

## Week Ahead: Our view on the key economic events

Discover what our analysts are looking out for next week in our global economic calendars

### In this bundle

#### Key events in developed markets next week

US inflation data should cement expectations for four Fed rate hikes while in Europe, public appearances from three ECB members will be closely watched

By James Smith, Carsten Brzeski and Bert Colijn

---

#### Key events in EMEA and Latam next week

Inflation data from Romania and Poland, retail sales from the Czech Republic and a sovereign debt review on Hungary top this week's economic agenda

By Peter Virovacz

---



China | India...

#### Asia week ahead: Softer Indian inflation

But not soft enough for the Reserve Bank of India to let down its guard, while a return of GDP growth to the potential range now provides room for...

---

# Key events in developed markets next week

US inflation data should cement expectations for four Fed rate hikes while in Europe, public appearances from three ECB members will be closely watched

## ✓ US: Wage growth to keep Fed on track for four rate hikes this year

With last month's surprise upsurge in US wage growth, and the market correction that followed, still firmly at the back of investors' minds, inflation data due over the next week will be key.

We're expecting wage growth to continue to flirt with 3% ([read more here](#)), whilst core CPI is likely to remain stable at 1.8%. But once a quirk with mobile data pricing drops out of the annual comparison in the next set of data, core inflation looks set to return to the 2% target and should receive further impetus from the weaker dollar and rising housing/medical costs.

All of this would help solidify the Fed's view that the inflation dip over the past year has indeed been 'transitory' and should keep policymakers on track for four rate hikes this year.

## ✓ Eurozone: all eyes on the ECB

Next week should be relatively light on macro data. Instead, with three members of the ECB's Executive Board, Mario Draghi, Vítor Constâncio and Peter Praet, having public appearances, all eyes will again be on the ECB.

A quiet week for Eurozone data will give some insight into whether manufacturing has continued its strong production growth seen in the second half of 2017. Survey data for January were still strong, so we're looking for confirmation of that positive picture for industry.

## ✓ Norway and Sweden: Norges Bank policy meeting and Swedish inflation take centre stage

In Norway, the central bank's policy meeting on Thursday is likely to be fairly low key. Policy rates will remain on hold at 0.5%, but we expect Norges Bank to upgrade its forecasts somewhat, confirming the strengthening economy and solidifying expectations of a first rate hike by the end of the year. In Sweden, the focus will be on inflation and house price data released on Wednesday.

