

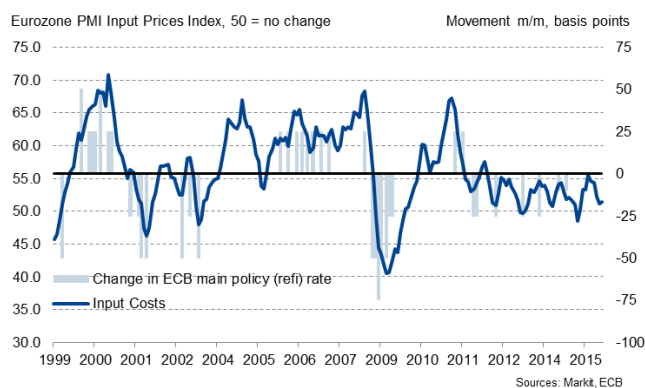
Week Ahead Economic Overview

- **Worldwide PMI results to provide insight into global economic trends in November**
- **European Central Bank expected to announce further stimulus**
- **US jobs report and factory orders data**
- **Industrial output and retail sales numbers out in Japan**

PMI results are released worldwide during the week and will provide data watchers with the first available information on global economic trends in November. Meanwhile, there is a strong likelihood that the European Central Bank (ECB) will announce an expansion of its quantitative easing programme. However, the publication of labour market figures in the US will no doubt be the highlight of the week, setting the scene for the Fed's policy meeting on 15 December.

All eyes will be on the ECB during the week, with Mario Draghi widely expected to announce more stimulus on Thursday. Expectations have mounted in recent weeks that the ECB will further cut its deposit rate and also expand its asset-buying programme (possibly in both duration and size). Inflation is still running well below the bank's two-percent target, with [business survey data](#) signalling a further fall in average prices charged for goods and services in November. Moreover, despite the **eurozone** PMI reaching a four-and-a-half year high, the pace of economic growth remains lacklustre.

EBC policy and the PMI



Final PMI results for the currency union are released for the manufacturing sector on Tuesday and for

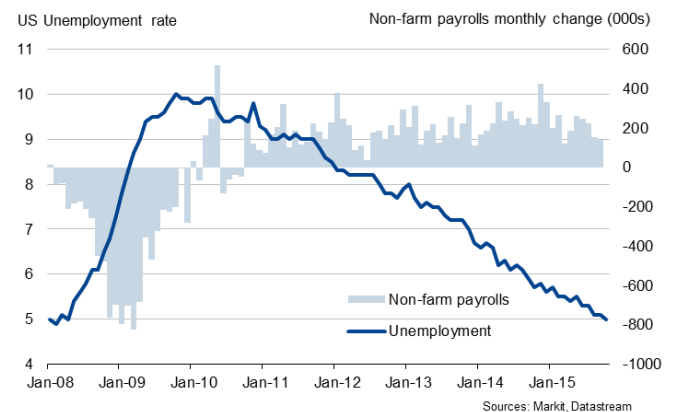
services on Thursday and will include more national detail.

Policy makers in the **US** will meanwhile be interested in the latest jobs report and PMI results for further clues as to the whether the Fed will hike interest rates for the first time since the financial crisis in December.

Markit releases final US PMI survey results during the week alongside ISM data. Markit's [flash estimate](#) showed the world's largest economy enjoying further economic growth and solid hiring in November. While it looks as if the manufacturing sector has lost some steam, a rebound in service sector growth suggests that US businesses are in good shape. The data are consistent with GDP rising at an annualised rate just north of the 2%-mark.

Meanwhile, Markit's US PMI Employment Index highlighted that hiring remained healthy in November, with a 178,000 increase in non-farm payrolls signalled for Friday. The consensus is for a 200,000 increase with the unemployment rate holding at 5.0%. Other important US releases for the economic calendar include factory orders and trade data.

