

## Key events in developed markets next week

Markets to continue digesting the ECB's latest decision, the Bank of England to hold with questions surrounding an August rate hike and Norges Bank to become relatively more hawkish. All in all an exciting week for developed markets



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### ECB speeches and Eurozone data

Markets will further digest the latest ECB decision and central banker speeches will be in focus as the ECB organizes their annual getaway to Sintra again. But watch Eurozone confidence data as it will give a read on whether June has marked the end of the Eurozone soft patch.

### Bank of England in focus as markets increasingly doubt summer rate hike

Has the UK economy done enough to give the Bank of England sufficient conviction to hike rates over the summer? That's the question investors will be trying to answer as the Bank meets next week, and the answer is still very unclear. The BoE was pretty blasé about the first quarter slowdown when it met in May, noting that it was largely weather-related. The data since then has been pretty mixed, and markets have tempered their expectations for the August meeting.

With wage growth picking up, we suspect policymakers would like to hike rates then if they can. Purely based on recent policymaker commentary, we still feel an August hike is slightly more likely than not – but there's still a long way to go before then. We doubt the Bank will want to pre-commit to anything next week – after all, there are still plenty of risks, not least in the retail sector, that could yet force the Bank of England to put its tightening plans on ice for a little while longer.

### **Norges Bank to project September rate hike**

The key event in Scandinavia next week is the Norges Bank (NB) policy meeting on Thursday. We expect the NB will stick to projecting a first rate hike in September, making the Norwegian central bank a relatively hawkish outlier among European central banks.

