

Weekly Focus

Recession indicator turns on – further slowdown ahead

Market movers ahead

- In the US, we expect manufacturing PMI to tick below 50. On the Fed, we will look out for the FOMC minutes and the Jackson Hole Conference.
- In the euro area, the fragile manufacturing sector is not about to recover. We expect a further plunge in PMIs here. We will also watch the ECB minutes.
- In Sweden, we will look out for the unemployment figures. We expect a sharp but probably temporary drop-back in unemployment.
- In Norway, we expect the Q3 investment survey to confirm that oil investments will continue to boost the economy.

Weekly wrap-up

- The US 10-year government bond yield fell below the two-year yield, leading to the first inversion of the yield curve in 12 years.
- The US delayed the planned tariff increase on China from 1 September to 15 December, done mainly so as not to hurt Christmas sales.
- Economic data was mixed this week. The German ZEW survey fell to the lowest level since 2011. On the other hand, US retail sales surprised on the upside.
- Hong Kong protests escalated this week. Further escalation could trigger Beijing intervention, which could add to current market woes.

Contents

Market movers	2
Weekly Wrap-Up	5
Scandi update	6
Latest research from Danske Bank	8
Macroeconomic forecast	9
Financial forecast	10
Calendar	11

Financial views

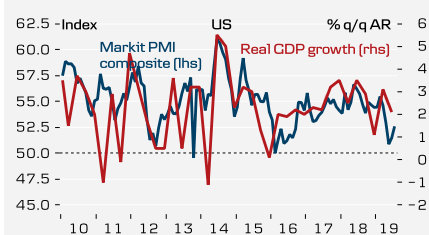
Major indices			
	16-Aug	3M	12M
10yr EUR swap	-0.32	-0.30	-0.10
EUR/USD	111	110	115
ICE Brent oil	59	70	75

Source: Danske Bank

Follow us on [Twitter](#)

 [@Danske_Research](#)

US PMIs signal slower growth



Source: IHS Markit, BEA, Macrobond Financial

Bond yields continue relentless decline to new lows



Source: Macrobond Financial, Danske Bank

Editor

Analyst
Bjorn Tangaa Sillemann
+45 45 12 82 29
bjisi@danskebank.dk

Market movers

Global

- In the **US**, we have an interesting week ahead of us, as investors have grown increasingly concerned about the US macro outlook. On Thursday, the preliminary Markit PMIs for August and the leading index are due out. We expect the Markit manufacturing PMI to fall below the 50 threshold in line with the weakness seen in the manufacturing in the rest of the world but the service PMI is likely to hold up. Overall, it would signal US GDP growth is slowing.

On Wednesday, the FOMC minutes from the July meeting are due out. A lot has happened since the meeting so the minutes may seem hawkish in the current context. There are not scheduled any Fed speeches (it seems as if they may be on summer holiday) but the Jackson Hole conference (Thursday-Saturday) is interesting. The theme is ‘Challenges for Monetary Policy’ which suggests it will focus on the same things as in the FOMC review of the current monetary policy framework. The agenda has not been published yet, unfortunately.

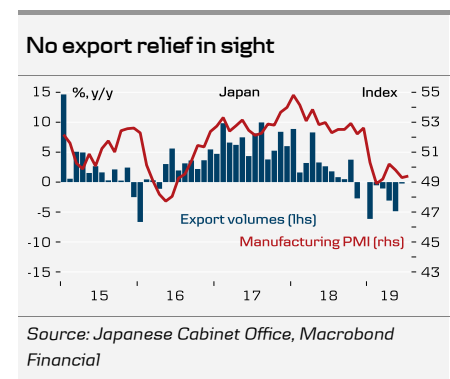
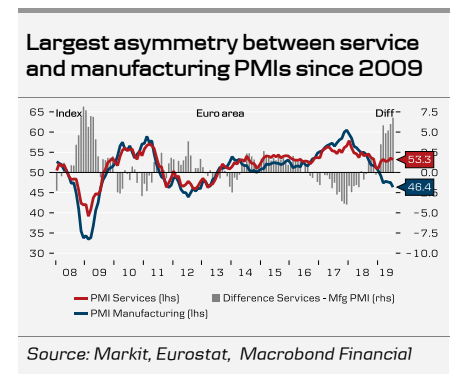
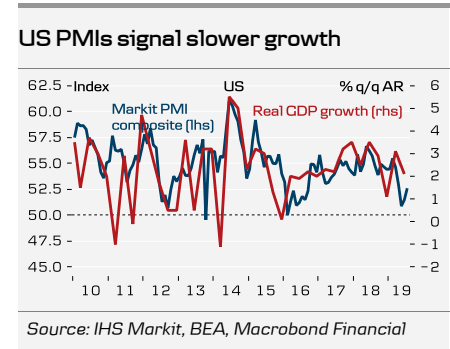
- In the **euro area** the most important data items next week are the PMI prints from Germany and the euro area on Thursday. In July, the already fragile euro area manufacturing sector continued to plunge to 46.5 (a 6.5 year low) while the service sector held broadly steady at 53.2. Weak external demand and geopolitical risks still haunt the manufacturing sector while domestic demand underpins the service sector, albeit companies have become more cautious about investment and also started to reassess staff levels. Since none of these factors have faded since July, but actually turned worse, we expect the manufacturing PMI’s to continue to fall to 46.2 and see scope for a small deterioration in the service sector print to 52.9.

