

# Week Ahead Economic Overview

- **Japan and eurozone GDP**
- **UK inflation and unemployment data**
- **US prices, retail sales and consumer confidence**

The first estimates of second quarter GDP for Japan, eurozone, Germany and France are the main highlights of the week. Inflation data are also out for the euro area, as well as the UK and the US, while central banks in Japan and the UK both release the minutes from their latest monetary policy meetings.

Eurozone GDP will show whether the region remained in recession for a record seventh successive quarter. Although [PMI data](#) suggests a slight contraction, some economic forecasts anticipate a marginal expansion. Nonetheless, the broadly flat underlying trend would still be an improvement on the 0.3% contraction recorded in the first quarter.

[Germany](#) is the main engine in the eurozone, with July PMI data indicating that growth accelerated to a modest pace. Weaker downturns in [France](#), [Italy](#) and [Spain](#) also suggest the improvement is broad based across the region.

Industrial production figures for June are also out for the eurozone, with the July flash estimate of consumer prices following later in the week.

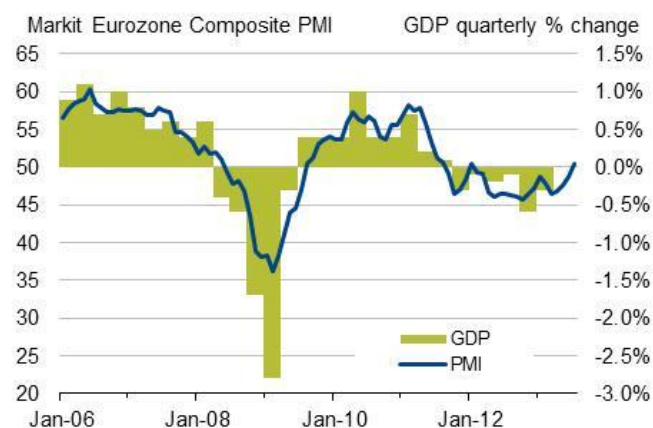
The UK sees inflation data, as well as unemployment and retail sales numbers. The [rate of unemployment](#) will be closely watched now that the Bank of England has announced that monetary policy will be linked to it falling below 7.0%. However, the Bank does not foresee reaching this level until at least 2016.

Although the Bank of Japan publishes the minutes from its latest meeting, the main economic release in Japan will be GDP data for the second quarter. The economy is expected to have grown further, but [July PMI data](#) suggest that the rate of growth may ease moving into the third quarter as the country faces external headwinds and a dwindling stimulus impact.

Retail sales, inflation, industrial production and initial jobless claims data are released in the US. Consumption was a factor behind the stronger 1.7% annual growth of GDP in the second quarter and retail sales numbers can provide insight into how things

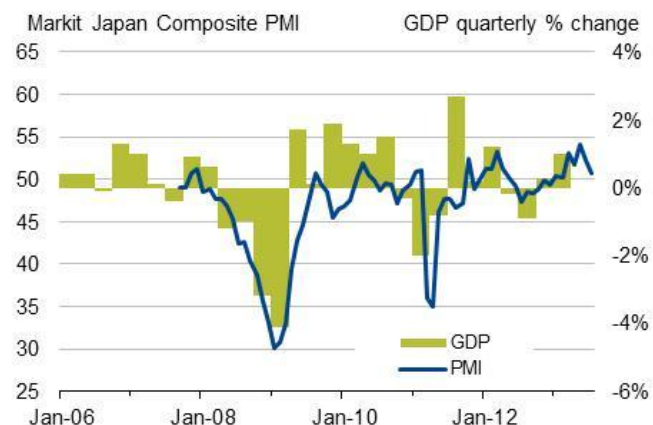
fared at the start of the third quarter. The preliminary estimate of consumer confidence from the University of Michigan for August can also help on that front.

## Eurozone GDP and the PMI



Sources: Markit, EcoWin.

## Japan GDP and the PMI



Sources: Markit, EcoWin.

## Monday 12 August

Japan publishes the preliminary reading of GDP for the second quarter, ahead of industrial production and capacity utilisation numbers for June.

International trade data is released in France.

The federal budget is meanwhile the only notable economic release for the US.

## Tuesday 13 August

Japanese machinery order numbers and the latest minutes from the Bank of Japan are released on Tuesday.

Industrial production figures are issued for the eurozone, followed by an update on economic sentiment (ZEW) for Germany.

Consumer prices data are meanwhile published in Germany, Spain and the UK.

The UK also sees an update on producer and retail prices, as well as the latest results from the RICS housing survey.

Retail sales, import prices and business inventories data, as well as NFIB confidence indicators for small businesses are all released in the US.

### Wednesday 14 August

The first estimates of GDP for the second quarter are published for France, Germany and the euro area as a whole on Wednesday.

Consumer prices data are also released in France.

An update on unemployment figures is seen in the UK, as well as average earning data and the minutes from the Bank of England's previous policy meeting.

Producer prices and mortgage data (MBA) are issued in the US.

### Thursday 15 August

Retail sales figures for July are released in the UK.

Consumer prices, initial claims, industrial production and capacity utilisation data are published in the US. The latest results from both the Empire State and NAHB builders' surveys follow.

### Friday 16 August

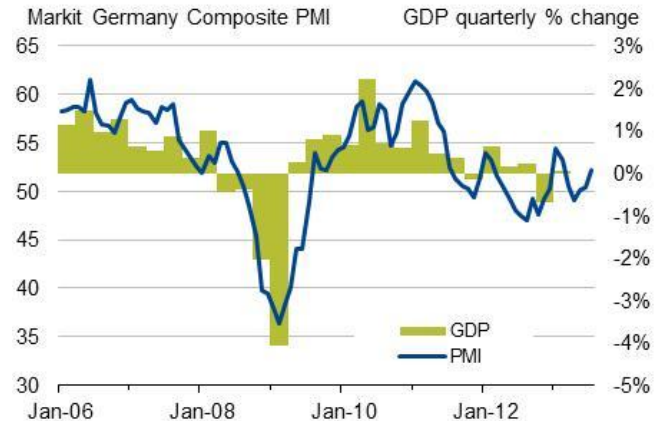
International trade and inflation data are issued for the euro area as a whole on Friday.

Italy also sees a separate update on current account figures.

Labour costs and productivity data are published in the US, as well as building permits and housing starts figures.

The preliminary estimate of US consumer confidence from the University of Michigan follows.

### Germany GDP and the PMI



Sources: Markit, EcoWin.

### US consumer confidence



Source: EcoWin.

Markit's [commentary notes](#) and [press releases](#) can be accessed online, as can a diary of [forthcoming Markit release dates](#).

### Mark Wingham

Economist

Markit

Tel: +44 1491 461004

Email: [mark.wingham@markit.com](mailto:mark.wingham@markit.com)

For further information, please visit [www.markit.com](http://www.markit.com). The intellectual property rights to the report provided herein is owned by 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 trade marks of Markit Economics Limited. Markit and the Markit logo are registered trade marks of Markit Group Limited.