Economic Research

ADCB

Global Data Watch 1-5 August 1 August 2016

The Week Ahead: US non-farm payroll data and BoE meeting in focus

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US: July NFP data to remain solid at 175K

The key data release this week (due 5 August) will be the non-farm payroll numbers for July. Consensus expects that a healthy 175K jobs were created in July, albeit down from the 287K in June which was boosted by the weak May print. The July forecast would bring the six-month average to a still solid 173K, showing ongoing progress in the labour market, albeit at a more gradual pace than seen in 2015. We see this more moderate pace as reflective of the maturity of the US economy's recovery cycle. Consensus foresees the unemployment rate falling to 4.8% in July, from 4.9% in the previous month. However, we see a risk to this from increased labour participation, which could keep the unemployment rate steady. Wage pressure is expected to remain weak, albeit increasing to 0.2% m-o-m in July (0.1% in June). Labour market and inflation developments will be critical for the timing of the Fed's next move.

UK: Comprehensive easing measures by BoE likely

The BoE is likely to announce significant easing measures at its 4 August MPC meeting, to support the economy following the Brexit vote. We expect the policy rates to be cut by 25 bps to 0.25%, though we expect limited future reductions to prevent sharp GBP depreciation and adverse effects on bank profits. Instead, monetary policy is likely to focus on targeted credit easing measures such as extending its Funding for Lending Scheme to small businesses and an extension of its QE programme. We believe that the BoE is highly likely to announce GBP75-100 billion of asset purchases in 2H2016, focusing on corporate bond purchases to alleviate rising credit spreads. The BoE is also set to release its post-Brexit growth and inflation outlooks (4 August). We expect the inflation forecasts for 2017-19 to be increased, easily breaching the BoE's 2% ceiling given the GBP's weakness, and the growth forecasts to be lowered. The BoE is likely to see through this inflation shock and retain an accommodative monetary stance.

Global: Japan fiscal package, Egypt IMF negotiation

Markets will be looking for greater details of the supplementary fiscal package from Japan this week, with the cabinet due to finalise the plan on 2 August. This will be particularly important after the BoJ only made minor adjustments to its monetary policy last week. Early indications are that the impact of the additional package is unlikely to be felt in 2016 (page 5). Closer to home, an IMF delegation is visiting Egypt (from 30 July for around two weeks). Egypt is hoping to reach a preliminary accord with the IMF by the end of the visit. However, we urge a degree of caution as earlier negotiations did not lead to an IMF agreement. Nevertheless, we view the progress towards the introduction of VAT as positive for securing an agreement (page 2). If a deal is agreed, we would see it as highly positive for Egypt's medium-term outlook, though reforms will be painful in the short term.

I. Recent Data and Event

A. MENA Economies

Egypt: Keeps rates on hold; looking to secure agreement with IMF

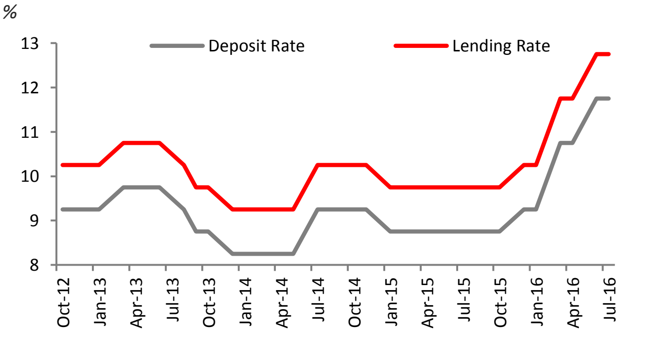
CBE keeps rates on hold at July meeting (having raised by 100 bps in June)

The CBE kept monetary policy steady at its 28 July meeting, keeping interest rates unchanged (lending 12.75%, deposit 11.75%, discount 12.25%). This was in line with our expectation following the surprise 100 bps increase in rates in June (we had expected a 50 bps hike), aimed at anchoring inflation expectations and reducing downward pressure on the EGP. The CBE has adopted an aggressive monetary policy stance following the devaluation of the EGP in March, which has caused inflation to rise sharply. CPI accelerated in June to a seven year high of 14% y-o-y (most components increased), while food inflation accelerated to 17.6% y-o-y.