The ECB minutes on Thursday will also gain attention. The discussion of the new policy measures will be scrutinised, but we doubt much flavour in terms of operational details will be revealed as ‘tasked committees’ are working on this.

On Friday, we get the German Ifo print. We expect both the current situation print to fall, in line with the weak macro data, and the expectations component to fall on the back of the ongoing geopolitical uncertainties.

- In the **UK**, we have a quiet week ahead of us without any really interesting data releases. Focus remains on Brexit and whether the anti-hard Brexiteers can find a common way forward to block PM Boris Johnson from delivering a no deal Brexit.
- In **Japan**, we have several key figures published next week. On Monday, July export figures tick in. Exports recovered slightly in June but have generally been weak for more than a year now. PMIs are not indicating any immediate relief here and new export orders remained weak in July, pointing to another tough month for Japanese exporters. On Thursday, we will know more, when the July flash PMIs tick in – not just for the manufacturing sector but also the new flash service PMIs. Reflecting continued solid domestic demand, service PMIs have hovered around 52 this year.

Then on Friday, we get July inflation figures. CPI excluding fresh food stood at 0.6% y/y in June. Reductions in mobile charges by Japan's major mobile carriers will weigh heavily on inflation in the year to come and lower energy prices will create further downward pressure.



- There are no market movers released in **China** next week. The focus will continue to be on the US-China trade war, but we do not expect any big news on this front on this side of the planned face to face talks in Washington scheduled for early September.

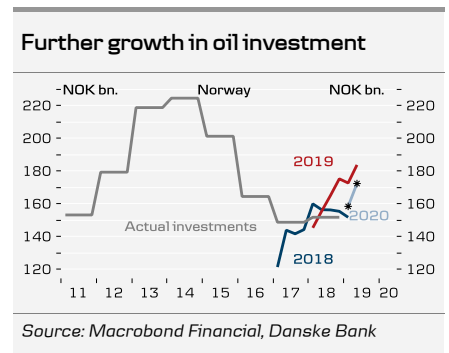
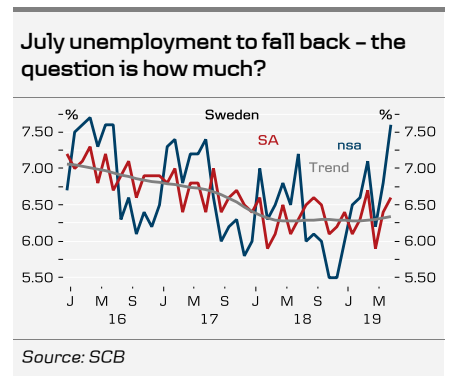
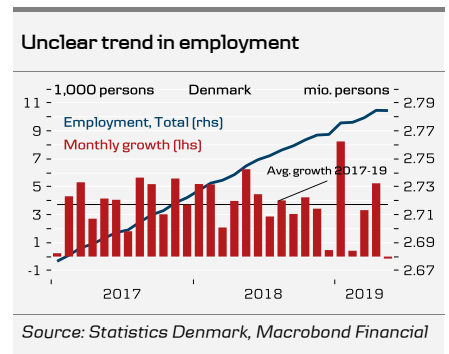
Scandi

- **Denmark's** central statistics bureau, Statistics Denmark, is scheduled to publish figures for wage earner employment in June on Wednesday. The first half of the year generally saw employment grow, but the latest figures showed signs of weakness and negative growth for the first time since March 2013. Whether this is because we are approaching full employment, because the global slowdown is beginning to affect the Danish labour market, or the dip was a one-off event, will become clearer when the new figures arrive.

August's consumer confidence figures are due on Thursday. Again the latest figures here painted a slightly disconcerting picture, as they fell to 2.9, which was the lowest level since 2012. The Danish economy still appears robust, so the low level of expectations is very probably due to the prevailing global uncertainties that will likely also have an effect going forward. We expect August's consumer confidence to correct slightly from last month's very large fall and come in at around 3.5, which would continue to reflect the global uncertainty but also that the Danish economy, despite everything, remains in fine shape.

