

Key events in EMEA next week

Expect another rate hike from the Hungarian central bank next week as policymakers remain focused on tackling high inflation



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Hungarian central bank poised to hike the base rate by 100bp

The National Bank of Hungary will most likely stick to last month's playbook at its meeting next week, given the high degree of uncertainty surrounding both the economic and inflation outlook. That means a 100bp hike in the base rate to 5.40% on Tuesday, while raising the one-week deposit rate (the effective rate) by 30bp to 6.45% on Thursday.

We don't expect any change in the forward guidance, and decision-makers remain committed to tackling inflation, which is surrounded by upside risks. This suggests a continuation of the rate hike cycle with similar steps until new incoming data (including the full effect of the war) require a change in the process (probably on the hawkish side).

Away from monetary policy, the focus will be on labour market data, where we expect a further improvement in wages in parallel with a roughly unchanged unemployment rate. That would indicate a labour market that is close to full employment.

Key events next week

Country	Time	Data/event	ING	Survey	Prev.
Monday 25 April					
Poland	1300 Mar	M3 Money Supply (YoY%)	-	7.7	8.0
Kazakhstan	1000 Apr	Base Interest Rate	-		13.5
Brazil	1330 Feb	Current Account	-	-1.8	-8.1
	1330 Feb	Foreign Direct Investment	-	9.8	4.7
Mexico	1300 Feb	IGAE Econ Activity (YoY%)	-		1.8
Tuesday 26 April					
Poland	0900 Mar	Unemployment Rate	-	5.4	5.5
Hungary	0800 Feb	Average Gross Wages (YoY%)	14.5		14.2
	1300 Apr	Hungary Base Rate	5.4		4.4
	1300 Apr	O/N Deposit Rate	5.4		4.4
Mexico	1300 Feb	Retail Sales (MoM%/YoY%)	-		0.6/6.7
Wednesday 27 April					
Russia	1700 Mar	Industrial Output	-2.2	-2.6	6.3
	1700 Mar	Retail Sales (YoY%)	28	4.3	5.9
	1700 Mar	Unemployment Rate	4.4	4.5	4.1
		- Feb GDP (YoY%) Monthly	-		6.6
Brazil	1300 Apr	IPCA-15 Mid-Month CPI	-		1.0
	1300 Apr	IPCA-15 Mid-Month CPI (YoY%)	-		10.8
Mexico	1300 Mar	Trade Balance SA	-		0.1
Thursday 28 April					
Hungary	0800 Mar	Unemployment Rate 3M	3.9		3.8
	0800	One-Week Deposit Rate	6.45		6.15
Turkey	800	Inflation Report 2022-II	-		-
South Africa	1030 Mar	PPI (MoM%/YoY%)	-/-	1.6/10.9	1.1/10.5
Brazil	1300 Apr	IGP-M Inflation Index	-		1.7
		- Mar Central Government Balance	-		-20.6
Mexico	1300 Mar	Jobless Rate	-		3.7
Friday 29 April					
Russia	1130 Apr	Central bank key rate	15	20.0	17.0
Turkey	0800 Apr	Manufacturing PMI	-		49.4
	0800 Mar	Trade Balance	-		-7.9
	1200 Mar	Bank NPL Ratio	-		3.02
Czech Rep	0800 Q1	Preliminary GDP (QoQ%/YoY%)	-		0.8/3.6
South Africa	0700 Mar	M3 Money Supply (YoY%)	-		6.4
	0700 Mar	Private Sector Credit Ext.	-		3.6
	1300 Mar	Trade Bal (Incl. Region)	-		10.6

Source: Refinitiv, ING

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