## Developed Markets Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Friday 9 March</b>					
US	1330	Feb Change in Nonfarm Payrolls ('000s)	180	200	200
	1330	Feb Unemployment Rate (%)	4	4	4.1
	1330	Feb Average Hourly Earnings (MoM/YoY%)	0.3/2.9	0.2/2.8	0.3/2.9
	1330	Feb Participation Rate	62.7	62.7	62.7
	1740	Fed's Rosengren Speaks on Outlook			
Japan	1745	Fed's Evans Speaks on Monetary Policy			
	0000	Jan Labor cash earnings (YoY%)	0.5	0.7	0.9
	-	Mar 9 BoJ 10-year yield target (%)	-	-	0
Germany	-	Policy Rate	-0.1	-	-0.1
	-	BOJ Monetary Policy Statement			
	0700	Jan Trade Balance (€bn)	19.8	18.1	18.1
UK	0700	Jan Industrial Production (MoM%)	1.8	0.6	-0.6
	0930	Jan Trade Balance (£m)	-3500	-3300	-4896
	0930	Jan Industrial Production (MoM/YoY%)	1.5/1.9	1.5/1.9	-1.3/0
Italy	0930	Jan Manufacturing Production (MoM/YoY%)	0.2/2.8	0.2/2.8	0.3/1.4
	1000	Bank of Italy Publishes Monthly Report 'Money and Banks'			
	1330	Feb Net Change in Employment	-	22	-88
Canada	1330	Feb Unemployment Rate (%)	-	5.9	5.9
	0700	Feb CPI (MoM/YoY%)	0.5/1.7	0.7/1.8	-0.1/1.6
	0700	Feb Core CPI (MoM/YoY%)	0.6/1.2	-/-	-0.8/1.1
Portugal	1100	Portugal Releases Industrial Sales, Employment Report			
<b>Sunday 11 March</b>					
Japan	2350	1Q BSI - All Industry (QoQ%)	6.2	-	6.2
	2350	1Q BSI - Large manufacturing (QoQ%)	9	-	9.7
<b>Monday 12 March</b>					
Japan	2350	Feb PPI (MoM/YoY%)	-/-	-/-	0.3/2.7
Italy	1000	Bank of Italy Publishes '2017 Households Income and Wealth'			
Australia	2340	RBA's Bullock Gives Speech in Sydney			
Sweden	0730	SEB Sweden Monthly Housing Price Indicator			
Portugal	1100	International Trade Figures, services sales, employment report, construction output and CPI report			
<b>Tuesday 13 March</b>					
US	1000	Feb NFIB Small Business Optimism	107	-	106.9
	1230	Feb CPI (MoM%)	0.2/2.3	0.2/2.2	0.5/2.1
	1230	Feb CPI ex. food and energy (MoM/YoY%)	0.2/1.8	0.2/1.8	0.3/1.8
UK	-	UK government to publish Spring Budget Statement			
Japan	0430	Jan Tertiary industry index (MoM%)	-0.1	-	-0.2
	2350	Jan Core machine orders (MoM/YoY%)	-/-	-/-	-11.9/-5
	2350	BOJ Minutes of Policy Meeting			
Spain	0800	Feb F HICP (MoM/YoY%)	-/-	-/-	0.1/1.2
Australia	0030	Jan Home loans (MoM%)	3.7	-	-2.3
	2210	RBA's Kent Gives Speech in Sydney			
	0130	Feb NAB business confidence	10.8	-	12
Sweden	0800	Valueguard Swedish House Price Data			
	0830	Feb CPI (MoM/YoY%)	0.7/1.5	-	-0.8/1.6
	0830	Feb CPIF (MoM/YoY%)	0.7/1.7	-	-0.9/1.7
Portugal	-	Bank of Portugal Releases Data on Banks			
<b>Wednesday 14 March</b>					
US	1230	Feb Advance Retail Sales (MoM%)	0.3	0.3	-0.3
	1230	Feb Retail Sales ex. Auto and Gas (MoM%)	0.4	-	-0.2
Eurozone	1000	Jan Industrial Production (WDA, (YoY%)%)	5.3	-	5.2
	0800	ECB President Draghi (0800), vice president Constancio (1045) and Praet (0845) speak in Frankfurt			
France	1330	Bank of France Governor Villeroy de Galhau speaks in Frankfurt			
Germany	0700	Feb F CPI (MoM/YoY%)	0.5/1.4	-/-	0.5/1.4
New Zeal.	2145	4Q GDP (Q) (QoQ/YoY% SA)	-/-	-/-	0.6/2.7
Sweden	0830	Feb CPI (MoM/YoY%)	-/-	-/-	-0.8/1.6
Australia	0030	Mar Westpac consumer confidence index	101.8	-	102.7
<b>Thursday 15 March</b>					
Canada	1230	ADP Publishes February Payrolls Report			
Australia	0000	Mar CPI expectations (YoY%)	-	-	3.6
	2245	RBA's Debelle Gives Speech in Sydney			
Norway	0900	Deposit Rates	-	-	0.5
Sweden	0830	Feb Unemployment Rate (%)	7	-	7
Switzerland	0830	SNB Sight Deposit Interest Rate	-	-	-0.75
<b>Friday 16 March</b>					
US	1315	Feb Industrial Production (MoM%)	0.3	0.3	-0.05
	1400	Mar P U. of Mich. Sentiment Index	100	-	99.7
Japan	0430	Jan F Industrial production - Prel (MoM/YoY%)	-/-	-/-	-6.6/2.7
Eurozone	1000	Feb F Core CPI (YoY%)	1	-	1
	1000	Feb CPI (MoM/YoY%)	0.2/1.2	-/-	0.2/1.2
Italy	0900	Feb F HICP (YoY%)	0.7	-	0.7

Source: ING, Bloomberg

[Click here to download a PDF version of this table](#)

## Authors

### **James Smith**

Developed Markets Economist

[james.smith@ing.com](mailto:james.smith@ing.com)

### **Carsten Brzeski**

Global Head of Macro

[carsten.brzeski@ing.de](mailto:carsten.brzeski@ing.de)

### **Bert Colijn**

Senior Economist, Eurozone

[bert.colijn@ing.com](mailto:bert.colijn@ing.com)