- **Swedish July unemployment** is the focal point of the week. We expect a sharp but probably temporary drop-back in unemployment to 5.7 %, down from 7.6 % in June. The seasonally adjusted unemployment rate will show a more modest decline to 6.2 % from 6.6 % in June. Should this not materialise it is probably a sign of a faster and more significant deterioration of the labour market. Note that the seasonally adjusted employment level has been declining over the past six months, the first time since the 2008-09 financial crisis. Both the activity and the employment rates have turned down from record high levels and there are abundant signs that employment will continue to fall going forward, such as falling jobs vacancies and plunging overtime hours (the latter actually shows a bigger drop than during the 2008-09 crisis).

- In **Norway**, much of the reason why the economy seems to have coped so well with the global downturn to date is the strong contribution to demand from oil investment on the Norwegian continental shelf. The Q2 investment survey back in May indicated growth of around 15% this year after allowing for the surge in late 2018. The outlook for 2020 is naturally much more uncertain, but the May survey at the very least did not signal a marked drop in investment next year and actually pointed to further growth. We do not anticipate any major changes to this picture in the Q3 survey, which should therefore confirm that oil investment will continue to boost the economy for the rest of this year and have a moderate positive effect next year too.



Market movers ahead

Global movers			Event	Period	Danske	Consensus	Previous
Mon	19-Aug	1:50	JPY Exports	y/y (%)	Jul	0.0	-0.1
Wed	21-Aug	20:00	USD FOMC minutes July meeting				
Thurs	22-Aug	-	USD Jackson Hole conference				
		2:30	JPY Markit PMI services, preliminary	Index	Aug		51.8
		9:30	DEM PMI manufacturing, preliminary	Index	Aug	43.1	43.2
		10:00	EUR PMI manufacturing, preliminary	Index	Aug	46.2	46.5
		10:00	EUR PMI services, preliminary	Index	Aug	52.9	53.2
		13:30	EUR ECB minutes from June meeting				
		15:45	USD Markit PMI manufacturing, preliminary	Index	Aug	50.5	50.4
		15:45	USD Markit PMI service, preliminary	Index	Aug	52.8	53.0
Fri	23-Aug	-	USD Jackson Hole conference				
		1:30	JPY CPI - national	y/y	Jul	0.5%	0.7%
		16:00	USD Fed's Powell (voter, neutral) speaks				
Scandi movers							
Wed	21-Aug	8:00	DKK Employment, s.a.	M	Jun		2.78
		8:00	NOK Unemployment (LFS)	%	Jun	3.4%	3.4%
Thurs	22-Aug	8:00	NOK SSB oil investment survey		3rd quarter		
		8:00	DKK Consumer confidence	Net. bal.	Aug	3.5	2.9
		9:30	SEK Unemployment (n.s.a./s.a.)	%	Jul	5.7% 6.2%	5.8% ... 7.6% 6.6%

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

Roller-coaster markets continue, US yield curve inverts

Main macro themes

- An inversion of the US yield curve sparked fears of recession in financial markets.** The US 10-year government bond yield fell below the two-year yield, leading to the first inversion in 12 years. The 2-10 yield curve is seen as a recession indicator as historically an inversion has been followed by a recession within the subsequent two years.
- Mixed news on the trade war front.** The US Administration announced that part of the planned tariff increase on China will be delayed from 1 September to 15 December. However, the delay is mostly so it does not hurt Christmas sales and as such it is not a softening in tensions. China announced on Thursday that it will retaliate against US tariff increases on 1 September but it did not say how. Our baseline scenario is that we will not see a US-China trade deal this side of the US Presidential election in November 2020, as the gap between the two sides is too large.
- Economic data this week was mixed.** Chinese industrial production and retail sales disappointed and the German ZEW survey fell to the lowest level since 2011. However, the US consumer still looks strong, as retail sales surprised on the upside by growing more strongly than expected (see chart). This may have been boosted by Amazon's 'Prime Day', which was two days of big discounts.
- Hong Kong protests escalated further during the week,** with violent episodes in Hong Kong airport, which was closed for two days. Police from mainland China have gathered in Shenzhen, 30km from Hong Kong. If violence gets out of control in Hong Kong, Beijing has signalled it will intervene. This would be a further escalation that could add to current market woes.
- Argentina also grabbed the headlines.** A surprisingly big loss by Argentina's President Mauricio Macri in Sunday's primary election to the left-wing candidate Alberto Fernandez led to a sharp fall of 30% in the ARS against the USD. Argentina holds its Presidential election in October and if Fernandez wins, markets fear a debt default.

