

Week Ahead Economic Preview

- **Manufacturing PMI surveys released worldwide**
- **Q4 GDP for Brazil, India, Canada, Hong Kong and the US**
- **US PCE price data**
- **Taiwan export orders**

Worldwide releases of manufacturing PMI surveys will provide important signals as to global growth, labour market and inflation trends in the first quarter, thereby giving an early indication of the direction of future central bank policy.

Other key data highlights include US and euro area inflation figures, Taiwanese export orders, as well as a number of fourth quarter GDP updates.

Manufacturing PMI surveys

First quarter economic growth trends are likely to be key to future policy decisions at major central banks, in particular the US Federal Reserve, which means that the upcoming PMI signals for February will be highly scrutinised.

[Recent surveys](#) have been especially encouraging, depicting a global manufacturing economy registering one of the strongest expansions for seven years at the start of 2018. Moreover, in a sign of the upturn becoming more broad-based, all countries reported improved manufacturing conditions in January with the sole exception of Indonesia, where a very marginal deterioration was recorded.

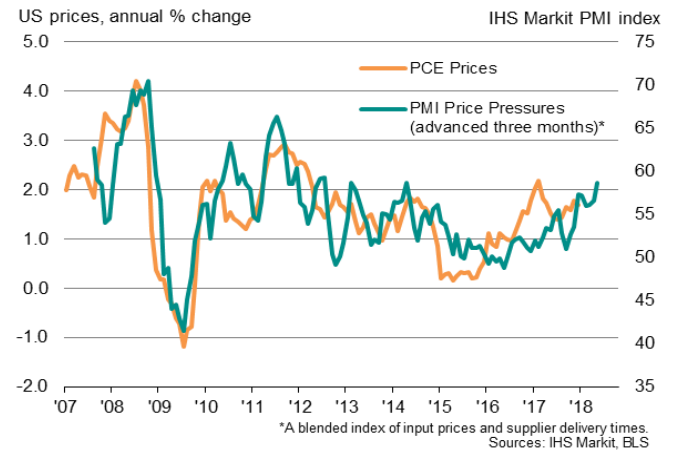
US economy

[Flash PMI surveys](#) indicated that growth of US business activity accelerated markedly in February, suggesting the economy is growing at its fastest pace for over two years. The upturn is begin accompanied by solid jobs growth and sharply higher price pressures, which will add to expectations of the Fed hiking interest rates in March. Markets are pricing in an 80%-plus probability of a March interest rate rise.

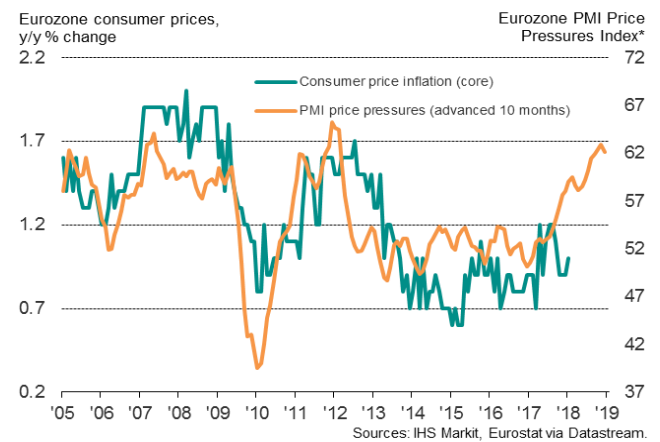
Updated PCE price index numbers, which are watched closely by the Fed, will also provide clues on US inflation trends.

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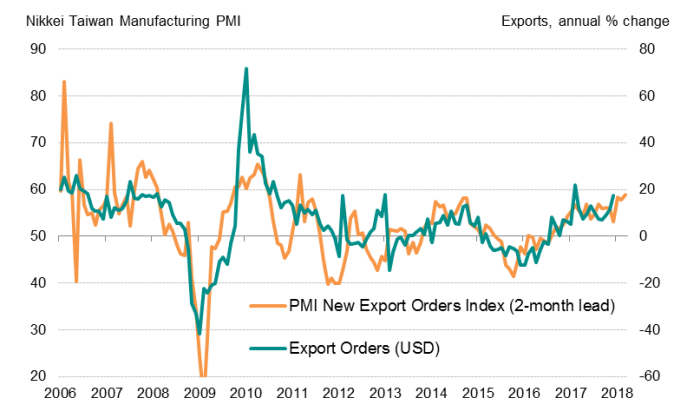
US price pressures



Eurozone inflation



Taiwan PMI† and export orders



Source: IHS Markit, Nikkei, DGBAS

† Latest PMI data: January 2018

Eurozone inflation

ECB watchers will meanwhile be eyeing the final manufacturing PMI numbers as well as euro area inflation figures. [Flash PMI data](#) showed that the eurozone's growth spurt lost a little momentum, though the rate of expansion remains impressive, putting the region on course for its best quarter for almost 12 years.

