

Key events in EMEA next week

Growth and inflation data dominate the economic calendar across the EMEA region next week



Inflation in Turkey may fall further in the near term

☑ Hungary: Hints of widespread growth to signal further price pressure for 2022

Next week's data should give us a sense of how the Hungarian economy started the year. We expect a strong performance within industry, based on soft indicators like the PMI. A deceleration in retail is possible, given people were waiting for the price caps to kick in. Consumers probably also held back spending while waiting for February's big government transfers.

We'll also get more detail on what drove the surprisingly strong fourth-quarter performance. We suspect it will confirm that this wasn't a one-off and represents widespread growth, and this could mean that there's further demand-driven price pressure in the pipeline for this year.

☑ Turkey: Inflation set to rise further while GDP points to further strong activity

Annual inflation likely maintained its upward trend, hitting 51% in February from 48.7% in January. This is linked to the ongoing impact of FX pass-through, higher energy prices and deteriorating expectations.

In terms of fourth-quarter GDP data, other indicators hint at continued strong activity for the following reasons:

1. The capacity utilization rate reached the highest level since 2017 on a seasonally-adjusted basis
2. The PMI remained in expansionary territory, despite a moderation in comparison to the third quarter
3. Economic confidence was still strong, even though we saw a decline in the final quarter of 2021 given the financial volatility
4. Continuing growth in retail sales.

Accordingly, 4Q21 growth will likely be in the 9.0-9.5% range, pulling 2021 growth to 11%.

EMEA Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|---------------------------|------|--------------------------------|----------|--------|-----------|
| Monday 28 February | | | | | |
| Russia | - | Jan GDP (YoY%) Monthly | - | | 4.3 |
| Turkey | 700 | Q4 GDP Quarterly (YoY%) | 9.3 | 9.0 | 7.4 |
| | 0700 | Jan Trade Balance | - | | -6.8 |
| Poland | 0900 | Q4 GDP (QoQ%/YoY%) | -/- | | 1.7/7.3 |
| South Africa | 0600 | Jan M3 Money Supply (YoY%) | - | | 5.7 |
| | 0600 | Jan Private Sector Credit Ext. | - | 2.8 | 2.6 |
| | 1200 | Jan Trade Bal (Incl. Region) | - | | 30.1 |
| Mexico | 1200 | Jan Jobless Rate | - | | 3.5 |
| Tuesday 1 March | | | | | |
| Russia | 0600 | Feb Markit Manufacturing PMI | - | | 51.8 |
| Turkey | 700 | Feb Manufacturing PMI | - | | 50.5 |
| | 1100 | Jan Bank NPL Ratio | - | | 3.2 |
| Poland | 0800 | Feb Markit Manufacturing PMI | - | | 54.5 |
| Czech Rep | 0800 | Q4 Final GDP (QoQ%/YoY%) | - | | 0.9/3.6 |
| | 0830 | Feb Markit PMI | - | | 59.0 |
| | 1300 | Feb Budget Balance | - | | 3.9 |
| Hungary | 0800 | Feb Manufacturing PMI | 56.1 | | 50.7 |
| Mexico | 1530 | Feb Markit Manufacturing PMI | - | | 46.1 |
| Wednesday 2 March | | | | | |
| Russia | 1600 | Jan Retail Sales (YoY%) | - | | 5.4 |
| | 1600 | Jan Unemployment Rate | - | | 4.3 |
| Hungary | 0800 | Q4 GDP Final (YoY%) | 7.2 | | 7.2 |
| Thursday 3 March | | | | | |
| Russia | 0600 | Feb Markit Services PMI | - | | 49.8 |
| Turkey | 700 | Feb CPI (MoM%/YoY%) | 2.5/51.0 | | 11.1/48.7 |
| Hungary | 0800 | Jan Retail Sales (YoY%) | 4.5 | | 6.2 |
| | 0800 | Dec Trade Balance Final | 187.0 | | 187.0 |
| Ukraine | 1200 | Central bank interest rate | - | | 10.00 |
| South Africa | 0900 | Q4 Current Account | - | | 226.4 |
| Brazil | 1300 | Feb Markit Mfg PMI | - | | 47.8 |
| Friday 4 March | | | | | |
| Hungary | 0800 | Jan Industrial Output (YoY%) | 7.5 | | 5.8 |
| Brazil | 0800 | Feb IPC-Fipe Inflation Index | - | | 0.74 |
| | 1200 | Q4 GDP (QoQ%/YoY%) | -/- | | -0.1/4 |

Source: Refinitiv, ING, *GMT

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