-	51.5
UK	0930	Jul Markit/CIPS Services PMI	50.6	-	50.2
	0930	Jul Markit/CIPS Composite PMI	50.1	-	49.7
Sweden	0730	Jul Swedbank/Silf Services PMI	-	-	49.9
Tuesday 6 August					
US	1700	Fed's Bullard Speaks on U.S. Economy in Washington			
Japan	0030	Jun Household spending (YoY%)	2.5	-	4.0
	0030	Jun Labor cash earnings (YoY%)	-0.4	-	-0.5
	0600	Jun P Leading economic index	-	-	94.9
Germany	0700	Jun New Orders (MoM/YoY%)		-/-	-2.2/-8.6
Australia	0230	Jun Trade balance (A \$mn)	5916	-	5745
	0530	RBA Cash Rate Target	1.00	1.00	1.00
Wednesday 7 August					
US	0500	Fed's Evans Holds Media Breakfast in Chicago			
Germany	0700	Jun Industrial Production (MoM/YoY%)		-/-	0.3/-3.7
Italy	-	Bank of Italy Report on Balance-Sheet Aggregates			
New Zealand	0200	Interest Rate Decision	1.25	1.25	1.5
Thursday 8 August					
Japan	0050	Jun C/A Balance, adjusted (Yen bn)	1651	-	1305.7
Norway	0700	Jun Industrial Production (MoM/YoY%)	-/-	-/-	0.6/-2.5
Friday 9 August					
Japan	0050	2Q P GDP (Annualised, QoQ%)	-0.3	-	2.2
	0050	2Q P GDP deflator - advance (Q) (YoY%)	-	-	0.1
Germany	0700	Jun Trade Balance (€bn)		-	20.6
UK	0930	2Q P GDP (QoQ/YoY%)	0.0/1.4	-/-	0.5/1.8
	0930	June GDP (MoM%)	-0.1		
	0930	Jun Industrial Production (MoM/YoY%)	-0.8/-0.9	-/-	1.4/0.9
	0930	Jun UK Services Index (MoM%)	0.1	-	0.0
Canada	1330	Jul Net Change in Employment	-	-	-2.2
	1330	Jul Unemployment Rate (%)	-	-	5.5
Australia	0030	RBA's Lowe Semi-Annual Testimony to Committee in Canberra			
	0230	RBA Statement on Monetary Policy			
Norway	0700	Jul CPI (MoM/YoY%)	-1.9	-/-	0.1/1.9

Source: ING, Bloomberg

[Click here to download a printer-friendly version of this table](#)

Author

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information

purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.