

## Key events in EMEA and Latam next week

Next week, Polish data should confirm 2Q GDP is likely to be stronger than what we previously thought, despite adverse economic conditions in the external environment. We could also see the current account balance in Hungary finally come out of negative territory



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### **Poland: Strong 2Q GDP on the horizon, despite external headwinds**

We expect industrial production to decelerate in May from 9.2% to 6.4% YoY, reflecting mainly a difference in the working days and the structure should present broad-based growth. We forecast that the value added in industry and consumption - in 2Q19 is likely to achieve a similar level as in the 1Q. Therefore, we expect 2Q GDP to be stronger than the 4.7% YoY, which was reported a quarter ago, despite adverse economic conditions in the external environment.

Labour market figures should present a stable, solid expansion. We expect wage to increase in May from 7.1% to 7.4% YoY. Corporate employment growth is likely to remain stable - close to 3% YoY. Overall sentiment remains solid: the number of companies reporting problems with labour shortage is still at a historically high level, which indicates no deterioration in the demand for labour. Similarly, the share of firms mulling over wage increases is relatively high, which suggests that wages should oscillate between 7% and 8% also in the second half of the year.

## ✔ Hungary: Current account to come out of negative territory?

The only important data regarding Hungary is the current account balance in 1Q19. Based on the monthly data releases, we see the balance to turn into a surplus again after been in negative territory for the past couple of quarters. This is due to the rebound in export-related industrial production, thus trade balance was able to improve significantly.

## EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Sunday 16 June</b>					
Israel	1100	1Q P GDP (QoQ Annualised %)	-	-	5.2
<b>Monday 17 June</b>					
Turkey	0800	Mar Unemployment Rate (%)	-	-	14.7
Poland	1300	May Core Inflation (YoY%)	1.6	-	1.7
Czech Rep	0800	May PPI (Industrial) (MoM/YoY%)	-/-	-/-	0.7/4.3
Ukraine	-	National Bank of Ukraine Publishes Minutes of Rate Meeting			
<b>Tuesday 18 June</b>					
Russia	-	1Q P GDP (YoY%)	-	0.5	0.5
	-	May Industrial Production (YoY%)	0.4	1.7	4.6
	-	May PPI (MoMYoY%)	-/-	0.9/7.3	0.5/10.7
Turkey	0800	Apr Industrial Production (MoM/YoY%)	-/-0.8	-/-	2.1/-2.2
<b>Wednesday 19 June</b>					
Poland	0900	May Avg Gross Wages (YoY%)	7.4	-	7.1
	0900	May Employment (YoY%)	3.0	-	2.9
Ukraine	-	1Q F GDP (YoY%)	-	-	2.2
Serbia	-	Apr C/A (€mn)	-	-	-468.7
South Africa	0900	May CPI (MoM/YoY%)	-/-	-/-	0.6/4.4
	0900	May Core CPI (MoM%, NSA)	-	-	0.3
Israel	-	Jun 12Mth Inflation Forecast (%)	-	-	1.2
Brazil	-	Selic Rate	6.50	6.50	6.50
<b>Thursday 20 June</b>					
Russia	1400	May Real Wages (YoY%)	0.6	1.2	1.6
	1400	May Retail Sales (YoY%)	1.0	1.3	1.2
<b>Friday 21 June</b>					
Poland	0900	May Industrial Output (YoY%)	6.4	-	9.2
	0900	May PPI (YoY%)	1.6	-	2.6
	1300	National Bank of Poland Publishes Minutes of Rate Meeting			
Hungary	0730	1Q C/A (€mn)	237.9	-	-348.8

Source: ING, Bloomberg

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