The Week Ahead: UK developments in focus, including CPI and retail sales data

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US: We now expect total of three Fed rate hikes in 2017

The upcoming week will be much quieter, following the FOMC meeting last week. The main data release from the US will be durable goods orders for February (due 24 March). Consensus expects that total orders expanded by a healthy 1.2% m-o-m in February (January: 2%), supported by aircrafts. Consensus also expects a respectable expansion of 0.6% m-o-m (January: -0.1%) for core capital goods orders (ex-defence and aircrafts) with increased demand for machinery. A number of FOMC members have speaking engagements this week, including New York Fed President William Dudley (21 and 24 March) and Fed Chair Janet Yellen (23 March). We will look for any clues on the timing of the next rate hike and the criteria required. We now expect two further rate hikes of 25 bps by the Fed in 2017 following the March increase, from one earlier (page 4). The composition of the dot plot shows greater support within the FOMC for a total of three rate hikes in 2017, with some compression of the dots towards this level despite the median remaining steady.

UK: Macro data for February and politics in focus

Headline CPI for February (21 March) is likely to inch up to 2.1% y-o-y (January: 1.8%), reflecting the compound impact of weaker GBP and higher energy prices. Core inflation is also forecast to strengthen to 1.7% y-o-y (January: 1.6%), again linked to the weaker GBP. Any upside surprises in core inflation will lead to a re-evaluation of rate hike expectations, especially after the BoE communication at its March meeting turned more hawkish (page 5). Retail sales for February (23 March) is expected to rebound to 0.3% m-o-m (January: -0.2%). Nevertheless, we see a muted outlook for retail sales in 1H2017, given the softening in wage growth so far in 2017. Meanwhile, political developments dominate as Scottish First Minister Nicola Sturgeon will seek the approval of the Scottish parliament for a second independence referendum (20 March). Market expectations of Scotland voting for independence remain slim, given the high economic costs of seceding from the UK. That said, developments around the Scottish referendum threaten to become another source of uncertainty around the UK's near-term economic outlook, alongside the Brexit negotiations.

Eurozone: EU meets to discuss Greece

A review of Greece's bailout programme will once again dominate the EU summit this week (20 March). The critical factor will be if EU leaders agree on concessions to Greece's austerity programme, which could allow the IMF to contribute to the Greek bailout package. In a preliminary meeting in February, the EU finance ministers agreed to visit Athens along with IMF officials to review the austerity measures undertaken by the Greek government.

I. Recent Events and Data Releases

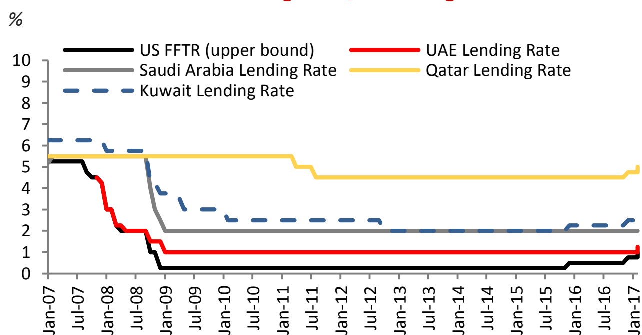
A. MENA Economies

GCC: Central banks follow Fed in raising benchmark interest rates

UAE raised benchmark lending rates by 25 bps – the first time since the US rate hiking cycle started

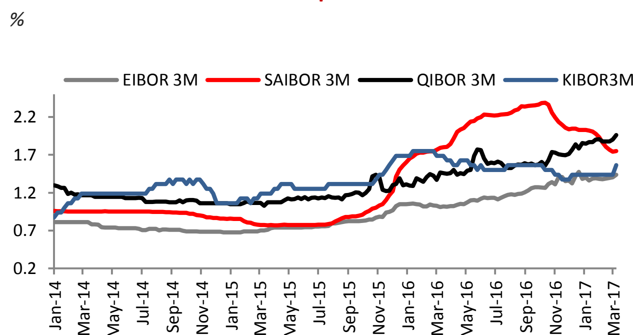
GCC central banks followed the Fed in raising interest rates (page 4), though there were some variations across the region. The regional hikes show an ongoing commitment to the GCC pegs to the USD. Notably, the UAE central bank increased its repo rate (lending rate) by 25 bps last week and raised the certificates of deposit (CDs) rate. This was the first time that the central bank has raised the repo rate since the Fed started hiking in December 2015, without which the FFTR upper bound would have been at parity with the UAE repo rate. Thus, with the hike, the differential between the FFTR and UAE repo rate remains at 25 bps. Despite the rise in US and UAE benchmark rates, 3M Eibor has only increased by c.9 bps since end-February, when the Fed started signalling a March rate hike. This implies that banking sector liquidity remains comfortable, limiting upside pressure.