Financial market developments

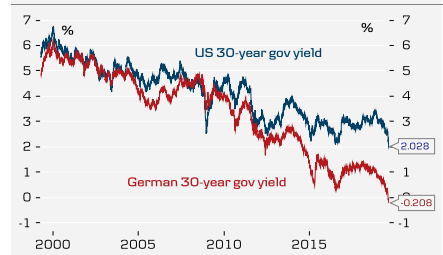
- Stock markets on a roller-coaster this week.** The news of Donald Trump's tariff delay on Chinese goods sent equities higher on Tuesday but the inversion of the US yield curve and China's confirmation of retaliation sent markets lower again.
- US 30-year treasury yields** fell below 2% for the first time ever and German 30-year bond yields hit a new low at -0.21%. The US 2-10 yield curve inverted for the first time in 12 years. **In euro periphery,** Italian spreads to Germany reversed some of the increase seen last week.
- In FX markets, movements were limited this week. Both EUR/USD and EUR/GBP** moved slightly lower. **USD/CNY** has stabilised around 7.04 following the big increase in early August from 6.88.

Financial views

Major indices	16-Aug	3M	12M
10yr EUR swap	-0.32	-0.30	-0.10
10yr US swap	1.45	1.25	1.20
ECB key rate	-0.40	-0.60	-0.60
Fed funds rate	2.25	2.00	1.00
EUR/SEK	1073	1080	1100
EUR/NOK	1000	965	950
EUR/USD	111	110	115
ICE Brent oil	59	70	75

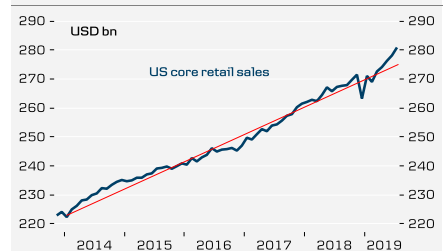
Source: Danske Bank

Bond yields continue relentless decline to new lows



Source: Macrobond Financial, Danske Bank

US retail sales remain robust in Q3



Source: Macrobond Financial, US Census Bureau

Scandi update

Denmark – strong growth and low inflation

Statistics Denmark’s preliminary growth indicator for the second quarter showed marked growth of 0.8%. This distinguishes Denmark from much of the rest of the world, which is in the midst of a slowdown and experiencing very low rates of growth. Despite this, it is exports in particular that are lifting Danish growth, as much of Danish industry – including medicines, wind turbines and food – are not so business-cycle sensitive. The slowdown will eventually be reflected in the Danish economy, but for now growth remains quite decent.

Inflation ticked in at 0.4% in July, 0.2pp lower than in June and generally very low given the growth in the labour market in recent years. Cheap holiday home rentals, flights and package holidays pulled inflation lower in July, while clothing and district heating prices pulled in the other direction relative to June. Low inflation is of course a boon for Danish consumers, whose real wage increases look rather good despite very moderate nominal pay rises.

Sweden – troublesome inflation expectations

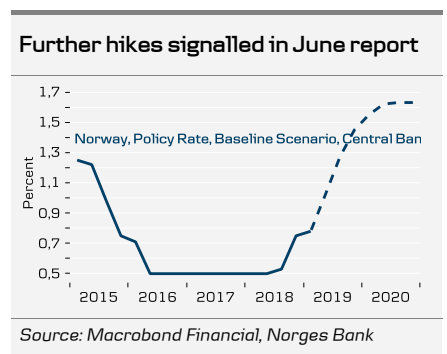
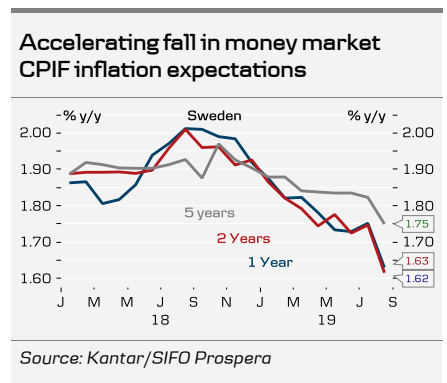
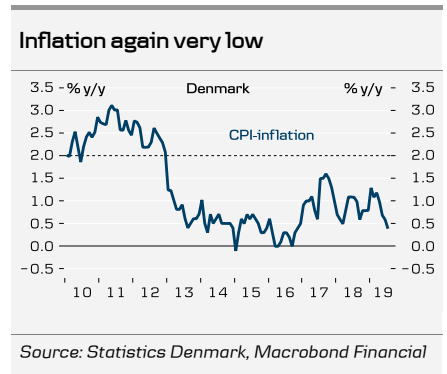
July inflation was slightly higher than markets expected (CPIF 0.41% m/m and CPIF ex energy 0.19% m/m) but fairly close to our own forecast (CPIF 0.34% m/m and ex energy 0.16% m/m). Compared to Riksbank’s forecast CPIF was 0.2pp higher and CPIF excluding Energy was 0.1pp higher (at 1.5% y/y and 1.7% y/y respectively). However, in the current volatile global market sentiment and recessionary tendencies, we and most other forecasters expect inflation to drop down below the Riksbank’s forecast in coming months.

