

Weekly Focus

Euro area is still not out of the woods

Market movers ahead

- Although the euro area economy continues to show signs of weakness, we expect a slight acceleration in the Q1 growth rate released next week. Both headline and core inflation are expected to rebound, but seasonality continues to muddy the picture.
- Payrolls data in the US should give a solid print next week, but it is still worth looking out for a deceleration in employment growth.
- With continued Brexit uncertainty and weak economic data out of both the UK and Europe, we do not think the Bank of England will change its policy at the upcoming meeting.
- A number of interesting figures from China should confirm our view that the worst is behind us, but distortions from the Chinese New Year could pose a downside risk.
- Norwegian and Swedish PMIs are worth looking out for next week.

Weekly wrap-up

- Euro area PMIs did not bring the big rebound that markets were expecting and suggest that euro area growth momentum has remained modest at the start of Q2. However, we are seeing more signs of stabilisation in manufacturing.
- The Riksbank became the latest central bank to backtrack on plans to tighten monetary policy, lowering its rate path and postponing a planned rate hike until early 2020, while also extending the QE programme until December 2020.
- Following a week of thin Easter trading, oil prices rallied after the US administration surprised markets by announcing it would not renew waivers on sanctions on Iranian oil exports.

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Financial views

Major indices

	26-Apr	3M	12M
10yr EUR swap	0.50	0.55	0.85
EUR/USD	111	113	117
ICE Brent oil	74	70	80

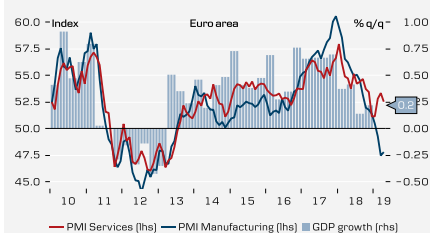
Source: Danske Bank

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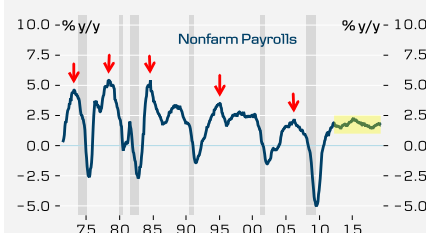
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Will euro area growth follow PMIs?



Source: Eurostat, Markit, Danske Bank

Lower employment growth is usually a good US recession indicator



Source: Macrobond Financial

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Market movers

Global

- In the **US**, the [job reports](#) is due out on Friday. Overall, the labour market remains strong, but we think it is important to keep an eye on whether employment growth starts to decelerate. We expect average hourly earnings to have risen +0.25% m/m in April, unchanged at 3.2% y/y. We expect nonfarm payrolls to have risen 190k.

Next week also brings [ISM manufacturing](#), which is due out on Wednesday. We still expect manufacturing to have peaked and move slightly lower before it stabilises (still above 50). Based on a weighted average of the regional PMIs, we expect numbers to come in at 55.0 (currently 55.3).

- In the **euro area**, we have a busy week ahead of us. On Tuesday, we get the [Q1 19 GDP](#) estimate. The first quarter showed both weak manufacturing PMIs and industrial production, which has likely remained a drag on growth. However, rebounding service PMIs indicate that domestic demand has picked up further momentum in Q1. Although the euro area economy is still not of the woods, we expect a slight acceleration in the Q1 growth rate to 0.3% q/q.

On Friday, the [euro area inflation prints](#) are due. Last month, seasonal effects from the timing of Easter were the main drivers behind the fall in headline and core inflation to 1.4% y/y and 0.8% y/y, respectively. Seasonal effects will continue to blur the Q2 prints, but we expect core inflation to rise back to 1.2% y/y and headline to 1.8% y/y in April, supported by the Easter effect and rising energy prices. On Tuesday, we will already get an early glimpse of where the print is heading with [German inflation data](#).

- With continued Brexit uncertainty and weak economic data out of both the **UK** and Europe, we do not think the [Bank of England](#) will change its policy at the upcoming meeting. It is one of the big meetings, so focus is on the inflation report and press conference. We do not expect a rate hike in the foreseeable future.

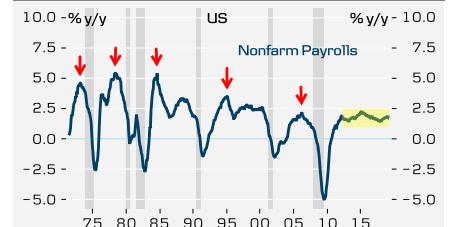
In terms of economic data releases, we get [April PMIs](#).