Egypt confirms IMF negotiations at final stages

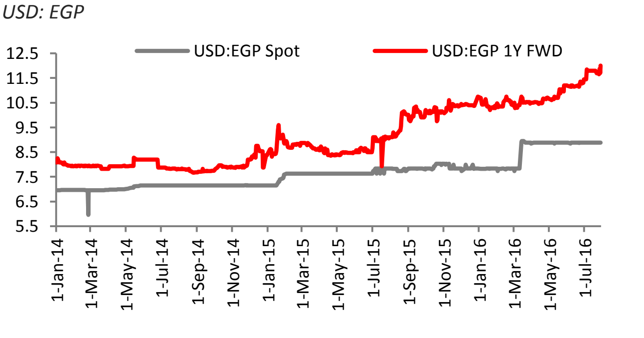
Meanwhile, Egypt indicated last week that it was in the final stages of negotiating a loan agreement with the IMF. The country is seeking USD12 billion over a three-year period (USD4 billion per year), with an interest rate of either 1% or 1.5%. The IMF delegation arrived in Egypt on 30 July for two weeks to negotiate an agreement. Moreover, Egypt is also expected to turn to other international organisations, such as the World Bank (for a USD3 billion loan) and the African Development Bank (USD1 billion). At the end of 2015, Egypt signed a USD3 billion loan agreement with the World Bank; the disbursement of the first USD1 billion tranche is contingent on meeting reform criteria, including the approval of a VAT law. In total, the government is looking to raise USD21 billion over a three-year period to meet its funding and development requirements, with GCC support also important. Moreover, Egypt is also looking to issue international bonds (USD2-3 billion), which could be offered as soon as September or October, supported by the IMF programme.

Fig. 1. Egypt: Benchmark interest rates held steady in July, after rates were raised aggressively to limit inflation



Source: Central Bank of Egypt

Fig. 2. Egypt: EGP expected to weaken once IMF agreement is secured



Source: Bloomberg

IMF loan vital for covering fiscal and external funding requirements and reducing FX shortages

An IMF loan would be vital in helping Egypt meet its funding requirements (fiscal and external), whilst also reducing FX shortages. An agreement with the IMF would also bolster economic confidence, support foreign investment, and entrench the reform programme. The IMF will likely look for structural reforms in a number of areas, including fiscal, to reduce the budget deficit (c.12% of GDP in FY2015-16). A three-year programme will require ongoing reforms for the tranches to be disbursed. Egypt has been working on a new VAT bill (presented to parliament in mid-July) with the aim of replacing the current sales tax. Its approval by parliament is expected to be a key condition for the IMF deal, in our view. The draft VAT bill would increase the tax to around 11-14% (flat rate), from 10% for the current sales tax. The VAT is also expected to cover more areas, with only certain segments (52 goods and services in total) being exempt, including health, crude oil, and natural gas. Official estimates have the new VAT increasing government revenues by EGP30 billion annually (around 1% of GDP) and increasing inflation by around 2.5% upon introduction. This could result in further monetary tightening aimed at reducing secondary inflation. Further subsidy reforms, including energy, are also expected to be part of the fiscal reform programme aimed at lowering the fiscal deficit.

Stronger FX reserves vital for adjustment of overvalued EGP

We expect to see an IMF deal accompanied by devaluation of the EGP. A stronger FX reserve position, with an initial loan disbursement, would reduce pressure on the EGP following any adjustment by the CBE. On the parallel market, the EGP strengthened at the end of last week after the government announced that it was looking to secure an IMF agreement. Unifying the official and parallel market rates and moving towards a more flexible exchange rate system will also likely be a major aim of the reform programme. The overvalued EGP and resultant capital controls have resulted in a number of economic challenges, including FX shortages and tight monetary policy. FX shortages have made it difficult to access vital consumption- and investment-linked imports. Moreover, the EGP policy has constrained capital inflows (FDI and portfolio), with investors worried over a potential devaluation and ability to repatriate capital.

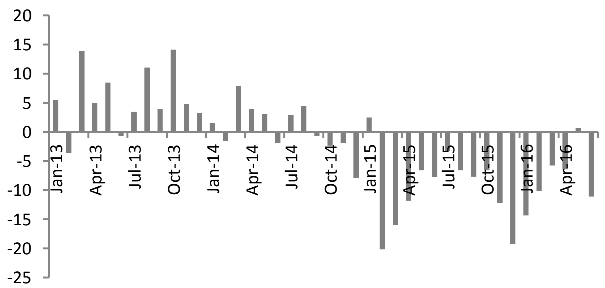
Saudi Arabia: SAMA FX reserves fall by USD11.1 billion in June

SAMA's FX reserves see sharpest fall in June since January, despite higher oil price

SAMA's net foreign assets (NFAs) fell by USD11.1 billion in June (-1.9% m-o-m and -15.5% y-o-y) to USD561.8 billion in the largest monthly drop since January 2016. While we had expected a contraction in SAMA reserves (following a one-off increase in May with the disbursement of a USD10 syndicated loan), the magnitude took us by surprise given the rise in oil prices in June. This implies stronger government spending in June compared to the previous month. The drop in SAMA's NFAs was largely due to a drawdown in deposits at overseas banks (-USD8.3 billion), and to a lesser degree, investment in foreign securities (-USD5 billion). Government deposits with Saudi banks fell by -2.7% m-o-m in June, also indicating stronger government spending.

