

Key events in developed markets next week

In developed markets next week, we are looking for strong US data releases to cement expectations for the Fed to hike rates again in September. Industrial production in Germany may shed some light on the ongoing trade tensions and we expect subdued core inflation readings from Norway and Sweden



Source: Shutterstock

Spotlight on September

The forthcoming data is likely to cement expectations for the Federal Reserve to raise interest rates again at the 26 September FOMC meeting. With the economy having expanded 4.1% in 2Q and this week's inflation report set to show headline CPI ticking up to 3%, with core CPI (excl. food and energy) remaining at 2.3%, the case for higher interest rates is robust.

At the same time, the jobs market is going from strength to strength with payrolls set to rise by close to 200,000 yet again. Wages should also move higher and unemployment could drop back below 4%, which should help underpin consumer spending growth in the second half of the year.



Trade war impact on Germany may be revealed through industrial data

The entire batch of industrial data for June should not only shed some light on the possible impact from current trade tensions on the German economy but will also provide the last pieces of evidence for 2Q GDP growth, which is to be released on 14 August.

Scandi inflation in focus

Inflation figures for Norway and Sweden are due next week. We expect high energy prices, especially rising electricity costs due to the extremely hot summer weather which has depleted hydro power reservoirs, to keep headline inflation above 2% in both countries. But core inflation, which is more important to central bank policy, still looks subdued at 1.3% and 1.2% respectively.

Developed Markets Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Friday 3 August					
US	1330	Jun Trade Balance (US\$bn)	-43.5	-46.5	-43.053
	1330	Jul Change in Nonfarm Payrolls ('000s)	190	190	213
	1330	Jul Unemployment Rate (%)	3.9	3.9	4
	1330	Jul Average Hourly Earnings (MoM%/YoY%)	0.3/2.7	0.3/2.7	0.2/2.7
	1330	Jul Participation Rate	62.9	-	62.9
Japan	1500	Jul ISM Non-manufacturing	58.5	58.6	59.1
Eurozone	0600	BOJ Holds FinTeck Forum			
	0900	Jul F Market Services PMI	-	54.4	54.4
	0900	Jul F Market Composite PMI	-	54.3	54.3
	1000	Jun Retail Sales (MoM/YoY%)	-/-	0.4/1.4	0/1.4
Germany	-	Germany Sovereign Debt to be Rated by Fitch			
UK	0930	Jul Market/CIPS Services PMI	54.7	54.7	55.1
	0930	Jul Market/CIPS Composite PMI	54.8	54.9	55.2
Australia	0230	Jun Retail sales (MoM%)	0.7	0.3	0.4
Norway	1000	Norway July House Prices			
Monday 6 August					
Germany	0700	Jun New Orders (YoY%)	-0.5/3.3	-	4.4
Sweden	0815	NIER Publishes Swedish Economic Forecasts			
Tuesday 7 August					
Japan	0100	Jun Labor Cash Earnings (YoY%)	-	-	2.1
	0600	Jun P Leading Economic Index	-	-	106.9
Germany	0700	Jun Trade Balance (€bn)	20.4	-	19.6
	0700	Jun Industrial Production (MoM%)	-1/2.6	-	2.6
Australia	0530	RBA Cash Rate Target	-	1.5	1.5
Norway	700	Jun Industrial Production (MoM%)	-	-	-0.9
Sweden	830	Jun Industrial Orders (MoM%)	-	-	-1.8
Wednesday 8 August					
US	1345	Fed's Barkin Speaks in Roanoke, Virginia			
Japan	0150	Jun C/A Balance, Adjusted (Yen bn)	-	-	1850
Australia	0230	Jun Home Loans (MoM%)	-	-	1.1
	0405	RBA Governor Lowe Speech in Sydney			
New Zealand	2200	RBNZ OCR Decision - mps			
Thursday 9 August					
Eurozone	0900	ECB Publishes Economic Bulletin			
Friday 10 August					
US	1330	Jul CPI (MoM/YoY%)	0.2/3.0	0.2/3.0	0.1/2.9
	1330	Jul CPI ex. Food and Energy (MoM/YoY%)	0.2/2.3	0.2/2.3	0.2/2.3
Japan	0050	Jul PPI (MoM/YoY%)	-/-	-/-	0.2/2.8
	0050	2Q P GDP (Annualised, QoQ%)	-	-	-0.6
	0050	2Q P GDP Deflator - Advance (Q) (YoY%)	-	-	0.5
UK	0530	Jun Tertiary Industry Index (MoM%)	-	-	0.1
	0930	Jun Trade Balance (£m)	-2500	-	-2790
	0930	2Q P GDP (QoQ/YoY%)	0.4/1.4	-/-	0.2/1.2
Canada	0930	Jun Industrial Production (MoM/YoY%)	0.5/0.8	-/-	-0.4/0.8
	1330	Jul Net Change in Employment	-	-	31.8
	1330	Jul Unemployment Rate (%)	-	-	6
Australia	0230	RBA Statement on Monetary Policy			
Norway	0700	Jul CPI (MoM/YoY%)	0.5/2.6	-/-	0.6/2.6
	0700	Jul Core CPI-ATE (MoM/YoY%)	0.4/1.3	-/-	0.4/1.1
Sweden	0830	Jul CPI (MoM/YoY%)	0.5/2.0	-/-	0.2/2.1
	0830	Jul CPIX (MoM/YoY%)	0.5/2.2	-/-	0.3/2.2
	0830	Jul Core CPIX ex-energy (MoM/YoY%)	0.3/1.2	-/-	0.1/1.4

Source: ING, Bloomberg

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

Author

James Knightley

Chief International Economist, US

james.knightley@ing.com

Carsten Brzeski

Global Head of Macro

carsten.brzeski@ing.de

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 www.ing.com.