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THINK Ahead: Look at all this on the horizon!

Impress your friends with your knowledge of key events around the world next week. You don't get James Smith's take this time, as he's sunning himself somewhere lovely...

We would love to think this is James Smith on his holiday

THINK Ahead in developed markets

United States (James Knightley)

- Given the backdrop of 3% growth, low unemployment, equity markets at all-time highs, and inflation still above 2%, you could be forgiven for questioning why the Fed cut rates 50bp and why the market expects the Fed to cut rates down to 3%. Those questions could intensify over the coming week.
- **GDP (Wed):** Resilient consumer spending should power a second consecutive 3% GDP print next week. High-income households are going from strength to strength, but lower-income households are feeling more pain as inflation's legacy hurts spending power much more. Residential construction should also be a bit of a drag, while business capex looks to be running fairly weak.
- **Core PCE deflator (Thu):** Core CPI rose 0.3%MoM in September and the market is split as to whether we will get a 0.2% or a 0.3% reading for the Fed's favoured core PCE deflator measure of inflation. Based on the inputs from CPI and PPI, the general sense is that we will get something around 0.24-0.26%MoM. 0.3% would obviously be visually less palatable and

would keep the YoY rate up at 2.6%. Muted MoM prints from October to December last year mean, at best, we are likely to see the annual inflation rate end the year in a similar place.
- **Jobs report (Fri):** After last month's sizeable 254k increase, the consensus is looking for a weaker outcome this time around. The weather will play a part, with hurricanes in the South East impacting workers' ability to get to their place of employment. Likewise, the strikes at Boeing will weigh on the payroll number, with likely knock-on effects on suppliers. Consequently, we see the risk of a slight downside miss to the consensus. We forecast a 100k increase with the unemployment rate ticking up to 4.2%. Wage growth should also be more muted after a surprise 0.4%MoM jump in September.

United Kingdom (James Smith)

- **Budget (Wed):** Chancellor Rachel Reeves has little choice but to increase day-to-day spending on government departments. That inevitably means higher taxes, potentially centred on employers. Higher investment is coming toom, but we expect this boost to be more modest as the Treasury seeks to avoid a steep increase in borrowing that might unsettle markets.

THINK Ahead for Central and Eastern Europe

Poland (Adam Antoniak)

- **Flash CPI (Thu):** We forecast that CPI inflation increased further in October amid higher annual growth in fuel prices (low base from October 2023) and a continued rebound in food prices. At the same time, core inflation remains elevated (above 4%YoY). Rising inflation is the key factor preventing the NBP from starting the monetary easing cycle.

Hungary (Peter Virovacz)

- **GDP (Wed):** According to our short-term forecast, the Hungarian economy is experiencing another technical recession, following a previous one in late 2022-early 2023. The economic challenges are mainly attributed to the negative impact of agriculture due to a high prior-year base and adverse weather conditions this year, coupled with declining output in industry and construction in 3Q24. If we are right, this will lead to significant downward revisions to growth forecasts for 2024 and 2025.