## Key events in EMEA and Latam next week

Inflation data from Romania and Poland, retail sales from the Czech Republic and a sovereign debt review on Hungary top this week's economic agenda

### **Romania: Higher inflation and at least two more rate hikes**

In Romania, we expect February inflation to grind another 0.3% higher month-on-month, similar to the National Bank of Romania's (NBR) forecast. Due to base effects, we expect annual inflation to jump to 4.7% year-on-year from 4.3% in January as the elimination of some indirect taxes in February drop out of the statistical base. Nevertheless, we expect the NBR to deliver two more hikes of 25bps each at the following two rate-setting meetings on 4 April and 7 May and then take a pause for the rest of the year. As the NBR seems reluctant to tighten the liquidity control, we see risks for a third hike at the 4 July meeting, as it has to contain inflation expectations as long as inflation readings remain on an uptrend.

### **Czech Republic: January retail sales and industrial production to come in strong**

A tight labour market and accelerating wage dynamics are supporting household confidence and consumption, which should be reflected in strong January retail sales. We have more uncertainty with industry. The number of cars produced stagnated in year-on-year terms in January, according to the preliminary figures. However, despite the strong production of cars in December, industrial production disappointed and was below our expectations. Therefore, we believe that lower December industrial production growth will be reflected in stronger January figures and we see IP accelerating close to 6% year-on-year.

### **Hungary: no change in Fitch sovereign debt review**

In Hungary, we have one notable event to mention this week. However, we see the Fitch sovereign debt review on Friday as a non-event given that we are close to the general election (8 April 2018). Next week will be quiet, as the main event will be the MIRS tender, where we don't expect any change in conditions.

### **Poland: rise in wages unlikely to translate into increase in core inflation**

The detailed data of the March National Bank of Poland's (NBP) projections (published on Monday with the NBP inflation report) should confirm that the rise in wages failed to translate into a meaningful increase in core inflation. Such conclusions are likely to be supported by February inflation data. We expect a further deceleration from 1.9% year-on-year to 1.6% year-on-year

amid a drop in food prices, disappointing core inflation (ING estimates stable 1% year-on-year), and likely negative statistical effects (basket weight revisions). Wage growth should remain close to 7% year-on-year.