- The key data in **China** next week is [PMI manufacturing](#) from both Caixin (private) and NBS (official). The [Caixin version](#) rose sharply for the second month in a row to 50.8 in March and consensus looks for a further rise to 51.0. However, while we believe the worst is behind us in China, we see some downside risks to the April number. First, it is not unusual to see a decline after two months of such a big increase. Second, we suspect the strong March number could be distorted by the Chinese New Year. Hence, we look for a small decline to 50.5. The [NBS version](#) has increased less in the past months and we see some scope for a small increase here. The bottom line, though, is that we see some downside risk to April numbers in general due to New Year distortions.

The focus will also be on a new round of [high-level trade talks](#) starting on Tuesday in Beijing. The following week the Chinese top negotiators will go to Washington and according to media reports the two sides will try to conclude the deal then and announce a summit between US President Donald Trump and Chinese President Xi Jinping for the end of May. Another issue to keep an eye on in China is the African Swine fever, which will likely push up food inflation, see [SCMP](#) 23 April.

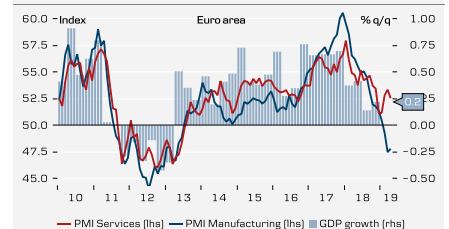
- Next week is Golden Week in **Japan** and there are no market movers.

A deceleration in employment growth is usually a good indicator of a forthcoming recession



Source: Macrobond Financial

Will the growth follow the PMI's?



Source: Eurostat, Markit and Danske Bank

April Caixin PMI set to decline while NBS PMI has room to increase further



Source: Macrobond Financial, Markit, NBS

Scandi

- The week ahead will be a busy one in **Denmark**, and it kicks off with business confidence. Did manufacturing remain in the doldrums in March, just as in the previous 4-5 months? This is a curious trend considering the strength of industrial production figures. Statistics Denmark, meanwhile, is scheduled to release February's house price figures on Tuesday. We have now got used to Danish house prices growing slowly and even sliding backwards in some places, with city apartment prices being a particular laggard. House prices have risen 2.2% on average over the past year, while Danish apartment prices have fallen by 0.7% on average across the country over the same period. The final figure from Statistics Denmark is unemployment for March, which is due on Friday. Unemployment as a share of the total labour force currently stands at 3.7% – a 10-year low. However, we are not concerned about overheating, as the global slowdown of the past six months could also hit the Danish labour market, even if somewhat delayed. We are not expecting any great shift in the unemployment figures, but it will nevertheless be interesting to see if the economic woes of Germany and other countries have led to increased unemployed in Denmark.

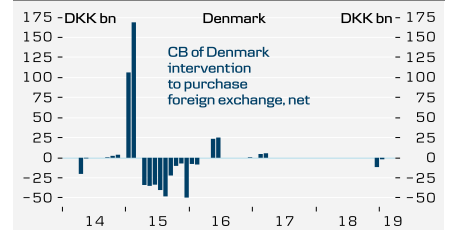
Danmarks Nationalbank is set to publish March figures for foreign portfolio investments and the securities statistic on Wednesday. Thursday should bring foreign exchange reserve figures for April. These may well attract some attention, as the Danish krona has been trading relatively weak in April and not far from where Danmarks Nationalbank intervened in December and January.

- Among **Swedish** data due next week, we want to stress two things in particular. Firstly, the March trade balance. Over the past several years, the trade balance has gradually deteriorated and in fact in 2017-18 Sweden had a deficit in goods trade. This development has had (at least) two effects. First, net goods exports have been a drag on GDP and second, we believe that a shrinking trade surplus has been weighing on the krona. The two first months this year have been better though, with relatively robust surpluses. For March we expect a surplus of SEK4.5bn

Secondly, we would bring your attention to the manufacturing PMI on Friday. The February-March PMIs have showed tentative signs of stabilisation. However, given the quite high volatility in Swedish PMIs, we really need several more months to safely make a clear judgement.