Key events in developed markets next week

Country	Time	Data/event	ING	Prev.
		Monday 28 October		
US	1430	Oct Dallas Fed Manufacturing Index	-7	-9
Spain	0800	Sep Retail Sales (YoY%)	-	2.3
		Tuesday 29 October		
US	1300	Aug Case-Shiller 20 (MoM%/YoY%)	0,2/5,0	0.3/5.9
	1400	Sep JOLTs Job Openings (mn)	8	8.04
	1400	Oct Consumer Confidence	99.5	98.7
Germany	0700	Nov GfK Consumer Sentiment	-20	-21.2
Sweden	0700	Q3 GDP Flash (QoQ%/YoY%)	0.4/0.9	-0.3/0.5
		Wednesday 30 October		
US	1215	Oct ADP National Employment	115	143
	1230	Q3 GDP Flash (QoQ%)	3.0	3.0
Germany	0855	Oct Unemployment Rate	6.1	6
	0900	Q3 GDP Flash (QoQ%/YoY%)	-0.2/-0.5	-0.1/0.3
	1300	Oct CPI (MoM%/YoY%)	0.1/1.8	0/1.6
France	0630	Q3 GDP Flash (QoQ%/YoY%)	-/-	0.2/1
UK	1230	Autumn Budget 2024	-	-
Italy	0900	Q3 GDP Prelim (QoQ%/YoY%)	0,3/0,8	0.2/0.9
Spain	0800	Q3 GDP Flash (QoQ%/YoY%)	-/-	0.8/3.1
	0800	Oct CPI (MoM%/YoY%)	-/-	-0.6/1.5
Eurozone	1000	Q3 GDP Flash Prelim (QoQ%/YoY%)	-/-	0.2/0.6
	1000	Oct Business Climate	-	-0.76
	1000	Oct Economic Sentiment	-	96.2
	1000	Oct Consumer Confidence Final	-	
		Thursday 31 October		
US	1230	Sep Personal Income (MoM%)	0.4	0.2
	1230	Sep Personal Spending (MoM%)	0.4	0.2
	1230	Sep Core PCE Price Index (MoM%)	0.3	0.1
	1230	3Q Employment Cost Index (QoQ%)	0.9	0.9
	1345	Oct Chicago PMI	47.5	46.6
Germany	0700	Sep Retail Sales (MoM%/YoY%)	-1/1.2	1.6/2.1
France	0745	Oct CPI (MoM%/YoY%)	-/-	-1.3/1.1
Italy	0900	Sep Unemployment Rate	6.3	6.2
	1000	Oct HICP (MoM%/YoY%)	0,2/0,9	1.2/0.7
Canada	1230	Sep GDP (MoM%)	-	0
Portugal	0930	Oct CPI (YoY%)	-	2.1
Eurozone	1000	Oct CPI (MoM%/YoY%)	-/-	-0.1/1.7
	1000	Oct Core CPI (YoY%)	-	2.7
	1000	Sep Unemployment Rate	-	6.4
		Friday 1 November		
US	1230	Oct Non-Farm Payrolls (000s)	100	254
	1230	Oct Private Payrolls (000s)	90	223
	1230	Oct Unemployment Rate	4.2	4.1
	1400	Oct ISM Manufacturing PMI	48.0	47.2
	1400	Oct ISM Manufacturing Prices Paid	48.0	48.3
UK	0930	Oct S&P Global/CIPS Manufacturing PMI Final	-	51.5
Italy	0845	Oct S&P Global/IHS Manufacturing PMI	48.5	48.3
Switzerland	0730	Oct CPI (MoM%/YoY%)	-/-	-0.3/0.8

Source: Refinitiv, ING

Key events in EMEA next week

Country	Time	Data/event	ING	Prev.
		Wednesday 30 October		
Russia	1600	Sep Retail Sales (YoY%)	6.1	5.1
	1600	Sep Unemployment Rate	2.4	2.4
	1600	Sep GDP (YoY%)	1.4	2.4
Turkey	1100	Sep Bank NPL Ratio	-	1.69
Czech Rep	0800	Q3 GDP Flash (QoQ%/YoY%)	0.5/1.6	0.4/0.6
Hungary	0730	Q3 GDP Flash (QoQ%/YoY%)	-0.4/0.1	-0.2/1.5
		Thursday 31 October		
Turkey	0700	Sep Trade Balance Final (USD bn)	-5.1	-5
Poland	0900	Oct CPI (MoM%/YoY%)	0.5/5.1	0.1/4.9
Hungary	0730	Aug Trade Balance Final (EUR mn)	671	671
Ukraine	1100	Interest Rate Decision	-	13.00
		Friday 1 November		
Russia	0600	Oct S&P Global Manufacturing PMI	-	49.5
Turkey	0700	Oct Manufacturing PMI	-	44.3
Czech Rep	0830	Oct S&P Global PMI	-	46
	1200	Oct Budget Balance	-	-181.7

Source: Refinitiv, ING

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