## **EMEA and Latam Economic Calendar**

Country	Time	Data/event	ING	Survey	Prev.
<b>Friday 9 March</b>					
Czech Rep	0800	Jan Trade Balance (CZKmn)	21	20	-2.203
	0800	Feb CPI (MoM/YoY%)	0.2/2.0	0.1/2	0.6/2.2
	0800	4Q average wages	5.5	5.3	4.2
Hungary	0800	Jan P Trade Balance (€mn)	600	501	513
	-	Hungary Sovereign Debt to be rated by Fitch			
Bulgaria	0900	Jan Industrial Production (MoM/YoY%)	-/-	-/-	0.7/1.97
	0900	Jan Retail Sales (MoM/YoY%)	-/-	-/-	0.5/4.9
Croatia	1000	Feb PPI (MoM/YoY%)	-/-	-/-	0.2/1.2
	1000	Jan Industrial Production (SA, YoY%)	-	-	-2.5
Brazil	1200	Feb Inflation (IPCA) (MoM/YoY%)	0.28/2.8	0.31/2.82	0.29/2.86
Serbia	-	Serbia Sovereign Debt to Be Rated by Moody's			
Kazakhstan	-	Kazakhstan Sovereign Debt to be rated by S&P			
<b>Sunday 11 March</b>					
Israel	1100	4Q P GDP (QoQ Annualised %)	-	3.6	3.6
<b>Monday 12 March</b>					
Turkey	0700	Jan C/A (US\$bn)	-6.7	-	-7.7
Romania	0700	Jan Trade Balance (€m)	-	-	-1610.1
Kazakhstan	-	Feb International Reserves (US\$bn)	-	-	31.7
Serbia	1100	Feb CPI (MoM/YoY%)	-/-	-/-	0.3/1.9
	1100	Jan Trade Balance (€m)	-	-	-545.1
Israel	-	Bank of Israel Publishes Minutes of Rate Meeting			
<b>Tuesday 13 March</b>					
Romania	0700	Jan Avg Net Wages (YoY%)	-	-	11.68
	0700	Feb CPI (MoM/YoY%)	0.3/4.7	-/-	0.78/4.32
South Africa	1100	Jan Manufacturing Prod. (MoM%)	-	-	2
Israel	1100	Feb Trade Balance (US\$mn)	-	-	-1365.5
Brazil	1200	Jan Retail Sales (YoY%)	3	-	3.3
Mexico	1400	Jan Industrial Production (YoY%)	0.2	-	-0.66
<b>Wednesday 14 March</b>					
Russia	1300	Jan Trade Balance (US\$bn)	-	13.94	13.7
Hungary	1300	Hungarian Central Bank's Minutes			
Bulgaria	900	CPI (MoM/YoY%)	0.1/1.9	-/-	0.3/1.8
Romania	0700	Jan Industrial Production (MoM/YoY%)	-/-	-/-	3.7/12.2
	0700	Jan Industrial Sales (MoM/YoY%)	-/-	-/-	-12.2/11.4
<b>Thursday 15 March</b>					
Turkey	0700	Dec Unemployment Rate (%)	-	-	10.3
Poland	0900	Feb CPI (MoM/YoY%)	0.1/1.6	0.2/1.8	0.3/1.9
Czech Rep	0800	Jan Construction Output (YoY%)	-	-	-3.2
	0800	Jan Industrial Output (YoY%)	5.9	5.3	2.7
	0800	Jan Retail Sales (YoY%)	6.9	6	2.2
	0800	Jan Retail Sales Excl. Motor Vehicles (YoY%)	7.8	6.4	4.7
Hungary	1100	Hungary's Central Bank Holds IRS Tender			
Israel	1630	Feb CPI (MoM/YoY%)	-/-	-/-	-0.5/0.1
<b>Friday 16 March</b>					
Turkey	0700	Jan Industrial Production (MoM/YoY%)	-/5.5	-/-	0.93/8.73
Poland	0900	Feb Avg Gross Wages (MoM/YoY%)	0.6/7.2	0.6/7.2	-7.7/7.3
	0900	Feb Employment (MoM/YoY%)	0.2/3.7	0.2/3.7	2/3.8
	1300	Jan C/A (€mn)	331	624	-1152
	1300	Jan Trade Balance (€mn)	-573	-48	-1268
	1300	Jan Exports (€)	16653	16931	15232
	1300	Jan Imports (€)	17225	17152	16500
	1300	Feb Core Inflation (MoM/YoY%)	0.1/1	0.1/1	0.1/0.9
Czech Rep	0800	Feb PPI (Industrial) (MoM/YoY%)	0.1/0.2	0/0.1	0.5/0.5
	0900	Jan C/A (CZKbn)	26	29	-2.92
Romania	-	Jan C/A YTD (€m)	-	-	-5581
Kazakhstan	-	Feb Industrial Production Yearly	-	-	5.2

Source: Bloomberg, ING

[Click here to download a PDF version of this table](#)

## Author

**Peter Virovacz**

Senior Economist, Hungary

[peter.virovacz@ing.com](mailto:peter.virovacz@ing.com)



## Asia week ahead: Softer Indian inflation

But not soft enough for the Reserve Bank of India to let down its guard, while a return of GDP growth to the potential range now provides room for...



Source: Shutterstock

### Winds shift for Asian central bank policies

As central banks in the developed world gear up for an accelerated unwinding of monetary accommodation, Asian central bank policies are largely lagging. However, we do anticipate some regional central banks breaking out of this drift, sooner rather than later. Central banks in India and the Philippines, the countries with rapid growth as well high inflation, are the obvious candidates.

### Change of ING view on Reserve Bank of India policy

The Reserve Bank of India's monetary policy returns to the spotlight as we get all-important consumer price inflation data for February in the coming week. High food, housing and utilities prices lifted inflation above 5% year-on-year pace in December and January. We expect some softening below 5% in February owing to the base effect and seasonally lower food component.

However, we do not consider it soft enough for the RBI to take its eyes off the potential inflation risks which, according to the central bank, could stem from a wider fiscal deficit, rising oil prices, an increase in minimum support prices for farm products and higher housing allowances for civil servants. We see inflation hitting the top end of the RBI's 2-6% target by June this year.

