

Key events in EMEA next week

In Poland, we expect to see a further slowdown in the second half of 2022, as the energy crisis and supply-side constraints loom over the horizon



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✓ Poland: Sharp deterioration in outlook and subdued demand for durable goods

The first cracks in industrial sector performance were already visible in May as output declined for the second consecutive month in quarter-on-quarter, seasonally-adjusted terms, but annual readings remain high. July brought a sharp deterioration in manufacturing PMI, which suggests a further slowdown ahead. Risks from the energy crisis (potential shortages of gas in Germany) and supply-side constraints (zero-Covid policy in China) loom over the horizon and point to a sharp deterioration in the outlook for the second half of 2022. We forecast next week's industrial output reading will be 13.4% year-on-year.

Although high inflation bites into real disposable income and rising interest rates translate into higher debt servicing costs of loans, fiscal expansion and spending by refugees from Ukraine support consumer outlays. The structure of retail sales is tilted towards necessities (clothing and footwear, pharmaceuticals and cosmetics, food and beverages), whereas demand for durable goods (cars, furniture, consumer electronics, house appliances) is subdued amid soft consumer

confidence. We forecast next week's retail sales figure will be 7.2% year-on-year.

EMEA Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Monday 18 July					
Russia	1300	Jun Budget Fulfilment	-		0.7
Turkey	0900	Jun Budget Balance	-		143.98
Poland	1300	Jun Net Inflation (YoY%)	9.3		8.5
Wednesday 20 July					
Russia	1700	Jun PPI (MoM%/YoY%)	-/-		-6.9/19.3
Poland	0900	Jun Industrial Output (YoY%)	13.4		15.0
South Africa	0900	Jun CPI (MoM%/YoY%)	-/-		0.7/6.5
	0900	Jun Core inflation (MoM%/YoY%)	-/-		0.2/4.1
Thursday 21 July					
Turkey	1200	Jul CBT Weekly Repo Rate	-		14.0
	1200	Jul O/N Borrowing/Lending Rate	-		12.5/15.5
Poland	0900	Jun Real Retail Sales (YoY%)	7.2		8.2
Ukraine	1200	Central bank interest rate	-		25.0
Mexico	1200	May Retail Sales (MoM%/YoY%)	-		0.4/4.6
Friday 22 July					
Russia	1130	Jul Central bank key rate	8.75	9.00	9.50
Poland	1300	Jun M3 Money Supply (YoY%)	8.2		7.6
Mexico	1200	Jul 1st Half-Month Core Inflation (MoM%)	-		0.5
	1200	Jul 1st Half-Month Inflation (MoM%)	-		0.49

Source: Refinitiv, ING

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