

Key events in EMEA next week

A rate hike in Hungary, retail sales figures in Mexico and PPI numbers in South Africa are next week's emerging markets highlights



Source: Shutterstock

Hungary: Continued tightening expected

We see some improvement in Hungarian economic sentiment in January, especially on the consumer side, driven by a 20% increase in the minimum wage as well as government measures to improve households' financial situation. Next week's labour market statistics will show a further strengthening, signalling that employers are struggling with labour shortages and costs. After an upside surprise in December's inflation reading, the National Bank of Hungary will continue its tightening cycle, with a 30bp move in the base rate and in the one-week deposit rate as well, pledging to continue hiking rates in the coming months.

EMEA Economic Calendar

Country	Time Data/event	ING Survey	Prev.
Monday 24 January			
Kazakhstan	0900 Jan Base Interest Rate	-	9.75
Brazil	1230 Dec Current Account	-	-6.52
	1230 Dec Foreign Direct Investment	-	4.59
Mexico	1100 Nov IGAE Econ Activity (YoY%)	-	-0.7
	1100 Dec Trade Balance SA	-	0.46
	1200 Jan 1st Half-Month Core Inflation (MoM%)	-	0.6
	1200 Jan 1st Half-Month Inflation (MoM%)	-	0.1
Hungary	0800 Jan Economic Sentiment	-0.2	-1.8
Tuesday 25 January			
Hungary	0800 Nov Average Gross Wages (YoY%)	8.9	8.5
	1300 Jan Hungary Base Rate	2.70	2.40
	1300 Jan O/N Deposit Rate	2.70	2.40
Wednesday 26 January			
Poland	1300 Dec M3 Money Supply (YoY%)	-	9.9 10.1
Brazil	1300 Jan IPCA-15 Mid-Month CPI (YoY%)	-	10.42
Mexico	1200 Nov Retail Sales (MoM%/YoY%)	-	0.3/5.3
Thursday 27 January			
Hungary	0800 Dec Unemployment Rate 3M	3.7	3.8
	0830 One-Week Deposit Rate	4.30	4.00
South Africa	0930 Dec PPI (MoM%/YoY%)	-/-	1.4/9.6
Friday 28 January			
Turkey	1100 Dec Bank NPL Ratio	-	3.22
Brazil	1100 Jan IGP-M Inflation Index	-	0.87
	1200 Dec Central Government Balance	-	3.872

Source: Refinitiv, ING, *GMT

Author

Peter Virovacz

Senior Economist, Hungary

peter.virovacz@ing.com

Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by

the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.