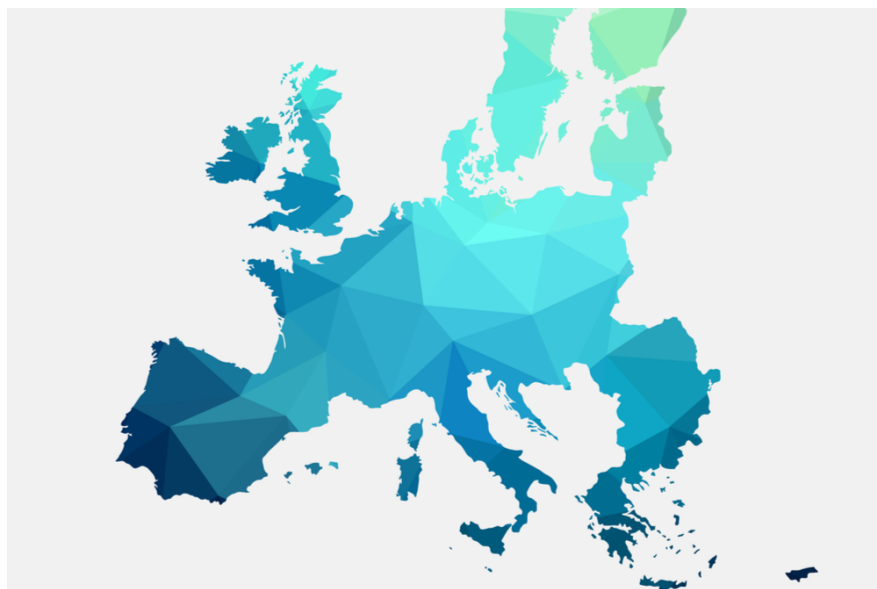


Key events in developed markets next week

Next week's calendar looks light in the US, with much of the data unlikely to have a significant impact, the highlights being existing home sales and the leading index. Despite the UK entering a technical recession in the final quarter of 2023, we expect PMI data to point to a recovery in activity during the first quarter. Inflation in Canada to hover above 3%



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US: Existing home sales and leading index the highlights of next week

Federal Reserve interest rate cut expectations have been significantly scaled back in the wake of strong GDP, jobs and consumer price inflation. At the start of the year, the market was looking for 175bp of cuts this year starting in March, today the pricing is for a mere 100bp of cuts starting in June. The upcoming data is unlikely to have that much impact though with next week's calendar looking light. Existing home sales and the leading index will be the highlights in terms of the data, but we will at least have several Fed speeches to digest and the minutes of the 31 January FOMC

meeting.

✓ UK: PMIs to point to recovery in activity during 1Q

The UK entered a technical recession in the final quarter of 2023, though in practice the economy broadly stagnated last year. Things are looking up in 2024 though, and we've seen an encouraging recovery in the service-sector purchasing managers index (PMI) over the past couple of months. Interestingly that's in contrast to the eurozone equivalent index, which has been more subdued. We think the economy should return to modest growth both in this and coming quarters, with the consumer outlook improving and rate cuts on the horizon. That said, the growth figures aren't what will determine the timing of the first rate cut from the Bank of England, which instead is focused on services inflation and wage growth as key guiding metrics.

✓ Canada: Inflation hovering just above 3%

In Canada we will have inflation data which is likely to show inflation hovering just above 3%. This won't be enough to trigger an imminent Bank of Canada policy rate cut, but we do expect them to start easing by the June policy meeting.

Key events in developed markets next week

Country	Time	Data/event	ING	Survey	Prev.
Monday 19 February					
Sweden	0700	Jan CPI (MoM%/YoY%)	-/-	/	0.7/4.4
	0700	Jan CPIF (YoY%)	3.0	/	2.3
Tuesday 20 February					
US	1500	Jan leading index (MoM%)	-0.3	-0.3	-0.1
Canada	1330	Jan CPI Inflation (MoM%/YoY%)	0.3/3.2	0.4/3.3	-0.3/3.4
	1330	Jan CPI BoC Core (MoM%/YoY%)	-	-	-0.5/2.6
Eurozone	0900	Dec Current Account SA, EUR	-	-	24.6
Wednesday 21 February					
US	1700	Jan 31 FOMC meeting minutes	-	-	-
Eurozone	1500	Feb Consumer Confidence Flash	-	-	-16.1
Thursday 22 February					
US	1330	Initial Jobless Claims	225	-	212
	1330	Continuing Jobless Claims	1910	-	1895
	1445	Feb S&P Global Manufacturing Flash PMI	-	50.1	50.7
	1445	Feb S&P Global Services Flash PMI	-	52	52.5
	1445	Feb S&P Global Composite Flash PMI	-	-	52
Germany	1500	Jan existing home sales (mn)	3.92	3.97	3.78
	0830	Feb S&P Global Manufacturing Flash PMI	45.7	-	45.5
	0830	Feb S&P Global Service Flash PMI	47.3	-	47.7
	0830	Feb S&P Global Composite Flash PMI	47.1	-	47
France	0815	Feb S&P Global Composite Flash PMI	-	-	44.6
UK	0930	Feb Flash Composite PMI	53.1	-	52.9
	0930	Feb Flash Manufacturing PMI	47.5	-	47
	0930	Feb Flash Services PMI	54.5	-	54.3
Canada	1330	Dec Retail Sales (MoM%)	-	-	-0.2
Eurozone	0900	Feb S&P Global Manufacturing Flash PMI	-	-	46.6
	0900	Feb S&P Global Services Flash PMI	-	-	48.4
	0900	Feb S&P Global Composite Flash PMI	-	-	47.9
	1000	Jan CPI (YoY%)	-	-	3.3
Friday 23 February					
Germany	0700	Q4 GDP Detailed (QoQ%/YoY%)	-0.3/-0.4	/	-0.3/-0.4
	0900	Feb Ifo Business Climate	85.5	-	85.2
	0900	Feb Ifo Current Conditions	87.5	-	87
	0900	Feb Ifo Expectations	83.7	-	83.5
Eurozone	0900	Jan Money-M3 Annual Grwth	-	-	0.1
	0900	Jan Broad Money	-	-	16112378

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