

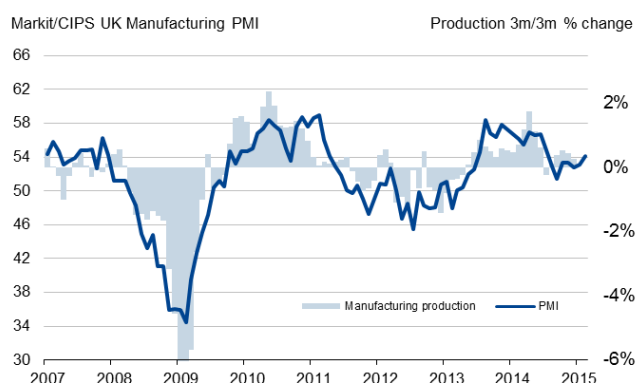
Week Ahead Economic Overview

- **UK industrial production and construction output plus trade data**
- **Industrial production data for euro area and China**
- **Update on fourth quarter GDP in Japan**
- **US retail sales**

Fourth quarter GDP data are updated in Japan, while industrial production numbers are released in China, the eurozone and the UK. The UK also sees the release of construction output and trade data. Meanwhile, inflation figures are out in a number of euro area countries and China, while retail sales numbers are the highlight in the US.

A fleet of economic data are out in the **UK** during the week, including industrial and construction output numbers plus trade data. [February's manufacturing PMI rose to a seven-month high](#), suggesting that the sector is reviving after the slowdown seen late last year. The survey data indicate that output is rising at a quarterly rate of close to 0.5% in the first quarter so far. We therefore expect the official data release to show an improvement on the [lacklustre rate of growth](#) seen at the end of last year.

UK industrial production and the PMI

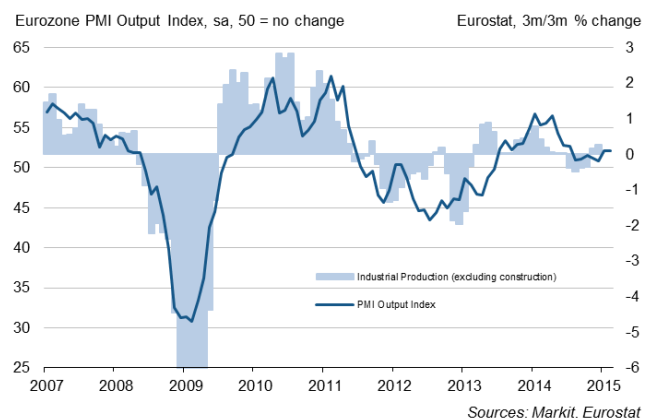


In the case of construction, [strong survey data](#) have been sitting in contrast with weak official data in recent months. However, official data have been both volatile and subject to heavy revision in recent years and it is therefore likely that construction output data could be

revised higher. Trade data are also updated in the UK, after the deficit of trade in goods and services widened to £2.9 billion in December. PM survey data have suggested that UK exporters are struggling due to the sterling's strength against the euro in particular.

In the **eurozone**, industrial production data are updated on Thursday. The numbers will give some further insight into the currency union's performance at the start of 2015, after [business survey data](#) showed only modest manufacturing growth in the two opening months of the year.

Eurozone industrial production and the PMI



Elsewhere in the euro area, inflation numbers are updated in France, Germany, Greece, Italy and Spain, while Germany also updates its trade statistics and France releases non-farm payrolls numbers.

In **Japan**, revised fourth quarter GDP numbers are released, after a first estimate showed the [economy lifting out of recession](#). While the Japanese economy managed to expand by 0.6% in the final quarter of last year, there's a threat of a renewed downturn, with PMI data signalling a contraction in business activity in Japan's service sector. While the manufacturing PMI managed to eke out some growth, the combined Composite Output Index signalled stagnation in February, posting it's weakest reading since October of last year.

Other important releases in Asia include industrial output data and inflation numbers in **China**. December data showed industrial production rising at an annualised rate of 7.9%, which was above consensus

but below levels seen in the first half of last year. Economic growth in China is expected to slow in 2015, with the government targeting an expansion of “around 7%”. The latest [HSBC China Manufacturing PMI results](#) meanwhile signalled a slight pick-up in production growth in February, but companies also reported declines in both new export business and workforce numbers.

HSBC China Manufacturing PMI



In a relatively quiet week for **US** data watchers, the highlight will be the release of retail sales numbers for February. [January saw retail sales volumes dropping 0.8%](#), suggesting that the health of the US economy might be on the wane. While [PMI survey results paint a slightly rosier picture on the US economy](#), the data currently point to a similar rate of GDP growth to the 2.2% seen late last year in the opening quarter of 2015. The retail sales data will provide more information to policymakers, with the FOMC remaining “patient” in timing the first increase in interest rates and watching the data flow carefully in the lead up to their next meeting on 17-18 March.

Monday 9 March

The England & Wales Regional PMI, Scotland PMI and Northern Ireland PMI results are published.

Trade data are meanwhile issued in India and Germany.

Japan releases updated fourth quarter GDP numbers.

The latest Sentix Investor Confidence Index is issued.

In Canada, housing starts numbers are released, while employment trends data are out in the US.

Tuesday 10 March

The National Australia Bank issues its latest business conditions data.

Inflation numbers are meanwhile released in China and Greece.

Russia sees the publication of trade figures.

Industrial output data are out in France and Italy, while the British Retail Consortium releases its Retail Sales Monitor.

The US Census Bureau updates data on wholesale inventories.

Wednesday 11 March

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

Consumer confidence data are issued by the Faculty of Economics and Commerce Melbourne Institute for Australia.

In China, industrial output and retail sales numbers are out.

Current account data and non-farm payrolls figures are meanwhile issued in France.

The Office for National Statistics publishes latest industrial production numbers.

Thursday 12 March

In Australia, labour market data are updated.

The Reserve Bank of New Zealand announces its latest monetary policy decision.

Inflation and industrial output numbers are meanwhile released in India.

The Japanese Cabinet Office issues consumer confidence data for February.

Inflation numbers are out in France, Germany and Spain, while Eurostat releases industrial output figures for the currency bloc.

In the UK, trade data are issued by the Office for National Statistics and the Bank of England releases its first quarterly bulletin of the year.

House price information are out in Canada, while retail sales figures and initial jobless claims numbers are released in the US.

Friday 13 March

In Japan, industrial production numbers are released.

Inflation figures are out in Italy, while the UK sees the publication of construction output data.

The Bank of Russia Board of Directors hold a press conference and publish the latest Monetary Policy Report.

A labour market update is provided in Canada, while producer price numbers are issued in the US.

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