

Week Ahead Economic Overview

- Bank of England policy announcement
- US consumer confidence indicators
- China services PMI

The week sees the Bank of England monetary policy announcement in a mix of industrial production and trade data for the UK, Germany and France. The later than usual China services PMI report and the first indication of US consumer confidence since the government shutdown are also highlights of the week.

The Bank of England announces their monetary policy decision on Thursday, but no change is expected after news that the UK economy is currently growing at a much stronger than expected pace has [led members away from voting for more stimulus](#). Official data for industrial production and international trade are likely to continue the recent flow of positive data after the average [all-sector PMI](#) reading in the third quarter was the highest in 15 years.

International trade numbers are also out for Germany and France. German exports unexpectedly fell by 1.1% in July, but with PMI data suggesting that [goods exports are on an upward trend](#), some positive payback may be on the cards in August.

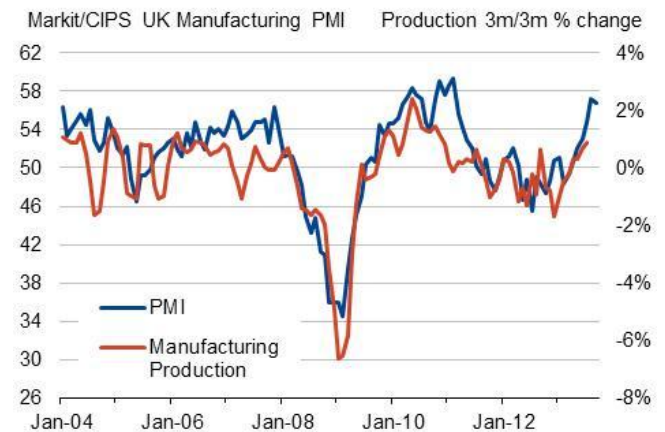
The main release in the US is the preliminary estimate of consumer confidence from the University of Michigan. Consumer sentiment is likely to have taken a hit from the government shutdown, especially due to the uncertainty surrounding wages, having already dipped to a five-month low in September.

Key machinery orders and corporate goods price data may add to the evidence that policies to support economic growth and drive up prices are working in Japan. The [PMI hit a four-month high](#) in September and [inflation](#) accelerated to the fastest rate since 2008 in August, supporting this claim.

A later than usual release of the HSBC China Services PMI will be watched to see how the Chinese economy fared at the end of the third quarter. Data for the [manufacturing](#) sector already showed output increasing, albeit only marginally, in September, which

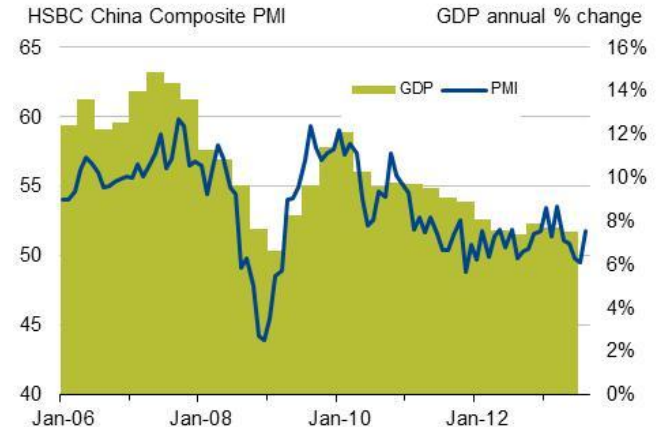
added to hope that the country will avoid a hard landing.

UK manufacturing output



Sources: Markit, CIPS, EcoWin.

China GDP and the PMI*



*PMI data up to August 2013. Sources: Markit, HSBC, EcoWin.

US consumer confidence



Source: EcoWin.

Monday 7 October

Markit releases EU sector PMI data.

The preliminary estimate of the leading indicator is published by the Cabinet Office in Japan.

The eurozone sentix index is published.

US consumer credit numbers are published alongside the latest employment trends report from the Conference Board.

Tuesday 8 October

Global sector PMI data are published by Markit.

HSBC China Services PMI data are published, followed by the latest Chinese money supply and lending numbers.

The KPMG/REC Report on Jobs provides an update on UK labour market trends in September.

UK retail sales and house prices data are meanwhile published by BRC and RICS respectively.

Latest results from the economy watchers survey are published in Japan.

International trade figures are issued in Japan, Germany and the US.

Industrial order numbers are also released in Germany, while France sees business sentiment indicators from the Bank of France.

Industrial production data are out in Spain, and Italy sees the latest figure for public debt.

US confidence indices are published by NFIB and IBD.

Wednesday 9 October

The HSBC Emerging Markets Index (EMI) numbers are published.

Industrial production data are released in the UK and Germany. UK international trade numbers are also out.

Wholesale inventories figures are out in the US, as well as the minutes from the previous Fed monetary policy meeting.

The central bank in Brazil announces their latest monetary policy decision.

Thursday 10 October

Machinery orders, consumer confidence (Cabinet Office) and bank lending data are published in Japan. The latest tertiary activity index and minutes from the previous Bank of Japan meeting follow.

French industrial production numbers are released.

International trade figures are out in India.

The Bank of England announces their latest monetary policy decision.

Initial claims and the federal government budget numbers are published in the US.

Friday 11 October

Corporate goods prices and money supply numbers are published in Japan.

India sees latest industrial output figures.

Consumer prices data are out in Germany, Italy and Spain. International trade numbers are meanwhile published in France.

Producer prices numbers are released in the US, as well as retail sales and business inventories figures. The preliminary estimate of consumer confidence from the University of Michigan follows.

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