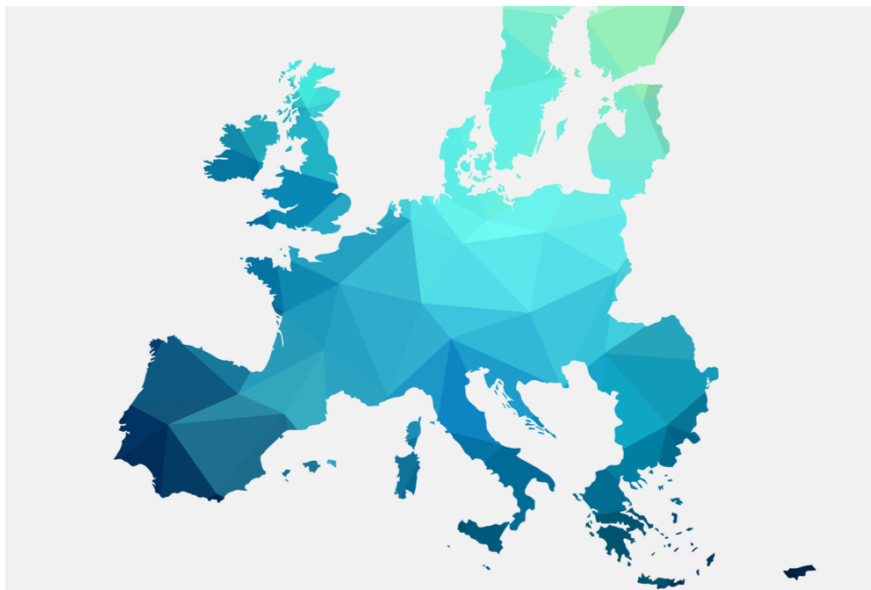


Key events in developed markets next week

Inflation and labour market data will be in the spotlight in the eurozone next week. We expect services inflation to be impacted by the Easter effect and unemployment to remain unchanged. The US jobs report will also be in focus, with payrolls expected to rise by just under 200k. In the UK, the BoE's CFO survey will likely show further inflation progress



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US: Payrolls expected to rise by just under 200K

The jobs report will be the main focus in the US next week. Payrolls are expected to rise by just under 200k, but once again are likely to be concentrated in just three sectors – local government, leisure and hospitality, and private education and healthcare services. 80% of all the jobs added over the past 14 months have come from these sectors and we don't see much change given that employment surveys have pointed to a slowdown in hiring. The unemployment rate is expected to remain at 3.9% with wage growth remaining benign. We suspect this will keep market pricing for a June federal reserve interest cut at around 80%. Expectations will be firmed up ahead of time with ADP payrolls and the ISM surveys released before next Friday's jobs figures.

✔ Eurozone: Services inflation expected to come in higher in March

Next week's eurozone data will focus on both inflation and the labour market. Inflation had been high month-on-month in February and January thanks to various reasons related to government measures and stronger than hoped for services inflation. In March, services inflation will be impacted by the Easter effect again, as the holiday comes early this year. That adds to inflation due to early holidays, but should subtract from it in May. For the European Central Bank, it will not be easy to look through all of this ahead of the April governing council meeting –but as ECB President Christine Lagarde stated at the March press conference, we'll know a lot more in June.

✔ UK: Bank of England CFO survey to show further inflation progress

The Bank of England has said it is watching services inflation and wage growth to guide policy this year, but we also know it pays close attention to its in-house survey of Chief Financial Officers. This has been pointing to less aggressive expectations of price rises among companies, but wage growth expectations have been stuck at around 5% for some time. Those expectations did tick lower in the February survey though, and we'll be looking to see if pay growth is scaled back further in the next survey due next week.

This survey won't move the dial for the BoE's May meeting, where we still think a rate cut is unlikely. But if we get more progress on this survey measure, coupled with some favourable data on CPI for April/May, this could bring a June cut into play. For now, we're sticking with our call for an August rate cut – but it's a relatively close call.

Key events in developed markets next week

Country (BST)	Time	Data/event	ING	Survey	Prev.
Monday 1 April					
US	1500	Mar ISM Manufacturing PMI	48.8	48.3	47.8
	1500	Mar ISM Manufacturing Prices Paid	54		52.5
	1500	Feb construction spending (MoM%)	0.5	0.6	-0.2
Tuesday 2 April					
US	1500	Feb Factory Orders (MoM%)	1.1	0.9	-3.6
Germany	0855	Mar S&P Global/BME Manufacturing PMI	-		41.6
	1300	Mar CPI Prelim (MoM%/YoY%)	-/-	/	0.4/2.5
UK	0930	Mar S&P Global/CIPS Manufacturing PMI Final	49.9		49.9
Italy	0845	Mar S&P Global/IHS Manufacturing PMI	-		48.7
Eurozone	0900	Mar S&P Global Manufacturing Final PMI	45.7		45.7
Wednesday 3 April					
US	1315	Mar ADP National Employment	150	155	140
	1445	Mar S&P Global Composite PMI Final	-		52.2
	1445	Mar S&P Global Services PMI Final	-		51.7
	1500	Mar ISM Services PMI	53	52.9	52.6
Italy	0900	Feb Unemployment Rate	-		7.2
Eurozone	1000	Mar CPI Flash (YoY%)	2.5	2.5	2.6
	1000	Mar Core CPI Flash (YoY%)	3		3.1
	1000	Feb Unemployment Rate	6.4		6.4
Thursday 4 April					
US	1330	Feb International Trade \$	-67	-66	-67.4
	1330	Initial Jobless Claims	-	-	-
	1330	Continuing Jobless Claims	-	-	-
Germany	0855	Mar S&P Global Services PMI	-		49.8
	0855	Mar S&P Global Composite PMI Final	-		47.4
France	0850	Mar S&P Global Composite PMI	-		47.7
UK	0930	Mar S&P Global/CIPS Serv PMI Final	53.4		53.4
	0930	Mar Composite PMI Final	52.9		52.9
	0930	Bank of England Decision Maker Panel survey			
Italy	0845	Mar Composite PMI	-		51.1
Spain	0815	Mar Services PMI	-		54.7
Canada	1330	Feb Trade Balance C\$	-		0.5
Switzerland	0730	Mar CPI (MoM%/YoY%)	-/-	/	0.6/1.2
Eurozone	0900	Mar S&P Global Services Final PMI	51.1		51.1
	0900	Mar S&P Global Composite Final PMI	49.9		49.9
Friday 5 April					
US	1330	Mar Non-Farm Payrolls	200	215	275
	1330	Mar Private Payrolls	170	175	223
	1330	Mar Unemployment Rate	3.9	3.9	3.9
	1330	Mar avg hourly earnings (MoM%)	0.3	0.3	0.1
Germany	2000	Feb Consumer Credit	5.5	-	19.49
France	0700	Feb Industrial Orders (MoM%)	-		-11.3
UK	0745	Feb Industrial Output (MoM%)	-		-1.1
	1330	Mar Unemployment Rate	5.8		5.8
Canada	1330	Mar net employment change (000s)	10		40.7
Eurozone	1000	Feb Retail Sales (MoM%/YoY%)	-/-	/	0.1/-1

Source: Refinitiv, ING

Authors

James Smith

Developed Markets Economist, UK

james.smith@ing.com

Bert Colijn

Chief Economist, Netherlands

bert.colijn@ing.com

James Knightley

Chief International Economist, US

james.knightley@ing.com

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