

Danske Daily

Market Movers Today

- Today, focus will be on global PMI figures for July. In the **euro area**, we look for a slightly weaker manufacturing PMI although it should stay at a high level, signalling continued robust GDP growth. The service PMI should also be a bit weaker but still points to ongoing solid demand from consumers.
- In the **US**, we estimate PMI manufacturing rose slightly as it has been much weaker than ISM and regional PMIs recently. Still, the level is likely to stay lower than the peak earlier this year.
- **OPEC** is due to meet today to discuss the oil output cut deal amid higher production in Nigeria and Libya.
- Jared Kushner, Senior Adviser to President Trump and married to Ivanka Trump is due to appear before the Senate Intelligence Committee in connection with the Russian probe today. However, the hearing will not be public, so there will be no headlines.
- The main event this week is the **FOMC meeting on Wednesday**. We do not expect any policy changes (and no announcement on quantitative tightening yet) at this meeting, although risks are skewed towards a slightly more dovish statement given inflation continues to disappoint.
- Focus will also be on German Ifo expectations, Q2 GDP growth figures in the UK, US and France as well as German HICP inflation. In Scandi markets, the key data releases will be Norwegian unemployment and Swedish GDP growth in Q2.

Holiday edition

Selected readings from Danske Bank

ECB Review: QE path not defined yet but slower purchases are coming, 20 July

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Selected Market News

On Friday, Der Spiegel wrote that **German** car companies have run a secret cartel since the 1990s. The EU Commission is looking into the claim, which could lead potentially to high fines to the companies (10% of global turnover). See [Reuters](#).

In **France**, Emmanuel Macron's approval rating has fallen 10 percentage points to 54%, the second biggest fall so soon after an election on record, underlying that it may not be so easy for him to win popular support for his plans to reform France. See also [Bloomberg](#).

On Saturday, **Poland**'s upper house passed the controversial law, which puts the juridical system under political control, with 55 votes out of 100. The EU is threatening Poland with Article 7 (losing voting rights) and demonstrations in Poland in front of the Polish parliament continue.

Ahead of European and US PMIs later today, **Japanese** PMI manufacturing fell to 52.2 in July from 52.4, the lowest since November 2016.

The 'summer mode' in the **primary market** means lower-than-normal activity; however, today, Belgium will be in the market with a tap in the 23s, the 27s and the 47s. On Friday, Italy will be coming to the market with its usual month-end tap in 5Y and 10Y.

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Key figures and events

Monday, July 24, 2017				Period	Danske Bank	Consensus	Previous
2:30	JPY	Nikkei Manufacturing PMI, preliminary	Index	Jul			52.4
7:00	JPY	Leading economic index, final	Index	May			104.7
9:00	FRF	PMI manufacturing, preliminary	Index	Jul	54.5	54.6	54.8
9:00	FRF	PMI services, preliminary	Index	Jul	56.2	56.6	56.9
9:30	DEM	PMI manufacturing, preliminary	Index	Jul	59.2	59.2	59.6
9:30	DEM	PMI services, preliminary	Index	Jul	54.2	54.3	54.0
10:00	EUR	PMI manufacturing, preliminary	Index	Jul	57.2	57.2	57.4
10:00	EUR	PMI composite, preliminary	Index	Jul	56.2	56.2	56.3
10:00	EUR	PMI services, preliminary	Index	Jul	55.1	55.5	55.4
15:45	USD	Markit PMI manufacturing, preliminary	Index	Jul	52.5	52.1	52.0
15:45	USD	Markit PMI service, preliminary	Index	Jul	54.8		54.2
16:00	USD	Existing home sales	m (m/m)	Jun		5.56	5.62 1.1%

Source: Bloomberg, Danske Bank

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