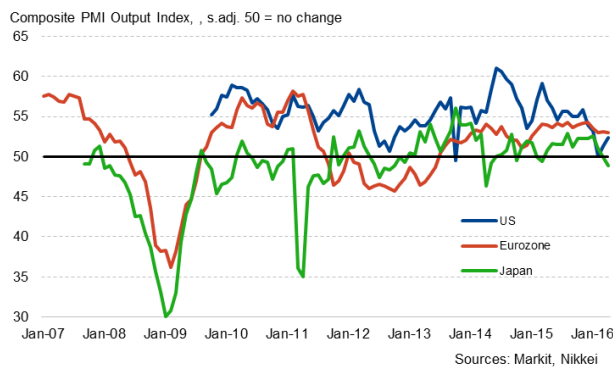


Week Ahead Economic Overview

- Flash PMI results for May released in Japan, eurozone and the US
- Revised GDP numbers in UK and US
- Business and consumer sentiment data across the eurozone

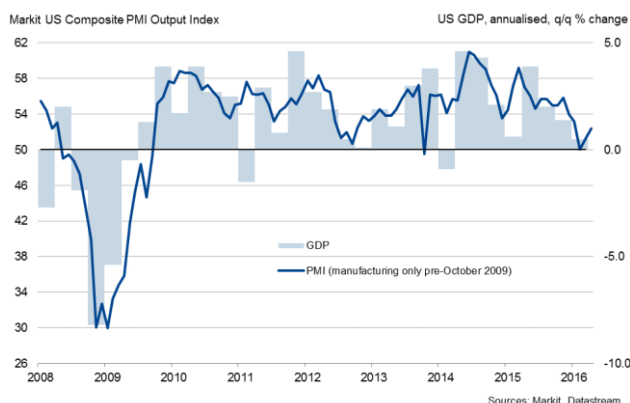
Flash PMI results will provide analysts with the first available information on global economic trends in a week that also sees the release of revised first quarter GDP numbers in the UK and the US. Business and consumer sentiment numbers are meanwhile the data highlights across the eurozone.

Composite PMI Output Index



The **US** remains in the focus during the week, as the Federal Reserve will be closely watching the data flow in the final weeks before the next monetary policy meeting on 15th June. Revised GDP figures will provide an updated picture on the health of the US economy in the first quarter, while flash PMI and durable goods orders numbers will give further insight into second quarter economic trends.

US GDP and the Markit PMI

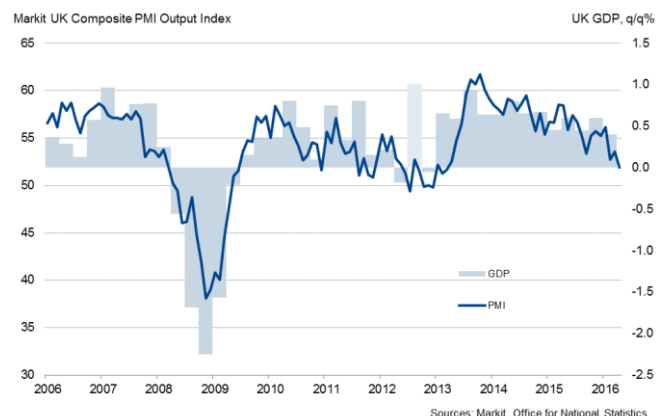


Despite the [growth slowdown during the first quarter](#), Fed policy makers have become more bullish about the US economic resilience, according to minutes from its April meeting. Moreover, [latest retail sales numbers surprised on the upside](#), inflation hit its highest level in over three years and Markit's US PMI signalled a growth pick-up in April despite manufacturing edging closer to stagnation. The release of flash results for May will therefore play a key role in assessing the US economic situation in the second quarter.

Durable goods orders numbers for April are published by the US Census Bureau on Thursday and will provide data watchers with more information on the health of US manufacturing. Despite rising 0.8% during March, the less volatile 3-months on 3-months measure showed a fifth successive decline in orders and business survey data point to a continuation of this trend. Ongoing weakness in the official data would add to the case of delaying the next rate hike until later in the year.

Over in the **UK**, the Office for National Statistics also releases updated first quarter GDP results. A first estimate showed [economic growth slowing](#) from 0.6% in the final three months of last year to 0.4% and PMI data point to a further marked slowdown in April. The [PMI therefore remains in territory which would normally be associated with the Bank of England considering more stimulus](#) to the economy. Some survey participants attributed at least some of the economic slowdown to Brexit uncertainty.

UK GDP and the PMI



Markets will be watching flash PMI and consumer confidence numbers in the **eurozone** for updates on the region's economy in the second quarter. Economic growth in the first quarter was stronger-than-expected, but some payback in the second quarter is likely, with business survey data pointing to [ongoing steady, although unspectacular growth](#). Flash results for May are released on Monday and will include national data for France and Germany.

Consumer confidence improved slightly in April from March's 15-month low, but latest retail PMI results highlight that consumer spending could slow at the start of the second quarter. The European Commission releases May results on Monday.

Eurozone consumer confidence



In **Japan**, flash PMI results will provide more food for thought for [the Bank of Japan after it decided to hold off from further stimulus despite economic woes](#). The Nikkei Japan Manufacturing PMI fell to its lowest in over three years in April, with new orders declining at one of the sharpest rates since the financial crisis. If the downturn in manufacturing continues, the bank may have to step in soon to stimulate the economy.

Monday 23 May

Flash PMI results are out in Japan, France, Germany, the eurozone and the US.

Japan sees the publication of trade data.

In Russia, monthly GDP numbers are issued alongside real wages, retail sales and unemployment figures.

The European Commission releases consumer confidence numbers for the currency union.

Tuesday 24 May

The Central Bank of Nigeria announces its latest monetary policy decision.

Destatis publishes detailed first quarter GDP results for Germany, while ZEW release latest economic sentiment data.

In France, INSEE updates business climate numbers.

Public sector net borrowing figures are released in the UK.

Brazil sees the publication of consumer confidence data.

Wednesday 25 May

In New Zealand, trade balance data are published.

M3 money supply information are meanwhile issued in India.

GfK consumer sentiment numbers are released in Germany alongside Ifo's Business Climate Index.

Italy sees the publication of industrial orders and trade balance figures.

Bank lending data are meanwhile out in Brazil.

The Bank of Canada announces its latest monetary policy decision.

Mortgage application and building permit numbers are released alongside home price data in the US. Moreover, flash PMI results are published by Markit.

Thursday 26 May

Budget balance numbers are released in New Zealand.

South Africa sees the publication of producer price figures.

Import price and retail sales data are meanwhile out in Germany.

Retail sales numbers are also issued in Italy, followed by wage growth figures.

Updated first quarter GDP results are meanwhile published in Spain and the UK. The UK also sees the release of mortgage approval numbers.

In the US, durable goods orders and initial jobless claims figures are out.

Friday 27 May

Consumer price figures are updated by the Japanese Statistics Bureau.

India sees the publication of bank lending data.

Consumer confidence figures are issued by INSEE in France and by ISTAT in Italy.

In Spain, retail sales numbers are out.

Revised first quarter GDP results are published in the US.

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