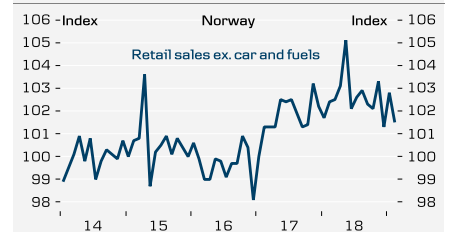
- In **Norway**, there have been considerable monthly variations in retail sales since autumn, but the underlying trend has been weak since spring last year. We think this weakness is largely a result of extremely high power prices sharply eroding purchasing power during the period. Forward power prices suggest a substantial decrease in inflation in H2, which, together with higher wage growth, will bring a clear improvement in purchasing power. This effect is unlikely to affect retail sales this time around, but we still expect an increase of 1.0% m/m as a rebound from the weak February figures. We expect registered unemployment to be unchanged at 2.3% in April. Economic growth and demand for labour both seem to be holding up, which should pave the way for further improvements in the jobless rate. On the other hand, more firms are reporting problems sourcing skilled labour, which will gradually cause the fall in unemployment to slow. The week also brings the PMI for April. We expect it to fall slightly to 56.0, but this still points to further strong growth in Norwegian manufacturing despite the global slowdown and bears witness to persisting differences in relative industrial production.

We do not expect further intervention in the immediate future



Source: Finance Denmark, Macrobond Financial

Weak underlying trend in retail sales



Source: Macrobond, Danske Bank

Market movers ahead

Global movers			Event	Period	Danske	Consensus	Previous
During the week							
Tue	30-Apr	3:00	CNY	High level US China trade talks in Beijing starts Tuesday			
		11:00	CNY	PMI manufacturing	Index		50.6
		14:00	EUR	GDP, preliminary	q/q/y/y	1st quarter	0.3% 1.1%
		14:00	DEM	HICP, preliminary	m/m/y/y	Apr	0.5% 1.5%
		14:00	HUF	Central Bank of Hungary rate decision	%		0.90%
Wed	01-May	10:30	GBP	PMI manufacturing	Index	Apr	53.5
		16:00	USD	ISM manufacturing	Index	Apr	55.0
Thurs	02-May	3:45	CNY	Caixin PMI manufacturing	Index	Apr	50.5
		8:00	DEM	Retail sales	m/m/y/y	Mar	-0.6% 3.0%
		13:00	GBP	BoE Bank rate	%		0.75%
Fri	03-May	10:30	GBP	PMI services	Index	Apr	50.2
		11:00	EUR	HICP - core inflation	y/y	Apr	1.2%
		11:00	EUR	HICP inflation, preliminary	y/y	Apr	1.8%
		14:30	USD	Average hourly earnings, non-farm	m/m/y/y	Apr	0.25% 3.2%
		14:30	USD	Non farm payrolls	1000	Apr	190
Scandi movers							
Mon	29-Apr	-	DEM	Retail sales	m/m/y/y	Mar	-0.2% 3.0%
		8:00	DKK	Business Confidence		Apr	
		9:30	SEK	Trade balance	SEK bn	Mar	4.5
Tue	30-Apr	8:00	NOK	Retail sales, s.a.	m/m	Mar	1.0%
		8:00	NOK	Unemployment (LFS)	%	Feb	3.8%
		8:00	DKK	House prices	q/q/y/y	Feb	
Wed	01-May	8:00	DKK	Foreign portfolio investments		Mar	
Thurs	02-May	8:30	SEK	PMI manufacturing	Index	Apr	52.8
		9:00	NOK	PMI manufacturing	Index	Apr	56.9
Fri	03-May	8:00	DKK	Gross unemployment s.a.	K(%)	Mar	103.1 (3.7)

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

Central banks remain stuck in easing mode

Main macro themes

- Euro area PMIs did not bring the big rebound that markets were expecting and together with subdued German Ifo readings suggests that euro area growth momentum has remained modest at the start of Q2. That said, signs of stabilisation in the weak manufacturing sector are becoming more prominent, not only in Europe, where PMI new orders registered their first increase since December 2017, but also in the US, China and Japan.
- The Riksbank became the latest central bank to backtrack on plans to tighten monetary policy, lowering its rate path and postponing a planned rate hike until early 2020, while also extending the QE programme until December 2020. Coupled with a downward revision in the inflation projection, the dovish move took markets by surprise.
- The Bank of Japan left its QQE with yield curve control unchanged, but tweaked its forward guidance somewhat, by promising to keep "very low-interest rate levels for an extended period of time at least through to around spring 2020". Until now, there was no specific timeframe for how long rates would be kept at low levels. Interestingly, the BoJ does not expect to meet its inflation mandate within a two- to three-year horizon, with CPI inflation in FY 2021 projected at only 1.6% (the lowest t+2 inflation forecast since 2013).