Price pressures meanwhile remained elevated according to the surveys, in part because stronger demand has enabled more firms to raise their selling prices. As such, flash estimates of official inflation data will be closely monitored.

Taiwan export orders

Elsewhere, Taiwanese export orders, a key barometer of wider Asia trade trends, are updated for January. The consensus view is that export order growth has slowed from an annual rate of 17.5% in December to 13.0%. [Most recent PMI data](#) indicate that the export sales trend is set to remain robust.

Monday 26 February

Singapore industrial production (Jan)
IHS Markit/Bank Austria Manufacturing PMI (Feb)
UK Nationwide housing prices (Feb)
US new home sales (Jan)

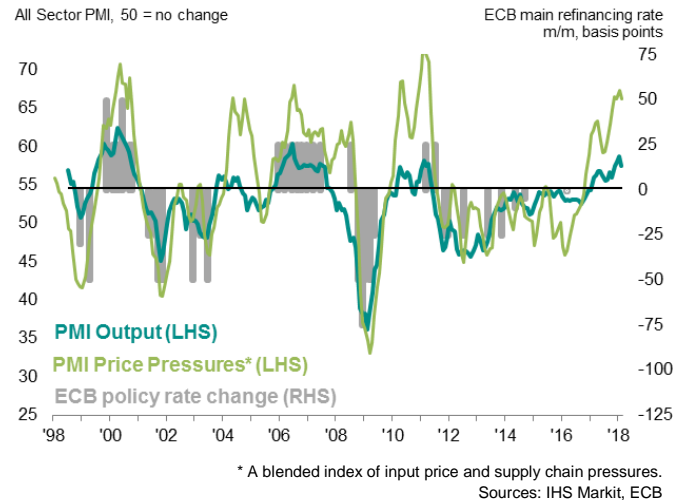
Tuesday 27 February

South Korea consumer confidence (Feb) and monetary policy decision
Bundesbank annual report (2017)
Germany inflation (Feb, flash)
France consumer confidence (Feb)
Euro area business confidence (Feb)
US durable goods orders and wholesale inventories (Jan)
US S&P/Case-Shiller home price index (Dec)

Wednesday 28 February

IHS Markit/Nikkei India Manufacturing PMI (Feb)
South Korea business confidence (Feb)
Japan retail sales, industrial production and housing starts (Jan)
Australia private sector credit (Jan)
Hong Kong GDP (Q4)

Eurozone PMI and monetary policy



India GDP (Q4) and infrastructure output (Jan)

Germany unemployment rate (Feb) and consumer confidence (Mar)

France inflation (Feb, flash) and GDP (Q4, 2nd est.)

Euro area and Italy inflation (Feb, flash)

UK consumer confidence (Feb)

US GDP (Q4, 2nd est.), and pending home sales (Jan)

Brazil unemployment rate (Jan) and consumer confidence (Feb)

Thursday 1 March

Worldwide release of IHS Markit Manufacturing PMI surveys (Feb)

Japan consumer confidence (Feb)

Thailand and Indonesia inflation (Feb)

Taiwan export orders (Jan)

UK consumer credit and mortgage approvals (Jan)

Euro area unemployment rate (Jan)

US PCE price index, construction spending, personal income and spending (Jan)

Brazil GDP (Q4)

Friday 2 March

IHS Markit/Nikkei South Korea and Thailand Manufacturing PMI surveys (Feb)

South Korea industrial production and retail sales (Jan)

Japan housing spending and unemployment rate (Jan)

Germany retail sales (Jan)

Euro area PPI (Jan)

IHS Markit UK Construction PMI (Feb)

Canada GDP (Q4)

US Michigan consumer surveys (Feb)

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