

## Key events in EMEA next week

We're expecting a 100bp rate hike from Hungary's central bank next week, as well as some strong growth figures in Turkey



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### ✓ Hungarian central bank set to hike by another 100bp

We expect the Hungarian central bank to continue with decisive tightening by implementing another 100bp rate hike next week. Based on our updated inflation outlook, we expect additional measures alongside the hike sooner rather than later too, which could help to reduce excess liquidity and therefore improve monetary transmission, supporting the forint. We might see the first steps in that direction as soon as next week's rate-setting meeting.

Besides that, we will get more detail on the stronger-than-expected second quarter GDP growth figure, with consumption and investment activity likely to be in the driver's seat. August manufacturing PMI will remain elevated given order books are full and companies are still able to pass rising costs onto consumers.

### ✓ Turkey: Expect strong second-quarter growth despite initial signs of a slowdown

Based on early indicators, we think the Turkish economy put in another strong performance in the second quarter, with 6.5% YoY growth. However more recently there have been initial signs of a

slowdown relative to the first half of the year. We expect economic activity to lose momentum in the second half for a few key reasons. Firstly, a higher risk premium in financial markets and growing macro-stability risks could weigh on domestic demand. Secondly, there's a likely loss of momentum in exports given the slowdown in the eurozone. Finally, we're seeing continued cost pressures, tighter global financial conditions, and a challenging local regulatory environment, putting pressure on the corporate sector.

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Country	Time	Data/event	ING	Survey	Prev.
<b>Monday 29 August</b>					
Turkey	0800	Jul Trade Balance	-10.6		-8.17
	1200	Jul Bank NPL Ratio	-		2.49
<b>Tuesday 30 August</b>					
Czech Rep	0800	Q2 Final GDP (QoQ%/YoY%)	1.2/3.6		0.2/3.6
Hungary	1300	Aug Hungary Base Rate	11.75		10.75
South Africa	0700	Jul M3 Money Supply (YoY%)	-		8.33
	0700	Jul Private Sector Credit Ext.	-		7.53
Brazil	-	Jul Central Government Balance	-		14.433
	1300	Aug IGP-M Inflation Index	-		0.21
Mexico	1200	Jul Jobless Rate	-		3.3
<b>Wednesday 31 August</b>					
Russia	1700	Jul Retail Sales (YoY%)	-11	-8.9	-9.6
	1700	Jul Unemployment Rate	4.1	4.1	3.9
Turkey	0800	Q2 GDP Quarterly (YoY%)	6.5		7.3
Poland	0900	Q2 GDP (QoQ%/YoY%)	-/-	/	-2.3/5.3
South Africa	1300	Jul Trade Balance (Incl. Region)	-		24.23
<b>Thursday 1 September</b>					
Russia	0700	Aug S&P Global Manufacturing PMI	-		50.3
Turkey	0800	Aug Manufacturing PMI	-		46.9
Poland	0800	Aug S&P Global Manufacturing PMI	-		42.1
Czech Rep	0830	Aug S&P Global PMI	47.2		46.8
	1300	Aug Budget Balance	-		-192.7
Hungary	0800	Q2 GDP Final (YoY%)	6.5		6.5
	0800	Aug Manufacturing PMI	52.9		57.8
	0800	One-Week Deposit Rate	11.75		10.75
Brazil	1200	Q2 GDP (QoQ%/YoY%)	-/-	/	1/1.7
	1400	Aug S&P Global Manufacturing PMI	-		54
Mexico	1530	Aug S&P Global Manufacturing PMI	-		48.5
<b>Friday 2 September</b>					
Brazil	1300	Jul Industrial Output (MoM%/YoY%)	-/-	/	-0.4/-0.5
	0900	Aug IPC-Fipe Inflation Idx	-		0.16

Source: Refinitiv, ING

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