Fig. 3. Saudi Arabia: SAMA's NFAs fall by USD11.1 billion in June, second largest drop in 2016

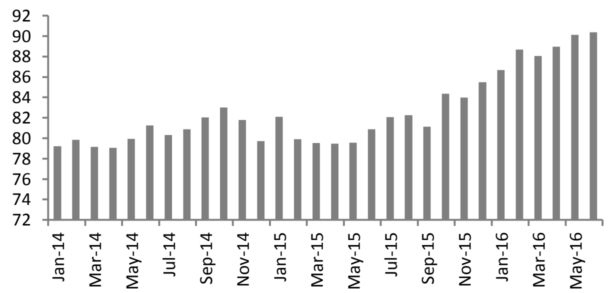
USD billion



Source: SAMA

Fig. 4. Saudi Arabia: L-to-D ratio close to 90% regulatory cap, requiring a further increase to the ceiling

%



Source: SAMA

Further easing of regulation to create further space for banks to lend

Meanwhile, liquidity in the banking sector continued to tighten, despite a moderate (0.1% m-o-m) increase in system-wide deposits in June led by the private sector. Private sector loan growth moderated to 8.1% y-o-y in June (0.4% m-o-m) down from 9.4% in May. The L-to-D ratio has risen to 90.4%, close to the regulatory cap (which excludes long term loans raised by banks). Bloomberg reported that SAMA had offered SAR15 billion (around SAR1.5 billion per bank) worth of short-term loans to banks to ease liquidity constraints in June. We see this as only an immediate measure. As we have highlighted in our research, we expect further easing of regulations (including lowering the RRR or raising the L-to-D ceiling) to create headroom for loan growth. Meanwhile, growth in POS transactions decelerated in June to 2.7% y-o-y (from 5.8% in May in value terms), which we believe was likely due to Ramadan. We expect a rise in July with higher spending due to Eid.

B. G4 Economies

Japan: BoJ disappoints market, September meeting critical

BoJ tweaks its forecasts, ETF purchases increased to JPY6 trillion per year

The BoJ kept monetary policy largely steady on 29 July, including interest rates (marginal deposit rate kept at -0.1%) and the pace of its annual asset purchases (JPY80 trillion). The limited policy adjustments fell far short of market and our expectations. The BoJ almost doubled its purchases of ETFs to JPY6 trillion annually and its USD lending programme to USD24 billion per year for a period of up to four years. The bank also announced that it will establish a new facility to lend JGBs to banks, which should provide some support to their profits which have come under pressure from negative interest rates.

BoJ to conduct a comprehensive assessment of its policy by September

Importantly, the post-meeting statement noted that the BoJ "will conduct a comprehensive assessment of the developments in economic activity and prices under 'QQE' and 'QQE' with a Negative Rate'" with a view to reaching the inflation target of 2%. We believe that this buys the BoJ some time to gauge the impact of monetary policy, while keeping market expectations alive. We believe the BoJ will focus on the impact of negative interest rates on banks and financial institutions. The move to cushion banks' profitability with the new facility could suggest a change in stance on the negative interest rate policy. The central bank also lowered its FY2016 GDP growth (to 1% from 1.2%) and core inflation forecasts (to 0.1% from 0.5%). The GDP growth forecast for FY2017 was, however, raised to 1.3% from 0.1% (April forecast) with the postponement of the planned consumption tax rate hike and potentially a stronger fiscal stimulus.

Recent BoJ policy indicates that monetary easing has largely reached its limits

The BoJ has become less predictable recently, though we should get more guidance in September once the comprehensive assessment is completed. The 20-21 September BoJ meeting will thus be critical and could provide some surprises. Governor Haruhiko Kuroda highlighted in his post-meeting conference that the BoJ's future policy action will depend on this review. The critical question remains how the BoJ can revive confidence in further monetary easing. Markets have increasingly been feeling that the current monetary policy framework has largely reached its limits. This feeds into the market view that JPY strength will persist in 3Q. Indeed, we have highlighted that the support from each monetary easing round has provided a weaker stimulus impact. We believe that fiscal policy and structural reforms are critical in reviving the economy. Structural reform needs to focus on increasing domestic demand including increasing the female workforce or allowing greater labour migration into the country.

