

## Key events in developed markets

The outcome of the Jackson Hole symposium and political developments in the UK and Italy will help to steer trading in the week ahead. On the data front, investors will be eyeing the final eurozone inflation number before the September ECB meeting



Source: Shutterstock

### Focus on Parliament as battle to avert 'no deal' commences

UK MPs will return from summer recess on 3 September, and the big question now is whether they can rally around a plan to prevent a 'no deal' Brexit. There are two main ways this could be done. Firstly, opposition leader Jeremy Corbyn could table a motion of no-confidence in the government, and then MPs could install a caretaker prime minister to apply for another Article 50 extension (before going to elections). But so far, non-Labour MPs appear reluctant to go down this route, so in the first instance lawmakers will try to pursue legislative options instead. But [as we discussed in more detail recently](#), this could prove complex and time-consuming – and will require goodwill from Speaker John Bercow.

In short, next week will give us some clues on how MPs plan to use the first couple of weeks back after summer as the battle to avert a 'no deal' Brexit on 31 October begins.

### Tuesday deadline for Italian government

Next week will see more news on the Italian government crisis as President Sergio Mattarella has set Tuesday as the deadline for a new government proposal. Whether the Democratic Party and

the Five Star Movement are able to come to an agreement on a feasible government by then remains to be seen, in particular considering that their majority in parliament is not assured. Meanwhile, the League's leader Matteo Salvini has also shown some openness to a reconciliation with Five Star, although this seems a slightly less likely solution at the moment. All in all, the option of a snap election in late October or early November remains on the table.

## ✓ ECB: Ammunition for the doves before the big meeting

In terms of eurozone data, inflation will be closely watched as this will be the final reading before the European Central Bank holds its September meeting, at which a significant stimulus package is now widely expected. Inflation has been on the decline recently and with core inflation stuck around 1%, the July release will likely bring more ammunition for the doves.

## Developed Markets Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Saturday 24 August</b>					
US	1500	Annual Federal Reserve Policy Symposium in Jackson Hole			
Global	-	G7 summit begins in Biarritz, France (until Monday)			
<b>Monday 26 August</b>					
US	1330	Jul P Durable Goods Orders (MoM%)	1.5	1.3	1.9
	1330	Jul P Durable Goods Orders (ex. Transport, MoM%)	0.2	0.2	1.0
Japan	0600	Jun F Leading economic index	-	-	93.3
Germany	0900	Aug IFO Business Climate	95.4	-	95.7
	0900	Aug IFO Expectations	92.2	-	92.2
	0900	Aug IFO Current Assessment	98.8	-	99.4
<b>Tuesday 27 August</b>					
US	1500	Aug Consumer Confidence	130	130.0	135.7
Germany	0700	2Q F GDP (QoQ/YoY%)	-0.1/0.4	-/-	-0.1/0.4
Sweden	0830	Jul Household Lending (YoY%)	-	-	4.9
<b>Wednesday 28 August</b>					
Eurozone	0900	Jul M3 Money Supply (YoY%)	4.5	-	4.5
Norway	0700	Jul Credit Indicator (YoY%)	-	-	5.7
Sweden	0830	Jul Retail sales (Ex. Fuel, MoM/ YoY%)	-/-	-/-	1.0/3.8
<b>Thursday 29 August</b>					
US	1330	2Q S GDP (QoQ Annualised %)	2.1	2.0	2.1
Eurozone	1000	Aug Economic Confidence	102.4	-	102.7
Germany	0855	Aug Unemployment Change (000's)	-	-	1.0
	0855	Aug Unemployment Rate (%)	5.0	-	5.0
	1300	Aug P CPI (MoM/YoY%)	0.2/1.5	-/-	0.5/1.7
Spain	0800	Aug P HICP (MoM/YoY%)	-/-	-/-	-1.1/0.6
Norway	0700	2Q GDP (QoQ%)	0.4	-	-0.1
	0700	Jun GDP Mainland (MoM%)	-	-	0.3
Sweden	0800	Aug Economic Tendency Indicator	-	-	96.8
<b>Friday 30 August</b>					
US	1500	Aug F U. of Mich. Sentiment Index	92.1	92.1	92.1
Japan	0050	Jul P Industrial production - Prel (MoM%/YoY%)	1.2/-3.3	-/-	-3.3/-7.0
	0050	Jul Retail trade (MoM%/YoY%)	-/-0.8	-/-	0.0/0.5
	0050	Jul Unemployment Rate	2.3	-	2.3
Eurozone	1000	Jul Unemployment Rate (%)	7.4	-	7.5
	1000	Aug A Core CPI (YoY%)	1.0	-	0.9
	1000	Aug Flash CPI (YoY%)	1.0	-	1.1
Italy	1000	Aug P HICP (YoY%)	-	-	0.3
	1100	2Q F GDP (QoQ/YoY%)	-/-	-/-	0.0/0.0
Canada	1330	2Q GDP (Annualised, QoQ%)	2.5	2.9	0.4
	1330	Jun GDP (MoM/YoY%)	-/-	0.1/-	0.2/1.4
Norway	0700	Jul Retail Sales (Ex. Motor Vehicles, SA, MoM%)	-	-	-0.4
	0900	Aug Unemployment Rate	-	-	2.4

Source: ING, Bloomberg

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

## Authors

### James Smith

Developed Markets Economist

[james.smith@ing.com](mailto:james.smith@ing.com)

### Bert Colijn

Senior Economist, Eurozone

[bert.colijn@ing.com](mailto:bert.colijn@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>.