Fig. 1. GCC: Most GCC countries followed the Fed in raising benchmark lending rates, excluding Saudi and Oman



Source: US Federal Reserve, GCC central banks

Fig. 2. GCC: Interbank rates increase following US FFTR hike, but less than the 25 bps



Source: Bloomberg

Qatar Central Bank lowers RRR to support liquidity

Meanwhile, Saudi Arabia followed the Fed by raising benchmark deposit rates by 25 bps to 1%, but it kept lending rates steady at 2%. There remains space for the Saudi benchmark lending rate not to be increased at this point. We believe that Saudi Arabia's move is an attempt to limit upside pressure on lending rates at a time of weak economic activity while showing commitment to the GCC currency pegs to the USD. Saudi Arabian interbank rates saw only a moderate increase and largely continued to reflect the ongoing improvement in liquidity conditions from end-2016. Bahrain and Qatar raised benchmark central bank lending and deposit rates by 25 bps, while Kuwait increased its lending rate. However, to support domestic banking sector liquidity, Qatar Central Bank reduced the required reserve ratio (RRR) by 25 bps to 4.5%, effective April. This was the first change in the RRR since April 2008. This reduction could free up c. QAR2 billion worth of liquidity, which is positive given Qatar's liquidity is tight relative to the GCC.

Monetary tightening to act as an additional headwind to GCC economic activity

As we noted in previous research, we see the US-led rate hikes in 2017 largely being behind the tightening in GCC monetary conditions, with domestic liquidity conditions remaining comfortable so far. Thus, we see foreign borrowing as an important source of funding for GCC countries to meet their expected fiscal deficits, so as not to increase upside pressure on rates by absorbing domestic banking sector liquidity. Strong demand for GCC debt so far in 2017, including for Oman and Kuwait, is positive. The monetary

tightening is expected to act as an additional headwind to GCC economies in 2017, alongside constrained fiscal policy. The higher forecast market rates are reflected in our private sector credit growth forecasts for 2017, alongside weak underlying economic activity. Moreover, US interest rate hikes will also support a strong USD in 2017, further eroding the external competitiveness of non-oil exports of goods and services from the GCC.

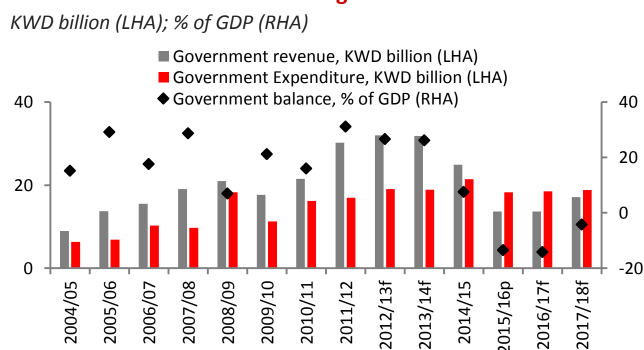
Kuwait: Raises USD8 billion in debut international bond sale

Tight pricing supported by strong macro fundamentals and investors' diversification objectives

Kuwait raised USD8 billion last week in its debut international bond sale, the third largest placement from the MENA region. The issue was across two maturities: i) a USD3.5 billion five-year tranche at 75 bps over US Treasuries (yielding c.2.8%) and ii) a USD4.5 billion 10-year tranche at 100 bps over US Treasuries (yielding c.3.6%). Bids for the debt amounted to around USD29 billion, resulting in a tightening in pricing from the initial guidance, from UST+100bps for the five-year tranche and UST+120 bps for the 10-year. The demand allowed Kuwait to issue at a lower premium than Qatar's May 2016 debt. Demand for the debt was underpinned by Kuwait's strong fundamentals, including high FX reserves, low debt levels and a relatively low budget breakeven oil price. Kuwait's government debt stood at c.9.4% of GDP at end-2016, all domestically held. Investors' diversification objectives also supported international interest despite the competitive pricing. The timing of the issue was positive ahead of the Fed's 25 bps rate increase on 15 March.

Fig. 3. Kuwait: Fiscal deficit forecast to narrow to 4.3% of GDP in FY2017-18 on higher oil revenue

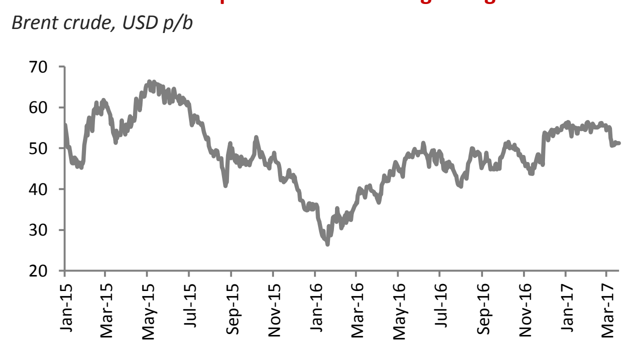
KWD billion (LHA); % of GDP (RHA)



Source: Central Bank of Kuwait, ADCB estimates

Fig. 4. Oil: Has fallen recently with indications of higher Saudi Arabian oil production and rising US rig count

Brent crude, USD p/b



Source: Bloomberg

Bond covers Kuwait's external funding requirements for 2017

The proceeds of the bond sale will be used for budgetary purposes. Previously, Kuwait had indicated that it was considering issuing as much as USD10 billion. The lower sale amount could have been due to the higher oil price compared to the 2016 average. Deputy Prime Minister Anas Al Saleh indicated that the amount raised will cover most of the funding from the international market for 2017. We forecast that Kuwait's fiscal deficit will be c.USD5.4 billion (excluding contributions to the Future Generations Fund) for FY2017-18 (April–March), equivalent to 4.3% of GDP. We forecast a smaller fiscal deficit than the government, whose budget assumes an average oil price of USD45 p/b. We believe that Kuwait may have been frontloading its debt issuance amid expectations of higher US interest rates, especially as it is looking to progress its much-needed investment programme and given ongoing uncertainties over the oil price.