Supplementary fiscal package: Ahead of the BoJ's meeting, Japanese Prime Minister Shinzo Abe announced that the government would prepare a stimulus package of some JPY28 trillion (around 6% of GDP and USD265 billion) to revive the economy. The headline number is larger than markets were expecting, though indications so far suggest that actual fiscal stimulus will be much less, especially if the expenditure is over multiple years. Moreover, of the JPY13 trillion worth of "fiscal measures", it's not clear how much will be fresh spending (the package likely includes some spending already announced). Officials suggest that JPY6-7 trillion of the package will be of a direct fiscal nature, with the remainder going to areas such as supporting the private sector through subsidies and agency lending. There have been indications that there will be a redistribution component, possibly including providing cash for low income housing and raising the minimum wage by 3%. The package is expected to have a limited impact in 2016, as it will likely only go to the Diet in the September-November period (having being approved by the cabinet in August).

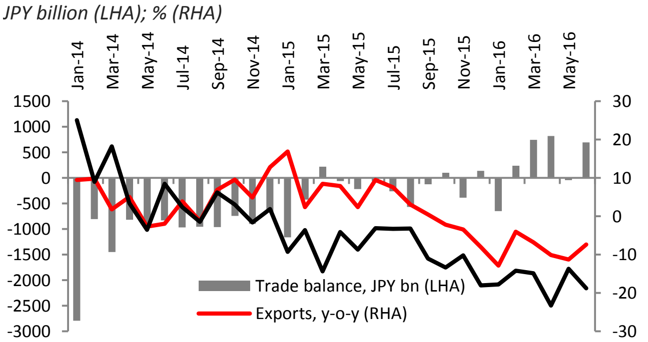
Government preparing JPY28 trillion fiscal stimulus package; limited impact on growth expected in 2016

Trade data: Japan's adjusted trade surplus widened in June to JPY335 billion (from JPY294.5 billion in May), beating the consensus expectation of JPY244 billion. The contraction in exports moderated to -7.4% y-o-y (from -11.3% in May), while the fall in imports rose to -18.8% y-o-y (from -13.8%). The data indicate that external demand may be beginning to stabilise, with export volumes rising 2.9% y-o-y in June. This was the first increase in the volume of exports in four months, though we would like to see more data points to conclude a trend has formed. While this initial data is positive, we believe that a fiscal stimulus plan is vital to boost domestic demand. Moreover, with global demand still soft, weakening the JPY is important for boosting external competitiveness and for the inflation outlook. Headline inflation remained steady at –0.4% y-o-y in June, whilst core inflation softened to 0.4% y-o-y (from 0.6% in May). Core inflation is likely to remain under pressure as falling import prices (due to the strong JPY) have not yet fully fed into consumer prices, in our view.

Tentative signs of external demand stabilisation

Fig. 1. Japan: Trade data indicate some stabilisation in external demand in June

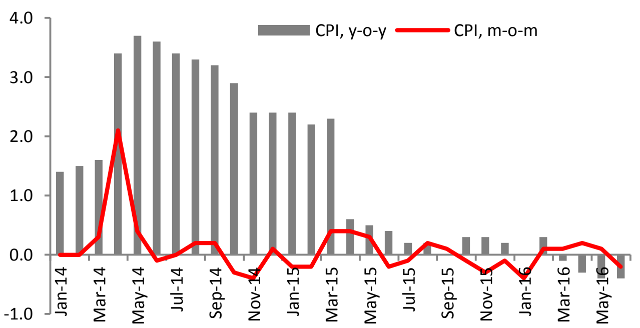
JPY billion (LHA); % (RHA)



Source: Bloomberg

Fig. 2. Japan: Inflation likely to remain under pressure due to JPY strength in near-term

%



Source: Bloomberg

US: FOMC keeps rates on hold; more positive on short-term risks

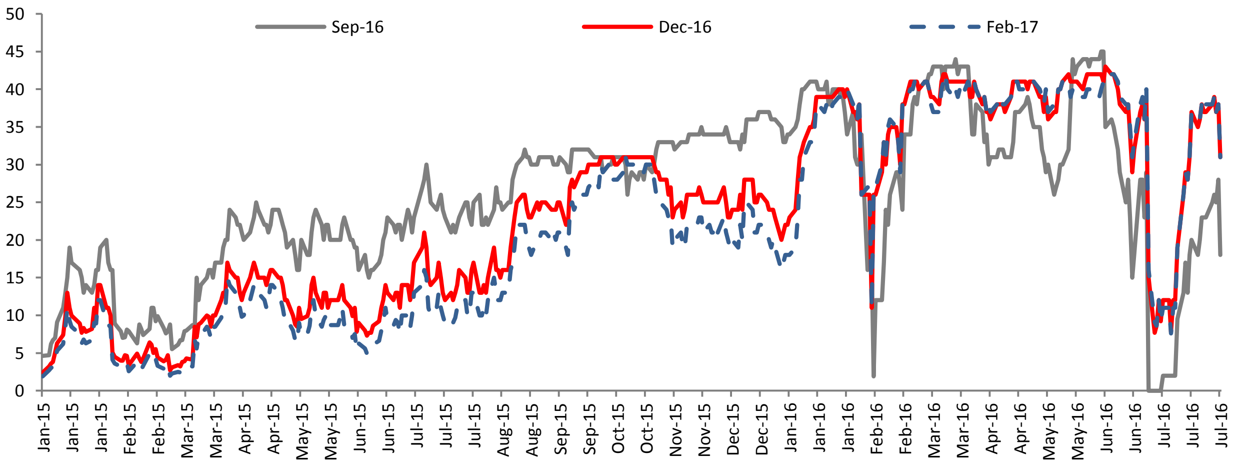
The Fed kept monetary policy steady at its 26-27 July meeting, in line with our expectation and the consensus. While the post-meeting statement contained only a few adjustments, its tone was slightly more hawkish. The FOMC was more positive on both the domestic and international fronts, which we believe keeps the door open for a rate hike later in the year. The FOMC noted that near-term risks to the economic outlook have diminished, though it continues to monitor global economic and financial developments.

