

Key things occurring in Developed Markets next week

ING's view on upcoming key data and events

| Country | Time | Data/event | ING | Survey | Prev. |
|-------------------------------|------|--|---------|---------|---------|
| Friday 2nd February | | | | | |
| US | 1330 | Jan Change in Nonfarm Payrolls ('000s) | 170 | 180 | 148 |
| | 1330 | Jan Unemployment Rate (%) | 4.1 | 4.1 | 4.1 |
| | 1330 | Jan Average Hourly Earnings (MoM/YoY%) | 0.1/2.4 | 0.2/2.6 | 0.3/- |
| | 1330 | Jan Participation Rate | - | - | 62.7 |
| | 1500 | Jan F U. of Mich. Sentiment Index | 95.5 | 95 | 94.4 |
| | 1830 | Fed's Kaplan Speaks in Austin | | | |
| | 2030 | Fed's Williams Speaks in San Francisco | | | |
| Eurozone | 1000 | ECB's Coeure Speaks in Kranj, Slovenia | | | |
| Italy | 1000 | Jan P HICP (YoY%) | - | 0.8 | 1 |
| Monday 5th February | | | | | |
| US | 1500 | Jan ISM Non-manufacturing | 56.5 | 56.5 | 56 |
| Eurozone | 0900 | Jan F Markit Services PMI | 57.6 | - | 57.6 |
| | 0900 | Jan F Markit Composite PMI | 58.6 | - | 58.6 |
| | 1000 | Dec Retail Sales (MoM/YoY%) | 0.2/3.1 | -/- | 1.5/2.8 |
| UK | 0930 | Jan Markit/CIPS Services PMI | 54 | - | 54.2 |
| | 0930 | Jan Markit/CIPS Composite PMI | 55 | - | 54.9 |
| New Zeal. | 0100 | Treasury Publishes Monthly Economic Indicators | | | |
| Tuesday 6th February | | | | | |
| Australia | 0130 | Jan Trade balance (A\$m) | -459 | - | -628 |
| | 0130 | Dec Retail sales (MoM%) | 0.4 | - | 1.2 |
| | 0430 | RBA meeting (cash rate, %) | 1.5 | 1.5 | 1.5 |
| US | - | Dec Trade Balance (US\$bn) | -52 | -52.15 | -50.5 |
| | 1350 | Fed's Bullard Speaks on U.S. Economy and Monetary Policy | | | |
| Germany | 0700 | Dec New Orders (YoY%) | 2.7 | - | 8.7 |
| Portugal | 1800 | Bank of Portugal's Costa Speaks at Banking Summit | | | |
| Wednesday 7th February | | | | | |
| Norway | 0700 | Dec Industrial Production (MoM%) | - | - | 0.6 |
| Japan | 0000 | Dec Labor cash earnings (YoY%) | 1 | - | 0.9 |
| | 0500 | Dec Leading economic index | - | - | 108.3 |
| US | 1100 | Fed's Kaplan Speaks in Frankfurt | | | |
| | 1330 | Fed's Dudley Speaks in Moderated Q&A | | | |
| | 1515 | Fed's Evans Speaks on Economic and Policy Outlook | | | |
| | 2220 | Fed's Williams Speaks in Hawaii | | | |
| Eurozone | 0900 | ECB's Nouy and Launtenschlaeger speak in Frankfurt | | | |
| Germany | 0700 | Dec Industrial Production (MoM%) | -1.5 | - | 3.4 |
| New Zeal. | 2000 | RBNZ OCR decision | | | |
| | 2100 | RBNZ's Spencer news conference on policy statement | | | |
| Portugal | 1100 | Portugal Reports Fourth-Quarter Unemployment Rate | | | |
| Thursday 8th February | | | | | |
| Japan | 2350 | Jan Bank lendings (YoY%) | 2.4 | - | 2.5 |
| | 2350 | Dec C/A Balance, adjusted (Yen bn) | 1680 | - | 1700.5 |
| | 0130 | BOJ Suzuki makes a speech in Wakayama | | | |
| US | 1300 | Fed's Harker Speaks on Economy: Outlook and Impact for College | | | |
| | 1400 | Fed's Kashkari Speaks in Moderated Q&A | | | |
| Germany | 0700 | Dec Trade Balance (€bn) | 22 | - | 23.7 |
| UK | 1200 | BoE Policy Rate | 0.5 | 0.5 | 0.5 |
| Canada | 1745 | Bank of Canada Senior Deputy Governor Carolyn Wilkins Speech | | | |
| Australia | 0900 | RBA Governor Lowe Gives Speech in Sydney | | | |
| Japan | 0130 | BOJ Suzuki makes a speech in Wakayama | | | |
| Friday 9th February | | | | | |
| Norway | 0700 | Jan CPI (MoM/YoY%) | 0.2/1.9 | -/- | 0/1.6 |
| | 0700 | 4Q Mainland GDP (QoQ%) | 0.6 | - | 0.6 |
| Australia | 0130 | RBA quarterly monetary policy statement | | | |
| Japan | 2350 | Jan Money supply (M2) (YoY%) | 3.5 | - | 3.6 |
| US | 0200 | Fed's George Speaks on the Economy | | | |
| UK | 0930 | Dec Industrial Production (MoM/YoY%) | 0.5/1.9 | -/- | 0.4/2.5 |
| | 0930 | Dec Trade Balance (£m) | -2100 | - | -2804 |
| Italy | 1000 | Bank of Italy Publishes Monthly Report 'Money and Banks' | | | |
| Canada | 1330 | Jan Net Change in Employment | - | - | 78.6 |
| | 1330 | Jan Unemployment Rate (%) | - | - | 5.7 |

Source: ING, Bloomberg

US: jobs report and Fed speakers

170,000 US payrolls
ING forecast

The **US** jobs report will set the tone for the week ahead with the risk it could be interpreted as being quite soft. We look for payrolls growth of around 170,000, but the main disappointment may be wages. Due to working day effects (there were two more working days in January versus December) this will artificially depress average hourly earnings given most people are paid a salary. However, this is purely a technical story and given the tightness in the jobs market we still believe wage growth will rise.

We will also have several Federal Reserve officials speaking this week as we look to the next Fed meeting in March to see if the market is being too aggressive in pricing in a 90% probability of a 25bp rate rise.

UK: an eye on the Bank of England

0.5 Bank of England policy rate
ING forecast

In the **UK** the Bank of England will be the focus. Recent comments from officials suggest they have been positively surprised by the recent data flow, but it is unlikely to be enough to tempt the BoE to hike this time. We think May is a more likely date, but we are not convinced it would happen. However, should the BoE nudge up its growth forecast next week and if the British government makes progress on achieving a transitional deal on Brexit with the EU then it would become more difficult to argue against it.

Germany: look out for politics

In **Germany** the entire batch of industrial data will probably once again be blurred by the Christmas break. Weaker industrial production, however, will do little to spoil the growth party in the fourth quarter. Even more important, the coalition talks in Berlin should be finalized in the weekend of 3/4 February. We expect a final agreement but the big hurdle will then be the vote of more than 440,000 SPD party members on this final outcome. It will take until the end of February before we finally know whether there will be a new government or whether the country is heading towards new elections.

Norway: GDP, CPI and a potential December hike

Norwegian 4Q GDP and January inflation figures are both out on Friday. We expect solid figures that will support Norge's Bank's shift towards a December hike.

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