

# Week Ahead Economic Overview

- **Manufacturing and services PMI™ releases to add insights into global economic trends**
- **BoE and ECB policy announcements**
- **US non-farm payrolls**

The week sees the manufacturing, services and whole economy PMI reports released worldwide amid policy announcements from the Bank of England and the European Central Bank. US non-farm payroll numbers are a closing highlight of the week.

Markit updates its Eurozone PMI™ data, which includes more national detail, after the February [flash reading](#) showed that growth across the region slowed slightly since the beginning of the year.

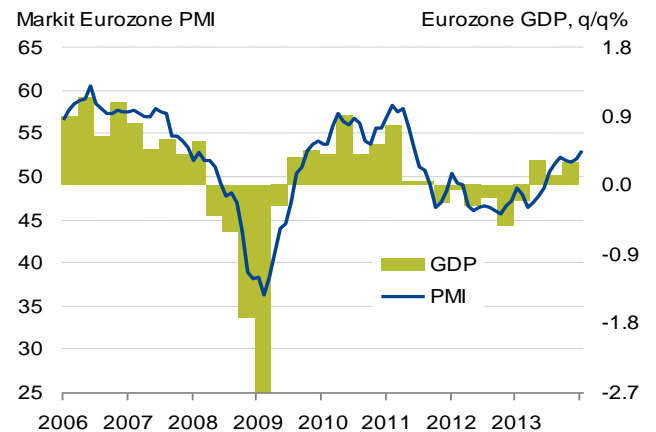
The PMI is nevertheless still signalling recovery, which is one of the reasons no action is the most likely outcome of the ECB's monthly policy meeting on Thursday. After inflation was revised to 0.8% from an initial estimate of 0.7% in January, some pressure was also taken off the ECB to counter the threat of deflation.

Other important releases for the eurozone include retail sales, producer prices and an update on Q4 GDP. A first estimate showed that [GDP in the region rose 0.3%](#) in the final three months of 2013, beating expectations polled by Reuters of a 0.2% rise. Germany's fourth quarter GDP growth was unrevised and remained at 0.4%, while Spain's economic growth was revised down to 0.2%, from an initial estimate of 0.3%.

The Bank of England announces its latest monetary policy decision on Thursday. Policymakers have stressed that they are in no rush to raise interest rates, and even when rates do start rising, the increase will be "gradual". Pressure to raise rates has been alleviated by [unemployment rising slightly to 7.2%](#) in the three months to December, up from 7.1% in the three months to November, and [inflation dropping](#) below the Bank's target of 2.0% for the first time since 2009.

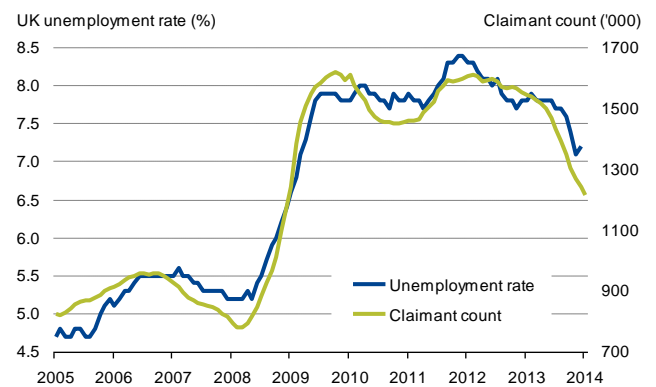
Meanwhile, non-farm payroll numbers and unemployment data are out in the US. Despite

## Eurozone GDP v PMI



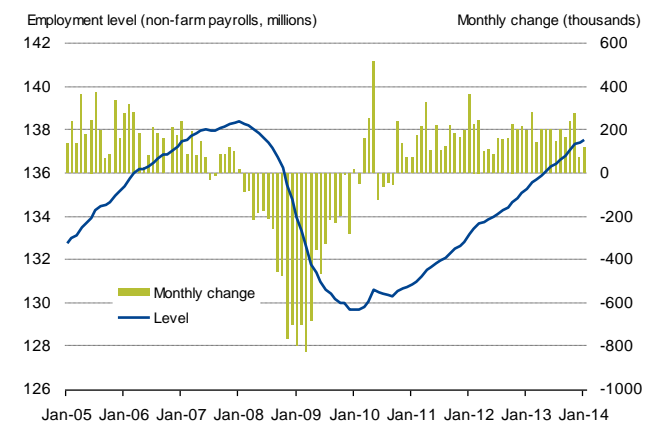
Sources: Markit, Eurostat.

## UK Unemployment



Source: ONS via Ecwin.

## US non-farm payrolls



Source: BLS (via Ecwin).

[payroll numbers disappointing for a second successive month in January](#), the Fed is likely to keep asset purchase tapering in place in the belief that severe cold weather lies behind the weakness of recent data. Last week, the [Markit Flash PMI™](#) surveys signalled a halving in the rate of economic growth between the fourth and first quarter, with lower activity attributed in many cases to weather-related disruptions.

### Monday 3 March

Manufacturing PMI data are released worldwide including the Markit/CIPS UK Manufacturing PMI™.

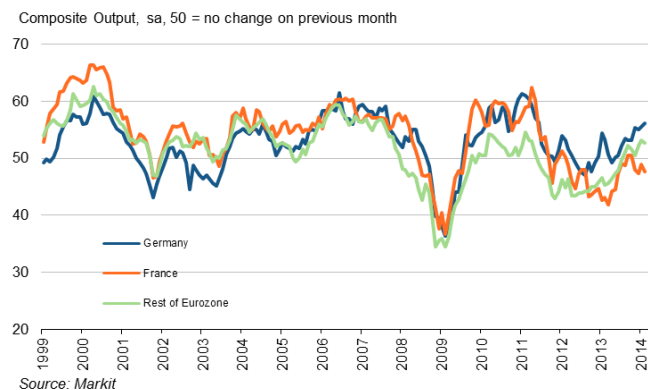
Wholesale prices are issued in Germany.

The latest Halifax House Price Index is released in the UK, while the Bank of England publishes mortgage approvals, consumer credit and business lending data.

Industrial producer prices and raw material prices are released in Canada.

The US sees updates on personal consumption expenditures, personal income and personal spending data, construction spending numbers and vehicle sales.

### Eurozone Core v. Periphery PMI Output Indices



### Tuesday 4 March

Markit releases a number of whole economy PMIs and the Markit/CIPS UK Construction PMI®.

Producer prices are issued for the Eurozone, while Russia sees an update on consumer prices.

The IBD Consumer Optimism Index is published in the US.

### Wednesday 5 March

Services and a number of whole economy PMI reports are published globally.

An update on Q4 GDP growth and retail trade data are issued for the eurozone.

The ADP Research Institute releases the latest results of its employment survey for the US.

The Bank of Canada announces its latest rate decision.

### Thursday 6 March

Markit publishes Retail PMI reports for the Eurozone, alongside February's Emerging Market Index.

The ILO publishes an update on unemployment for France.

Factory orders data are issued in Germany.

The Bank of England Monetary Policy Committee and the European Central Bank announce their latest rate decision.

Initial claims, non-farm productivity, unit labour costs and factory orders data are issued in the US.

### Friday 7 March

February's KPMG/REC Report on Jobs is published just after midnight.

The leading indicator is issued in Japan.

Trade balance data are released in France.

Producer prices are issued in Italy.

Germany sees the release of industrial production numbers.

Labour productivity data and employment numbers are published in Canada.

Non-farm payroll numbers are released in the US.

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