FOMC says near-term risks to economy have diminished

We see this as referring to the limited impact of the Brexit vote on the global economy and financial markets. On the domestic front, the Fed noted the robust June jobs number, alongside the fact that household spending had been growing strongly. These factors should eventually support labour utilisation. However, an overall slowdown in the pace of jobs growth was highlighted.

Fig. 3. US: Following underwhelming US GDP data for 2Q, markets pared back expectations of rate hike in 2016 and early 2017

% probability of a 25 basis point hike



Source: Bloomberg

No change to inflation outlook: we see December as most likely timing for next rate hike

There was no meaningful change to the FOMC's inflation outlook. The committee continued to see limited upside pressure on inflation, and believed that inflation expectations were little changed in recent months. The Fed again urged caution in raising rates until there were clear signs that inflation was moving towards the 2% target. We continue to see December as the most likely timing for a 25 bps interest rate hike, though we cannot rule out September. FOMC members will likely want to see confirmation of a pickup in the growth and inflation outlooks before raising rates, especially after the softer-than-expected real GDP growth in 2Q. We should get more indications of the Fed's intentions and outlook on 17 August, when the minutes of its July meeting are released. Fed Chair Janet Yellen is scheduled to speak at the Jackson Hole Symposium on 29 August.

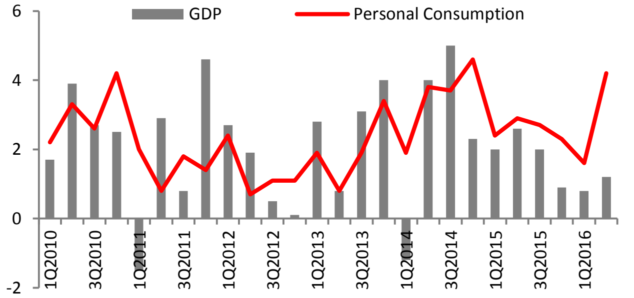
US: 2Q GDP growth comes in substantially below market expectations

Contraction in inventories largely behind downside surprise

Real GDP growth expanded by only 1.2% q-o-q SAAR (first print) in 2Q, markedly below market expectations of 2.5%. Moreover, growth for 1Q was revised down to 0.8% q-o-q SAAR, from 1.1% previously. Private consumption was the main driver of growth, expanding by a solid 4.2% q-o-q SAAR and contributing 2.8pp to real GDP growth. This was the fastest pace of expansion since 4Q2014. Most of the downside surprise was due to a contraction in inventories, which subtracted 1.2pp from headline GDP growth. Excluding inventories, real final sales of domestic product increased 2.4% q-o-q SAAR, a solid pace. However, there were also declines in government spending, residential investment, and business fixed investment (for the third consecutive quarter). We see some potential for an upgrade in the figures at the second print (26 August) when more data has come in. We expect a build up in economic momentum in 2H2016, with some support from inventories. Moreover, we also expect residential investment to return to positive growth.

Fig. 4. US: Despite solid expansion in consumer spending, 2Q GDP data came in below market expectations

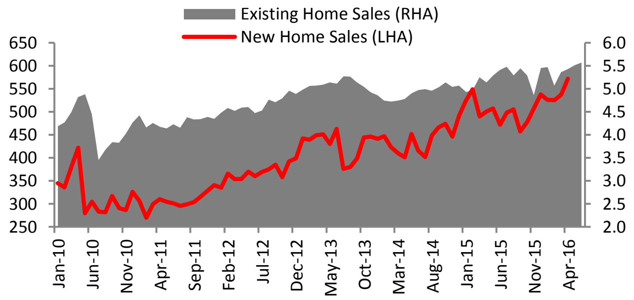
% q-o-q SAAR



Source: Bloomberg

Fig. 5. US: Housing data so far point to strong momentum in residential sector

'000 (LHA); million(RHA)



