

## Key events in EMEA next week

Purchasing Manager Indexes (PMIs) are in focus in the Central and Eastern European region next week, as both supply chain disruptions and new containment measures weigh on activity



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### Hungary: Unemployment to jump and PMIs to fall

In Hungary, the focus will be on the labour market and production. We expect to see the monthly unemployment rate jump to a new peak in February, pushing the three-month average closer to 5%.

When it comes to wages, figures don't cover part-time workers, where we've seen an increase in employment among sectors providing in-person services. Among full-time workers, which are included in wage data, those on lower incomes are more likely to have lost their job during the pandemic. This change in composition has meant that wage growth appears artificially higher. Having said that, the delayed minimum wage increase should reduce wage growth significantly in January.

On the production side, we see producer prices rising further due to base effects and energy prices, while the manufacturing PMI will show a contraction, in our view. This will reflect the impact of the new wave of containment measures (including the closure of kindergartens and schools) on employers.

## ✓ Czech Republic: Supply chain issues weigh on firms despite better PMIs

Given the improvement in preliminary manufacturing PMIs in Germany and the eurozone in March, the Czech PMI due next week is also likely to increase above February's 56.5 level. Still, we expect more modest growth than in Germany as Czech companies are struggling with disruptions in supply chain deliveries causing production delays, and one Czech Toyota plant announced a two-week shutdown at the end of March due to missing chipsets.

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Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 29 March</b>					
Turkey	1100	Feb Bank NPL Ratio	-		4.08
Hungary	0800	Jan Trade Balance Final	830		830
<b>Tuesday 30 March</b>					
Hungary	0700	Feb Unemployment Rate 3M	4.9		4.5
Brazil	1000	Feb Central Govt Balance	-		43.2
	1100	Mar IGP-M Inflation Index	-		2.53
<b>Wednesday 31 March</b>					
Turkey	0700	Feb Trade Balance	-3.4		-3.03
Hungary	0800	Feb PPI (MoM/YoY%)	0.7/7.6		0.7/6.6
	0800	Jan Average Gross Wages (YoY%)	7.8		10.6
<b>Thursday 1 April</b>					
Russia	0600	Mar Markit Mfg PMI	-		51.5
		- Q4 GDP (YoY% quarterly revised)	-		
Turkey	0700	Mar Manufacturing PMI	-		51.7
Poland	0700	Mar Markit Mfg PMI	-		53.4
Czech Rep	0700	Q4 Revised GDP (QoQ/YoY%)	0.6/-4.7		0.6/-4.7
	0730	Mar Markit PMI	58.3		56.5
	1200	Mar Budget Balance	-		-86.1
Hungary	0800	Mar Manufacturing PMI	48.5		49.4
Brazil	1100	Feb Industrial Output (MoM/YoY%)	-/-		0.4/2.0
	1300	Mar Markit Mfg PMI	-		58.4

Source: Refinitiv, ING

### Author

#### Peter Virovacz

Senior Economist, Hungary

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

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