GCC: Extension of OPEC oil production deal expected

We believe that OPEC-led production cuts will be extended beyond June

Kuwait has indicated that that it will support the extension of a joint OPEC and non-OPEC oil production deal to cut supply beyond the current June deadline. Our Brent crude forecasts for 2017 (USD56.4 b/d) and 2018 (USD58.5 b/d) assume an extension of the agreement, providing further support for the rebalancing in the oil market. Part of the recent weakness in the oil market was due to comments from Saudi Arabia that OPEC may not necessarily extend the production cuts into 2H2017, though this stance was later softened. Moreover, indications are that Saudi Arabia increased production to 10.01 million b/d (still below the OPEC target level), a rise of c.263K b/d from January. However, Saudi Arabian crude supplied to the market in February fell to 9.9 million b/d from 9.99 million b/d in January. We believe that Saudi Arabia was sending a message to the other countries involved in the joint OPEC/non-OPEC agreement that it needs compliance from them and that the low total January production was to kick-start the agreed cuts. Meanwhile, OPEC's Monthly Oil Market Report indicated strong over-compliance with the pledged cuts. Secondary source assessments put February production at 31.96 million b/d, down by 140K b/d on January and well below the target of 32.68 million b/d.

B. G4 Economies

US: Fed raises rates by 25 bps but communication neutral

No signs of faster pace of normalisation than already outlined

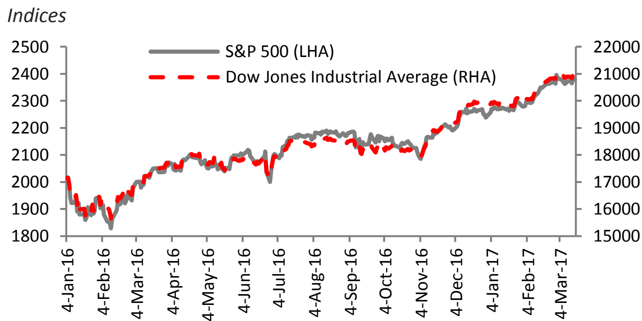
The Fed increased the FFTR by 25 bps to 1% (upper bound) on 15 March, as widely anticipated following the communication prior to the meeting. The market focus was on the forward guidance, which remained broadly neutral. Market expectations were for a more hawkish tone, which did not materialise. The median dot plot continues to imply three 25 bps rate hikes in 2017 (including March), 2018 and 2019, which would bring the FFTR rate up to the (unchanged) long-run equilibrium rate of 3% by year-end 2019. The dot plot suggests that the Fed saw the March meeting as the best time to hike rates rather than moving to four hikes in 2017. There were only moderate adjustments to the medium-term economic projections versus those of the December meeting, and there were a few limited tweaks to the statement. The changes in language were mostly regarding inflation, with the Fed highlighting that the 2% inflation is a target and not a ceiling. This implies that inflation could be allowed to exceed this level if considered transitory. Regarding the forecasts, there were moderate increases to core inflation for 2017 and 2018 GDP growth. The longer-run unemployment rate was also lowered slightly, reflecting ongoing confidence the labour market is tightening.

We now see total of three rate hikes in 2017, up from two earlier

Fed Chair Janet Yellen mentioned that it is appropriate to shift progressively from an accommodative to a neutral policy setting as the Fed's twin objectives are close to being met. She also highlighted that the FOMC had not significantly changed its assessment of the economy or the path of the hiking cycle since its last meeting. Furthermore, the Fed's decision to raise interest rates was driven more by economic fundamentals than by expectation of greater fiscal support under the Trump administration. Regarding the Fed balance sheet, Yellen reiterated that it would only start being reduced when the normalisation of policy rates was "well under way". The overall tone of the meeting continued to show a commitment to raising rates three times in 2017. The composition of the dot plot shows greater support within the FOMC for a total of three rate hikes in 2017, with some compression of the dots towards this level despite the median remaining steady. As such, more FOMC members see three 25 bps rate increases over the course of 2017 than in December. Thus, we now expect the Fed to deliver two more 25 bps rate hikes this year – in September and December. This expectation assumes no major market jitters, including any related to the upcoming European elections.

Fig. 5. US: Market confidence remains high, already factoring in the three rate hike outlook

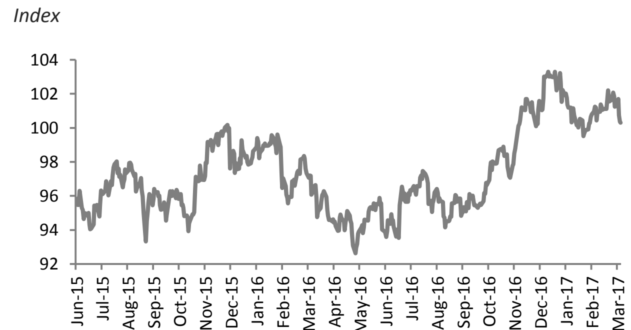
Indices



Source: Bloomberg

Fig. 6. US: DXY index falls on more neutral communication by Fed than market expected

