

## Key events in EMEA and Latam this week

Central banks have shown they don't need any scheduled meetings to announce fire-fighting responses to the economic shocks of Covid-19. Nonetheless, keep an eye out for the few scheduled ones in EMEA economies this week



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### ✓ Czech: More, more and more

The Czech National Bank delivered a 50bp emergency rate on Monday and is very likely to continue lowering borrowing costs to mitigate the coronavirus shock, though it will be more of a signaling measure. This means that the main 2-week repo rate is likely to fall further in the coming months with the central bank delivering another 50bp rate cuts on Thursday. In case CZK heads above the 28 EUR/CZK level, the CNB will likely step into the market and support the koruna so as not to see adverse effects from shock depreciation.

### ✓ Hungary: The beginning of a painful streak of data

As Covid-19 reached Hungary in early-March, we expect the sentiment indices for this month to reflect the impact. Both household and business confidence might drop to multi-year low levels, and this will be just the beginning of a rush of bad data. In such an extreme environment, the National Bank of Hungary rate setting meeting could have been interesting, but the central bank

has already announced a lot of measures and made suggestions on how to give breathing room to businesses, households and the banking sector. From liquidity enhancing measures to restructuring the collateral rules, loan payment moratoriums and a possible restart of mortgage bond buying, we've already seen almost everything. There is not much left for the meeting. So we see the rates remaining unchanged and NBH will explain the necessity of all the announced measures. As one concrete step, we expect to see the NBH increasing the targeted average level of crowded out liquidity. Besides this, the new staff forecast will be interesting, but due to the cut-off date, we might need to check the alternative scenarios rather than the base case.

## ✓ Poland: Markets likely to look the other way

Releases this week from Poland should have limited market relevance. The budget performance after February is likely to be still decent as activity surprised on the upside. The decisions of economic lockdown were made in March, therefore economic consequences will be seen from next month's releases onwards.

## EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Thursday 19 March</b>					
Serbia	-	Jan C/A (€mn)	-	-	-530
<b>Sunday 22 March</b>					
Hungary	2300	Mar Economic Sentiment	-13.4	-	-2.6
	2300	Mar Business Confidence	-10.0	-	0.7
	2300	Mar Consumer Confidence	-23.0	-	-12.1
Israel	1100	Jan Industrial Production (SA, MoM%)	-	-	0.1
<b>Monday 23 March</b>					
Turkey	0800	Feb Foreign Tourist Arrivals (YoY%)	-	-	16.1
Poland	1300	Feb M3 Money Supply (YoY%)	9.1	9.0	9.3
Hungary	0730	4Q C/A (€mn)	-300	-	-230.1
Ukraine	-	National Bank of Ukraine Publishes Minutes of Rate Meeting			
Israel	1100	Feb Monthly Unemployment Rate (%)	-	-	3.6
	-	Feb Leading 'S' Indicator (MoM%)	-	-	0.25
<b>Tuesday 24 March</b>					
Poland	0900	Feb Unemployment Rate (%)	5.5	5.5	5.5
	-	Feb Budget Level (YTD)	-	-	3426.7
Hungary	1300	Policy Rate (%)	0.90	-	0.90
	1300	Overnight Deposit Rate (%)	-0.05	-	-0.05
South Africa	0700	Jan Leading Indicator	-	-	104.4
Brazil	1200	Jan Retail Sales (YoY%)	3.4	-	2.6
	1100	Central Bank Meeting Minutes			
<b>Wednesday 25 March</b>					
Turkey	0700	Mar Real Sector Confidence Index SA	-	-	106.7
	0700	Mar Capacity Utilization (%)	-	-	76
Serbia	1100	Jan Real Wages (YoY%)	-	-	11.9
Brazil	1230	Feb C/A Balance (\$mn)	-4500	-	-11879.2
Mexico	1200	Jan Retail Sales (YoY%)	2.8	-	3.2
<b>Thursday 26 March</b>					
Czech Rep	1200	Repo Rate	1.25	-	2.25
South Africa	1030	Feb PPI (MoM/YoY%)	-/-	-/-	0.3/4.6
Brazil	1100	Central Bank Quarterly Inflation Report			
Mexico	1200	Feb Unemployment Rate SA (%)	3.7	-	3.66
	1900	Overnight Rate	6.5	-	7.0
<b>Friday 27 March</b>					
Kazakhstan	-	Feb M3 Money Supply (MoM%)	-	-	4.1

Source: ING, Bloomberg

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