

## Key events in EMEA and Latam next week

With central banks in Russia and Turkey likely to keep policy rates on hold and no surprises expected from Polish budget data, we see a relatively mild week in EMEA and Latam



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### Bank of Russia on hold

The Bank of Russia is likely to keep its key rate unchanged at 7.5% at the 26 October meeting, as the CPI rate- having shown some acceleration to 3.6% YoY as of mid-month- is so far on track to stay within the recent official guideline of 3.8-4.2% for year-end and 5.5-6.0% year-on-year for the first half of next year.

The communique is likely to be focused on the monetary authorities' assessment of the inflationary risks amid external uncertainties and preparation for the two percentage point VAT rate hike in 2019. The wording could affect expectations for the December meeting, as the market is starting to assign more probability to another hike two months from now.

### Geopolitical risk for Turkey is improving

With the ongoing strengthening in Turkey's lira on the back of Pastor Brunson's release as well as signs that the US could lift some sanctions on Turkey and a more conciliatory tone on Turkey's oil purchases from Iran ahead of the reimposition of sanctions next month, there is increased

optimism that geopolitical risk for Turkey is improving.

We expect the Turkish central bank to keep its policy rate unchanged at the October meeting. Though given the marked deterioration in price-setting behaviour, as observed by the big inflation surprise and forward-looking expectations, a further adjustment in monetary policy should not be ruled out.

## ✓ Poland: Seasonal pattern should see little surprise in September

Next week is relatively quiet in Poland. Budget data should attract less attention compared to previous months. The surprising fall into deficit in July was corrected in August, and as a result, the overall balance returned to a moderate surplus. We expect September data to follow the typical seasonal pattern.

### EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Saturday 20 October</b>					
Croatia	-	Sep Unemployment Rate (%)	-	-	8.5
<b>Sunday 21 October</b>					
Hungary	2300	Oct Economic Sentiment	4.6	-	5.5
	2300	Oct Business Confidence	8.9	-	10.4
	2300	Oct Consumer Confidence	-7.7	-	-8.3
<b>Monday 22 October</b>					
Poland	1300	Sep M3 Money Supply (MoM/YoY%)	-/-	-/-	0.6/7.5
<b>Tuesday 23 October</b>					
Turkey	0800	Oct Consumer Confidence	-	-	59.3
Poland	0900	Sep Unemployment Rate (%)	-	-	5.8
South Africa	0800	Aug Leading Indicator	-	-	105.4
<b>Wednesday 24 October</b>					
Czech Rep	0800	Oct Business Confidence	-	-	16.8
	0800	Oct Consumer & Business Confidence	-	-	15.2
	0800	Oct Consumer Confidence	-	-	8.5
South Africa	0900	Sep CPI (MoM/YoY%)	-/-	-/-	-0.1/4.9
	0900	Sep Core CPI (MoM%, NSA)	-	-	0.0
Mexico	1400	Sep Unemployment Rate SA (%)	3.25	-	3.29
<b>Thursday 25 October</b>					
Turkey	1200	Benchmark Repurchase Rate	24.0	-	24.0
	1230	Oct Real Sector Confidence Index, SA	-	-	90.4
	1230	Oct Industrial Confidence	-	-	89.6
	1230	Oct Capacity Utilization (%)	-	-	76.2
Poland	-	Sep Budget Perf. (YTD)	-	-	2.1
	-	Sep Budget Level (YTD)	-	-	1052.24
	1300	National Bank of Poland Publishes Minutes of Rate Meeting			
Ukraine	1200	Key Rate (%)	-	-	18.0
Serbia	1100	Aug Real Wages (YoY%)	-	-	4.9
Croatia	1000	Aug Real Wages (YoY%)	-	-	3.6
South Africa	1030	Sep PPI (MoM/YoY%)	-/-	-/-	0.6/6.3
Brazil	1330	Sep C/A Balance (\$mn)	-350.0	-	-717.2
Mexico	1400	Aug Retail Sales (YoY%)	3.9	-	4.2
<b>Friday 26 October</b>					
Russia	1130	Key Rate (%)	7.5	-	7.5

Source: ING, Bloomberg

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