Index



Source: Bloomberg

US: Outlines of budget released, focus on discretionary expenditure

No details of tax reforms or infrastructure objectives as yet

The outline of President Donald Trump's fiscal objectives were released on 16 March, in a document named "America First: A Budget Blueprint to Make America Great Again". The document focuses on discretionary spending, with tax and investment plans to be announced at a later date. We believe that the tax and investment reforms will be the areas that will provide most of the expected fiscal boost, rather than changes to discretionary spending. The proposal covers c. USD1.1 trillion of discretionary spending for FY2018 (October 2017 – September 2018) with increased focus on defence spending. This includes an additional USD52 billion for the Department of Defense (a 10% increase over FY2017), and USD2.8 billion for the Department of Homeland Security. Moreover, USD2.6 billion has been earmarked for the construction of a wall on the southern border and USD1.5 billion for the detention, transport and removal of illegal immigrants. These areas of spending will be paid for by expenditure cuts to every other federal agency, including health, education and environment. Trump's budget will have to be approved by Congress and will likely face significant opposition given the spending cuts, in some cases dramatic, to domestic agencies.

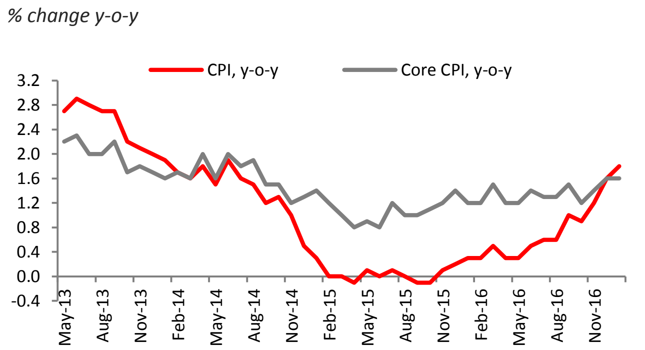
UK: BoE turns less dovish on economic outlook

BoE moderately increases its 1Q2017 growth forecast, on stronger net exports

The BoE's statement following its monetary policy meeting last week contained significant revisions to its inflation and growth outlook, though no changes were made to its policy stance. Particularly, the comment that "some withdrawal of monetary stimulus over the course of forecast period (until 2019) would be appropriate" suggests that the bank is not inclined to expand its QE programme, unless growth and inflation see an unanticipated slowdown. There were two key changes in the BoE's economic outlook since its February meeting. First, it updated its growth forecast for 1Q2017 to 0.6% q-o-q (0.5% previously). The central bank noted that while household consumption and wage growth have slowed in recent months, their adverse impact may be offset by better export numbers, precluding a sharp deterioration in growth. Second, the members indicated that even a slight acceleration in underlying inflation or activity would convince them to unwind the monetary stimulus. These comments suggest that while the BoE may consider the current accommodative monetary stance appropriate, any positive surprises from their base forecasts in economic outlook may push it to proactively taper its QE programme.

Fig. 7. UK: BoE hinted at re-evaluation of its policy outlook, if core inflation strengthens more than expected

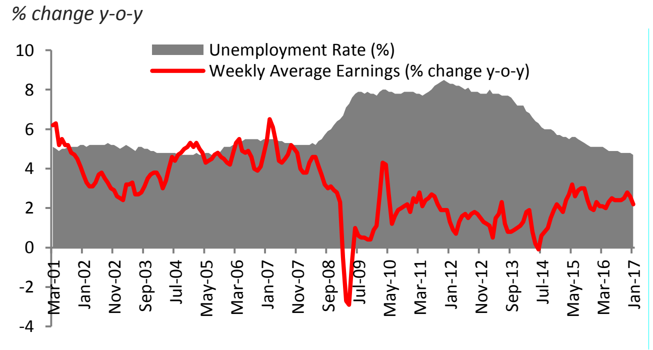
% change y-o-y



Source: Office for National Statistics

Fig. 8. UK: Wage growth has remained soft, despite tightening in labour market

% change y-o-y



Source: Office for National Statistics

We still expect no rate hikes in 2017

Our core scenario is for no rate hikes or tapering in asset purchase by the BoE this year. In its February meeting, the BoE set out three conditions which persuaded it to keep its monetary stance accommodative – muted core inflation dynamics (despite a GBP-weakness driven rise in headline CPI), sluggish wage growth and a deceleration in consumption. So far, these conditions have largely persisted, which supports our call for a continuation of its QE programme until end-2017. Indeed, wage growth continued to soften in January to 2.3% y-o-y (consensus: 2.5%, December: 2.6%) even as the unemployment rate fell further to 4.7% (4.8% in December), indicating an ongoing squeeze on incomes even as the labour market tightens.

