

# Week Ahead Economic Overview

- **Flash PMI releases to give insight into worldwide economic trends at the end of the third quarter**
- **Durable goods orders and GDP update in US**
- **Economic sentiment data across the eurozone**

This week's Flash PMI™ data from Markit will provide the first insights into the health of the world's largest economies at the end of the third quarter. Other standouts are durable goods orders and an update on GDP in the US, as well as economic sentiment across the eurozone and UK public finances.

More signs of how the **US** economy has performed in the third quarter are provided by flash PMI data. The surveys indicate the US saw solid economic growth in August, as a moderation in the pace of [services expansion](#) was partly offset by an acceleration in [manufacturing](#). [Official](#) and survey data available for the third quarter so far collectively suggest that we should expect another quarter of solid GDP growth. The US PMI releases are accompanied by an update on second quarter GDP, currently estimated at an annualised growth rate of 4.2%.

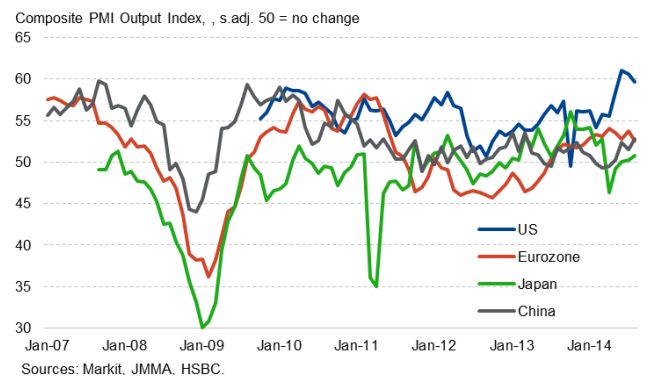
In the **eurozone**, the flash PMI for September will give insights into whether the recent ECB actions have provided a lift to growth in the region or whether discussions about further stimulus such as full-scale quantitative easing will intensify in the coming months. Survey data for August signalled a [slowing recovery in the currency union](#) as output fell in France in Italy.

Within the euro area, the PMI for **Germany** is followed a day later by Ifo's Business Climate Index. After the PMI hit a [10-month low in August](#) and Ifo's index dropped to a 13-month low, analysts will be looking for any signs that the German economy picked up speed again. Concerns about German economic health have intensified after the [0.2% contraction](#) of GDP in the second quarter, but [PMI data](#) available for the third quarter so far suggest that we should expect at least a rebound from the decline seen in the three months to June. **France** and **Italy** also see publications of sentiment data.

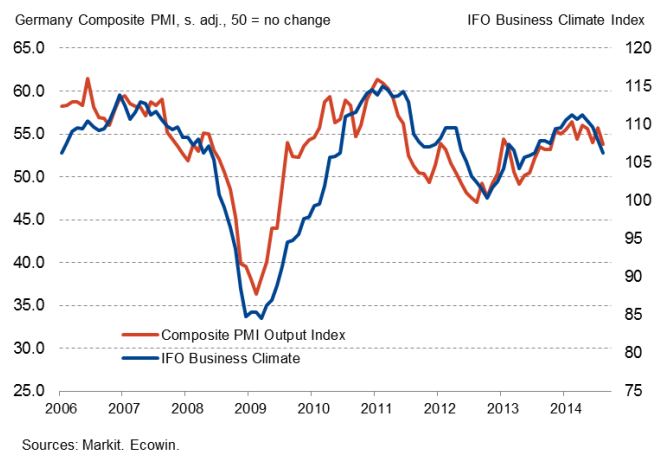
The release of flash PMI data for **China** will indicate whether manufacturing growth continued to slow at the end of the third quarter. Last month, [survey data](#) disappointed and [official data](#) showed industrial output growth slipping to a post-crisis low. Any positive signals from the survey data would represent welcome news to the Chinese authorities, who launched a mini-stimulus plan earlier in the year and took measures to boost banking sector liquidity in September in an attempt to meet their 7.5% growth target for the year.

The flash manufacturing PMI data for **Japan** will be eagerly awaited by policymakers for signs that the economy is regaining momentum after [GDP dropped 1.7%](#) in the second quarter. [August's survey results](#) showed the strongest improvement in manufacturing operating conditions since March, suggesting that the negative effects of April's sales tax increase are disappearing.

## Composite PMI



## Ifo business climate and the PMI



## Monday 22 September

The week kicks off with the release of industrial orders numbers in Italy, while Greece sees an update on its current account balance.

In Russia, monthly GDP figures are issued.

The European Commission publishes consumer confidence data for the currency union.

In the US, existing home sales figures are issued.

## Tuesday 23 September

Flash PMI data are released by Markit for China, the Eurozone and the US.

Business climate data are meanwhile issued by INSEE in France, followed by a detailed breakdown of second quarter GDP.

The ONS issues its latest release on public sector finances.

Canadian retail sales numbers for July are out.

The Federal Housing Finance Agency publishes its latest House Price Index in the US.

In New Zealand, trade balance information is released.

## Wednesday 24 September

The Markit/JMMA Flash Japan Manufacturing PMI is released.

The CB Leading Indicator is published in Australia, followed by the latest Financial Stability Report.

In Italy, consumer confidence data for September and trade balance numbers are issued.

Germany sees the release of the Ifo Business Climate Index.

New home sales numbers are out in the US.

In Brazil, consumer confidence and current account data are released.

## Thursday 25 September

UK house price data are released by Nationwide, while the Confederation of British industry issues the results of the Distributive Trades Survey.

M3 money supply information are meanwhile out for the euro area.

Import price data and retail sales numbers are released in Germany.

In Italy, the National Institute of Statistics publish retail sales numbers and wage inflation data.

Durable goods orders data, initial jobless claims, updated building permits numbers and the Markit Flash Services PMI are all out in the US.

Brazil sees an update on its unemployment rate.

## Friday 26 September

The Chinese Conference Board issues its latest Leading Economic Index.

In Japan, consumer price numbers are out.

Consumer confidence data are released by Gfk for Germany and by INSEE for France.

Italy sees the release of business confidence data.

The Bank of England release updates on consumer credit numbers and M4 money supply figures.

An update on second quarter gross domestic product is issued in the US, followed by the Reuters/Michigan Consumer Sentiment Index.

---

## Oliver Kolodseike

### Economist

Markit

Tel: +44 149 1461 003

Email: [oliver.kolodseike@markit.com](mailto:oliver.kolodseike@markit.com)

For further information, please visit [www.markit.com](http://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.