Financial market developments

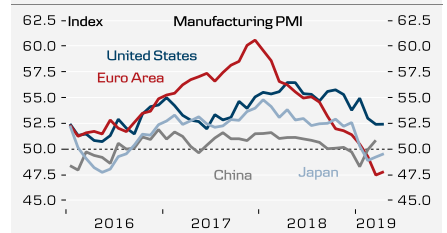
- Following a week of thin Easter trading, oil prices rallied after the US administration surprised markets by announcing it would not renew waivers on sanctions on Iranian oil exports. This effectively means that a range of countries that have been allowed to take up oil from Iran, despite the US withdrawing from the Iranian nuclear deal in May last year, will no longer be allowed to do so starting from 2 May. While Saudi Arabia and the UAE reportedly aim to compensate for the supply loss, Brent crude oil still rallied to new year-highs past USD75/bbl.
- After euro area PMIs came out on the weak side of expectations, EUR/USD dropped below 1.12, trading close to two-year lows, while German Bunds rallied with yields falling back into negative territory for the first time in two weeks. Periphery fixed income markets underperformed core EU markets, with the risk of a rating downgrade from S&P weighing additionally on Italian yields. Despite the risk of renewed political uncertainty after *Sunday's election*, Spain remains our top pick in the periphery.
- The Scandi currencies came under pressure after the dovish Riksbank message, with EUR/SEK breaking above the 10.60 level and EUR/NOK trading just shy of 9.70. The latter move seems overdone, as higher oil prices, cyclical outperformance and a Norges Bank hike in June still favour the Norwegian currency in our view.
- A stream of strong US earnings reports underpinned risk sentiment this week and helped the S&P500 reach a new record high. Around 80% of companies included in S&P500 have so far reported better-than-expected results in this reporting season.

Financial views

Major indices			
	26-Apr	3M	12M
10yr EUR swap	0.50	0.55	0.85
10yr US swap	2.51	2.60	2.70
ECB key rate	-0.40	-0.40	-0.40
Fed funds rate	2.50	2.50	2.50
EUR/SEK	1061	1020	1050
EUR/NOK	965	950	930
EUR/USD	111	113	117
ICE Brent oil	74	70	80

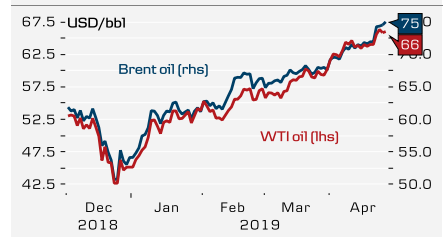
Source: Danske Bank

The trough in the manufacturing cycle might lie behind us



Source: Markit, Macrobond Financial

Global oil prices rally on the back of intensifying supply fears



Source: Macrobond Financial

Scandi update

Denmark – consumer confidence stuck in low gear

New consumer confidence figures came in at 3.7 for April compared to 3.8 for March. This is a relatively low level compared with recent years. Pulling the figures higher were more positive assessments of both the Danish economy in general and Danes’ own finances compared to a year ago. Pulling in the other direction were Danes’ expectations for their own finances, which are now at the lowest level since the end of 2016. However, consumers remain considerably less worried about the prospects for their own finances than for how the Danish economy in general will perform in the coming years – which is understandable given the slowdown in Europe and widespread political turmoil, not least in connection with Brexit.

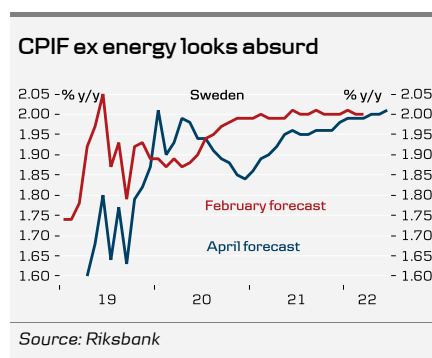
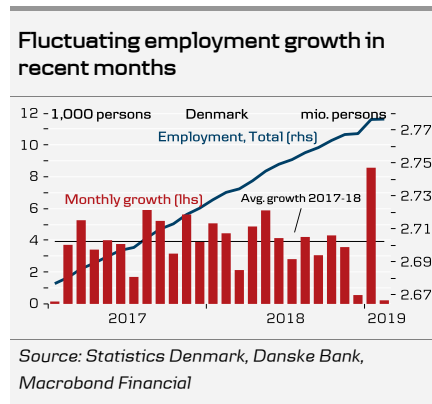
Statistics Denmark’s wage earner figures for February were largely unchanged m/m – up just 200 seasonally adjusted. Digging deeper into the figures reveals a drop of more than 2,000 wage earner jobs within the trade and transport sector. Wage earner numbers have consistently risen since April 2013, so that trend is still just about in place. It is still too early to conclude anything from the latest figures, as wage earner employment has fluctuated somewhat in recent months, with January, for example, seeing record-high growth. Nevertheless, a modest slowdown in the Danish labour market would not be any great surprise, as the global economy has been facing headwinds for the past six months that have so far bypassed Denmark.