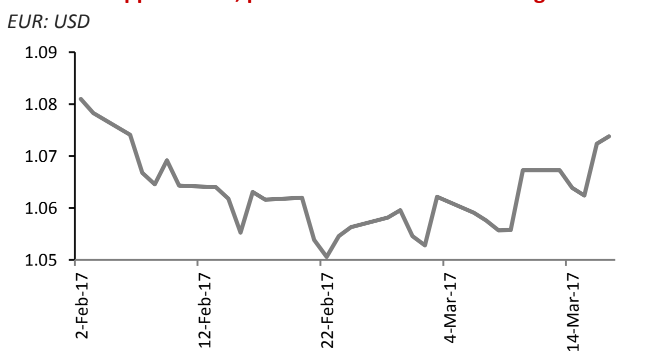
Netherlands: Pro-EU coalition likely to come to power

Pro-EU victory in Netherlands tempered European political risk

Pro-EU political parties won sufficient seats in the Dutch general election last week, with Geert Wilders' eurosceptic Freedom Party performing worse than expected (winning 20 seats). Serving Prime Minister Mark Rutte's Liberal Party won the most seats (33) but will require the support of other centrist parties to secure the 76 seats needed for a parliamentary majority. Fears of an imminent Dutch referendum on membership of the EU have subsided following the poor result for the Freedom Party. Indeed, markets' assessment of political risk in the Eurozone fell, with CDS spreads falling and EUR:USD rising modestly following the election results.

Fig. 9. Europe: Win by pro-EU parties in Dutch elections supports EUR, political risk seen as subsiding

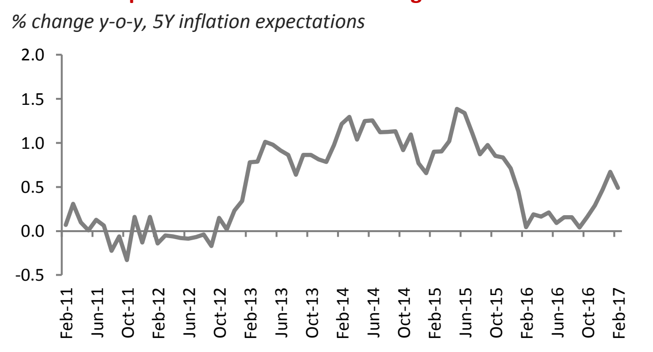
EUR: USD



Source: Bloomberg

Fig. 10. Japan: BoJ retains easy monetary stance as inflation expectations remain below target

% change y-o-y, 5Y inflation expectations



Source: Bloomberg

Japan: BoJ maintains status quo

BoJ commits to its 10-year yield curve target; may buy more as Fed yields rise

BoJ made no changes to its monetary policy stance in its meeting last week, re-emphasising its commitment to keeping 10-year sovereign yields anchored at 0%. Additionally, the central bank remained cautious on the inflation outlook despite the acceleration in inflation since November, noting that convergence towards its 2% inflation target remains distant. In its post-meeting comments, the BoJ dismissed the possibility of a rise in its 10-year yield target given the recent pick-up in global yields. In our view, the BoJ is unlikely to further ease its current monetary stance unless rising global risk aversion and safe-haven flows push USD/JPY below 105. We expect the BoJ to continue expanding its balance sheet to anchor the 10-year sovereign yield, possibly even at a faster pace than the current JPY80 trillion per month in the event the UST 10-year sovereign yield inches closer to the 3% mark.

C. Emerging Market Economies

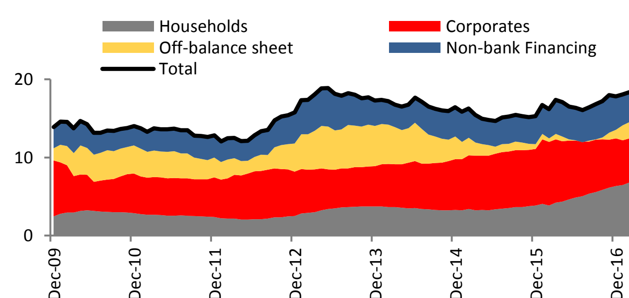
China: PBoC tightens interbank rates, economic data remain resilient

Short-term funding costs likely to rise for money market participants in 2017

The PBoC followed the Fed in tightening liquidity conditions last week, raising interbank money market borrowing costs by 10 bps. This was the second interbank rate increase in 2017. Further, medium-term lending facility rates, which are used to finance 6-12 month corporate borrowing, were also raised by the same amount. However, benchmark lending and deposit rates, which are used to price household and long-term corporate loans, were left unchanged. This mild tightening in stance is in line with our expectations. In previous research, we had noted that the PBoC may move to tighten interbank liquidity to discourage shadow credit and speculative borrowing in the money markets but that lending to households and infrastructure projects would likely remain supportive. Indeed, the post-policy conference highlighted rising property prices in big cities (dependent on shadow credit) and elevated systemic credit risks as the key reasons behind the move. Looking ahead, we expect further tightening in interbank liquidity, though the benchmark policy rate (4.35% currently) is unlikely to be hiked this year unless we see a significant pick-up in capital outflows. We expect a steady decline in the growth of trust loans, banker drafts and other such off-balance sheet lending channels as a result of last week's move. This may affect GDP growth, particularly through its impact on property sector activity, though not so much as to push it below the government's annual growth target of 6.5% for 2017.