## **Developed Markets Economic Calendar**

| Country                  | Time | Data/event   | ING     | Survey  | Prev.   |
|--------------------------|------|--|---------|---------|---------|
| <b>Friday 15 June</b>    |      |  |         |         |         |
| US                       | 1415 | May Industrial Production (MoM%)                               | 0.4     | 0.2     | 0.72    |
|                          | 1500 | Jun P U. of Mich. Sentiment Index                              | 98.8    | 98.5    | 98      |
|                          | 1830 | Fed's Kaplan Speaks in Fort Worth                              |         |         |         |
| Japan                    | -    | Policy Rate  | -0.1    | -0.1    | -0.1    |
|                          | -    | BOJ Monetary Policy Statement                                  |         |         |         |
| Eurozone                 | 1000 | Apr Trade Balance (€bn)  | -       | 20      | 21243.3 |
|                          | 1000 | May F Core CPI (YoY%)  | 1.1     | 1.1     | 1.1     |
|                          | 1000 | May F CPI (MoM/YoY%)   | 0.5/1.9 | 0.5/1.9 | 0.5/1.9 |
|                          | 0930 | ECB's Nowotny Presents Austrian Economic Outlook in Vienna     |         |         |         |
|                          | 0945 | ECB Executive Board Member Coeure Speaks in Paris              |         |         |         |
| Italy                    | 1000 | May F HICP (YoY%)  | -       | 1.1     | 1.1     |
| Australia                | 0430 | RBA's Ellis Gives Speech in Sydney                             |         |         |         |
| Sweden                   | 0500 | Maklarstatistik and Valueguard Swedish Housing Price Data      |         |         |         |
|                          | -    | Riksbank Holds Annual Macroprudential Conference               |         |         |         |
| <b>Monday 18 June</b>    |      |  |         |         |         |
| US                       | 1345 | Departing NY Fed Chief Dudley Speaks at Bank Culture Conferenc |         |         |         |
|                          | 1400 | Dudley, Duke and Gorman Speak on Culture in Finance Panel      |         |         |         |
|                          | 1800 | Fed's Bostic Speaks on Economist and Monetary Policy Outlook   |         |         |         |
|                          | 2045 | Fed's Williams Speaks at NY Fed Bank Culture Conference        |         |         |         |
| Japan                    | 0050 | May Exports (YoY%)   | -       | -       | 7.8     |
|                          | 0050 | May Imports (YoY%)   | -       | -       | 5.9     |
|                          | 0050 | May Trade balance (¥ bn)                                       | -       | -       | 626     |
| Eurozone                 | 1830 | ECB's Draghi gives opening remarks at Sintra conference        |         |         |         |
| <b>Tuesday 19 June</b>   |      |  |         |         |         |
| Eurozone                 | 0900 | ECB President Draghi speaks in Sintra, Portugal                |         |         |         |
|                          | 0930 | ECB's Peter Praet is chairing a panel in Sintra, Portugal      |         |         |         |
|                          | 1200 | ECB's Lane and St. Louis Fed Bullard speak in Sintra, Portugal |         |         |         |
| Australia                | 0230 | RBA June Meeting Minutes                                       |         |         |         |
|                          | 0230 | 1Q House price index (QoQ/YoY%)                                | -/-     | -/-     | 1.0/5.0 |
| Sweden                   | 0830 | May Unemployment Rate (%)                                      | -       | -       | 6.8     |
|                          | 0830 | Swedish Debt Office Borrowing Forecasts                        |         |         |         |
| Finland                  | 0900 | Bank of Finland Publishes Forecast for Finnish Economy         |         |         |         |
| <b>Wednesday 20 June</b> |      |  |         |         |         |
| US                       | 1500 | May Existing Home Sales  | -       | 5.58    | 5.46    |
| Japan                    | 0050 | BOJ Minutes of Policy Meeting                                  |         |         |         |
|                          | 0730 | BOJ Kuroda speaks at National Credit Union's meeting           |         |         |         |
| Eurozone                 | 0900 | ECB's Lautenschläger chairs panel in Sintra                    |         |         |         |
|                          | 0900 | ECB's Nowotny Presents Austrian Financial Stability Report     |         |         |         |
|                          | 1130 | ECB's Coeure is chairing a panel in Sintra, Portugal           |         |         |         |
|                          | 1430 | Draghi, Lowe and Powell speak in Sintra, Portugal              |         |         |         |
| New Zealand              | 2345 | 1Q GDP (QoQ/YoY% SA)   | -/-     | -/-     | 0.6/2.9 |
| Sweden                   | 0800 | June Economic Tendency Survey                                  |         |         | 108.8   |
| <b>Thursday 21 June</b>  |      |  |         |         |         |
| Japan                    | 0230 | BOJ Funo speaks in Sendai                                      |         |         |         |
| Eurozone                 | 1500 | Jun A Consumer Confidence                                      | 0.3     | -       | 0.2     |
|                          | 1430 | ECB's Nowotny, ECB's Reinesch Speak at Vienna Conference       |         |         |         |
| UK                       | 0930 | May Public Finances (PSNCR)                                    | -       | -       | -9.71   |
|                          | 0930 | May PSNB ex Banks (€bn)  | -       | -       | 7.84    |
|                          | 1200 | BoE Policy Rate  | 0.5     | -       | 0.5     |
|                          | 2115 | BOE Governor Mark Carney Delivers Mansion House Speech         |         |         |         |
| Canada                   | 1330 | ADP Publishes May Payrolls Report                              |         |         |         |
| Norway                   | 0900 | Deposit Rates  | 0.5     | -       | 0.5     |
| Switzerland              | 0830 | SNB Sight Deposit Interest Rate                                | -       | -       | -0.75   |
| <b>Friday 22 June</b>    |      |  |         |         |         |
| Japan                    | 0030 | May National CPI (YoY%)  | -       | -       | 0.6     |
|                          | 0030 | May CPI ex-food, energy (YoY%)                                 | -       | -       | 0.4     |
|                          | 0530 | Apr All industry activity index (MoM%)                         | -       | -       | 0       |
| Eurozone                 | 0900 | Jun P Markit Manufacturing PMI                                 | 55.7    | -       | 55.5    |
|                          | 0900 | Jun P Markit Services PMI                                      | 54.1    | -       | 53.8    |
|                          | 0900 | Jun P Markit Composite PMI                                     | 54.4    | -       | 54.1    |
| Canada                   | 1330 | May CPI (MoM/YoY%)   | -/-     | -/-     | 0.3/2.2 |
| Netherlands              | 0530 | 1Q F GDP (QoQ%)  | 0.5     | -       | 0.5     |

Source: ING, Bloomberg

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