Sweden – lower for longer 2.0

We have for long questioned the idea of a second repo rate hike in the autumn. But admittedly we did not think that the Riksbank would take the decision to postpone the hike as early as April. The reason for that is simply that basically all board members in speeches have sounded quite relaxed, almost dismissing the recent unexpectedly low inflation data saying that short term deviations are less important than earlier. Nevertheless, the policy decision was to a) delay the next rate hike to late this year or early 2020 (earlier than Q3) b) flatten the repo rate path c) continue reinvestments beyond summer by SEK45bn (nominal) between July 2019 and December 2020, about half of the redemptions plus coupons during the period. This teaches us one thing. The RB has reverted to an old habit when speeches and comments only relate to the latest published forecast. When a new forecast is published the story can be quite different.

Two factors are behind the policy adjustment – in fact exactly the considerations one would have thought would be of significance if board members had not sounded as if they were of a different opinion: weaker international inflation pressure, especially in the eurozone, and signals of a more stimulatory monetary policy by foreign central banks (read the ECB and the Fed).

As a result the Riksbank now sees slower rate hikes going forward. By Q1 22 the new repo rate forecast is 39bp lower than the February version. So what can be said going forward? First, despite acknowledging a global slow down, economic conditions in Sweden, including the outlook for growth and the job market, are described in optimistic words. We believe that could turn out to be a serious forecast error unless the eurozone really snaps back. In fact, we already see a clear decline in private businesses hiring plans, employment growth has stopped and unemployment is slowly moving up.



Secondly, the new inflation forecast (CPI ex energy) to us almost looks absurd. Of course, the near term projection is lowered significantly. But from October this year inflation is expected to explode, reaching 2% in January next year – why?

We do not see that materialising and we do think the Riksbank overestimates growth. So we do not think there will be another rate hike this year and unless the eurozone snaps back to an extent that will reverse the ECB's new policy guidance, we highly doubt there will be one in early 2020 either.

Norway – nothing to comment on

There were no data releases in Norway this week to comment on.

Latest research from Danske Bank

26/4 2019 EU Parliament elections: Setting the scene for the 'European Game of Thrones'

We think the EU elections will be less of a shock event than many fear. Polls point to some erosion of the political centre, with Social Democrats and Conservatives losing their absolute majority for the first time since 1979.

23/4 Spanish Election Monitor - Business as usual

On Sunday, Spanish voters will head to the polls for the fourth time in eight years. A snap vote was called in February because Socialist party (PSOE) leader Sanchez failed to pass the 2019 budget bill with his minority government, after regional parties withdrew their silent support of the government as 12 secessionist leaders from the Catalan independence movement went on trial.

23/4 FX Forecast Update - Scandi spring support in sight

Danske Bank's monthly FX forecasts.

15/4 Finland: Finland heading for Grand Coalition as no dominant winner emerges

Finland will most likely be governed by a grand coalition led by the Social Democrats.

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	1.4	2.3	0.8	5.1	0.6	2.7	0.8	2.3	3.9	0.5	34.1	6.0
	2019	1.8	1.8	0.4	-1.2	3.2	1.2	1.2	2.2	3.8	0.3	32.6	7.1
	2020	1.6	2.2	0.4	3.2	1.9	2.4	1.4	2.5	3.8	0.0	31.5	7.1
Sweden	2018	2.4	1.2	0.9	3.3	3.5	2.9	2.0	2.6	6.3	0.9	38.5	0.5
	2019	1.0	0.8	0.6	-0.3	4.1	3.2	1.7	2.6	6.6	0.1	34.0	4.4
	2020	1.5	1.6	1.5	1.7	3.2	2.8	1.5	2.7	7.1	0.5	33.0	4.2
Norway	2018	2.2	2.0	1.5	0.9	-0.8	0.9	2.7	2.8	2.4	-	-	-
	2019	2.6	2.0	1.8	4.7	3.5	3.0	2.2	3.3	2.3	-	-	-
	2020	2.4	2.3	1.8	1.8	3.0	3.0	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	1.8	1.3	1.1	3.3	3.1	3.1	1.8	2.3	8.2	-0.5	85.1	3.8
	2019	1.3	1.2	2.3	2.7	2.8	3.5	1.6	2.2	7.8	-0.8	84.9	3.6
	2020	1.5	1.6	2.4	2.0	2.7	3.5	1.5	2.4	7.5	-0.7	82.8	3.6
Germany	2018	1.5	0.9	1.0	2.7	2.2	3.4	1.9	3.0	3.4	1.7	60.9	7.3
	2019	0.9	0.9	2.8	3.3	2.2	4.6	1.4	3.2	3.1	1.2	56.7	7.3
	2020	1.4	1.6	2.2	3.1	3.1	4.6	1.5	3.0	2.9	1.1	53.7	6.9
Finland	2018	2.3	1.4	1.4	3.2	1.5	4.2	1.1	1.8	7.4	-0.7	58.9	-1.9
	2019	1.7	1.6	0.5	1.0	2.5	3.0	1.3	2.5	6.5	0.0	57.6	-1.5
	2020	1.2	1.3	0.5	1.0	2.0	2.0	1.5	2.5	6.4	0.1	56.3	-1.2

