

## Key events in developed markets next week

As Covid-19 restrictions are fully eased across developed markets, PMIs are expected to show stronger activity. However, geopolitical issues and high inflation figures will remain prominent



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### UK PMIs to show post-Omicron improvement

Most of the high-frequency data we've been tracking suggests that economic activity in the UK is more-or-less back to pre-Omicron levels. Card spending is almost exactly where it was at the same time in 2020, before the virus was circulating. Transport and mobility data suggests that, in London at least, the number of workers heading to workplaces is back to November highs. Sickness rates have also fallen with Covid-19 case numbers over recent weeks. We'd expect that to translate into a bounce in the services Purchasing Managers' Index (PMI) reading next week, though it's worth remembering that these indices haven't been as good at mapping onto GDP changes as they were pre-pandemic.

The Bank of England will be more focussed on any further clues the surveys offer on wage pressures. Its own survey suggested pay rises will be growing faster than they have done in several

years, though there are still good reasons to think that a wage-price spiral won't materialise in the UK. We expect further rate rises in March and May but continue to think markets are probably overestimating the pace of tightening this year.

## Eurozone: PMIs and sentiment data will reflect current economic conditions

Next week will reveal a fair bit about the mood in the eurozone. Geopolitical and inflation concerns are becoming more prominent, but at the same time Covid-19 restrictions are being eased and manufacturing is experiencing decreasing problems related to equipment shortages. The question seems to be which will take the upper hand in PMI and sentiment data.

## Developed Markets Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 21 February</b>					
Germany	0830	Feb Markit Manufacturing Flash PMI	-		59.8
	0830	Feb Markit Service Flash PMI	-		52.2
	0830	Feb Markit Composite Flash PMI	-		53.8
France	0815	Feb Markit Composite Flash PMI	-		52.7
UK	0930	Feb Flash Composite PMI	56.6		54.2
	0930	Feb Flash Manufacturing PMI	58.0		57.3
	0930	Feb Flash Services PMI	56.5		54.1
Eurozone	0900	Feb Markit Manufacturing Flash PMI	58.8		58.7
	0900	Feb Markit Services Flash PMI	51.7		51.1
	0900	Feb Markit Composite Flash PMI	52.9		52.3
<b>Tuesday 22 February</b>					
US	1400	Dec CaseShiller 20 (MoM%/YoY%)	-/-		1.2/18.3
	1445	Feb Markit Manufacturing PMI Flash	-		55.5
	1445	Feb Markit Services PMI Flash	-		51.2
	1445	Feb Markit Composite Flash PMI	-		51.1
	1500	Feb Consumer Confidence	-	110.0	113.8
Germany	0900	Feb Ifo Business Climate	96.5		95.7
	0900	Feb Ifo Curr Conditions	96.3		96.1
	0900	Feb Ifo Expectations	96		95.2
<b>Wednesday 23 February</b>					
Germany	0700	Mar GfK Consumer Sentiment	-7		-6.7
Eurozone	1000	Jan CPI (YoY%)	5.1		5.1
<b>Thursday 24 February</b>					
US	1330	Q4 GDP 2nd Estimate	-	7.0	6.9
	1330	Q4 GDP Deflator Prelim	-		7
	1330	Q4 Core PCE Prices Prelim	-		4.9
	1330	Initial Jobless Claims	-		-
	1330	Cont Jobless Claims	-		-
	1500	Jan New Home Sales-Units	-	0.807	0.811
Sweden	0700	Jan Unemployment Rate	-		7.3
<b>Friday 25 February</b>					
US	1330	Jan Personal Income (MoM%)	-	-0.3	0.3
	1330	Jan Personal Consump Real (MoM%)	-		-1
	1330	Jan Consumption, Adjusted (MoM%)	-	0.6	-0.6
	1330	Jan Core PCE Price Index (MoM%)	-	0.5	0.5
	1330	Jan Durable Goods	-	0.5	-0.7
	1500	Feb U Mich Sentiment Final	-		61.7
Germany	0700	Q4 GDP Detailed (QoQ%/YoY%)	-0.5		-0.7/14
France	0745	Q4 GDP (QoQ%/YoY%)	-/-		0.7/5.4
	0745	Feb CPI Prelim (YoY%)	-		-
Italy	0800	Feb Consumer Confidence	115		114.2
Eurozone	0900	Jan Money-M3 Annual Grwth	6.8		6.9
	0900	Jan Broad Money	16000000		15483532
	1000	Feb Business Climate	2		1.81
	1000	Feb Economic Sentiment	113.7		112.7
	1000	Feb Consumer Confidence Final	-7.5		-

Source: Refinitiv, ING, \*GMT

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