

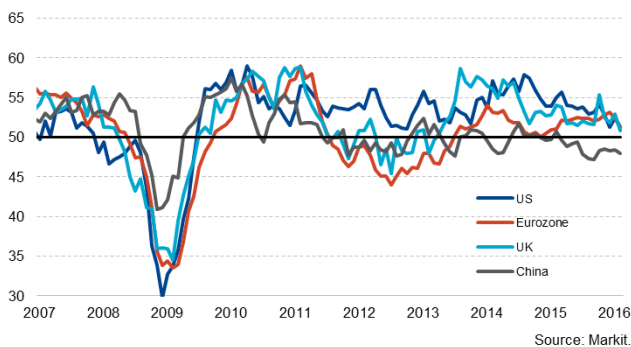
# Week Ahead Economic Overview

- Worldwide manufacturing PMI releases
- US non-farm payrolls and consumer confidence data
- Eurozone unemployment and preliminary inflation figures

The release of worldwide PMI results will give data watchers the first insights into global economic trends at the end of the first quarter, while latest labour market data in the US will be a key release for the Federal Reserve. Meanwhile, unemployment and preliminary inflation numbers are some of the data highlights in the euro area.

## Manufacturing PMI

Manufacturing PMI, s.adj. 50 = no change



The Federal Reserve will be monitoring economic data releases closely in the coming months for signs that the **US** economy is ready for a further rate hike. There will therefore be a major focus on the US towards the end of the week, with final Markit and ISM PMI manufacturing numbers and non-farm payrolls out on Friday. Despite recent survey data pointing to a [marked growth slowdown of the US economy](#), the labour market has so far been able to avoid any ill effects, with [non-farm payrolls rising 242k in February](#) and January's number revised up from 151k to 172k. Markit's flash PMI data meanwhile point to the economy adding a further 200k jobs in March. Although positive in itself, the worry is that the combination of solid jobs gains and weak output growth suggest that productivity is trending down.

There are a number of other notable data releases out in the US. The Conference Board issues consumer confidence numbers on Tuesday, for which economists

polled by Thomson Reuters are expecting a slight rebound to 94.0 after the index fell to 92.2 last month.

A slow start to the year coupled with low inflation encouraged the European Central Bank to implement [more aggressive stimulus](#) at its March meeting. It was therefore encouraging to see [Markit's flash Eurozone PMI rise for the first time this year](#) in March. However, deflationary pressures persisted as a lack of demand led to further price discounting. Final PMI data (with more national detail) are released by Markit on Friday and will provide data watchers with a clearer picture on the health of the region's manufacturing sector, while preliminary inflation figures for March are out on Wednesday.

## Eurozone consumer prices

Annual change in consumer prices in %



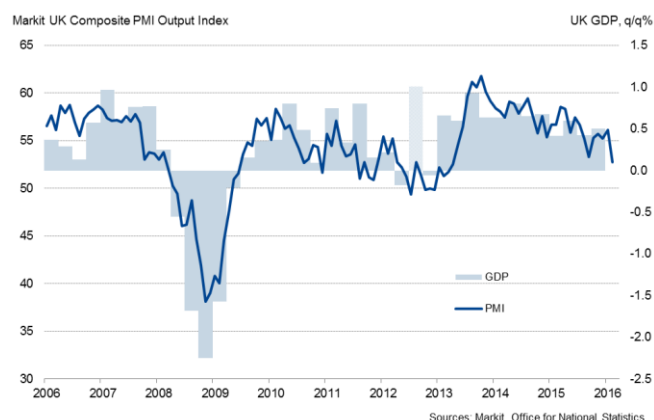
Encouragingly, the euro area's labour market seems to be improving, with Eurostat reporting a jobless rate of 10.3% in January, down from 11.3% in January 2015 and the lowest since August 2011. With Markit's Eurozone PMI Employment Index holding above the 50.0 no-change mark for almost one-and-a-half years now, a further fall in the unemployment rate is likely.

Manufacturing PMI results are also out in **China**. In February, the [Caixin PMI fell to 48.0](#) with production contracting further and, more worryingly, employment levels falling at the steepest rate since the beginning of 2009. The data highlight the daunting challenges China is facing as it transitions from a manufacturing and construction focused economy towards services.

Uncertainty regarding the "Brexit" vote in June and concerns about the domestic and [global economic outlook](#) are some of the current headwinds facing the **UK** economy. The Bank of England therefore [left](#)

[monetary policy unchanged at its March meeting](#). The release of manufacturing PMI results will give policy makers the first available information of the UK economy's health in March. [The business survey data](#) signalled a disappointing start to the year, with GDP growth likely to slow, possibly down to 0.3%. March results are published on Friday. The UK will also see the release of final GDP numbers for the final quarter of last year, after [the first and second estimates pointed to 0.5% growth](#).

### UK GDP and the PMI



### Monday 28 March

In the US, pending home sales and personal income data are published.

### Tuesday 29 March

Japan sees the release of household spending, unemployment and retail sales figures.

In the eurozone, M3 money supply data are updated.

Business and consumer confidence numbers are meanwhile published in Italy.

Brazil also sees the release of consumer confidence figures.

Producer price data are issued in Canada.

S&P/Case-Shiller home price and CB consumer confidence numbers are out in the US.

### Wednesday 30 March

Industrial output numbers are out in Japan.

The March Bank Austria Manufacturing PMI is released.

Eurozone economic sentiment figures are updated by the European Commission.

Germany sees the release of preliminary inflation numbers for March.

In Greece, producer price figures are updated.

Meanwhile, monthly budget data are out in Brazil.

ADP national employment and mortgage application numbers are issued in the US.

### Thursday 31 March

New home sales and private sector credit data are published in Australia.

In Japan, construction orders and housing starts figures are issued.

M3 money supply numbers are meanwhile released in India and South Africa, with the latter also seeing the publication of producer price and trade data.

Eurostat issues preliminary March inflation numbers for the currency bloc.

Retail sales figures are out in Germany and Spain, with the former also seeing the publication of unemployment numbers, while current account data are out in the latter.

Consumer spending data are released in France.

Final fourth quarter GDP numbers are issued by the Office for National Statistics in the UK.

In Brazil, producer price figures are out.

Canada sees the publication of monthly GDP numbers.

Initial jobless claim data are issued in the US.

### Friday 1 April

Manufacturing PMI results are published worldwide.

The AIG Manufacturing Index is released in Australia.

The Bank of Japan's Tankan business sentiment survey results are out.

Eurozone unemployment numbers are updated by Eurostat.

In the UK, Nationwide house price figures are published.

Industrial output and trade data are meanwhile issued in Brazil.

Non-farm payroll figures are published alongside construction spending data and the latest Reuters/Michigan Consumer Sentiment Index.

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