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	2.6	1.5	5.2	4.0	4.5	2.4	3.0	3.9	-4.0	106.0	-3.2
	2019	2.4	2.4	1.3	2.9	2.1	3.5	1.8	3.3	3.6	-4.6	107.0	-3.6
	2020	1.9	2.1	1.0	2.7	2.4	2.6	2.4	3.5	3.5	-4.6	108.0	-3.7
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	3.0	4.1	-1.5	85.0	-3.3
	2019	1.0	1.4	1.3	-0.7	1.4	2.2	1.6	3.5	3.9	-1.5	84.1	-3.2
	2020	1.3	1.5	0.6	1.7	2.0	2.0	1.5	3.8	3.8	-1.3	83.2	-3.0
Japan	2018	0.9	0.3	0.5	1.8	3.1	2.7	0.9	-	2.8	-	-	-
	2019	0.9	1.0	0.8	1.5	2.0	2.1	1.4	-	2.4	-	-	-
	2020	0.5	0.0	0.8	-0.3	2.8	1.2	2.0	-	2.4	-	-	-

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	26-Apr	2.50	2.59	2.41	2.51	111.4	-	670.0	866.2	952.0
	+3m	2.50	2.60	2.55	2.60	113.0	-	660.0	840.7	902.7
	+6m	2.50	2.60	2.55	2.60	115.0	-	648.3	808.7	904.3
	+12m	2.50	2.60	2.60	2.70	117.0	-	637.2	794.9	897.4
EUR	26-Apr	-0.40	-0.31	-0.20	0.50	-	111.4	746.6	965.2	1060.8
	+3m	-0.40	-0.31	-0.15	0.55	-	113.0	745.8	950.0	1020.0
	+6m	-0.40	-0.31	-0.15	0.60	-	115.0	745.5	930.0	1040.0
	+12m	-0.40	-0.31	-0.05	0.85	-	117.0	745.5	930.0	1050.0
JPY	26-Apr	-0.10	-0.07	-0.02	0.14	125.6	111.7	5.94	7.68	8.44
	+3m	-0.10	-	-	-	127.7	113.0	5.84	7.44	7.99
	+6m	-0.10	-	-	-	130.0	113.0	5.74	7.16	8.00
	+12m	-0.10	-	-	-	132.2	113.0	5.64	7.03	7.94
GBP	26-Apr	0.75	0.82	1.03	1.33	86.3	129.1	865.0	1118.2	1229.0
	+3m	0.75	0.84	1.15	1.40	86.0	131.4	867.2	1104.7	1186.0
	+6m	0.75	0.84	1.20	1.55	86.0	133.7	866.9	1081.4	1209.3
	+12m	0.75	0.84	1.30	1.65	86.0	136.0	866.9	1081.4	1220.9
CHF	26-Apr	-0.75	-0.72	-0.64	0.06	113.7	102.0	656.7	849.0	933.1
	+3m	-0.75	-	-	-	113.0	100.0	660.0	840.7	902.7
	+6m	-0.75	-	-	-	115.0	100.0	648.3	808.7	904.3
	+12m	-0.75	-	-	-	117.0	100.0	637.2	794.9	897.4
DKK	26-Apr	-0.65	-0.34	-0.12	0.60	746.6	670.0	-	129.3	142.1
	+3m	-0.65	-0.32	-0.05	0.65	745.8	660.0	-	127.4	136.8
	+6m	-0.65	-0.32	-0.05	0.70	745.5	648.3	-	124.7	139.5
	+12m	-0.65	-0.32	0.05	0.95	745.5	637.2	-	124.7	140.8
SEK	26-Apr	-0.25	-0.04	0.06	0.84	1060.8	952.0	70.4	91.0	100.0
	+3m	-0.25	-0.05	0.12	0.90	1020.0	902.7	73.1	93.1	-
	+6m	-0.25	-0.05	0.15	0.95	1040.0	904.3	71.7	89.4	-
	+12m	-0.25	-0.05	0.15	1.05	1050.0	897.4	71.0	88.6	-
NOK	26-Apr	1.00	1.41	1.76	2.09	965.2	866.2	77.4	100.0	109.9
	+3m	1.25	1.78	1.90	2.15	950.0	840.7	78.5	-	107.4
	+6m	1.25	1.89	2.15	2.15	930.0	808.7	80.2	-	111.8
	+12m	1.50	2.10	2.30	2.35	930.0	794.9	80.2	-	112.9