US labour market



After **Japan's** economy [slipped into recession](#) for the second time in two years in the third quarter, the country sees the release of industrial output and retail sales data alongside the latest set of Nikkei PMI results. Weak official manufacturing data sit in contrast to more upbeat business survey results, with the [flash manufacturing PMI hitting a 20-month high in November](#). The survey data therefore point to a revival

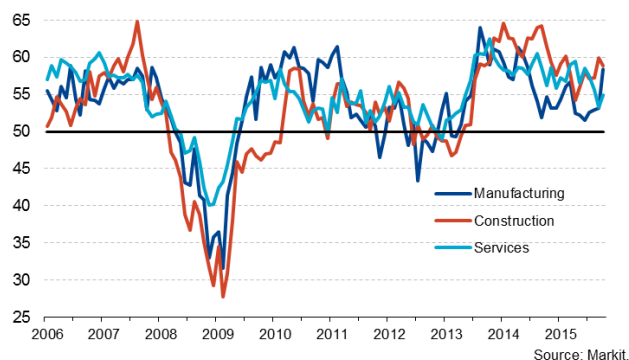
of factory growth in the fourth quarter after the lull seen over the summer.

PMI results are also out in **China** and will be viewed as important signals for policy not just in China but in the rest of the world, given the potential for a hard landing to have wide-reaching consequences. October's business survey data highlighted that there is clearly a risk that GDP growth will slow further from the 6.9% pace seen in Q3.

The **UK** economy has picked up speed again at the start of the fourth quarter, according to [PMI results](#), after data from the Office for National Statistics showed [economic growth slowing](#) in the three months to September. The release of construction, manufacturing and service sector PMI data will provide further insight into the country's economic health in the fourth quarter, and [should provide an accurate guide to GDP data in particular](#).

UK PMI

UK PMI Output / Business Activity Index



Monday 30 November

Business inventory and new home sales data are released in Australia.

Japan sees the publication of industrial output, housing starts and retail sales numbers.

Third quarter GDP figures are issued in India.

M3 money supply and trade balance data are meanwhile updated in South Africa.

Preliminary inflation numbers are released in Italy and Germany, with the latter also seeing the publication of retail sales figures.

Retail sales numbers are also out in Greece and Spain.

In the UK, mortgage approval figures and M4 money supply information are issued.

Current account information are meanwhile published in Canada.

Tuesday 1 December

Manufacturing PMI data are released worldwide.

Australia sees the publication of building permit and current account numbers.

The Reserve Banks of Australia and India announce their latest monetary policy decisions.

Unemployment figures are meanwhile updated in the eurozone.

In Brazil, Canada and Italy, third quarter GDP numbers are updated, with the former also seeing the publication of trade data.

Construction spending data are out in the US.

Wednesday 2 December

Third quarter GDP numbers are issued by the Australian Bureau of Statistics.

Inflation data are meanwhile issued by Eurostat for the currency union.

The latest Markit/CIPS UK Construction PMI is published.

The Bank of Canada announces its latest monetary policy decision.

The Bureau of Labour Statistics of the US Department of Labour releases productivity data, while ADP employment numbers are also issued.

Thursday 3 December

Service sector and whole economy PMI data are released worldwide.

In Australia, trade balance data are released.

Consumer price numbers are meanwhile updated in Russia.

Meanwhile, South Africa sees the publication of business confidence figures.

Eurostat issues retail sales data for the eurozone, while the European Central Bank announces its latest monetary policy decision.

France sees the publication of ILO unemployment numbers.

In Brazil, industrial output figures are released.

Factory orders and initial jobless claims figures are published in the US.

Friday 4 December

The Australian Bureau of Statistics publishes latest retail sales figures.

In Japan, consumer confidence numbers are updated.

Retail sales PMI results are issued for the eurozone.

Germany sees the release of factory orders data and construction PMI results, while industrial output numbers are out in Spain.

Unemployment and trade numbers are issued in Canada.

In the US, non-farm payrolls and international trade figures are out.

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