Actually, the Riksbank is facing a new problem as Prospera monthly money market inflation expectations (both CPI and CPIF) are now sliding lower on all horizons. This may be somewhat of a wake-up call for some of the more hawkish board members. We expect a lot more talk about this at the upcoming monetary policy meeting in early September.

Still, the potentially really **big** problem for the Swedish economic outlook is labour market developments. Employment has already declined over the past two quarters and overtime worked, jobs vacancies and redundancies (to a lesser extent), to mention a few items, all suggest employment is going to fall further.

Norway – unchanged rates, increased uncertainty

As expected, Norges Bank left its policy rate unchanged at 1.25%. This was one of the bank’s ‘interim’ meetings, with no new monetary policy report or press conference. In the press release, the bank refers to its assessment in the June monetary policy report that the policy rate will most likely be increased further in the course of 2019. It says that developments in the Norwegian economy since then have been broadly as expected, while inflation has been a little lower than projected. It notes that deepening trade tensions and Brexit uncertainty may weigh on both global and domestic growth. On the other hand, a weaker krone could bring higher inflation. Norges Bank concludes: ‘Overall, new information indicates that the outlook for the policy rate for the period ahead is little changed since the June report. The global risk outlook entails greater uncertainty about policy rates going forward.’ The first part of this conclusion makes it clear that the bank is retaining its tightening bias from June, opening the door to a rate increase in September, October or December. The second part, however, illustrates how global developments entail a risk of a slowdown in Norway, which could make further rate increases



unnecessary. This is largely consistent with our prediction that Norges Bank would neither commit itself to further rate increases at this stage, nor scrap its plans from June. Since we expect Norwegian data to confirm that growth remains above trend, we still see the odds as being marginally in favour of a hike in September.

Latest research from Danske Bank

16/8 FOMC research: New Fed call: Five more from Fed

Based on recent developments, we have changed our Fed call accordingly and now expect the Fed to deliver a 25bp cut at each of the next five meetings.

15/8 Norges Bank Review: Keeping the tightening bias, but increasing downside risk

Norges Bank kept rates unchanged as expected.

14/8 Flash Comment - Emerging markets: forget Argentina; focus on Fed, Trump and China

The surprisingly large loss by Argentina's President Mauricio Macri in Sunday's primary election to the left-wing candidate Alberto Fernandez calls into question the future of the IMF programme and, in our view, increases the risk of debt default

12/8 Macro Strategy Views Podcast: Slowdown set to worsen, yields set to fall further

In our podcast, Macro Strategy Views, we discuss the depth of the global slowdown, recession risks and implications for yields.

11/8 Harr's view: Slowdown set to worsen but no recession yet

A global recession is still not the base case as the US, China and Germany all have the policy space to react to a sharp downturn.

Macroeconomic forecast

Macro forecast. Scandinavia

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Denmark	2018	1.5	2.2	0.9	6.5	0.4	3.3	0.8	2.3	3.9	0.5	34.1	5.7
	2019	1.7	1.5	0.4	-1.6	2.3	1.7	1.0	2.2	3.8	0.5	32.5	6.2
	2020	1.6	2.3	0.5	3.0	1.7	2.1	1.3	2.5	3.8	0.0	31.5	6.6
Sweden	2018	2.5	1.2	0.9	4.0	3.9	3.8	2.0	2.6	6.3	0.9	38.5	0.4
	2019	1.3	0.4	0.6	-0.9	4.4	2.0	1.7	2.6	6.6	0.1	34.0	4.0
	2020	1.5	1.8	1.5	0.6	3.3	2.6	1.5	2.7	7.1	0.5	33.0	4.1
Norway	2018	2.2	2.0	1.2	1.0	-0.7	0.6	2.7	2.8	2.4	-	-	-
	2019	2.6	2.0	1.7	4.8	3.0	3.3	2.5	3.3	2.3	-	-	-
	2020	2.3	2.4	1.7	3.0	3.5	2.7	1.7	3.8	2.2	-	-	-

Macro forecast. Euroland

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Euro area	2018	1.9	1.3	1.0	2.0	3.4	2.6	1.8	2.3	8.2	-0.5	85.1	3.6
	2019	1.2	1.4	1.4	2.3	2.5	2.8	1.3	2.2	7.7	-0.9	85.8	3.3
	2020	1.4	1.4	1.8	1.8	2.2	2.7	1.3	2.3	7.5	-0.9	84.3	3.2
Germany	2018	1.5	1.1	1.0	2.7	2.2	3.4	1.9	3.0	3.4	1.7	60.9	7.3
	2019	0.7	1.9	1.7	2.7	1.5	3.2	1.4	3.2	3.1	1.0	58.4	6.0
	2020	1.3	1.3	2.3	2.2	1.7	2.7	1.5	3.0	3.0	0.8	55.6	5.9
Finland	2018	1.7	2.0	1.4	3.1	1.1	4.1	1.1	1.8	7.4	-0.7	59.5	-1.6
	2019	1.3	0.8	0.5	0.0	3.0	2.0	1.2	2.5	6.5	-0.3	58.3	-1.7
	2020	1.0	1.2	1.5	1.0	2.0	2.5	1.5	2.5	6.4	-0.2	57.3	-1.4