Fig. 11. China: Tightening in interbank rates could significantly impact off-balance sheet lending

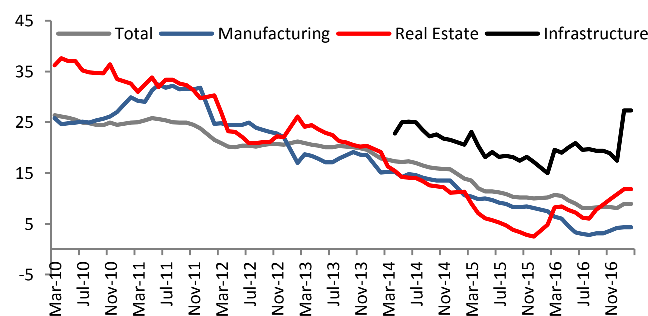
CNY billion, 12m rolling sum



Source: People's Bank of China

Fig. 12. China: Jump in investment activity in Jan-Feb largely driven by surge in infrastructure spending

% YTD, y-o-y



Source: National Bureau of Statistics, China

Infrastructure investment by local governments underpinned growth in January-February

Meanwhile, hard economic data continued to signal a firm start to 2017, bolstered by strong infrastructure investment led by the government. Industrial production rose by 6.3% y-o-y in January-February (consensus: 6.2%; December: 6%), and fixed asset investment surged by 8.9% y-o-y (consensus: 8.3%; December: 8.1%). Specifically, infrastructure investment rose to 27.3% y-o-y (17.4% in December), led by robust capex in the environmental conservation, renewable energy and urban transport sectors. Further, there were signs that measures taken last year to alleviate local governments' debt liabilities had been somewhat successful, as infrastructure spending by local governments was up 9.5% y-o-y in January-February (8.3% in 2016). Moreover, a pick-up in external demand also supported investment activity, particularly in the electronics, heavy machinery and robotics sectors. Looking ahead, we expect a deceleration in investment activity in the coming quarters, as the government is likely to tighten the credit conditions and regulatory norms for purchasing property in big cities. Furthermore, the central government's commitment to further cut capacity in commodity sectors this year might also weigh on investment activity. We expect fixed asset investment growth to average 6-7.5% y-o-y this year, which is still in line with the government's infrastructure investment targets.

India: PM Modi's coalition sweeps state polls, inflation picks up

Ruling NDA coalition wins four out of five states in State polls

Financial markets in India rallied in anticipation of bolder economic reforms as Prime Minister Narendra Modi's coalition (NDA) registered victories in four of the five states that went to the polls in February-March. The NDA won 325 out of 403 legislative seats in Uttar Pradesh, which sends the maximum number of MPs to India's parliament. We see the NDA's victory as a positive verdict on Modi's demonetisation programme. Indeed, victories in predominantly rural Uttar Pradesh and Uttarakhand show solid popular backing for bold economic reforms with short-term economic costs as long as these deliver more transparent and effective long-term governance.

NDA victory positive for structural reforms

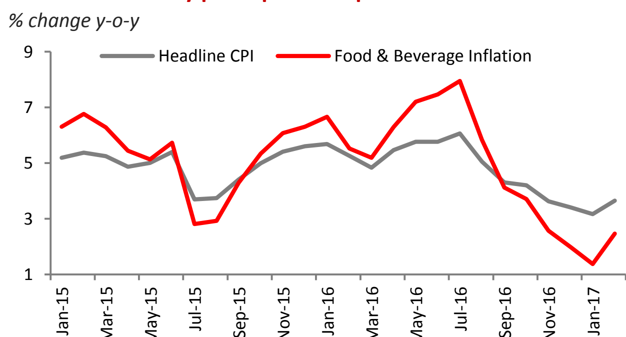
We see the strengthening of Modi's mandate as allowing him to progress with reforms that will have significant implications for the ease of doing business in India. First, ensuring a smooth roll-out of the Goods and Services Tax (GST) will be easier over the next two years with the NDA now ruling 14 of India's largest states that produce 70% of its GDP. Second, we expect a quicker pace of labour market reform across India. Employment policies come under the purview of state governments, and NDA-ruled states are likely to ease them given the party's preference for flexible employment contracts. Finally, we expect strong measures to tackle unaccounted real estate wealth given demonetisation's popularity. In our view, the government is likely to increase its scrutiny of the identity and sources of income of property buyers and increase the penalties for non-compliance.

RBI unlikely to ease rates any further in 2017

Inflation (Feb): Retail inflation accelerated for the first time since August, rising by 3.7% y-o-y (consensus: 3.6%; January: 3.2%). Much of this increase was due to a reversal in food price inflation (2.5% after 1.3% in January), which has been softening steadily since July. However, core inflation eased to 4.8% y-o-y (5.1% in January). In our view, easing core prices, particularly in the discretionary goods, recreation and personal services categories, continue to indicate some loss in aggregate demand momentum in the aftermath of demonetisation. Looking ahead, given the recent strength of the INR and stabilisation in oil prices, we see lower external upside risks to inflation than at the beginning of this year. That said, inflation should still pick up in FY18 (April 2017 – March 2018) to 5.4% (4.2% in FY17), possibly from April-May 2017 onwards, as producers absorb the impact of the new GST tax and the house rent allowances of public sector employees are hiked. Therefore, we do not expect any rate cut by the RBI this year given its commitment to keep inflation durably around 4% y-o-y until 2021.

