

Key events in EMEA and Latam next week

Central bank meetings in Brazil and Hungary take centre stage and they could prove interesting...



Source: Shutterstock

Hungary: Moving towards policy normalisation

After a long and uneventful summer for Hungarian monetary policy, next week's rate-setting meeting could bring some excitement. The NBH releases its new forecasts for inflation and GDP growth and while we don't expect any significant changes here, we do think the NBH will take an initial step towards policy normalisation, signalling an upcoming change in the FX swap tenders, IRS and mortgage QE programmes. A change in forward guidance seems plausible given that the NBH Deputy Governor Marton Nagy is planning a conference call for 19 September and will be visiting London on 21 September.

Brazil: Rate hike or just a fine-tuning?

In LATAM, the focus will be on Brazil's central bank policy meeting. FX weakness has increased the prospects for a policy rate hike, from the current record-low 6.5%. In our view, however, given the unpredictable political dynamics ahead of next month's elections, central bank officials may opt to fine-tune their guidance, adding a hawkish bias, but refraining from a rate hike just yet. A policy calibration can wait until after the elections when officials will have greater clarity about the fiscal policy outlook.

EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Saturday 15 September					
Kazakhstan	-	Aug Industrial Production (YoY%)	-	-	4.4
Israel	-	2Q P GDP (QoQ Annualised %)	-	-	2
Monday 17 September					
Russia	-	Aug Industrial Production (YoY%)	-	2.5	3.9
Turkey	0800	Jul Industrial Production (MoM/YoY%)	-3.3	-/-	-2.0/3.2
	0800	Jun Unemployment Rate (%)	-	-	9.72
Czech Rep	0800	Aug PPI (Industrial) (MoM/YoY%)	-/-	-/-	0.3/3.4
	0800	Jul Export Price Index (YoY%)	-	-	0.5
	0800	Jul Import Price Index (YoY%)	-	-	0.7
Serbia	-	Jul C/A (€mn)	-	-	-122.9
Israel	1100	Aug Trade Balance (US\$m)	-	-	-2251
Tuesday 18 September					
Russia	-	Aug PPI (MoM/YoY%)	-/-	0.8/16.5	0.3/16.6
Poland	0900	Aug Avg Gross Wages (MoM/YoY%)	0.0/7.4	-/-	-0.5/7.2
	0900	Aug Employment (MoM/YoY%)	0.1/3.5	-/-	0.1/3.5
Hungary	1300	Policy Rate (%)	0.9	-	0.9
Ukraine	-	2Q F GDP (YoY%)	-	-	3.6
Wednesday 19 September					
Russia	1400	Aug Retail Sales (YoY%)	-	2.4	2.5
	1400	Aug Real wages (YoY%)	-	7.6	8
Poland	0900	Aug Industrial Output (MoM/YoY%)	1.8/6.0	-/-	-5.4/10.3
	0900	Aug PPI (MoM/YoY%)	-0.069	-/-	0.1/3.4
South Africa	0900	Aug CPI (MoM%/YoY%)	-/-	-/-	0.8/5.1
Brazil	-	Selic Rate	6.5	-	6.5
Thursday 20 September					
Turkey	0800	Sep Consumer Confidence	-	-	68.3
Poland	1300	National Bank of Poland Publishes Minutes of Rate Meeting			
Hungary	0730	2Q C/A (€mn)	683	-	1027.1
	0800	Jul Avg Gross Wages (YoY%)	11.7	-	11.2
Croatia	-	Aug Unemployment Rate (%)	-	-	8.6
South Africa	-	Repo Rate (%)	-	-	6.5
Israel	1100	Aug Unemployment Rate (%)	-	-	4.2
Friday 21 September					
Poland	0900	Aug Retail Sales (MoM/YoY%)	1.0/9.0	-/-	-0.3/9.3
Mexico	1400	Jul Retail Sales (YoY%)	4.2	-	3.7

Source: ING, Bloomberg

Author

Gustavo Rangel

Chief Economist, LATAM

+1 646 424 6464

gustavo.rangel@ing.com

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information

purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit www.ing.com.