Macro forecast. Global

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
USA	2018	2.9	3.0	1.7	4.6	3.0	4.4	2.4	3.0	3.9	-3.9	106.0	-2.3
	2019	2.5	2.3	1.6	2.4	2.4	2.1	2.0	3.1	3.6	-4.2	106.0	-2.6
	2020	2.0	2.1	1.0	3.4	2.8	3.0	2.3	3.4	3.4	-4.2	106.0	-2.7
China	2018	6.6	8.2	-	5.0	-	-	2.2	8.5	-	-4.1	50.1	0.7
	2019	6.2	8.0	-	4.7	-	-	2.0	8.3	-	-4.5	53.9	0.7
	2020	6.2	7.8	-	4.6	-	-	2.2	8.0	-	-4.3	57.1	0.7
UK	2018	1.4	1.8	0.4	0.2	0.1	0.7	2.5	3.1	4.1	-1.5	86.8	-4.0
	2019	1.5	1.8	2.5	1.5	2.0	8.5	1.8	2.9	3.7	-1.4	83.8	-3.8
	2020	1.6	1.4	0.6	0.1	2.0	-2.9	1.4	3.3	3.4	-1.1	82.9	-3.5
Japan	2018	0.8	0.3	0.7	1.1	3.3	3.4	0.9	-	2.4	-	-	-
	2019	1.0	0.3	1.7	1.1	-1.1	-1.8	1.0	-	2.5	-	-	-
	2020	0.5	-0.4	0.8	0.3	3.5	1.1	1.6	-	2.5	-	-	-

Source: OECD and Danske Bank. 1) % y/y. 2) % contribution to GDP growth. 3) % of labour force. 4) % of GDP.

Financial forecast

Bond and money markets										
		Key interest rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK	Currency vs NOK	Currency vs SEK
USD	16-Aug	2.25	2.17	1.53	1.45	110.8	-	673.0	902.6	968.0
	+3m	2.00	1.39	1.30	1.25	110.0	-	678.0	877.3	981.8
	+6m	1.25	1.05	0.90	1.00	113.0	-	659.7	849.6	964.6
	+12m	1.00	1.00	1.00	1.20	115.0	-	648.3	826.1	956.5
EUR	16-Aug	-0.40	-0.40	-0.56	-0.32	-	110.8	745.9	1000.4	1072.8
	+3m	-0.60	-0.51	-0.50	-0.30	-	110.0	745.8	965.0	1080.0
	+6m	-0.60	-0.51	-0.50	-0.30	-	113.0	745.5	960.0	1090.0
	+12m	-0.60	-0.51	-0.45	-0.10	-	115.0	745.5	950.0	1100.0
JPY	16-Aug	-0.10	-0.10	-0.14	-0.06	120.5	106.3	6.19	8.30	8.90
	+3m	-0.10	-	-	-	115.5	105.0	6.46	8.35	9.35
	+6m	-0.10	-	-	-	118.7	105.0	6.28	8.09	9.19
	+12m	-0.10	-	-	-	126.5	110.0	5.89	7.51	8.70
GBP	16-Aug	0.75	0.77	0.68	0.59	91.4	121.3	816.2	1094.6	1173.9
	+3m	0.75	0.84	0.70	0.60	90.0	122.2	828.6	1072.2	1200.0
	+6m	0.75	0.84	0.70	0.60	90.0	125.6	828.3	1066.7	1211.1
	+12m	0.75	0.84	0.80	0.70	90.0	127.8	828.3	1055.6	1222.2
CHF	16-Aug	-0.75	-0.82	-0.97	-0.68	108.6	98.0	686.9	921.3	987.9
	+3m	-0.75	-	-	-	110.0	100.0	678.0	877.3	981.8
	+6m	-0.75	-	-	-	112.0	99.1	665.6	857.1	973.2
	+12m	-0.75	-	-	-	114.0	99.1	653.9	833.3	964.9
DKK	16-Aug	-0.65	-0.43	-0.45	-0.21	745.9	673.0	-	134.1	143.8
	+3m	-0.75	-0.50	-0.40	-0.20	745.8	678.0	-	129.4	144.8
	+6m	-0.75	-0.50	-0.45	-0.25	745.5	659.7	-	128.8	146.2
	+12m	-0.75	-0.50	-0.40	-0.05	745.5	648.3	-	127.4	147.6
SEK	16-Aug	-0.25	-0.02	-0.20	0.10	1072.8	968.0	69.5	93.3	100.0
	+3m	-0.25	-0.10	-0.15	0.25	1080.0	981.8	69.1	89.4	-
	+6m	-0.25	-0.10	-0.15	0.25	1090.0	964.6	68.4	88.1	-
	+12m	-0.25	-0.10	-0.20	0.20	1100.0	956.5	67.8	86.4	-
NOK	16-Aug	1.25	1.63	1.63	1.41	1000.4	902.6	74.6	100.0	107.2
	+3m	1.50	2.11	1.80	1.65	965.0	877.3	77.3	-	111.9
	+6m	1.50	2.16	1.90	1.65	960.0	849.6	77.7	-	113.5
	+12m	1.75	2.30	1.95	1.75	950.0	826.1	78.5	-	115.8