Fig. 13. India: Rebound in CPI inflation in February largely driven by pick-up in food prices

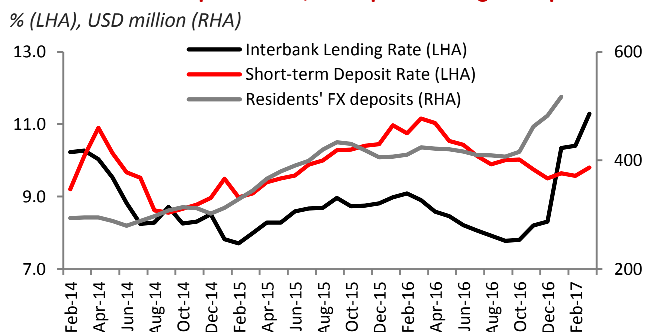
% change y-o-y



Source: Central Statistical Office

Fig. 14. Turkey: Interbank rate increase not fully transmitted to TRY deposit rates; FX deposits rising in response

% (LHA), USD million (RHA)



Source: CBRT

Turkey: Central bank raises marginal cost of funding; policy rates on hold

CBRT statement more hawkish than in January

The CBRT opted to keep its benchmark policy rates on hold at 8%, against our expectation of a 25 bps rate hike. Instead, it continues to utilise unconventional monetary policy instruments to tighten liquidity conditions. The Late Liquidity Window Lending Rate was increased by 75 bps to 11.75%. This is likely to push up the banks' cost of funding by another 50-60 bps from 10.8% currently. Notably, the post-policy statement was more hawkish than in January. The CBRT now expects an elevated inflation trajectory in the short term due to cost-push pressures and higher food prices. It dropped any reference to the disinflationary demand conditions identified in previous meetings. The central bank also suggested likely further tightening in monetary conditions in the near term to contain the deterioration in inflation expectations.

Policy rate hikes necessary at some point this year

We maintain our call of 100 bps of policy rate hikes by the CBRT this year, with the goal of bringing inflation back within its 3-7% y-o-y target by end-2017. In our view, while marginal lending rate increases do push up the cost of funding for banks, they do not signal a hawkish tilt to the monetary policy outlook as convincingly as a conventional benchmark repo rate hike. Indeed, the incomplete nature of monetary transmission to the real economy is seen in TRY deposit rates, which have not risen as steeply as the increase in banks' cost of funding. Moreover, monetary tightening has yet to credibly stem the rise in residents' dollar deposits arising from uncertainties around the TRY and inflation outlook. Over the next few quarters, we expect that rising US bond yields and a stronger USD could intensify capital outflow pressures on the TRY, pushing the CBRT to hike policy rates reactively.

II. Economic Calendar

Fig. 15. The week ahead

Date Time	Country	Event	Period	Prior	Consensus
Expected this week					
	UAE	M2 Money Supply, y-o-y	Feb	0.4%	--
	UAE	Central Bank Foreign Assets	Feb	290.8B	--
	UAE	CPI, y-o-y	Feb	2.3%	--
	Saudi Arabia	GDP Constant Prices, y-o-y	4Q	0.9%	--
	Saudi Arabia	Non-Oil Exports, y-o-y	Jan	-10.3%	--
	Saudi Arabia	CPI, y-o-y	Feb	-0.4%	--
	Kuwait	CPI, y-o-y	Feb	3.3%	--
	Oman	CPI, y-o-y	Feb	1.8%	--
	Bahrain	GDP Constant Prices, y-o-y	4Q	3.9%	--
	Bahrain	CPI, y-o-y	Feb	0.8%	--
	Egypt	Trade Balance	Jan	-$2379B	--
Monday, 20 Mar					
	UK	Sturgeon To Seek Scottish Parliament Permission for Referendum			
	Eurozone	Euro-Area Finance Ministers Meet in Brussels			
21:10	US	Fed's Evans Speaks on Economy and Policy in New York			
Tuesday, 21 Mar					
	US	Boston Fed Rosengren Speaks at 12th Asia-Pacific Meeting			
13:30	UK	CPIH, y-o-y	Feb	1.9%	2.2%
13:30	UK	CPI, m-o-m	Feb	-0.5%	0.5%
13:30	UK	CPI, y-o-y	Feb	1.8%	2.1%
13:30	UK	CPI Core, y-o-y	Feb	1.6%	1.7%
13:30	UK	PPI Input, y-o-y	Feb	20.5%	20.1%
13:30	UK	PPI Output, y-o-y	Feb	3.5%	3.7%
14:00	US	Fed's Dudley Speaks at BoE Event on Bank Ethics in London			
20:00	US	Fed's George Speaks in Washington on U.S. Economy and the Fed			
Wednesday, 22 Mar					
2:00	US	Fed's Mester Speaks at University of Richmond			
3:50	Japan	BOJ Minutes of Jan. 30-31 Meeting			
3:50	Japan	Trade Balance Adjusted	Feb	¥155.5B	¥551.9B
3:50	Japan	Exports, y-o-y	Feb	1.3%	10.1%
8:30	Japan	All Industry Activity Index, m-o-m	Jan	-0.3%	0%
18:00	US	Existing Home Sales	Feb	5.69M	5.56M
Thursday, 23 Mar					
13:30	UK	Retail Sales, ex-Auto Fuel, m-o-m	Feb	-0.2%	0.3%
13:30	UK	Retail Sales, ex-Auto Fuel, y-o-y	Feb	2.6%	3.2%
16:00	US	Fed's Yellen Speaks at Community Development Conference			
16:30	US	Initial Jobless Claims	18-Mar	241K	
18:00	US	New Home Sales	Feb	555K	565K
19:00	Eurozone	Consumer Confidence	Mar A	-6.2	-5.8
20:30	US	Fed's Kashkari Speaks on U.S. Education Outcomes in D.C.			
Friday, 24 Mar					
3:00	US	Dallas Fed's Kaplan Speaks on Economy in Chicago			
4:30	Japan	Nikkei Japan PMI Manufacturing	Mar P	53.3	--
13:00	Eurozone	Markit Eurozone Manufacturing PMI	Mar P	55.4	55.3
13:00	Eurozone	Markit Eurozone Services PMI	Mar P	55.5	55.3
16:00	US	Fed's Evans Speaks at Community Development Event			
16:30	US	Durable Goods Orders, m-o-m	Feb P	2%	1.2%
16:30	US	Durables, ex-Transportation, m-o-m	Feb P	0%	0.6%
17:05	US	Fed's Bullard to Speak to Economic Club of Memphis			
18:00	US	Fed's Dudley Speaks in New York at York College			

