

# Week Ahead Economic Preview

- A number of major economies to publish third quarter GDP, including euro area, Germany, Italy, Russia and Japan
- IHS Markit Business Outlook surveys
- Inflation data for US, UK and euro area
- China releases host of data, including industrial production, retail sales and fixed investments

The focus next week is on economic growth and price trends for major economies, with a number of countries releasing third quarter GDP figures as well as inflation data. Alongside this comes a worldwide release of the tri-annual IHS Markit Business Outlook surveys, which will provide important insights into business expectations for the year ahead.

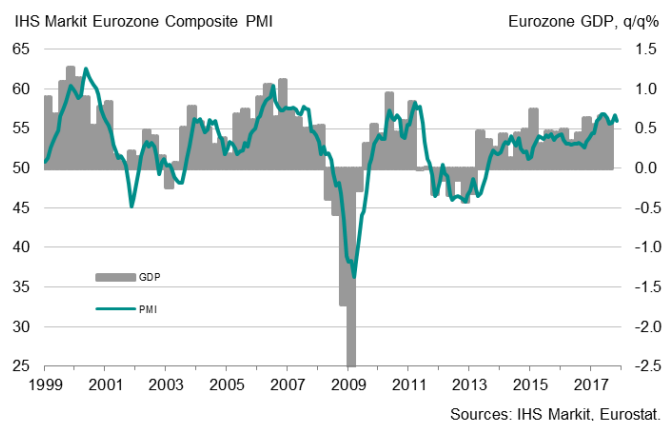
Meanwhile, UK wage and inflation statistics will be key data releases for guidance on Bank of England policy, while US consumer resilience will be assessed through updated retail sales data. Other key data highlights include Chinese fixed investment, retail sales and factory output. Elsewhere, Bank Indonesia will decide on monetary policy.

## Euro area GDP and inflation, UK wages

With [October PMI data](#) indicating a solid eurozone growth spurt at the start of the fourth quarter, alongside higher inflationary pressure, analysts are eager for official data to confirm the positive developments. As such, the second estimate of euro area third quarter GDP and inflation data for October will be closely monitored. [Germany](#) and [Italy](#) will also be releasing third quarter GDP figures.

Official data is widely expected to show UK inflation breaking over the 3% level in October, meaning Bank of England governor Mark Carney will need to write a letter of explanation to the Chancellor of the Exchequer. However weaker growth of input costs indicated by [October PMI surveys](#) suggests that some pressure may soon come off selling price inflation. Official wage data will also be released, providing a key indicator of any likely future rate hikes, with further policy tightening contingent on signs that inflation is feeding through to higher pay.

## Eurozone PMI and economic growth



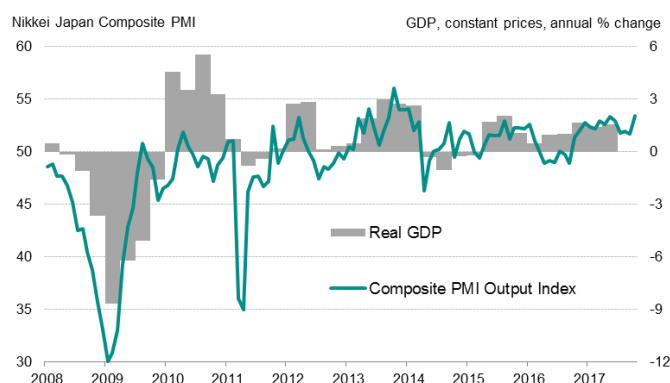
Sources: IHS Markit, Eurostat

## US retail sales and PMI Consumer Goods Orders



Sources: IHS Markit, US Commerce Department

## Japan PMI and economic growth



Sources: IHS Markit, Nikkei, Japan Cabinet Office

In the US, analysts will look to updated data on inflation and retail sales to gauge price pressures and the resilience of the consumer. There have been signs of a drop in inflationary pressures since a hurricane-related surge in prices seen in September. Having been buoyed by supply chain disruptions in prior months, [PMI surveys](#) showed inflationary pressures eased markedly at the start of the fourth quarter.

Meanwhile, a comparison with PMI consumer goods orders suggests that US retail sales growth is likely to have slowed in October.

## Japan and China

In Japan, the publication of third quarter GDP numbers is one of the important data releases, alongside industrial production and producer inflation. Recent Nikkei [PMI data](#) indicated that the Japanese economy lost some growth momentum in the three months ending September, although the [latest survey](#) signalled a strong start to the closing quarter of 2017.

China watchers will meanwhile be eyeing a host of data releases for October, including retail sales, industrial output, fixed asset investments, credit and monetary growth. Trends in industrial production and retail sales will be assessed for the strength of domestic demand, with [Caixin PMI surveys](#) signalling slower growth but rising prices in October amid evidence that stretched supply chains.

Elsewhere, third quarter GDP numbers are published for Malaysia and [the Philippines](#). PMI surveys indicate that annual GDP growth for Malaysia is expected to slow slightly from 5.8% in the previous quarter. [Latest data](#) have indicated that manufacturing remained fragile at the start of the fourth quarter, posing downside risks to growth towards the end of the year.

## Monday 13 November

Worldwide release of IHS Markit Business Outlook reports (Oct)

Japan PPI (Oct)

China FDI (Oct YTD)

India industrial production (Sep), inflation and balance of trade (Oct)

Ulster Bank Ireland Construction PMI and UK Regional PMI surveys (Oct)

Russia GDP (Q3 flash)

## Tuesday 14 November

Australia employment change and business confidence (Oct)

China fixed asset investment, retail sales and industrial production (Oct)

India WPI (Oct)

Euro area GDP (Q3 2<sup>nd</sup> est), industrial production (Sep) and ZEW economic sentiment index (Nov)

Germany and Italy GDP (Q3) and inflation (Oct)

Germany ZEW surveys (Nov)

UK CPI and PPI (Oct)

Brazil retail sales (Sep)

US core PPI (Oct)

## Wednesday 15 November

Australia consumer confidence (Nov)

Japan GDP (Q3) and industrial production (Sep)

China new yuan loans, total social financing, M2 supply (Oct)

Euro area balance of trade (Sep)

UK average earnings, unemployment rate (Sep) and claimant count change (Oct)

US inflation and retail sales (Oct)

US Empire State Manufacturing Index (Nov)

## Thursday 16 November

Australia unemployment rate (Oct)

Philippines GDP (Q3)

Bank Indonesia monetary policy decision

France unemployment rate (Q3)

Euro area inflation (Oct)

UK retail sales (Oct)

Russia industrial production (Oct)

US industrial production (Oct) and Philadelphia Fed Manufacturing Index (Nov)

## Friday 17 November

Singapore trade data (Oct)

Malaysia GDP (Q3)

Euro area construction output (Sep)

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Canada inflation (Oct)

US building permits and housing starts (Oct)

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