Source: Bloomberg

Consumer confidence data point to solid consumer spending momentum into 3Q

Consumer confidence and housing data: The data for 3Q remained supportive, with private-sector confidence and housing demand remaining solid, which should feed into residential investment. The Conference Board's consumer index printed at 97.3 for July (consensus: 95.9), down fractionally from June's 97.4. The figure thus remained close to its post-crisis highs, and indicated little impact from the Brexit vote. New homes sales also beat the 560K consensus, rising 3.5% m-o-m to a seasonally adjusted annual rate of 592K units in June. This was the highest reading since February 2008, and up 25.4% y-o-y. The May data were revised up, to 572K from 551K. New homes sales (which accounted for around 9.6% of total sales), existing homes sales, and housing starts all point to strong momentum in the housing sector. This is supported by the healthy US labour market and low mortgage rates.

UK: Economy remains robust in 2Q, though sharp downturn may lie ahead

2Q GDP surprises market positively

The economy defied market expectations in 2Q, growing 0.6% q-o-q (1Q2016: 0.4%; consensus: 0.5%), led by an extraordinary rebound in manufacturing growth (2.1% q-o-q after a -0.2% contraction in 1Q). However, last week's numbers were based on an extrapolation of April and May data. We see some risk of a downward revision to 2Q GDP in its second estimate (due in August), when June data incorporating Brexit related investment uncertainty are also included.

3Q business sentiment indicators point to sharp growth slowdown compared to 1H2016

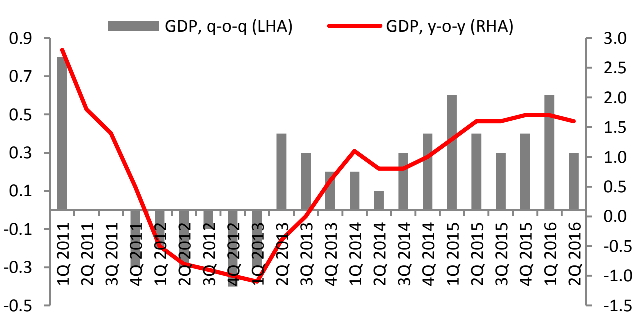
The 1H growth momentum looks unlikely to continue in the coming months. Leading indicators of production sentiment in the manufacturing and services sectors have already plunged on concerns over a weaker GBP. A survey last week of retailers by the Confederation of British Industry saw a sharp fall of -18 points in July (to -14 from June's +4) on the back of rising concerns about consumer spending. While fiscal and monetary easing are likely to prevent a sharp recession in the near term, we remain sceptical about the UK's long-term growth potential post Brexit. Recent developments in the Brexit negotiations support our view that the EU is unlikely to be sympathetic towards the UK's economic interests in the Single Market when fashioning a post-Brexit trade deal. The EU has appointed Michel Barnier as its chief negotiator with Britain on a post-Brexit deal; in his previous role as EU Commissioner, Barnier was not very favourably disposed towards the UK's financial services industry.

Eurozone: Little sign of optimism in GDP and inflation data

We see 2H2016 slowing down further to 0.2% q-o-q on post-Brexit vote fallout

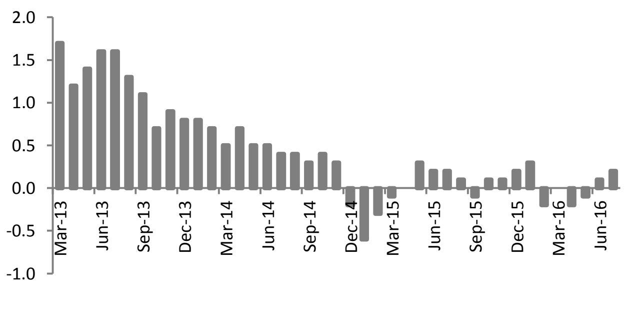
Eurozone GDP grew by an unimpressive 0.3% q-o-q in 2Q (previous: 0.6%; consensus: 0.3%). Though a detailed breakdown of data will be available only in mid-August, we believe this slowdown was driven mainly by muted private investment spending, based on our assessment of industrial production and factory orders data. Further, the contribution to growth from fiscal spending was probably also less supportive compared to 1Q. Looking ahead, we see further deceleration in 2H2016 GDP growth to 0.2% q-o-q. Specifically, we expect the drag from cut-backs in capital expenditure in the UK to weigh on export growth, particularly for Germany. Further, the prevailing uncertainty around financial regulations and operational structure for European banks post Brexit is also likely to squeeze their profitability and lending activity. However, we expect fiscal policy to cushion the economy, as member states ramp up spending in response to the fall in sovereign yields orchestrated by the ECB's QE programme. Indeed, we believe that the recent actions and comments from the European Commission suggest a greater flexibility in allowing the states to keep their fiscal deficits above its 3% ceiling.

