

## Key events in developed markets next week

PMI data across developed markets next week will likely reflect the significant downside that renewed lockdowns have had on economic activity. Also keep an eye on more GDP releases for the third quarter, as well as a Swedish central bank decision



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### **US: Containment measures increasingly likely to damage consumer spending**

With Covid cases on the rise across the US, we are seeing more states announce new containment measures. In the likes of Michigan, Wisconsin and California we have seen dine-in restaurants/bars, gyms and places of worship forced to close while other states have introduced curfews/stay at home orders. These measures are likely to spread to other states, but may not be enough to limit the latest wave of the virus if evidence from Europe is anything to go by. Rising hospitalisation rates after next week's Thanksgiving holiday, historically a time for family gatherings, could hasten more aggressive measures, which would be more economically damaging.

Next week's data includes both the Conference Board and University of Michigan consumer confidence measures and it will be interesting to see if Covid is prompting concern amongst households or whether new equity market highs and positive vaccine developments can offset that. The election outcome could also play its part, particularly regionally. 3Q GDP is unlikely to be

meaningfully revised from the record 33.1% annualised rate, but there is perhaps some downside risk for the October consumer spending number given the recent retail sales figures. A softer start to the fourth quarter coupled with new Covid containment measures would be consistent with our sub-consensus 1.6% annualised 4Q GDP forecast.

## **Eurozone: PMI data to reflect the significant downsides of lockdown 2**

Eurozone sentiment data out next week promises to be dismal as the new lockdown measures will be fully captured in these figures. While last month showed a small tick down for most indicators, this one will be a significant decrease. This will be largely due to the service sector, which is where all restrictive measures have been introduced so far, but do expect some second round effects to impact the manufacturing sector.

## **Developed Markets Economic Calendar**

| Country                      | Time Data/event   | ING      | Survey | Prev.    |
|------------------------------|---|----------|--------|----------|
| <b>Monday 23 November</b>    |   |          |        |          |
| US                           | 1445 Nov Markit Composite Flash PMI                         | 54.5     | -      | 56.3     |
|                              | 1445 Nov Markit Manufacturing PMI Flash                     | 52.0     | -      | 53.4     |
|                              | 1445 Nov Markit Services PMI Flash                          | 55.0     | -      | 56.9     |
| Germany                      | 0830 Nov Markit Manufacturing Flash PMI                     | 56.0     | -      | 58.2     |
|                              | 0830 Nov Markit Service Flash PMI                           | 47.0     | -      | 49.5     |
|                              | 0830 Nov Markit Composite Flash PMI                         | 52.0     | -      | 55.0     |
| UK                           | 0930 Nov Flash Composite PMI                                | 43.0     | -      | 52.1     |
|                              | 0930 Nov Flash Manufacturing PMI                            | 50.5     | -      | 53.7     |
|                              | 0930 Nov Flash Services PMI                                 | 42.0     | -      | 51.4     |
| Eurozone                     | 0900 Nov Markit Manufacturing Flash PMI                     | 53.1     | -      | 54.8     |
|                              | 0900 Nov Markit Services Flash PMI                          | 37.1     | -      | 46.9     |
|                              | 0900 Nov Markit Composite Flash PMI                         | 38.9     | -      | 50.0     |
| <b>Tuesday 24 November</b>   |   |          |        |          |
| US                           | 1400 Sep CaseShiller 20 (MoM/YoY%)                          | 1.0/5.1  | -      | 0.5/5.2  |
|                              | 1500 Nov Consumer Confidence                                | 98.0     | 99.5   | 100.9    |
| Canada                       | 0230 BoC's Toni Gravelle speaks                             |          |        |          |
| Japan                        | 1205 BoJ's Governor Haruhiko Kuroda speaks at virtual event |          |        |          |
| Germany                      | 0700 Q3 GDP Detailed (QoQ/YoY%)                             | 8.2/-4.1 | -      | 8.2/-4.1 |
|                              | 0900 Nov Ifo Business Climate New                           | 90.8     |        | 92.7     |
|                              | 0900 Nov Ifo Curr Conditions New                            | 87.3     |        | 90.3     |
|                              | 0900 Nov Ifo Expectations New                               | 94.0     |        | 95.0     |
| <b>Wednesday 25 November</b> |   |          |        |          |
| US                           | 1330 Oct Personal Income (MoM%)                             | 0.3      | 0.4    | 0.9      |
|                              | 1330 Oct Personal Consump Real (MoM%)                       | 0.1      |        | 1.2      |
|                              | 1330 Oct Consumption, Adjusted (MoM%)                       | 0.2      | 0.7    | 1.4      |
|                              | 1330 Oct Core PCE Price Index (MoM%)                        | 0.1      | 0.1    | 0.2      |
|                              | 1330 Q3 GDP 2nd Estimate                                    | 33.1     | 33.2   | 33.1     |
|                              | 1500 Nov U Mich Sentiment Final                             | 76.5     | 77.2   | 77.0     |
|                              | 1500 Oct New home sales (mn)                                | 0.93     | 0.97   | 0.96     |
|                              | 1900 FOMC minutes   |          |        |          |
| UK                           | - UK Chancellor unveils spending review                     |          |        |          |
| Norway                       | 0700 Sep Labour Force Survey                                | -        |        | 5.3      |
| Sweden                       | 0800 Riksbank monetary policy meeting                       |          |        |          |
| <b>Thursday 26 November</b>  |   |          |        |          |
| US                           | - Thanksgiving full day closure                             |          |        |          |
| Japan                        | 2330 Nov CPI Tokyo Ex fresh food (YoY%)                     | -        |        | -0.5     |
|                              | 2330 Nov CPI, Overall Tokyo                                 | -        |        | -0.3     |
| Eurozone                     | 1200 Speech by ECB's Phillip Lane                           |          |        |          |
| Germany                      | 0700 Dec GfK Consumer Sentiment                             | -3.5     |        | -3.1     |
| France                       | 0745 Nov Consumer Confidence                                | -        |        | 94.0     |
| Sweden                       | 0830 Riksbank Rate  | 0.00     |        | 0.00     |
| Austria                      | 0900 Nov Purchasing Managers Idx                            | -        |        | 54.0     |
| Eurozone                     | 0900 Oct Money-M3 Annual Grwth                              | 9.8      |        | 10.4     |
| <b>Friday 27 November</b>    |   |          |        |          |
| France                       | 0745 Q3 GDP (QoQ/YoY%)                                      | -/-      | -      | 18.2/0.1 |
| Italy                        | 0900 Nov Consumer Confidence                                | 98.0     |        | 102.0    |
| Sweden                       | 0830 Q3 GDP (QoQ%)  | 5.4      | -      | -8.3     |
|                              | 0830 Oct Retail Sales (MoM%/YoY%)                           | -/-      | -      | 0.8/3.9  |
| Austria                      | 0800 Q3 GDP Growth (QoQ%) Final                             | -        |        | 11.1     |
| Eurozone                     | 1000 Nov Business Climate                                   | -        |        | -0.74    |
|                              | 1000 Nov Economic Sentiment                                 | 82.1     |        | 90.9     |
|                              | 1000 Nov Industrial Sentiment                               | -12.0    |        | -9.6     |
|                              | 1000 Nov Services Sentiment                                 | -30.0    |        | -11.8    |

Source: ING, Refinitiv

## Authors

### James Knightley

Chief International Economist, US

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

### Bert Colijn

Chief Economist, Netherlands

[bert.colijn@ing.com](mailto:bert.colijn@ing.com)

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