

## Key events in developed markets next week

Inflation data is at the forefront of developed markets next week, as US core measures could show signs of rising at the fastest rate in over ten years. We'll also be keep an eye on German macro data as well as Scandi inflation



Source: Shutterstock

### **US: Balancing the risks**

The US economy continues to grow strongly, and there is evidence of rising inflationary pressures. Wages are ticking higher, while higher oil prices and tariffs also suggest inflation is likely to persist above the Federal Reserve's 2% target for longer than what we thought just a few months ago. This week we expect to see core consumer price inflation rise to 2.3%, and then break above 2.5% in the next couple of months – the fastest rate of inflation for over ten years.

Unsurprisingly, the Fed is forecasting three interest rate rises next year after one final move for 2018 in December. There are a number of Fed officials scheduled to speak this coming week, and we will be looking to see whether the risks appear skewed to the upside or the downside in terms of Fed policy. For now, we think the risks are balanced, given some uncertainty is likely following the mid-term elections.

## ✓ Germany: Moment of truth

It will be the first moment of truth for the German economy, with hard macro data for July showing whether the rebound, which was suggested by confidence indicators, actually materialised. Elsewhere, the minutes of the European Central Bank's September meeting should shed some light on the ECB's current thoughts on their path.

## ✓ Sweden and Norway's inflation data

Inflation data will be key in Sweden and Norway this week. We expect headline measures to remain elevated, and also see somewhat higher core inflation in Sweden.

The new monthly GDP indicator in Norway will also be published (for August) – it's hard to tell with such a new data series, especially over the summer months, but we think the data will show continued solid expansion.

And of course, the slow-motion political drama in Sweden continues as the leader of the Conservative Party, Ulf Kristersson, has now received the mandate to propose a new government, but cobbling together a workable governing coalition still looks like a daunting task.

## Developed markets calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 8 October</b>					
Germany	0700	Aug Industrial Production (MoM%)	0.8	-	-1.1
Sweden	0730	SEB Swedish Monthly Housing-Price Indicator			
Norway	0700	Aug Industrial Production (MoM%)	-	-	-2.4
<b>Tuesday 9 October</b>					
US	1100	Sep NFIB Small Business Optimism	108.5	-	108.8
	1535	Fed's Williams, Indonesia Cen. Bank's Warjiyo Speak to Press			
Japan	0050	Aug C/A Balance, Adjusted (Yen bn)	1280	-	1484.7
Germany	0700	Aug Trade Balance (€bn)	18	-	16.5
Sweden	0800	Riksbank's Skingsley Speaks in Stockholm			
	0945	Riksbank's Ingves Gives Speech in Bangkok			
Portugal	-	Bank of Portugal Releases Data on Banks			
Norway	0700	Aug GDP Mainland (MoM%)	-	-	0.2
<b>Wednesday 10 October</b>					
US	0215	Fed's Williams Speaks on Recent Monetary Policy Developments			
	1715	Fed's Evans Speaks on Economy and Monetary Policy			
	2300	Fed's Bostic Speaks on Economic Outlook			
Japan	0050	Aug Core Machine Orders (MoM/YoY%)	0.2/3.1	-/-	11.0/13.9
UK	0930	Aug Trade Balance (£m)	-1000	-	-111
	0930	Aug Industrial Production (MoM/YoY%)	0.2/1.1	-/-	0.1/0.9
Australia	2330	RBA's Ellis Gives Speech in Melbourne			
Norway	0700	Sep CPI (MoM/YoY%)	0.4/3.3	-/-	-0.4/3.4
	0700	Sep CPI - ATE (MoM/YoY%)	0.3/1.7	-/-	-0.5/1.9
Sweden	0500	Sep PES Unemployment Rate	-	-	3.9
	-	Riksbank's Ohlsson Gives Speech			
<b>Thursday 11 October</b>					
US	1330	Sep CPI (MoM/YoY%)	0.2/2.5	0.2/2.5	0.2/2.7
	1330	Sep CPI ex. Food & Energy (MoM/YoY%)	0.2/2.3	0.2/2.3	0.1/2.2
Japan	0050	Sep PPI (MoM/YoY%)	0.2/3.0	-/-	0.0/3.0
Spain	0800	Sep F HICP (MoM/YoY%)	-/-	-/-	0.6/2.2
Australia	0100	Oct CPI Expectations (YoY%)	-	-	4.0
Sweden	0830	Sep CPI (MoM/YoY%)	0.2/2.2	-/-	-0.2/2.0
	0830	Sep CPIF (MoM/YoY%)	0.4/2.4	-/-	-0.2/2.2
	0830	Sep CPIF Core (MoM/YoY%)	0.3/1.5	-/-	-0.4/1.2
Portugal	-	Bank of Portugal Releases October Economic Bulletin			
<b>Friday 12 October</b>					
US	1500	Oct P U. of Mich. Sentiment Index	99.5	99.6	100.1
	1430	Fed's Evans Takes Part in Moderated Discussion on Economy			
	-	US of America Sovereign Debt to Be Rated by Moody's			
Japan	0530	Aug Tertiary Industry Index (MoM%)	0.1	-	0.1
Eurozone	1000	Aug Industrial Production (WDA, YoY%)	-	-	-0.1
Germany	0700	Sep F CPI (MoM/YoY%)	0.4/2.3	-/-	0.4/2.3
Australia	0130	Aug Home loans (MoM%)	-	-	0.4
	0130	RBA Financial Stability Review			

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](mailto:james.knightley@ing.com)

### Carsten Brzeski

Global Head of Macro

[carsten.brzeski@ing.de](mailto: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](http://www.ing.com).