

## Key events in developed markets next week

Busy week of data releases for developed markets next week with PMI readings, some 3Q GDP releases and CPI. Developments on containment measures and vaccine news will be in the spotlight once again



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### **US: Will more fiscal stimulus be needed after a tightening of containment measures?**

It is a big week for US data given the release of the November jobs report and the ISM indices, but market sentiment will be more likely influenced by news on the timing of a vaccine and concerns about a near-term intensification of Covid containment measures in the wake of Thanksgiving gatherings. The number of cases was rising sharply before last week but holiday travel and socialising could see an acceleration that necessitates aggressive action to prevent healthcare systems buckling under the pressure of hospitalisations. Already we can see the jobs markets is suffering as curfews and restrictions kick in across more parts of the United States so the jobs report is already old news before it is even published – remember the data is collected the week of 12 November.

Consequently, we will be looking to see if there are any signs of movement on the fiscal side to provide support to an economy that is going to be experiencing more pain in the weeks ahead.

Should politicians fail to step up, then expectations will build that the Federal Reserve will feel compelled to try and offer some support through extra liquidity injections and potentially more quantitative easing. Nonetheless, the Fed will again emphasise this is not going to generate meaningful demand. It is more about trying to shore up confidence until the Covid vaccines are released.

### **Canada: Strong GDP and jobs data to come, but recovery is still a long way off**

Canada's third quarter GDP is expected to show a robust rebound in excess of 45% annualised growth. Nonetheless this would still leave output nearly 5% below the level of the fourth quarter 2019. The jobs report should also show robust gains, but there would still be around 600,000 fewer people in work than February. As such, both reports will underline the point that there is still a long way to go in terms of recovery and unfortunately, we could see more bad news in the near term given rising Covid cases and the threat of more restrictions.

### **Eurozone: Inflation release and retail sales will further show the effect of the second lockdown**

For the eurozone, the inflation rate for November will be key to watch as it will be the last important figure to come out ahead of the European Central Bank's December meeting. Not that it will sway the ECB much at this point of course, particularly as it's unlikely that the figure will move much from the October reading of -0.3%. Also interesting is whether retail sales have held up in October ahead of the November closures in some countries.

## **Developed Markets Economic Calendar**

Country	Time Data/event	ING	Survey	Prev.
<b>Sunday 29 November</b>				
Japan	2350 Oct Retail trade (YoY%)	7.0	-	-8.7
	2350 Oct Industrial O/P Prelim (MoM/YoY%)	-1.2/-6.2	-	3.9/-8.7
<b>Monday 30 November</b>				
US	1445 Nov Chicago PMI	59.0		61.1
Japan	2330 Oct Unemployment Rate	3.1		3.0
Germany	1300 Nov CPI Prelim (MoM/YoY%)	-0.3/-0.3	-	0.1/-0.2
	1300 Nov HICP Prelim (MoM/YoY%)	-0.3/-0.5	-	0.0/-0.5
Italy	1000 Nov CPI (EU Norm) Prelim (MoM/YoY%)	-		0.6/-0.6
Spain	0800 Nov HICP Flash (YoY%)	-		-0.9
Canada	1330 Q3 Current Account C\$	-		-8.63
Switzerland	0730 Oct Retail Sales (YoY%)	-		0.3
Portugal	1100 Q3 GDP (QoQ/YoY%)	-/-	-	13.3/-5.7
<b>Tuesday 1 December</b>				
US	1500 Nov ISM Manufacturing PMI	57.0	57.8	59.3
Japan	0030 Nov Jibun Bank Manufacturing PMI	-		48.3
	2350 Nov Monetary base (JPY tr)	620.0	-	608.3
Germany	0855 Nov Markit/BME Manufacturing PMI	57.9		57.9
	- Nov unemployment rate (%)	6.3		6.2
France	0850 Nov Markit Manufacturing PMI	-		49.1
UK	0930 Nov Markit/CIPS Manufacturing PMI Final	55.2		55.2
Italy	0845 Nov Markit/IHS Manufacturing PMI	-		53.8
	0900 Q3 GDP Final (QoQ/YoY%)	-/-	-	16.1/-4.7
Spain	0815 Nov Manufacturing PMI	-		52.5
Canada	1330 Q3 GDP (QoQ%) Annualized	45.5	47.0	-38.7
	1430 Nov Markit Manufacturing PMI SA	55.0		55.5
Australia	0030 Q3 Current Account Balance SA	-		17.7
	0330 Dec RBA Cash Rate	0.1		0.1
New Zealand	2145 Q3 Terms of Trade (QoQ%)	-		2.5
Switzerland	0645 Q3 GDP (QoQ/YoY%)	-/-	-	-7.3/-8.3
	0830 Nov Manufacturing PMI	-		52.3
Netherlands	0800 Nov PMI - Manufacturing	-		50.4
Greece	0900 Nov PMI Manufacturing	-		48.7
Eurozone	0900 Nov Markit Manufacturing Final PMI	53.6		53.6
	1000 Nov HICP Flash (YoY%)	-0.3		-0.3
<b>Wednesday 2 December</b>				
US	1315 Nov ADP National Employment	-	500.0	365.0
	1900 FED issues the beige book on economic conditions			
Germany	0700 Oct Retail Sales (MoM/YoY%)	1.5/7.2	-	-2.2/6.5
Italy	0900 Oct Unemployment Rate	-		9.6
Australia	0030 Q3 Real GDP (QoQ/YoY%)	2.5/-4.4	-	-7.0/-6.3
	0000 RBA Governor Philip Lowe speaks			
Switzerland	0730 Nov CPI (MoM/YoY%)	-/-	-	0.0/-0.6
Eurozone	1000 Oct Unemployment Rate	8.4		8.3
<b>Thursday 3 December</b>				
US	1445 Nov Markit Composite Final PMI	-		57.9
	1445 Nov Markit Services PMI Final	-		57.7
	1500 Nov ISM Non-manufacturing PMI	55.8	56.4	56.6
Japan	0030 Nov Consumer Confidence Index	32.4		33.6
Germany	0855 Nov Markit Services PMI	-46.2		46.2
	0855 Nov Markit Composite Final PMI	52.0		52.0
France	0850 Nov Markit Services PMI	-		38.0
	0850 Nov Markit Comp PMI	-		39.9
UK	0700 Nov Reserve Assets Total	-		177702.46
	0930 Nov Markit/CIPS Services PMI Final	45.8		45.8
Italy	0845 Nov Markit/IHS Services PMI	-		46.7
Spain	0815 Nov Services PMI	-		41.4
Eurozone	0900 Nov Markit Services Final PMI	41.3		41.3
	0900 Nov Markit Composite Final PMI	45.1		45.1
	1000 Oct Retail Sales (MoM/YoY%)	-0.2/2.4	/	-2.0/2.2
Australia	0030 Oct Trade balance (A\$bn)	2.1		5.6
<b>Friday 4 December</b>				
US	1330 Nov Non-Farm Payrolls	540	500	638
	1330 Nov Private Payrolls	600	590	906
	1330 Nov Unemployment Rate	6.7	6.8	6.9
Germany	0700 Oct Industrial Orders (MoM%)	-0.4		0.5
UK	0930 Nov Markit/CIPS Cons PMI	-		53.1
Canada	1330 Nov Employment Change	70.0		83.6
	1330 Nov Unemployment Rate	8.6		8.9
	1330 Oct Trade Balance C\$	-		-3.25
Australia	0030 Oct Retail Sales (MoM%)	0.0		-1.1

Source: ING, Refinitiv

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