Commodities

	16-Aug	2019				2020				Average	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020
ICE Brent	59	65	70	70	75	75	75	75	75	72	75

Source: Danske Bank

Calendar

Key Data and Events in Week 34

During the week					Period	Danske Bank	Consensus	Previous
Monday, August 19, 2019					Period	Danske Bank	Consensus	Previous
1:50	JPY	Exports	y/y (%)	Jul		0.0	-0.1	
1:50	JPY	Import	y/y (%)	Jul		0.0	-0.1	
1:50	JPY	Trade balance, s.a.	JPY bn	Jul		-150.8	-14.4	
10:00	EUR	Current account	EUR bn	Jun			29.7	
11:00	EUR	HICP inflation	m/m y/y	Jul		-0.4% 1.1%	0.2% 1.3%	
11:00	EUR	HICP - core inflation, final	y/y	Jul		0.9%	0.9%	
Tuesday, August 20, 2019					Period	Danske Bank	Consensus	Previous
Wednesday, August 21, 2019					Period	Danske Bank	Consensus	Previous
8:00	DKK	Employment, s.a.	M	Jun			2.78	
8:00	NOK	Unemployment (LFS)	%	Jun		3.4%	3.4%	
14:30	CAD	CPI	m/m y/y	Jul		... 1.6%	... 2.0%	
16:00	USD	Existing home sales	m (m/m)	Jul		5.38	5.27 0.017	
16:30	USD	DOE U.S. crude oil inventories	K				1580	
20:00	USD	FOMC minutes July meeting						
Thursday, August 22, 2019					Period	Danske Bank	Consensus	Previous
-	USD	Jackson Hole conference						
2:30	JPY	Nikkei Manufacturing PMI, preliminary	Index	Aug			49.4	
2:30	JPY	Markit PMI services, preliminary	Index	Aug			51.8	
8:00	NOK	SSB oil investment survey		3rd quarter				
8:00	DKK	Consumer confidence	Net. bal.	Aug		3.5	2.9	
9:15	FRF	PMI manufacturing, preliminary	Index	Aug		49.5	49.7	
9:15	FRF	PMI services, preliminary	Index	Aug		52.5	52.6	
9:30	SEK	Capacity utilization, industry	%	2nd quarter			91.0%	
9:30	DEM	PMI manufacturing, preliminary	Index	Aug		43.1	43.2	
9:30	DEM	PMI services, preliminary	Index	Aug		54.0	54.5	
9:30	SEK	Unemployment (n.s.a. s.a.)	%	Jul	5.7% 6.2%	5.8% ...	7.6% 6.6%	
9:30	SEK	Industrial production s.a.	y/y	Jul		5.8%	7.6%	
10:00	EUR	PMI manufacturing, preliminary	Index	Aug	46.2	46.3	46.5	
10:00	EUR	PMI composite, preliminary	Index	Aug	51.2	51.2	51.5	
10:00	EUR	PMI services, preliminary	Index	Aug	52.9	53.0	53.2	
13:30	EUR	ECB minutes from June meeting						
14:30	USD	Initial jobless claims	1000				220	
15:45	USD	Markit PMI manufacturing, preliminary	Index	Aug		50.5	50.4	
15:45	USD	Markit PMI service, preliminary	Index	Aug		52.8	53.0	
16:00	EUR	Consumer confidence	Net bal.	Aug		-6.9	-6.6	
Friday, August 23, 2019					Period	Danske Bank	Consensus	Previous
-	USD	Jackson Hole conference						
-	EUR	Moody's may publish Greece's debt rating						
1:30	JPY	CPI - national	y/y	Jul		0.5%	0.7%	
1:30	JPY	CPI - national ex. fresh food	y/y	Jul		0.6%	0.6%	
14:30	CAD	Retail sales	m/m	Jun		-0.3%	-0.1%	
16:00	USD	Fed's Powell (voter, neutral) speaks						
16:00	USD	New home sales	1000 (m/m)	Jul		645	646.0 (7.0%)	

The editors do not guarantee the accurateness of figures, hours or dates stated above

For further information, call (+45) 45 12 85 22.

