

Week Ahead Economic Overview

- Latest Flash PMI results released for Japan, Eurozone and the US
- Final Q2 2016 GDP numbers for Germany, UK and the US are issued
- CPI figures for Japan are published

Global data watchers will be focusing on latest Flash PMI data to attain an early insight into worldwide economic trends for Q3, while also paying careful attention to final GDP numbers for the UK, Germany and the US. Meanwhile, Japanese CPI figures complete the key data releases for next week.

Eurozone policymakers will be looking at Markit's Flash PMI data release next Tuesday for a signal as to which path the euro-area economy will take during the third quarter. [Economic growth rates for the second quarter](#) fell to 0.3% from 0.6%, yet July PMI data continued to point towards growth in the region, albeit at a modest pace and indicative of a sustained 0.3% expansion.

Eurozone GDP and the PMI



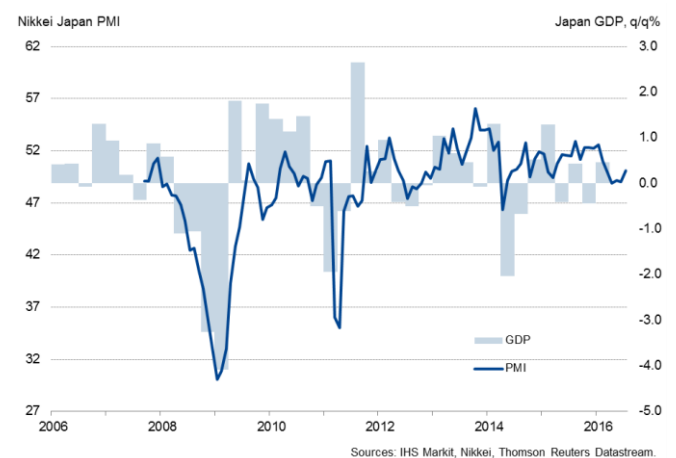
Encouragingly, the region showed [resilience in the face of the 'Brexit' vote](#) and policymakers will be hoping that the euro area can build on this through the second half of 2016. With question marks still remaining on the effectiveness of the ECB's latest batch of [aggressive economic stimulus](#), policymakers will be looking for an uptick in the PMI data to ease the prospect of further scrutiny over the coming months.

Meanwhile, the release of final **German** GDP numbers for Q2 will also provide insights into the health of the eurozone's leading economy. The initial estimate provided by the Statistisches Bundesamt Destatis showed that [GDP grew by 0.4%](#) in the three months to June.

Minutes published from the **US** Federal Reserve's latest meeting highlighted a split amongst members on the timing of the next rate hike. While some policymakers expressed concern that the current low interest rate could hinder economic growth, others await upcoming key data releases before determining their stance on monetary action. Analysts are trying to predict when this rate rise could occur, and the announcement of Markit's Flash US PMI data next week will go a long way in determining this date. However, if August's data remains as [subdued as July's](#), the hike will most likely take place nearer December.

Furthermore, the release of final GDP figures for Q2, along with the national activity index and jobless claims numbers will provide further detail on the current economic climate in the world's leading economy.

Japan GDP and the PMI



Pressure to introduce further stimulus into the **Japanese** economy is mounting following this week's preliminary GDP figures. A meagre 0.2% annualised rate of growth was recorded for the three months to

June, significantly down from the 2.0% for the first quarter. Moreover, [manufacturing conditions continued to deteriorate in July](#), and if the Nikkei Flash Japan PMI data for August signals a similar trend, along with weak CPI numbers, then the Bank of Japan may look into further economic impetus.

The Office for National Statistics makes its final release of **UK Q2 GDP** data next week, with analysts looking for deviations from the earlier figure where [0.6% growth](#) was reported.

Monday 22 August

In Australia, construction numbers are made available.

Monthly GDP data are released for Russia.

Canadian wholesale trade figures are published.

The US releases its national activity index.

Tuesday 23 August

Flash PMI data for Japan and US manufacturing, plus composite flash data for Germany, France and the eurozone are issued.

Germany publishes its latest consumer confidence indicators.

In Brazil, an announcement on its mid-month inflation rate is made.

Wednesday 24 August

South Africa releases its latest batch of consumer inflation data.

Final German GDP numbers are out for Q2 2016.

Mortgage approval figures for the UK and the US are released, along with US building permits data.

Meanwhile, Brazil releases consumer confidence and foreign exchange flows data.

Markit's flash PMI data for the US service sector are published.

Thursday 25 August

Russia announces its latest Central Bank Reserve figures.

Producer prices figures are made available in South Africa.

A series of data releases are announced in Germany including import price figures and IFO business climate, current conditions and expectations indicators.

Business confidence data are published in France.

Brazilian bank lending data are out.

The US releases latest data for export sales, jobless claims and durable goods.

Friday 26 August

Japan releases its latest Consumer Price Index.

Meanwhile, foreign exchange reserves data are released in India.

German and Spanish retail sales figures are published.

Money supply figures for the eurozone are distributed.

In the UK and US, an announcement on updated Q2 2016 GDP numbers is made.

Samuel Agass

Economist, IHS Markit

Tel: +44 149 1461 003

Email: samuel.agass@ihsmarkit.com

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