

Week Ahead Economic Overview

- Eurozone unemployment and industrial production updates
- UK industrial production and trade data
- US retail sales and consumer sentiment

The week sees a fleet of data for the eurozone, including updates on the labour market and industrial production. The UK also sees the release of factory output figures alongside trade data, while retail sales numbers are one of the highlights in the US.

Industrial output numbers are released in the **euro area**. In June, production fell 0.3%, with declines reported in Greece, Netherlands, Portugal and Spain. However, factory orders data for Germany showed a rebound from June's weakness and suggest that production levels are likely to have risen in July.

The region also sees updated labour market data for the second quarter of the year. Employment was up 0.1% in the opening three months of the year and [survey data for the April-July period](#) suggest that the labour market continued to improve as German and Spanish companies raised their workforce numbers. Nevertheless, there remains a big divergence within the eurozone, with low unemployment in Germany, Scandinavia and the Benelux countries contrasting with high jobless rates in Southern Europe.

Moreover, the European Central Bank publishes its latest Monthly Bulletin which includes information on recent economic and monetary developments in the region.

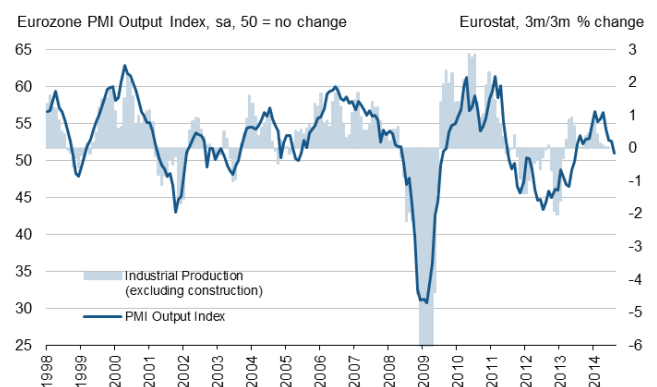
An update on **UK** industrial production will meanwhile add to the Bank of England's monetary policy debate, after the Bank left interest rates unchanged at their September meeting. In June, total production increased by 0.3% and survey data signalled further growth at the start of the third quarter. Despite easing since the first half of the year, the rate of output growth signalled by the PMI remained well above its long-run trend.

UK trade data for July will be released by the Office for National Statistics. [The UK's trade deficit worsened in June](#), as exports were hit by a growing uncertainty

about the Ukraine crisis and geopolitical problems in Gaza and Iraq.

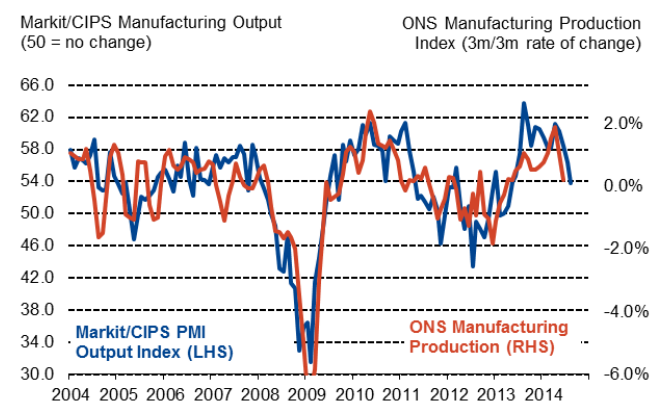
In a relatively quiet week for **US** data watchers, the most important releases are retail sales numbers and the Reuters/Michigan Consumer Sentiment Index. In July, retail sales stalled as the labour market failed to deliver stronger wage and spending growth. August's data will therefore be closely watched by policy makers for any signs that US consumers regained their appetite for spending in the middle of the third quarter. Meanwhile, the Reuters/Michigan Consumer Sentiment Index will give further insights into spending intentions in the world's largest economy.

Eurozone industrial production and the PMI



Sources: Markit, Eurostat.

UK manufacturing output and the PMI



Source: Markit, Ecowin.

Monday 8 September

Markit release England and Wales regional PMI results, the Irish Construction PMI and sector PMI data.

Japan revises its second quarter GDP numbers and issues current account data for July.

Trade balance data are meanwhile released in China, India and Germany.

Sentix publish the latest Investor Confidence Index for the Eurozone.

In Canada, building permit numbers are out on Monday.

An update on second quarter GDP is issued in Russia.

Employment trends are released in the US.

The OECD issues a report on leading indicators.

Tuesday 9 September

Consumer confidence data are out in Japan.

The British Retail Consortium publishes the latest Retail Sales Monitor, while industrial output numbers and trade balance data are other data highlights in the UK.

In France, trade balance information are issued alongside budget balance numbers.

Housing starts figures are published in Canada.

The NFIB Research Foundation updates its business optimism index for the US.

The OECD publishes a report on unemployment.

Wednesday 10 September

The UK Commercial Development Activity Report is published by Markit and Savills.

Machinery orders numbers are meanwhile out in Japan.

Industrial production data are issued in Spain and France, with the latter also seeing the release of non-farm payroll figures.

Capacity utilisation information are published in Canada.

In the US, wholesale inventory data are released.

Thursday 11 September

The Reserve Bank of New Zealand announces their latest monetary policy statement.

Inflation numbers are out in China, Germany and France.

The European Central Bank publishes its latest Monthly Bulletin.

In Russia, trade data are issued.

House price data are a highlight in Canada on Thursday.

In the US, initial claims are out.

Retail sales numbers are issued in Brazil.

A report on G20 GDP growth is released by the OECD.

Friday 12 September

Industrial output numbers are released in Japan.

In India, latest consumer price and industrial output figures are out.

Wholesale price data are meanwhile issued in Germany.

France sees the release of current account figures.

Inflation numbers are updated in Spain and Italy.

In the Eurozone, employment numbers and industrial production data are published.

The US sees a fleet of data releases on Friday including export and import price data, retail sales numbers and the Reuters/Michigan Consumer Sentiment Index.

Oliver Kolodseike

Economist

Markit

Tel: +44 149 1461 003

Email: oliver.kolodseike@markit.com

For further information, please visit www.markit.com. The intellectual property rights to the report provided herein are owned by or licensed to Markit Economics Limited. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without Markit's prior consent. Markit shall not have any liability, duty or obligation for or relating to the content or information ("data") contained herein, any errors, inaccuracies, omissions or delays in the data, or for any actions taken in reliance thereon. In no event shall Markit be liable for any special, incidental, or consequential damages, arising out of the use of the data. *Purchasing Managers' Index*[™] and *PMI*[™] are either trade marks of Markit Economics Limited or are licensed to Markit Economics Limited. Markit is a registered trade mark of Markit Group Limited.