

Week Ahead Economic Overview

- **Industrial production and inflation updates across Eurozone countries**
- **BoE rate decision and industrial output data released in the UK**
- **Chinese trade data and consumer prices**

The Bank of England announces their latest rate decision, while the FOMC releases minutes from its March meeting. The week also sees industrial production and inflation data for a number of European countries, while trade data and consumer prices are issued in China.

Markets will be looking for official data to confirm the upbeat first quarter growth signals from surveys in the **UK**, as industrial data are published. In January, [official data](#) pointed to a 0.4% increase in manufacturing output and March's [Markit/CIPS UK Manufacturing PMI](#)® suggest further solid, albeit slower growth. Even with the weaker PMI, the UK economy is set to grow by at least 0.7% in the first quarter of the year. With inflation down to 1.7%, its lowest for over four years, there's little likelihood of any action at the Bank of England's Monetary Policy Committee meeting. The only warning light flashing for policymakers is the steep rise in house prices.

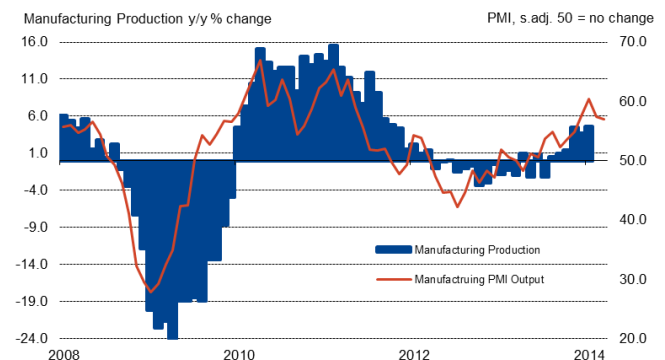
US markets will be scouring the latest FOMC minutes for clues as to when rates might first start rising. After the meeting, Chair Janet Yellen gave grounds to believe she thought rates might start to rise six months after QE ends, earlier than the markets had anticipated.

In the **Eurozone**, industrial production numbers are expected to show a broad-based manufacturing upturn. In Germany, industrial output rose a better than expected 0.8% in January and December's reading got revised up from an initial -0.6% to +0.1%. [PMI data](#) signalled that German manufacturing growth slowed in March, but still saw its strongest quarter in nearly three years. Spain and Italy also see updates on industrial production data. [Spain's manufacturing PMI](#) signalled solid output growth in March, with [Italy](#) enjoying its strongest spell of growth since the second quarter 2011.

Inflation numbers are also released across **eurozone countries**, which will be closely watched by policymakers after a flash estimate showed that inflation in the region fell to 0.5% in March. Any further falls in inflation in coming months would add to worries that the central bank would need to step up their vigilance in averting deflation. Weak price data in the [Eurozone Composite PMI](#) for March stoked fears that deflationary forces are intensifying amid weak demand and high unemployment.

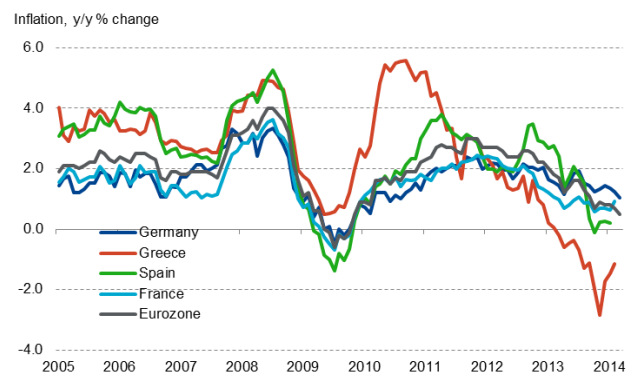
In **China**, consumer prices are released and the PMI is signalling a further drop in inflation. Of all the survey indices, the [PMIs Suppliers' Delivery Times Index](#) is the best advance indication of producer and consumer price trends, and the shortening of lead times in March is consistent with consumer price inflation cooling further from the 13-month low of 2.0% seen in February.

German manufacturing production and the PMI



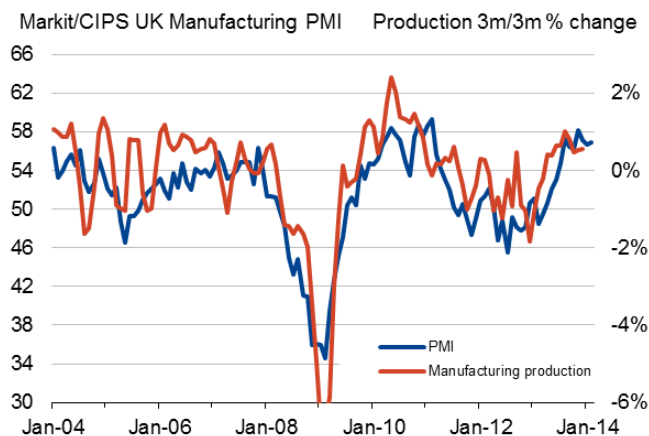
Sources: Markit, Statistisches Bundesamt.

Inflation across the Eurozone economies



Source: Ecwin.

UK manufacturing production and the PMI



Sources: Markit, ONS.

Monday 7 April

The leading indicator for February and current account data are released in Japan.

Industrial production data are issued in Germany and Spain.

In the Eurozone, the latest Sentix Indicator is published.

An update on consumer credit data is published in the US.

Tuesday 8 April

Markit releases its UK & English Regions Report on Jobs.

In France, BoF business sentiment and trade data are issued.

Industrial production numbers are released in the UK, followed by the latest NIESR GDP estimate.

Housing starts data are published in Canada.

Wednesday 9 April

The BRC shop price index is released in the UK.

Current account and trade balance data are issued in Germany.

The UK also sees an update on trade balance figures.

IBGE publishes inflation numbers in Brazil.

In the US, wholesale inventories data are released, followed by minutes from the prior FOMC meeting.

Thursday 10 April

The latest Savills UK Commercial Development Activity Report is released on Thursday.

Bank lending data and key machinery orders numbers are issued in Japan.

RICS publishes its latest UK house price balance.

France sees the release of its latest inflation and industrial production data.

Industrial production data are also published in Italy.

Inflation and unemployment data are released in Greece.

The Bank of England Monetary Policy Committee announces their latest rate decision.

The House Price Index is published in Canada.

In the US, initial claims and import prices data are released.

Friday 11 April

The Bank of Japan releases minutes from its latest meeting.

Trade data are issued in China, followed by inflation numbers.

Consumer prices figures are also released in Germany and Spain.

An update on current accounts is published in France.

India sees the publication of industrial production numbers.

In South Africa, manufacturing production data and retail sales numbers are issued.

The University of Michigan Sentiment Index is published in the US alongside an update on producer prices.

Chris Williamson

Chief Economist

Markit

Tel: +44 207 260 2329

Email: chris.williamson@markit.com

Oliver Kolodseike

Economist

Markit

Tel: +44 149 1461 001

Email: oliver.kolodseike@markit.com

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