

## Key events in EMEA and Latam next week

A quiet week in the EMEA sphere with Hungary's central bank meeting likely to be a non-event. In Poland and Russia, the focus will be on industrial production, which is expected to decelerate



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### ✓ Poland: All eyes on industrial production

After the PMI index recently fell into recessionary territory, the market's attention should be focused on industrial production. We expect a sub-consensus figure of 1.1% year-on-year vs. the 2.5% median market forecast. Still, the industrial sector should maintain growth in the coming months – a contraction looks unlikely.

The October labour market data should show a further moderation of wage growth. We expect a soft 6.3% YoY reading due to a slowdown in manufacturing and services. Wage growth in construction and trade should stabilise close to last month's levels. Softer activity so far is not resulting in a deterioration of employment, which should remain stable at 2.6% YoY.

### ✓ National Bank of Hungary meeting should be a non-event

We expect the National Bank of Hungary's rate setting meeting to be a non-event, with no change in rates or in the monetary policy framework. The incoming inflation data is more or less in line with the baseline of the latest central bank forecast. Despite the uptick already seen in CPI, which

should continue until year-end, we do not expect any change in monetary policy. The NBH sees inflation risks tilted to the downside, according to the latest risk assessment. But this could be tweaked slightly due to a possible upside surprise in economic growth in 3Q, complemented by somewhat less gloomy external data than before.

## ✓ Russia: Industrial production to be hit by calendar effects

Russian industrial production may decelerate somewhat in November on less favourable calendar/workday effects. At the same time, the recently reported surge in public spending from 4% YoY in 9M19 to 42% YoY in October suggests that the corporate sector data might surprise on the upside. It remains unclear though whether the much-awaited catch-up in public spending will be able to boost household confidence. Retail trade may come under pressure from the lower availability of consumer loans following a tightening in the macro prudential framework since 1 October. Households will have to rely more on income growth, which is unlikely to see a strong acceleration – we expect some minor improvement for September (this data now comes with a lag) mostly reflecting a CPI slowdown.

## EMEA and Latam Economic Calendar

| Country               | Time | Data/event  | ING   | Survey   | Prev.     |
|-----------------------|------|---|-------|----------|-----------|
| Sunday 17 November    |      |   |       |          |           |
| Israel                | 1100 | 3Q A GDP (QoQ Annualised %)                               | -     | 2.5      | 0.6       |
| Monday 18 November    |      |   |       |          |           |
| Russia                | 1300 | Oct Industrial Production (YoY%)                          | 2.4   | 2.5      | 3         |
| Czech Rep             | 0800 | Oct PPI (Industrial) (MoM/YoY%)                           | -/-   | -/-      | 0.1/1.9   |
| Tuesday 19 November   |      |   |       |          |           |
| Russia                | 1300 | Oct PPI (MoM/YoY%)  | -/-   | 0.3/-3.9 | -0.3/-1.2 |
| Hungary               | 1300 | Policy Rate (%)   | 0.90  | -        | 0.90      |
|                       | 1300 | Overnight Deposit Rate (%)                                | -0.05 | -        | -0.05     |
| Israel                | -    | Nov 12Mth Inflation Forecast (%)                          | -     | -        | 1.2       |
| Wednesday 20 November |      |   |       |          |           |
| Russia                | 1300 | Sep Real wages (YoY%)                                     | 2.8   | 2.9      | 2.4       |
|                       | 1300 | Oct Retail Sales (YoY%)                                   | 0.5   | 1.0      | 0.7       |
| South Africa          | 0800 | Oct CPI (MoM/YoY%)  | -/-   | -/-      | 0.3/4.1   |
|                       | 0800 | Oct Core CPI (MoM%, NSA)                                  | -     | -        | 0.2       |
| Thursday 21 November  |      |   |       |          |           |
| Poland                | 0900 | Oct Avg Gross Wages (YoY%)                                | 6.3   | 6.2      | 6.6       |
|                       | 0900 | Oct Employment (YoY%)                                     | 2.6   | 2.6      | 2.6       |
|                       | 1300 | National Bank of Poland Publishes Minutes of Rate Meeting |       |          |           |
| Croatia               | 1000 | Oct Unemployment Rate (%)                                 | -     | -        | 6.7       |
|                       | 1000 | Sep Real Wages (YoY%)                                     | -     | -        | 2.3       |
| South Africa          | -    | Repo rate (%)   | -     | -        | 6.50      |
| Friday 22 November    |      |   |       |          |           |
| Poland                | 0900 | Oct Industrial Output (MoM/YoY%)                          | 1.1   | 2.5      | 5.6       |
|                       | 0900 | Oct PPI (MoM/YoY%)  | 0.2   | 0.3      | 0.9       |

Source: ING, Bloomberg

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## Authors

### Peter Virovacz

Senior Economist, Hungary

[peter.virovacz@ing.com](mailto:peter.virovacz@ing.com)

### Dmitry Dolgin

Chief Economist, CIS

[dmitry.dolgin@ing.de](mailto:dmitry.dolgin@ing.de)

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