

## Key events in developed markets in the coming week

In developed markets, UK data has a big week ahead with growth expected to come in as another headache for the Bank of England. We also advise watching Swedish house price data, which could give an insight into the uncertainty surrounding their economic outlook



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### Big week for UK data as economic risks build

There are three things to watch in the UK in the coming week. First up, it's the jobs report where we expect wage growth (ex-bonuses) and jobs growth to slip back further – although both are mainly a function of base effects. Pay had an exceptionally bad start to 2017, which has been flattering the year-on-year comparison through the early parts of this year. Importantly, the Bank of England (BoE) remains confident wage pressures will continue to build.

But it's not quite the same story for inflation, due to be released on Wednesday. While headline CPI is being kept aloft by higher oil prices, core inflation is likely to remain at 2% as the impact of the pound's post-Brexit plunge continues to wear off.

Increasingly though, we think the bigger headache for the BoE is likely to be growth. Following a dip in June, Thursday's retail sales data may stabilise. But much of the recent improvement has been down to the sun, and as normal British summer weather conditions are restored, the cracks

in the retail sector are likely to resurface. Incomes remain under pressure, while the increased [talk of a 'no deal' Brexit could dampen confidence over coming months](#). For this reason, we don't expect another Bank of England rate hike before the UK leaves the EU next year.

### ✓ **Norges Bank to reiterate hawkish stance**

Norges Bank (NB) meets on Thursday and while we don't expect a rate hike this time around, the Norwegian central bank is likely to reiterate its intention to raise the policy rate by 25 basis points to 0.75% in September. This should support the krone and Norwegian rates, as markets are still some way from fully pricing a September hike from the NB. Elsewhere, Swedish house price data for July are worth watching as the housing market remains a key source of uncertainty to the Swedish economic outlook, though we don't expect prices to have moved much over the summer holiday period.

### ✓ **German GDP data could still surprise**

After this week's disappointing industrial data, 2Q18 GDP data could still surprise to the upside and outperform the eurozone's 0.3%.

## **Developed Markets Economic Calendar**

Country	Time	Data/event	ING	Survey	Prev.
<b>Friday 10 August</b>					
US	1330	Jul CPI (MoM%)	0.2/3.0	0.2	0.1
	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%)	-	0.2/2.9	0.2/2.8
	0050	2Q P GDP (Annualised, QoQ%)	-	1.4	-0.6
	0050	2Q P GDP Deflator - Advance (Q) (YoY%)	-	0	0.5
	0530	Jun Tertiary Industry Index (MoM%)	-	-0.3	0.1
UK	0930	Jun Trade Balance (£m)	-2500	-2500	-2790
	0930	2Q P GDP (QoQ/YoY%)	0.4/1.4	0.4/1.3	0.2/1.2
	0930	Jun Industrial Production (MoM/YoY%)	0.5/0.8	0.3/0.7	-0.4/0.8
Canada	1330	Jul Net Change in Employment	-	19	31.8
	1330	Jul Unemployment Rate (%)	6	5.9	6
Australia	0230	RBA Statement on Monetary Policy			
Norway	0700	Jul CPI (MoM/YoY%)	0.5/2.6	0.3/2.6	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	0.5/2	0.2/2.1
	0830	Jul CPIF (MoM/YoY%)	0.5/2.2	-/-	0.3/2.2
	0830	Jul Core CPIF ex-energy (MoM/YoY%)	0.3/1.2	-/-	0.1/1.4
Portugal	1100	Portugal Releases Construction Output, Employment and CPI Report			
Greece	-	Greece Sovereign Debt to be Rated by Fitch			
<b>Monday 13 August</b>					
Italy	0900	Jul F HICP (YoY%)	-	-	1.9
Sweden	0730	SEB Swedish Monthly Housing-Price Indicator			
Portugal	1100	Portugal Releases Services Sales and Employment Report			
<b>Tuesday 14 August</b>					
US	1100	Jul NFIB Small Business Optimism	107	-	107.2
	1600	New York Fed to Release Q2 2018 Household Debt & Credit Report			
Japan	0530	Jun F Industrial production - Prel (MoM/YoY%)	-/-	-/-	-2.1/-1.2
Eurozone	1000	Jun Industrial Production (WDA, YoY%)	2.6	-	2.4
	1000	2Q P GDP (QoQ/YoY%)	0.3/2.1	-/-	0.3/2.1
Germany	0700	2Q P GDP (QoQ/YoY%)	0.4/2.5	-/-	0.3/2.3
	0700	Jul F CPI (MoM/YoY%)	70	-/-	0.3/2
	1000	Aug ZEW Current Situation Index	-	-	72.4
UK	0930	Jul Claimant Count Rate (%)	-	-	2.5
	0930	Jun Weekly Earnings (3M avg)	2.5	-	2.5
	0930	Jun Weekly Earnings Ex. Bonus (3M avg)	2.6	-	2.7
	0930	Jun ILO Unemployment Rate (3M avg.)	4.2	-	4.2
	0930	Jun Employment Change (3M/3M)	80	-	137
Spain	0800	Jul F HICP (MoM/YoY%)	-/-	-/-	-1.2/2.3
Netherlands	0830	2Q P GDP (QoQ%)	0.6	-	0.6
Portugal	0930	Portugal Reports Second-Quarter GDP Estimate			
	1100	Portugal Reports Second-Quarter Labor Cost Index			
	-	Bank of Portugal Releases Data on Banks			
<b>Wednesday 15 August</b>					
US	1330	Jul Advance Retail Sales (MoM%)	0	0.2	0.5
	1330	Jul Retail Sales ex. Auto and Gas (MoM%)	0.5	-	0.3
	1415	Jul Industrial Production (MoM%)	0.3	0.2	0.62
UK	0930	Jul CPI (MoM/YoY%)	0.0/2.5	-/-	0/2.4
	0930	Jul Core CPI (YoY%)	2	-	1.9
<b>Thursday 16 August</b>					
Japan	0050	Jul Exports (YoY%)	-	-	6.7
	0050	Jul Imports (YoY%)	-	-	2.6
Eurozone	1000	Jun Trade Balance (€bn)	-	-	16885.2
UK	0930	Jul Retail Sales Ex Auto Fuel (MoM%/YoY%)	0.2/2.8	-/-	-0.6/3
	0930	Jul Retail Sales (MoM/YoY%)	0.2/3.0	-/-	-0.5/2.9
Australia	0200	Aug CPI Expectations (YoY%)	-	-	3.9
	0230	Jul Employment Change ('000)	-	-	50.9
	0230	Jul Unemployment Rate (%)	-	-	5.4
Norway	0900	Deposit Rates	0.5	-	0.5
<b>Friday 17 August</b>					
US	1500	Aug P U. of Mich. Sentiment Index	97.8	97.8	97.9
Eurozone	1000	Jul F Core CPI (YoY%)	1.1	-	1.1
	1000	Jul F CPI (MoM, YoY%)	-0.3/2.1	-/-	-0.3/2.1
Canada	1330	Jul CPI (MoM/YoY%)	0.1/2.5	-/-	0.1/2.5
Australia	-	RBA's Ellis Speech in Canberra			
Hungary	-	Hungary Sovereign Debt to be Rated by S&P			

Source: ING, Bloomberg

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