Commodities

	26-Apr	2019				2020				Average	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020
ICE Brent	74	65	70	75	80	80	80	80	80	72	80

Source: Danske Bank

Calendar

Key Data and Events in Week 18

During the week

				Period	Danske Bank	Consensus	Previous
Sat 27	CNY	Industrial profits	y/y	Mar			
	CNY	High level US China trade talks in Beijing starts Tuesday					

Monday, April 29, 2019

				Period	Danske Bank	Consensus	Previous
-	JPY	Showa Day					
-	DEM	Retail sales	m/m y/y	Mar		-0.2% 3.0%	0.5% 4.7%
8:00	DKK	Business Confidence		Apr			
9:30	SEK	Wages (blue collars/white collars)	y/y	Feb			2.8%
9:30	SEK	Household lending	y/y	Mar			5.3%
9:30	SEK	Trade balance	SEK bn	Mar	4.5		5
10:00	EUR	Money supply (M3)	y/y	Mar		4.1%	4.3%
10:00	EUR	Loans to households (adj. for sales and sec.)	%	Mar		4.1%	4.3%
10:00	EUR	Loans to NFCs (adj. for sales and sec.)	%	Mar		4.1%	4.3%
11:00	EUR	Service confidence	Net bal.	Apr		11.4	11.3
11:00	EUR	Business climate indicator	Net bal.	Apr		0.5	0.5
11:00	EUR	Industrial confidence	Net bal.	Apr		-2.0	-1.7
11:00	EUR	Economic confidence	Index	Apr		105.1	105.5
11:00	EUR	Consumer confidence, final	Net bal.	Apr		-7.9	-7.9
14:30	USD	Personal spending	m/m	Mar		0.7%	
14:30	USD	PCE headline	m/m y/y	Mar		0.3% 1.7%
14:30	USD	PCE core	m/m y/y	Mar		0.1% 1.7%

Tuesday, April 30, 2019

				Period	Danske Bank	Consensus	Previous
-	JPY	National Holiday					
1:01	GBP	GfK consumer confidence	Index	Apr		-13.0	-13.0
3:00	CNY	PMI manufacturing	Index	Apr		50.6	50.5
3:00	CNY	PMI non-manufacturing	Index	Apr		55.0	54.8
7:30	FRF	GDP, preliminary	q/q y/y	1st quarter		0.3% 1.1%	0.3% 1.0%
8:00	NOK	Retail sales, s.a.	m/m	Mar	1.0%	0.5%	-1.3%
8:00	DEM	GfK consumer confidence	Net. Bal.	May		10.4	10.4
8:00	NOK	Unemployment (LFS)	%	Feb		3.8%	3.9%
8:00	DKK	House prices	q/q y/y	Feb			
8:45	FRF	Household consumption	m/m y/y	Mar		0.5% -1.3%	-0.4% -1.8%
8:45	FRF	HICP, preliminary	m/m y/y	Apr		0.4% 1.4%	0.9% 1.3%
9:00	CHF	KOF leading indicator	Index	Apr		97.6	97.4
9:00	ESP	HICP, preliminary	m/m y/y	Apr		1.0% 1.5%	1.4% 1.3%
9:00	ESP	GDP, preliminary	q/q y/y	1st quarter		0.6% 2.3%	0.6% 2.3%
9:55	DEM	Unemployment	%	Apr		4.9%	4.9%
10:00	NOK	Norges Bank's daily FX purchases	m	May			-600
11:00	ITL	HICP, preliminary	m/m y/y	Apr		0.8% 1.4%	2.3% 1.1%
11:00	EUR	Unemployment	%	Mar		7.8%	7.8%
11:00	EUR	GDP, preliminary	q/q y/y	1st quarter	0.3% 1.1%	0.3% 1.0%	0.2% 1.1%
12:00	ITL	GDP, preliminary	q/q y/y	1st quarter		0.1% -0.1%	-0.1% 0.0%
14:00	DEM	HICP, preliminary	m/m y/y	Apr		0.5% 1.5%	0.5% 1.4%
14:00	HUF	Central Bank of Hungary rate decision	%		0.90%	0.90%	0.90%
14:30	CAD	GDP	m/m y/y	Feb			0.3% 1.6%
14:30	USD	Employment cost index	m/m	1st quarter		0.7%	0.7%
15:45	USD	Chicago PMI	Index	Apr		59.0	58.7
16:00	USD	Conference Board consumer confidence	Index	Apr		126.1	124.1
16:00	USD	Pending home sales	m/m y/y	Mar		1.0% ...	-1.0% -5.0%

