

## Key Events in EMEA next week

Russia's retail trade data should be positive next week but long-term challenges remain while in Hungary, it's all about the job market



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### **Russia: Cautious longer-term outlook with low vaccination rates and mounting lockdown risk**

Russian activity data should be positive, with retail trade likely showing 25-30% year-on-year growth, mostly on low base effects, but also thanks to restrained foreign tourism. Banking sector statistics have already indicated that Russians have financed local consumption with higher unsecured borrowing and savings. For the longer term we remain cautious, however. Challenges include the reopening of foreign tourism to Turkey and mounting risks of a lockdown due to a third wave of Covid in Russia. Despite government efforts, the vaccination rate is below 15%. A strict lockdown would cost around 1% of annual GDP per month.

### **Hungary: Unemployment declines and double-digit wage growth on the horizon**

In Hungary, the labour market will be in focus. With a reopening on the way in May, we expect the unemployment rate to decline. Due to last year's negative shock in wages in April, the base effect will support the year-on-year growth rate in April 2021. This could translate into double-digit wage

growth again. A manufacturing PMI reading for June will also be released. We expect this to follow European sentiment and show further improvement, cementing our view of solid 2Q GDP growth.

## EMEA Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 28 June</b>					
Mexico	1200	May Trade Balance SA	-		0.249
<b>Tuesday 29 June</b>					
Turkey	1200	May Bank NPL Ratio	-		3.74
Czech Rep	0800	Q1 Revised GDP (QoQ/YoY%)	-		-0.3/-2.1
Hungary	0800	May Unemployment Rate 3M	4.2		4.3
Brazil	1200	Jun IGP-M Inflation Index	-		4.1
	1300	May Central Govt Balance	-		16.5
<b>Wednesday 30 June</b>					
Russia	1700	May Retail Sales (YoY%)	25.0	23.0	34.7
Turkey	0800	May Trade Balance	-4.15		-3.06
Hungary	0800	Apr Average Gross Wages (YoY%)	10.2		9.2
<b>Thursday 1 July</b>					
Russia	0700	Jun Markit Manufacturing PMI	-		51.9
Turkey	0800	Jun Manufacturing PMI	-		49.3
Poland	0800	Jun Markit Manufacturing PMI	-		57.2
Czech Rep	0830	Jun Markit PMI	-		61.8
	1300	Jun Budget Balance	-		-255
Hungary	0800	Jun Manufacturing PMI	55.0		52.8
Brazil	1400	Jun Markit Manufacturing PMI	-		53.7
Mexico	1530	Jun Markit Manufacturing PMI	-		47.6
<b>Friday 2 July</b>					
Hungary	0800	Apr Trade Balance Final	321		321
Brazil	0900	Jun IPC-Fipe Inflation Idx	-		0.41
	1300	May Industrial Output (MoM/YoY%)	-/-		-1.3/34.7

Source: Refinitiv, ING, \*GMT

### Author

#### Dmitry Dolgin

Chief Economist, CIS

[dmitry.dolgin@ing.de](mailto:dmitry.dolgin@ing.de)

#### Peter Virovacz

Senior Economist, Hungary

[peter.virovacz@ing.com](mailto:peter.virovacz@ing.com)

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