

## Key events in EMEA and Latam next week

It's a quiet week in EMEA and Latam. The Czech central bank meeting should be a non-event. In Hungary, the manufacturing PMI could be dragged down by a weaker eurozone economy



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### Hungary: Fading optimism and PPI

After falling in May, we expect retail sales to rebound in June. The question remains whether the recent slower growth comes from a higher savings rate due to new retail bonds and fears of a recession or if this is a sign of underlying weakness. At the same time, optimism in manufacturing seems to be fading in light of the deteriorating external environment. This is dragging down the manufacturing PMI, which is still expanding but at a slower pace. Meanwhile, worsening data from the eurozone economy and lower oil prices may cause a decline in the PPI. Decelerating consumption and producer prices could confirm the central bank's view that no rate hike is necessary.

### Czech republic: No surprise this time

Inflation decelerated to 2.7% in June as expected and is about to slow even further in the months ahead due to base effects. Though tax changes might push headline CPI higher (close to 2.5% again) next year, core inflation should move below the 2% target in mid-2020. This means the Czech National Bank should refrain from tightening and remain on hold, mainly due to current

global uncertainty, underlined by recent manufacturing weakness in Germany. The new forecast should be similar to the previous one, as Board member Ales Michl revealed in a recent Bloomberg interview. As such, no surprise from the CNB is expected next Thursday.

## EMEA and Latam Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 29 July</b>					
Ukraine	-	National Bank of Ukraine Publishes Minutes of Rate Meeting			
Mexico	1200	Jun Unemployment Rate SA (%)	3.5	-	3.5
<b>Tuesday 30 July</b>					
Hungary	0800	May Avg Gross Wages (YoY%)	8.8	-	9.0
Croatia	1000	Jun Industrial Production (SA, YoY%)	-	-	0.2
	1000	Jun Retail Sales (YoY%)	-	-	-2.0
South Africa	1030	2Q Unemployment Rate (%)	-	-	27.6
	1300	Jun National Budget Balance (ZARbn)	-	-	-17.5
<b>Wednesday 31 July</b>					
Turkey	0900	Jun Foreign Tourist Arrivals (YoY%)	-	-	9.4
	0800	Jun Trade Balance (US\$bn)	-3.2	-	-1.8
	0830	Central Bank Inflation Report			
Poland	0900	Jul P CPI (MoM/YoY%)	-/-	-/-	0.3/2.6
Hungary	0800	Jun PPI (MoM/YoY%)	0.5/1.3	-/-	0.5/2.7
Romania	0700	Jun Unemployment Rate Total 15 - 74 Years Old SA	-	-	3.9
Serbia	1100	Jun Industrial Production (YoY%)	-	-	-0.6
	1100	2Q P GDP (YoY%)	-	-	2.5
	1100	Jun Retail Sales (YoY%)	-	-	5.9
	1100	Jun Trade Balance (€m)	-	-	-509.3
South Africa	1300	Jun Trade Balance (ZARbn)	-	-	1.7
Israel	1100	Jun Monthly Unemployment Rate (%)	-	-	3.6
Brazil	1300	Jun Unemployment Rate (%)	12.0	-	12.3
	-	Selic Rate	6.00	6.25	6.50
Mexico	1200	2Q P GDP (YoY%)	0.7	-	1.25
<b>Thursday 1 August</b>					
Russia	0700	Jul Markit Manufacturing PMI	-	-	48.6
Turkey	0800	Jul Markit/ISO Manufacturing PMI	-	-	47.9
Poland	0800	Jul Markit Manufacturing PMI	-	-	48.4
Czech Rep	0830	Jul Markit Manufacturing PMI	-	-	45.9
	1200	Repo Rate	2.00	-	2.00
	1300	Jul Budget Balance (CZKbn)	-	-	-20.7
Hungary	0800	Jul Manufacturing PMI	53.7	-	54.4
	0800	May F Trade Balance (€mn)	678.0	-	678
Romania	-	Jul FX Reserves (€bn, Net)	-	-	36705.9
Kazakhstan	-	Jul CPI (MoM/YoY%)	-/-	-/-	0.2/5.4
	-	Jul PPI (MoM/YoY%)	-/-	-/-	-0.7/8.2
Brazil	1300	Jun Industrial Production (YoY%)	0.5	-	7.1
<b>Friday 2 August</b>					
Hungary	0800	Jun Retail Sales (YoY%)	3.0	-	2.6
Romania	0700	Jun Retail Sales (MoM/YoY%)	-/-	-/-	-0.8/3.7
	0700	Jun PPI (MoM/YoY%)	-/-	-/-	0.0/5.9

Source: ING, Bloomberg

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