

## Key events in EMEA and Latam next week

Central banks in Romania and Serbia are likely to leave policy rates unchanged next week



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### National Bank of Romania front-run by the government

The National Bank of Romania (NBR) has been at odds with the government over its fiscal policy and its plan to tax bank assets. Recent moves by the ruling Social Democrats have complicated efforts to manage monetary policy and to some extent, have thrown into question the central bank's independence. A ROBOR-linked bank tax, announced last month, will tighten credit conditions, which means further NBR hikes could have an amplified impact. This opens the way for the NBR to cut the reserve requirement ratio (RRR) to ease its stance, leaving the vulnerable Romanian leu at the mercy of global sentiment. Needless to say, we see no change 8 January.

### National Bank of Serbia on hold due to external uncertainties

CPI inflation well within the target band, contained inflation expectations and recent currency appreciation could build the case for the National Bank of Serbia (NBS) to restart its rate cutting cycle. While there are some inflationary risks on the horizon from strong domestic growth momentum, a volatile external environment is the main reason for the NBS to stay on hold, in our view.

## EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 7 January</b>					
Poland	1300	Dec Official Reserves Total	-	-	113835.0
Hungary	0800	Nov Retail Sales (YoY%)	-	-	5.5
Romania	0700	Nov Retail Sales (MoM/YoY%)	-/-	-/-	1.3/5.1
South Africa	-	Dec Kagiso PMI	-	-	49.5
Israel	-	Dec Foreign Currency Balance (US\$bn)	-	-	115.1
<b>Tuesday 8 January</b>					
Czech Rep	0800	Nov Construction Output (YoY%)	-	-	10.4
	0800	Nov Industrial Output (YoY%)	-	-	6.7
	0900	Dec International Reserves (US\$bn)	-	-	141.4
Hungary	0800	Nov Industrial Production (MoM/YoY%)	-/-	-/-	2.0/3.3
Romania	-	Repo Rate (%)	2.5	2.5	2.5
Serbia	1100	Dec HPPI (MoM/YoY%)	-/-	-/-	-0.5/1.6
Croatia	1000	Nov F Retail Sales (YoY%)	-	-	4.5
South Africa	0600	Dec Gross Reserves (US\$bn)	-	-	50.7
	0600	Dec Net Open Foreign Currency Position (US\$bn)	-	-	42.6
Brazil	1100	Nov Industrial Production (YoY%)	1.5	-	1.1
<b>Wednesday 9 January</b>					
Poland	-	Base Rate (%)	-	-	1.5
	-	Monetary Policy Council Rate Meeting			
Czech Rep	0800	Nov Trade Balance (CZKmn)	-	-	5.7
	0800	Dec Unemployment Rate (%)	-	-	2.8
Hungary	0800	Nov P Trade Balance (€mn)	-	-	304.0
	1300	Central Bank's Minutes			
Romania	0700	Nov Unemployment Rate 15 - 74 Yrs, SA	-	-	4.0
	0700	Nov Trade Balance (€m)	-	-	-1889.6
Croatia	1000	Oct Trade Balance (HRK m)	-	-	-5146.0
	1000	Dec PPI (MoM/YoY%)	-/-	-/-	0.8/1.2
Mexico	1400	Dec CPI (MoM/YoY%)	0.9/5.0	-/-	0.9/4.7
<b>Thursday 10 January</b>					
Russia	-	Dec F CPI (MoM/YoY%)	-/-	-/3.7	0.8/3.8
Czech Rep	0800	Dec CPI (MoM/YoY%)	-/-	-/-	-0.1/2.0
Kazakhstan	-	Dec Industrial Production (YoY%)	-	-	2.3
Bulgaria	0900	Nov Industrial Production (MoM/YoY%)	-/-	-/-	0.8/1.6
	0900	Nov Retail Sales (MoM/YoY%)	-/-	-/-	0.5/4.9
Serbia	1100	Repo Rate (%)	3.0	-	3.0
South Africa	0930	Dec SACCI Business Confidence	-	-	96.1
	1100	Nov Manufacturing Production (MoM%)	-	-	3.0
	1100	Nov Manufacturing Production (SA, MoM%)	-	-	1.1
<b>Friday 11 January</b>					
Turkey	0700	Nov C/A (US\$mn)	-	-	2.8
Czech Rep	0800	Nov Retail Sales (YoY%)	-	-	3.1
	0800	Nov Retail Sales Ex. Motor Vehicles (YoY%)	-	-	6.4
	0800	3Q F GDP (QoQ/YoY%)	-/-	-/-	0.6/2.4
Ukraine	-	Dec CPI (MoM/YoY%)	-/-	-/-	1.4/10.0
Romania	0700	Nov Avg Net Wages (YoY%)	-	-	13.7
	0700	3Q F GDP (QoQ, SA/YoY%)	1.9/4.3	-	1.9/4.3
Serbia	1100	Dec CPI (MoM/YoY%)	-/-	-/-	-0.3/1.9
Brazil	1100	Dec Inflation (IPCA) (MoM/YoY%)	0.2/3.8	-	-0.2/4.1
Mexico	1400	Nov Industrial Production (YoY%)	1.3	-	1.0

Source: ING, Bloomberg

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