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KEY EVENTS HUNGARY TURKEY

## Key events in EMEA next week

The Hungarian economy will show strong industrial output and retail sales figures, but high inflation remains the primary concern across emerging markets



Inflation in Turkey is rising on the back of commodity price pressures – particularly in energy and agricultural commodities

### ✓ **Hungary: Solid growth in industry but inflation persists**

Next week is going to bring us a very busy economic calendar in Hungary. Regarding economic activity, we see the February industry and retail sales performances to be strong based on big data and government transfers. Despite the sound growth in industry, trade balance deterioration will continue on the worsening terms of trade due to rising prices in the commodity complex. However, these data are referring to the past and hardly reflect the full economic impact of the Ukraine war. What will however reflect that is the March inflation print. We see headline inflation rising further both on a monthly and yearly basis. Despite anti-inflationary measures, the year-on-year headline figure could move above 9%, alongside core inflation. In our view, the core reading could surpass the headline reading for the first time since early 2021.

### ✓ **Turkey: Continued upside price pressures**

Despite there being some impact from VAT cuts on food products introduced in mid-February,

annual inflation will maintain its uptrend to 60.4% (5.0% on a monthly basis) in March from 54.4% a month ago, given significant upside pressures on commodity prices – particularly in energy and agricultural commodities, in addition to the impact of FX pass-through, deteriorating expectations, and pricing behaviour.

### EMEA Economic Calendar

Country	Time Data/event	ING	Survey	Prev.
<b>Monday 4 April</b>				
Turkey	0800 Mar CPI (MoM%/YoY%)	5.0/60.4	5.8/61.6	4.8/54.4
Brazil	0900 Mar IPC-Fipe Inflation Index	-		0.9
<b>Tuesday 5 April</b>				
Russia	0700 Mar Markit Services PMI	-		52.1
Czech Rep	0800 Feb Retail Sales (YoY%)	-		9.6
Hungary	0800 Feb Industrial Output (MoM%/YoY%)	3.1/5.1		1.9/8.9
Romania	1300 Mon Policy Rate	3.0	2.9	2.5
South Africa	0815 Mar Std Bank Whole Econ PMI	-		50.9
Brazil	1400 Mar Markit Composite PMI	-		53.5
	1400 Mar Markit Services PMI	-		54.7
<b>Wednesday 6 April</b>				
Russia	1700 Mar CPI (MoM%/YoY%)	8.4/17.5		1.2/9.2
Poland	- Apr NBP Base Rate	-		3.5
Czech Rep	0800 Feb Trade Balance	-		6.2
	0800 Feb Industrial Output (YoY%)	-		1
Hungary	0800 Feb Retail Sales (YoY%)	6.7		4.1
<b>Thursday 7 April</b>				
Hungary	0800 Feb Trade Balance P (€m)	-415		-196
Serbia	1100 Apr Benchmark Interest rate	1.5		1
Mexico	1300 Mar Core inflation	-		0.76
	1300 Mar Headline Inflation	-		0.83
<b>Friday 8 April</b>				
Russia	- Q4 GDP (YoY% quarterly revised)	-		-
Czech Rep	0900 Mar Unemployment Rate	-		3.5
Hungary	0800 Mar CPI (MoM%/YoY%)	1.4/9.1		1.1/8.3
	0800 Mar Core CPI (YoY%)	9.3		8.1
	1000 Mar Budget Balance	-755		-1585
Ukraine	- Mar CPI (MoM%/YoY%)	-		1.6/10.7
Brazil	- Mar IPCA Inflation Index (MoM%/YoY%)	-		1.0/10.5

Source: Refinitiv, ING, \*GMT

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