* UAE time
Source: Bloomberg

Fig. 16. Last week's data

Time*	Country	Event	Period	Prior	Consensus	Actual
GCC Data						
	Qatar	CPI, y-o-y	Feb	1.2%	--	0.7%
	Kuwait	M2 Money Supply, y-o-y	Jan	3.1%	--	2.9%
Monday, 13 Mar						
3:50	Japan	Machine Orders, y-o-y	Jan	6.7%	-3.7%	-8.2%
8:30	Japan	Tertiary Industry Index, m-o-m	Jan	-0.3%	0.1%	0%
Tuesday, 14 Mar						
6:00	China	Retail Sales, YTD y-o-y	Feb	10.4%	10.6%	9.5%
6:00	China	Fixed Assets, ex-Rural, YTD y-o-y	Feb	8.1%	8.3%	8.9%
6:00	China	Industrial Production, YTD y-o-y	Feb	6%	6.2%	6.3%
11:00	Germany	CPI, y-o-y	Feb F	2.2%	2.2%	2.2%
14:00	Eurozone	Industrial Production SA, m-o-m	Jan	-1.2%	1.4%	1.3%
16:00	India	CPI, y-o-y	Feb	3.2%	3.6%	3.7%
Wednesday, 15 Mar						
8:30	Japan	Industrial Production, m-o-m	Jan F	-0.8%	--	-0.4%
13:30	UK	Jobless Claims Change	Feb	-41.4K	--	-11.3K
13:30	UK	Average Weekly Earnings, 3M/y-o-y	Jan	2.6%	2.5%	2.3%
13:30	UK	ILO Unemployment Rate, 3M/3M	Jan	4.8%	4.8%	4.7%
13:30	UK	Employment Change, 3M/3M	Jan	37K	87K	92K
16:30	US	CPI, m-o-m	Feb	0.6%	0%	0.1%
16:30	US	CPI, ex-Food and Energy, m-o-m	Feb	0.3%	0.2%	0.2%
16:30	US	CPI, y-o-y	Feb	2.5%	2.7%	2.7%
16:30	US	CPI, ex-Food and Energy, y-o-y	Feb	2.3%	2.2%	2.2%
16:30	US	Retail Sales Advance, m-o-m	Feb	0.6%	0.1%	0.1%
16:30	US	Retail Sales, ex-Auto and Gas, m-o-m	Feb	1.1%	0.2%	0.2%
16:30	US	Retail Sales Control Group, m-o-m	Feb	0.8%	0.2%	0.1%
22:00	US	FOMC Rate Decision (Upper Bound)	15-Mar	0.75%	1%	1%
22:00	US	FOMC Rate Decision (Lower Bound)	15-Mar	0.5%	0.75%	0.75%
Thursday, 16 Mar						
	Japan	BOJ Policy Balance Rate	16-Mar	-0.1%	-0.1%	-0.1%
	Japan	BOJ 10-Yr Yield Target	16-Mar	0%	0%	0%
14:00	Eurozone	CPI, y-o-y	Feb F	2%	2%	2%
14:00	Eurozone	CPI Core, y-o-y	Feb F	0.9%	0.9%	0.9%
15:00	Turkey	Benchmark Repo Rate	16-Mar	8%	8%	8%
15:00	Turkey	Late Liquidity Lending Rate	16-Mar	11%	11.75%	11.75%
16:00	UK	Bank of England Bank Rate	16-Mar	0.25%	0.25%	0.25%
16:00	UK	BOE Asset Purchase Target	Mar	435B	435B	435B
16:00	UK	BOE Corporate Bond Target	Mar	10B	10B	10B
16:30	US	Housing Starts	Feb	1251K	1264K	1288K
16:30	US	Building Permits	Feb	1293K	1268K	1213K
16:30	US	Initial Jobless Claims	11-Mar	243K	240K	241K
18:00	US	JOLTS Job Openings	Jan	5539	5556	5626
Friday, 17 Mar						
17:15	US	Industrial Production, m-o-m	Feb	-0.1%	0.2%	0%
18:00	US	U. of Mich. Sentiment	Mar P	96.3	97	97.6

* UAE time
Source: Bloomberg

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