Fig. 6. Eurozone: Following 2Q print, we expect GDP to decelerate further in 2H2016



Source: Bloomberg

Fig. 7. Eurozone: Inflation has remained trapped at low levels despite significant EUR depreciation in 2016



Source: Bloomberg

Inflation to remain trapped below ECB's 2% target until 2017

Meanwhile, July inflation ticked up slightly to 0.2% y-o-y (previous: 0.1%; consensus: 0.1%), with a corresponding increase in core inflation to 0.9% y-o-y (previous: 0.8%). Despite this pick-up, we remain cautious on the European inflation outlook, expecting it to remain below 1% y-o-y until 1H2017. Contrary to market expectations, we do not expect the recent depreciation in the EUR to cause a significant increase in Eurozone inflation. This is because the Eurozone runs a substantial current account surplus and the bulk of its imports are dependent on investment activity, which is likely to edge lower in 2H2016. Further, our outlook on energy prices suggests a low likelihood of a pick-up from the current levels. We expect the ECB to extend its QE programme by another six months at its September meeting, though this may only limit downside risks to inflation. A credible step to bringing inflation close to the ECB's preferred level of 2% y-o-y is possible only with aggressive capital expenditure by the Eurozone governments.

II. Economic Calendar

Fig. 8. Upcoming events and releases

Time*	Country	Event	Period	Prior	Survey
Expected this week					
	UAE	Dubai Airport Cargo Volume, y-o-y	Jun	4.7%	--
	UAE	GDP, y-o-y			
	UAE	Dubai's July Real Estate Sales, YTD y-o-y			
	Qatar	M2 Money Supply, y-o-y	Jun	-4.4%	--
	Qatar	GDP Constant Prices, y-o-y	1Q	4%	--
	Oman	Nominal GDP YTD, y-o-y	1Q	-14.1%	--
Monday 1 August					
05:00	China	Manufacturing PMI	Jul	50	50
05:15	US	Fed's Dudley Speaks in New York			
05:45	China	China PMI Manufacturing	Jul	48.6	48.8
06:00	Japan	PMI Manufacturing	Jul F	49	--
09:00	India	PMI Manufacturing	Jul	51.7	--
12:30	UK	PMI Manufacturing SA	Jul F	49.1	49.1
17:45	US	Manufacturing PMI	Jul F	52.9	52.9
18:00	US	Construction Spending, m-o-m	Jun	-0.8%	0.5%
18:00	US	ISM Manufacturing	Jul	53.2	53
Tuesday 2 August					
03:50	Japan	Monetary Base, y-o-y	Jul	25.4%	--
14:15	US	Fed's Kaplan Speaks in Beijing			
16:30	US	Personal Income, m-o-m	Jun	0.2%	0.3%
16:30	US	Personal Spending, m-o-m	Jun	0.4%	0.3%
Wednesday 3 August					
08:15	Saudi Arabia	Saudi Arabia PMI	Jul	54.4	--
08:15	Egypt	Egypt PMI	Jul	47.5	--
08:15	UAE	UAE PMI	Jul	53.4	--
12:00	Eurozone	Services PMI	Jul F	52.7	52.7
12:30	UK	Services PMI	Jul F	47.4	47.4
15:00	US	MBA Mortgage Applications	29-Jul	-11.2%	--
16:15	US	ADP Employment Change	Jul	172K	170K
18:00	US	ISM Non-Manf. Composite	Jul	56.5	56
Thursday 4 August					
	China	BoP Current Account Balance	2Q P	$39.3B	--
15:00	UK	Bank of England Bank Rate	4-Aug	0.50%	0.25%
15:00	UK	BOE Asset Purchase Target	Aug	375B	375B
15:00	UK	Bank of England Inflation Report			
16:30	US	Initial Jobless Claims	30-Jul	266K	265K
18:00	US	Factory Orders	Jun	-1%	-1.9%
Friday 5 August					
04:00	Japan	Labour Cash Earnings y-o-y	Jun	-0.1%	0.4%
11:30	UK	Halifax House Prices m-o-m	Jul	1.3%	-0.2%
16:30	US	Trade Balance	Jun	-$41.1B	-$43B
16:30	US	Change in Nonfarm Payrolls	Jul	287K	175K
16:30	US	Unemployment Rate	Jul	4.9%	4.8%
16:30	US	Average Hourly Earnings m-o-m	Jul	0.1%	0.2%
16:30	US	Average Hourly Earnings y-o-y	Jul	2.6%	2.6%
16:30	US	Average Weekly Hours All Employees	Jul	34.4	34.4
23:00	US	Consumer Credit	Jun	$18.6B	$16B

