

Key events in EMEA next week

As the National Bank of Hungary remains committed to its decisive tightening cycle, we expect both the base rate and the one-week deposit rate to rise by 125bp to 11.00%



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✓ Poland: June's registered unemployment rate forecast at 5%

We forecast that the registered unemployment rate moderated to 5.0% in June down from 5.2% in May. According to the Ministry of Family and Social Policy, initial estimates for the unemployment rate fell to 5.1% last month, but the estimated decline in the number of unemployed people was broadly in line with our forecast, so we stick to our initial projection. It all comes down to the change in the number of people active in the labour market (denominator of the unemployment rate).

✓ Hungry: 125bp rate hike likely to combat rampant inflation, with more hikes potentially to come

We expect the National Bank of Hungary to remain committed to its decisive tightening cycle and we see both the base rate and the one-week deposit rate rising by 125bp to 11.00%. The forward guidance will remain hawkish, suggesting further rate hikes as we are still waiting for inflation to peak in Hungary. Whether this will be enough to give support to the forint remains to be seen.

Market expectations regarding tightening are extremely elevated but we see the bar for the market to be disappointed as low. When it comes to data releases, we will get the latest labour market data, which will flag further price pressure in the pipeline with remarkably high wage growth and a near-record low unemployment rate.

EMEA Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
Monday 25 July					
Poland	0900	Jun Unemployment Rate	5.0	5.0	5.1
Hungary	0800	May Average Gross Wages (YoY%)	15.9		15.1
Kazakhstan	1000	Jul Base Interest Rate	-		14.0
Mexico	1200	May IGAE Econ Activity (YoY%)	-		1.3
Tuesday 26 July					
Hungary	1300	Central Bank Rate Decision	11.00		9.75
Brazil	1300	Jul IPCA-15 Mid-Month CPI (MoM%/YoY%)	-		0.69/12.04
Wednesday 27 July					
Russia	1700	Jun Industrial Output	-5.4	-5.3	-1.7
	1700	Jun Retail Sales (YoY%)	-12.0	-8.7	-10.1
	1700	Jun Unemployment Rate	4.0	4.2	3.9
Mexico	1200	Jun Trade Balance SA	-		-3.80
Thursday 28 July					
Turkey	0830	Inflation Report (2022 - III)	-		-
Russia	-	Jun GDP (YoY%) Monthly	-	-6.0	-4.3
Hungary	0800	Jun Unemployment Rate 3M	3.4		3.4
	0800	One-Week Deposit Rate	11.00		9.75
South Africa	1030	Jun PPI (MoM%/YoY%)	-/-		1.8/14.7
Brazil	1300	Jul IGP-M Inflation Index	-		0.59
	-	Jun Central Government Balance	-		-39.4
Mexico	1200	Jun Jobless Rate	-		3.3
Friday 29 July					
Turkey	0800	Jun Trade Balance	-8.2		-10.6
Czech Rep	0800	Q2 Preliminary GDP (QoQ%/YoY%)	-		0.9/4.9
South Africa	0700	Jun M3 Money Supply (YoY%)	-		7.3
	0700	Jun Private Sector Credit Ext.	-		5.3
	1300	Jun Trade Balance (Incl. Region)	-		28.35

Source: Refinitiv, ING

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