Source: Danske Bank

Calendar (continued)

Wednesday, May 1, 2019				Period	Danske Bank	Consensus	Previous
-	JPY	Coronation Day					
-	USD	Total vehicle sales	m	Apr		17	17.5
-	CNY	Labor Day					
2:30	JPY	Nikkei Manufacturing PMI, final	Index	Apr			49.5
8:00	DKK	CB's securities statistics		Mar			
8:00	DKK	Foreign portfolio investments		Mar			
10:30	GBP	PMI manufacturing	Index	Apr		53.5	55.1
14:15	USD	ADP employment	1000	Apr		180	129
15:30	CAD	RBC manufacturing PMI	Index	Apr			50.5
15:45	USD	Markit PMI manufacturing, final	Index	Apr			52.4
16:00	USD	Construction spending	m/m	Mar		0.2%	1.0%
16:00	USD	ISM manufacturing	Index	Apr	55	55.0	55.3
16:30	USD	DOE U.S. crude oil inventories	K				5479
20:00	USD	FOMC meeting	%			2.50%	2.50%
20:30	USD	Fed's Powell (voter, neutral) speaks					
Thursday, May 2, 2019				Period	Danske Bank	Consensus	Previous
-	JPY	National Holiday					
3:45	CNY	Caixin PMI manufacturing	Index	Apr	50.5	51.0	50.8
8:00	DEM	Retail sales	m/m y/y	Mar		-0.6% 3.0%	0.5% 4.7%
8:30	SEK	PMI manufacturing	Index	Apr			52.8
9:00	NOK	PMI manufacturing	Index	Apr		56.9	56.8
9:15	ESP	PMI manufacturing	Index	Apr		51.2	50.9
9:45	ITL	PMI manufacturing	Index	Apr		47.8	47.4
9:50	FRF	PMI manufacturing, final	Index	Apr		49.6	49.6
9:55	DEM	PMI manufacturing, final	Index	Apr		44.5	44.5
10:00	EUR	PMI manufacturing, final	Index	Apr	47.8	47.8	47.8
10:30	GBP	PMI construction	Index	Apr		50.2	49.7
13:00	GBP	BoE minutes					
13:00	GBP	BoE government bond purchases (APF)	GBP bn	May			435
13:00	GBP	BoE corporate bond purchases (CBPP)	GBP bn	May			10
13:00	GBP	BoE Bank rate	%		0.75%		0.75%
13:30	GBP	BoE Inflation Report					
13:30	GBP	Carney press conference					
14:30	USD	Unit labour cost, preliminary	q/q	1st quarter		2.4%	2.0%
14:30	USD	Initial jobless claims	1000				
16:00	USD	Core capital goods orders, final	%	Mar			1.3%
17:00	DKK	Currency reserves	DKK bn	Apr			454.1
Friday, May 3, 2019				Period	Danske Bank	Consensus	Previous
-	JPY	Constitution Day					
8:00	NOK	Credit indicator (C2)	y/y	Mar			5.7%
8:00	DKK	Gross unemployment s.a.	K (%)	Mar			103.1 (3.7)
8:30	CHF	CPI	m/m y/y	Apr		0.2% 0.7%	0.5% 0.7%
10:00	NOK	Unemployment	%	Apr	2.3%	2.3%	2.4%
10:30	GBP	PMI services	Index	Apr		50.2	48.9
11:00	EUR	PPI	m/m y/y	Mar		3.0% 0.0%	3.0% 0.1%
11:00	EUR	HICP - core inflation	y/y	Apr	1.2%	1.0%	0.8%
11:00	EUR	HICP inflation, preliminary	y/y	Apr	1.8%	1.6%	1.4%
14:30	USD	Advance goods trade balance	USD bn	Mar		-74.0	
14:30	USD	Unemployment	%	Apr		3.8%	3.8%
14:30	USD	Average hourly earnings, non-farm	m/m y/y	Apr	0.25% 3.2%	0.3% 3.3%	0.1% 3.2%
14:30	USD	Non farm payrolls	1000	Apr	190	181	196
15:45	USD	Markit PMI service, final	Index	Apr			52.9
16:00	USD	ISM non-manufacturing	Index	Apr		57.2	56.1
16:15	USD	Fed's Evans (non-voter, dovish) speaks					
19:45	USD	Fed's Williams (voter, neutral) speaks					

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Source: Danske Bank

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