

Key events in EMEA next week

A higher-than-consensus inflation print in Hungary could trigger a sharp market reaction, especially after the hawkish comments at the central bank's August rate-setting meeting



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Hungarian inflation in focus amid busy data week

We have a very busy week ahead in Hungary. First of all, the first batch of hard data for July should reinforce our view that the Hungarian economy is not out of the woods yet. We expect both retail sales and industrial production to remain well below last year's levels.

Perhaps the most important data release will come on Friday when the Statistical Office will announce the inflation rate for August. We have made a last-minute change based on big data and anecdotal evidence. We see a significant rise in the month-on-month inflation print as the removal of food price caps may have a bigger pro-inflationary impact than we initially thought. Against this backdrop, food, fuel and services will be responsible for the rise in monthly inflation. However, with a favourable base effect, the year-on-year figure is expected to show continued disinflation. A higher-than-consensus inflation print could trigger a sharp market reaction, especially after the hawkish comments at the central bank's August rate-setting meeting.

We expect the trade balance to remain in surplus in July, while the fiscal situation could improve in August with better revenues thanks to buoyant tourism (partly related to the World Athletics

Championships in Budapest).

Key events next week

Country	Time	Data/event	ING Survey	Prev.
Monday 4 September				
Turkey	0800	Aug CPI (MoM%/YoY%)	-/ -	/ 9.49/47.83
Czech Rep	0800	Q2 Gross wages (YoY%)	-	-6.7
Tuesday 5 September				
Russia	0700	Aug S&P Global Services PMI	-	54
South Africa	0815	Aug Std Bank Whole Econ PMI	-	48.2
	1030	Q2 GDP (YoY%)	-	0.2
Wednesday 6 September				
Poland		NBP rate decision (Sep)	6.50	6.75
Czech Rep	0800	Jul Industrial Output (YoY%)	-	0.9
	0800	Jul Trade Balance	-	18.2
Hungary	0730	Jul Retail Sales (YoY%)	-7.8	-8.3
Thursday 7 September				
Czech Rep	0800	Jul Retail Sales (YoY%)	-	-4
Hungary	0730	Jul Industrial Output (YoY%)	-6.9	-3.8
Serbia	1100	Sep Benchmark Interest rate	6.5	6.5
South Africa	1000	Q2 Current Account	-	-66.2
Romania	0700	2Q23 GDP (YoY%)	1.1	1.1
Mexico	1300	Aug Headline Inflation	-	0.48
	1300	Aug Core inflation	-	0.39
Friday 8 September				
Russia	1700	Aug CPI (MoM%/YoY%)	0.25/5.1	/ 0.6/4.3
	1700	Q2 GDP (YoY% quarterly revised)	4.9	4.9
Czech Rep	0800	Aug Unemployment Rate	-	3.5
Hungary	0730	Aug Core CPI (YoY%)	-	17.5
	0730	Aug CPI (YoY%)	16.3	17.6
	0730	Aug CPI MM NSA	0.6	0.3
	0730	Jul P Trade Balance	1200	1481
	1000	Aug Budget Balance	45	-44.3
Ukraine	1430	Aug CPI (MoM%/YoY%)	-/ -	/ -0.6/11.3

Source: Refinitiv, ING

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