*UAE time
Source: Bloomberg

Fig. 9. Last week's data

Time*	Country	Event	Period	Prior	Survey	Actual
MENA data						
	Saudi Arabia	M2 Money Supply, y-o-y	Jun	-3.8%	--	-2.5%
	Saudi Arabia	CPI, y-o-y	Jun	4.1%	--	4.1%
	UAE	CPI, y-o-y	Jun	1.6%	--	1.8%
	UAE	Central Bank Foreign Assets	Jun	296.5B	--	314.1B
	Oman	CPI, y-o-y	Jun	1.1%	--	1.5%
	Kuwait	CPI, y-o-y	Jun	2.8%	--	3.1%
Monday 25 July						
03:50	Japan	Trade Balance	Jun	-¥42.9B	¥474.4B	¥692.8B
12:00	Germany	IFO Business Climate	Jul	108.7	107.5	108.3
12:00	Germany	IFO Expectations	Jul	103.1	101.6	102.2
Tuesday 26 July						
17:00	US	S&P/CaseShiller 20-City Index NSA	May	186.6	189.5	188.3
18:00	US	Consumer Confidence Index	Jul	97.4	96	97.3
18:00	US	New Home Sales	Jun	572K	560K	592K
12:00	Eurozone	M3 Money Supply, y-o-y	Jun	4.9%	5%	5%
12:30	UK	GDP, q-o-q	2Q A	0.4%	0.5%	0.6%
Wednesday 27 July						
12:30	UK	GDP, y-o-y	2Q A	2%	2.1%	2.2%
15:00	US	MBA Mortgage Applications	22-Jul	-1.3%	--	-11.2%
16:30	US	Durable Goods Orders	Jun P	-2.8%	-1.4%	-4%
16:30	US	Durables ex-Transportation, m-o-m	Jun P	-0.4%	0.3%	-0.5%
16:30	US	Cap Goods Orders Nondef Ex Air, m-o-m	Jun P	-0.5%	0.2%	0.2%
18:00	US	Pending Home Sales, m-o-m	Jun	-3.7%	1.2%	0.2%
22:00	US	FOMC Rate Decision (Upper Bound)	27-Jul	0.5%	0.5%	0.5%
22:00	US	FOMC Rate Decision (Lower Bound)	27-Jul	0.25%	0.25%	0.25%
Thursday 28 July						
10:00	UK	Nationwide House, PX m-o-m	Jul	0.2%	0%	0.5%
10:00	UK	Nationwide House Px NSA, y-o-y	Jul	5.1%	4.5%	5.2%
13:00	Eurozone	Consumer Confidence	Jul F	-7.9	-7.9	-7.9
16:00	Germany	CPI, y-o-y	Jul P	0.3%	0.3%	0.4%
16:30	US	Initial Jobless Claims	23-Jul	252K	263K	266K
Friday 29 July						
03:30	Japan	Jobless Rate	Jun	3.2%	3.2%	3.1%
03:30	Japan	Job-To-Applicant Ratio	Jun	1.4	1.4	1.4
03:30	Japan	Natl CPI, y-o-y	Jun	-0.4%	-0.4%	-0.4%
03:30	Japan	Natl CPI Ex Fresh Food, y-o-y	Jun	-0.4%	-0.4%	-0.5%
03:30	Japan	Tokyo CPI Ex-Fresh Food, y-o-y	Jul	-0.5%	-0.4%	-0.4%
03:50	Japan	Industrial Production, m-o-m	Jun P	-2.6%	0.5%	1.9%
03:50	Japan	Industrial Production, y-o-y	Jun P	-0.4%	-3%	-1.9%
03:50	Japan	Retail Trade, y-o-y	Jun	-2.1%	-1.4%	-1.9%
12:30	UK	Mortgage Approvals	Jun	66.7K	65.5K	64.8K
13:00	Eurozone	CPI Estimate, y-o-y	Jul	0.1%	0.1%	0.2%
13:00	Eurozone	GDP SA, q-o-q	2Q A	0.6%	0.3%	0.3%
13:00	Eurozone	GDP SA, y-o-y	2Q A	1.7%	1.5%	1.6%
16:30	US	Employment Cost Index	2Q	0.6%	0.6%	0.6%
16:30	US	GDP Annualized, q-o-q	2Q A	0.8%	2.6%	1.2%
17:45	US	Chicago Purchasing Manager	Jul	56.8	54	55.8
18:00	US	U. of Mich. Sentiment	Jul F	89.5	90.2	90

*UAE time
Source: Bloomberg

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