

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.
Friday 15 June					
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
Japan	1830	Fed's Kaplan Speaks in Fort Worth			
	-	Policy Rate	-0.1	-0.1	-0.1
Eurozone	-	BOJ Monetary Policy Statement			
	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 Macprudential Conference			
Monday 18 June					
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			
Tuesday 19 June					
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			
Wednesday 20 June					
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
Thursday 21 June					
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
Friday 22 June					
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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