Source: Danske Bank

Disclosures

This research report has been prepared by Danske Bank A/S ('Danske Bank'). The author of this research report is Bjørn Tangaa Sillemann, Analyst.

Analyst certification

Each research analyst responsible for the content of this research report certifies that the views expressed in the research report accurately reflect the research analyst's personal view about the financial instruments and issuers covered by the research report. Each responsible research analyst further certifies that no part of the compensation of the research analyst was, is or will be, directly or indirectly, related to the specific recommendations expressed in the research report.

Regulation

Danske Bank is authorised and subject to regulation by the Danish Financial Supervisory Authority and is subject to the rules and regulation of the relevant regulators in all other jurisdictions where it conducts business. Danske Bank is subject to limited regulation by the Financial Conduct Authority and the Prudential Regulation Authority (UK). Details on the extent of the regulation by the Financial Conduct Authority and the Prudential Regulation Authority are available from Danske Bank on request.

Danske Bank's research reports are prepared in accordance with the recommendations of the Danish Securities Dealers Association.

Conflicts of interest

Danske Bank has established procedures to prevent conflicts of interest and to ensure the provision of high-quality research based on research objectivity and independence. These procedures are documented in Danske Bank's research policies. Employees within Danske Bank's Research Departments have been instructed that any request that might impair the objectivity and independence of research shall be referred to Research Management and the Compliance Department. Danske Bank's Research Departments are organised independently from, and do not report to, other business areas within Danske Bank.

Research analysts are remunerated in part based on the overall profitability of Danske Bank, which includes investment banking revenues, but do not receive bonuses or other remuneration linked to specific corporate finance or debt capital transactions.

Financial models and/or methodology used in this research report

Calculations and presentations in this research report are based on standard econometric tools and methodology as well as publicly available statistics for each individual security, issuer and/or country. Documentation can be obtained from the authors on request.

Risk warning

Major risks connected with recommendations or opinions in this research report, including as sensitivity analysis of relevant assumptions, are stated throughout the text.

Date of first publication

See the front page of this research report for the date of first publication.

General disclaimer

This research report has been prepared by Danske Bank A/S. It is provided for informational purposes only and should not be considered investment advice. It does not constitute or form part of, and shall under no circumstances be considered as, an offer to sell or a solicitation of an offer to purchase or sell any relevant financial instruments (i.e. financial instruments mentioned herein or other financial instruments of any issuer mentioned herein and/or options, warrants, rights or other interests with respect to any such financial instruments) ('Relevant Financial Instruments').

The research report has been prepared independently and solely on the basis of publicly available information that Danske Bank considers to be reliable. While reasonable care has been taken to ensure that its contents are not untrue or misleading, no representation is made as to its accuracy or completeness and Danske Bank, its affiliates and subsidiaries accept no liability whatsoever for any direct or consequential loss, including without limitation any loss of profits, arising from reliance on this research report.

The opinions expressed herein are the opinions of the research analysts responsible for the research report and reflect their judgement as of the date hereof. These opinions are subject to change and Danske Bank does not undertake to notify any recipient of this research report of any such change nor of any other changes related to the information provided herein.

This research report is not intended for, and may not be redistributed to, retail customers in the United Kingdom or the United States.

This research report is protected by copyright and is intended solely for the designated addressee. It may not be reproduced or distributed, in whole or in part, by any recipient for any purpose without Danske Bank's prior written consent.

Disclaimer related to distribution in the United States

This research report was created by Danske Bank A/S and is distributed in the United States by Danske Markets Inc., a U.S. registered broker-dealer and subsidiary of Danske Bank A/A, pursuant to SEC Rule 15a-6 and related interpretations issued by the U.S. Securities and Exchange Commission. The research report is intended for distribution in the United States solely to 'U.S. institutional investors' as defined in SEC Rule 15a-6. Danske Markets Inc. accepts responsibility for this research report in connection with distribution in the United States solely to 'U.S. institutional investors'.

Danske Bank is not subject to U.S. rules with regard to the preparation of research reports and the independence of research analysts. In addition, the research analysts of Danske Bank who have prepared this research report are not registered or qualified as research analysts with the NYSE or FINRA but satisfy the applicable requirements of a non-U.S. jurisdiction.

Any U.S. investor recipient of this research report who wishes to purchase or sell any Relevant Financial Instrument may do so only by contacting Danske Markets Inc. directly and should be aware that investing in non-U.S. financial instruments may entail certain risks. Financial instruments of non-U.S. issuers may not be registered with the U.S. Securities and Exchange Commission and may not be subject to the reporting and auditing standards of the U.S. Securities and Exchange Commission.

Report completed: 16 August 2019, 12:48 CEST

Report first disseminated: 16 August 2019, 13:00 CEST