**4.9%** ING forecast for India's inflation in February

---

*India's GDP growth is accelerating too*

---

At 7.2% YoY in the third quarter of FY2017-18, (fiscal year runs from April to March) growth exceeded expectations. We believe the economy's return to the 7-8% potential growth range, and the broad consensus of growth staying in this range over the forecast horizon of the next two years, opens the door for a pre-emptive RBI policy tightening to curb inflation. The bank also needs higher rates to stem weakening pressure on the currency. We have revised our view of the RBI rate policy from no change to two rate hikes of 25bp each in the second and the fourth quarters of FY2018-19. We expect the RBI to allude to possible policy tightening at the next meeting in early April.

## Upside risk to China's activity growth

China's January-February data on industrial production, retail sales and fixed asset investment will shed light on GDP growth in the current quarter. We consider the consensus forecasts of moderate activity growth at risk to an upside surprise. At least that's what a 24% YoY surge in exports in the first two months tells us. We are above consensus in forecasting a steady 6.8% GDP growth in 1Q18 (consensus 6.6%, data due in mid-April). The fiscal tightening implied in a narrower budget deficit, continued capacity reductions in manufacturing and financial deleveraging reduce the likelihood of growth exceeding the "about 6.5%" official target again in 2018.

**24%** China's export growth in January-February

Higher than expected

## Still sceptical about Singapore MAS tightening in April

Singapore's non-oil domestic exports data for February is an important release before the MAS (central bank) policy statement in April. Electronics, in particular semi-conductors, drive NODX growth. A 10% YoY fall in chip exports in January was a bad start to the year, while the Lunar New Year holiday slack in activity provides little hope of a bounce back in February. The narrowness of

production and export strength will weigh on GDP growth despite a favourable base effect supporting it for now. This and the latest print of zero CPI inflation in January make the MAS returning to a 'modest and gradual' SGD-NEER appreciation policy in April a difficult call even if an expansionary fiscal policy provides some leeway for such a move.

## Asia Economic Calendar

Country	Time	Data/event	ING	Survey	Prev.
<b>Friday 9 March</b>					
China	0130	Feb PPI (YoY%)	4.1	3.8	4.3
	0130	Feb CPI (YoY%)	2	2.5	1.5
Philippines	0100	Jan Trade balance (US\$mn)	-3000	-3500	-4017
	0100	Jan Imports (YoY%)	14.7	14.8	17.6
	0100	Jan Exports (YoY%)	11.5	-3.1	-4.9
<b>Saturday 10 March</b>					
China	-	Feb Money supply (M2) (YoY%)	9	8.7	8.6
India	-	4Q Current account balance (Q) (US\$bn)	-	-	-7.213
<b>Monday 12 March</b>					
India	1200	Feb CPI (YoY%)	4.9	-	5.07
	1200	Jan Industrial production (YoY%)	4.1	-	7.1
Singapore	0500	Jan Retail sales value (MoM/YoY%)	0.5/5.2	-/-	-0.2/4.6
China	0200	Feb Financial institution loans (Yuan bn)	1000	-	2900
<b>Tuesday 13 March</b>					
Malaysia	0400	Jan Industrial production (YoY%)	5.6	-	2.9
South Korea	2300	Feb Unemployment rate (% SA)	3.6	-	3.6
<b>Wednesday 14 March</b>					
China	0200	Feb Fixed asset investment (YTD, YoY%)	7.5	7	7.2
	0200	Feb Industrial production (YoY%)	7	-	6.6
	0200	Feb Retail sales (YTD, YoY%)	10	-	10.2
India	0630	Feb WPI (YoY%)	2.4	-	2.84
<b>Thursday 15 March</b>					
India	-	Feb Trade deficit (US\$bn)	-14300	-	-16298
	-	Feb Exports (YoY%)	2.5	-	9.07
	-	Feb Imports (YoY%)	18	-	26.1
Indonesia	0400	Feb Imports (YoY%)	14.7	-	26.44
	0400	Feb Exports (YoY%)	3.5	-	7.86
	0400	Feb Trade balance (US\$mn)	40	-	-676.9
Philippines	-	Jan OCW remittances (YoY%)	4.9	-	7.1
<b>Friday 16 March</b>					
Singapore	0030	Feb Non-oil domestic exports (MoM/YoY%)	-0.3/8.3	-/-	-0.3/13

Source: Bloomberg, ING

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies)*. The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.