

Key events in EMEA next week

Retail sales and industrial production data will show an improving economy for Hungary. However, currency volatility and high prices will add to Turkey's high Consumer Price Index rate



We expect annual inflation in Turkey to hit 45.2%

⬆️ Hungary: Economic activity is gradually improving

In Hungary, next week is about economic activity data as the Statistical Office is releasing the December figures of retail sales and industrial production. The December manufacturing Purchasing Managers' Index (PMI) provided a significant upside shock and despite the year-end holiday season, we see an improving performance in industry. This will be complemented by rising retail sales. Despite month-on-month growth being moderate, in our view, last year's low base will help to nudge the yearly base reading higher. Eventually, with these positive outcomes in December, the 4Q21 GDP growth could provide a nice upside surprise.

⬇️ Turkey: Inflation spiral continues

In January, significant adjustments in administrative prices including electricity, natural gas, tobacco and alcohol, and gasoline, as well as continuing pass-through from recent large currency volatility already point to another sharp increase in the Consumer Price Index (CPI). Accordingly, we expect annual inflation to rise further up to 45.2% (8.5% on a monthly basis) from 36.1% in December.

EMEA Economic Calendar

| Country | Time | Data/event | ING | Survey | Prev. |
|-----------------------------|------|-----------------------------------|----------|--------|-------------|
| Monday 31 January | | | | | |
| Russia | - | Dec GDP (YoY%) Monthly | - | | 5.2 |
| Turkey | 0700 | Dec Trade Balance | - | | -5.4 |
| | 1100 | Dec Bank NPL Ratio | - | | 3.2 |
| Poland | 0900 | Q4 Annual GDP (YoY%) | - | 5.5 | -2.5 |
| South Africa | 0600 | Dec M3 Money Supply (YoY%) | - | | 6.4 |
| | 0600 | Dec Private Sector Credit Ext. | - | 2.6 | 2.5 |
| | 1200 | Dec Trade Balance (Incl. Region) | - | | 35.8 |
| Tuesday 1 February | | | | | |
| Russia | 0600 | Jan Markit Manufacturing PMI | - | | 51.6 |
| Turkey | 0700 | Jan Manufacturing PMI | - | | 52.1 |
| Poland | 0800 | Jan Markit Manufacturing PMI | - | | 56.1 |
| Czech Rep | 0800 | Q4 Preliminary GDP (QoQ%/YoY%) | - | | 1.6/3.3 |
| | 0830 | Jan Markit PMI | - | | 59.1 |
| | 1300 | Jan Budget Balance | - | | -419.7 |
| Hungary | 0800 | Jan Manufacturing PMI | 55.1 | | 64.8 |
| Brazil | 1300 | Jan Markit Manufacturing PMI | - | | 49.8 |
| Mexico | 1530 | Jan Markit Manufacturing PMI | - | | 49.4 |
| Wednesday 2 February | | | | | |
| Hungary | 0800 | Nov Trade Balance Final | 81 | | 81 |
| Brazil | 0800 | Jan IPC-Fipe Inflation Index | - | | 0.57 |
| | 1200 | Dec Industrial Output (MoM%/YoY%) | -/- | | -0.2/-4.4 |
| | 2100 | Selic Interest Rate | - | | 9.25 |
| Thursday 3 February | | | | | |
| Russia | 0600 | Jan Markit Services PMI | - | | 49.5 |
| Turkey | 0700 | Jan CPI (MoM%/YoY%) | 8.5/45.2 | | 13.58/36.08 |
| Czech Rep | 1330 | CNB Repo Rate | - | | 3.75 |
| Hungary | 0800 | Dec Retail Sales (YoY%) | 4.3 | | 3.8 |
| South Africa | 0715 | Jan Std Bank Whole Econ PMI | - | | 48.4 |
| Brazil | 1300 | Jan Markit Services PMI | - | | 53.6 |
| | 1300 | Jan Markit Composite PMI | - | | 52.0 |
| Friday 4 February | | | | | |
| Hungary | 0800 | Dec Industrial Output (YoY%) | 5.0 | | 2.6 |

Source: Refinitiv, ING, *GMT

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