

Key events in EMEA next week

Labour market figures in Hungary and Turkish policy rates are the key releases to look out for next week



The Central Bank of Turkey

☑ Hungary: Double-digit wage growth expected in March

Next week we will see the latest set of labour market data in Hungary. After a significant jump in wages in February due to a six-month bonus payment to the armed forces, we expect a more moderate growth rate in March. However, due to the labour shortage and the minimum wage increase, this moderate rise will still be well into double-digit territory, around 14% year-on-year. We don't see any significant change in the unemployment rate as the latest surveys show that companies are still complaining about a lack of labour and are ready to hire new workers.

☑ Turkey: Policy rate to remain on hold

Recent Central Bank of Turkey moves that 1) tightened reserve requirements to curb TRY commercial loan growth and 2) aimed to encourage a higher take-up of FX-protected deposits on the retail side and strengthen its FX reserves moves, signal that there is no reason to expect the bank to change its stance and policy rate in the near term. This is despite ongoing challenges to external balances and the inflation outlook. Given this backdrop, we expect that the policy rate will be kept unchanged at 14%.

EMEA Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|-------------------------|------|----------------------------------|------|--------|----------|
| Monday 23 May | | | | | |
| Poland | 0900 | Apr Retail Sales (YoY%) | - | 30.6 | 22.0 |
| Tuesday 24 May | | | | | |
| Poland | 1300 | Apr M3 Money Supply (YoY%) | - | 8.6 | 7.9 |
| Hungary | 0800 | Mar Average Gross Wages (YoY%) | 14.2 | | 31.1 |
| Brazil | 1300 | May IPCA-15 Mid-Month CPI (YoY%) | - | | 12.0 |
| Mexico | 1200 | May 1st Half-Month Infl (MoM%) | - | | 0.2 |
| Wednesday 25 May | | | | | |
| Russia | 1700 | Apr PPI (MoM%/YoY%) | -/- | | 5.9/26.7 |
| Poland | 0900 | Apr Unemployment Rate | - | 5.3 | 5.4 |
| Mexico | 1200 | Q1 GDP (YoY%) Final | - | | 1.6 |
| | 1200 | Apr Trade Balance | - | | -1.9 |
| Thursday 26 May | | | | | |
| Turkey | 1200 | May CBT Weekly Repo Rate | 14.0 | | 14.0 |
| | 1200 | May O/N Lending Rate | 15.5 | | 15.5 |
| | 1200 | May O/N Borrowing Rate | 12.5 | | 12.5 |
| Hungary | 0800 | Apr Unemployment Rate 3M | 3.7 | | 3.8 |
| South Africa | 1030 | Apr PPI (MoM%/YoY%) | -/- | | 2.5/11.9 |
| Mexico | 1200 | Mar Retail Sales (MoM%/YoY%) | - | | 0.8/6.4 |
| Friday 27 May | | | | | |
| Croatia | 1000 | Q1 GDP (YoY%) | - | | 9.7 |

Source: Refinitiv, ING, *GMT

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