

The Week Ahead: Japan in focus as G7 leaders meet; US GDP second print due

► **Japan: Likely to announce fiscal support; JPY in spotlight**

The Japanese economy and policy will be the focus of the week as the country hosts the G7 summit (26-27 May). We do not expect any collective steps by the G7, including greater fiscal stimulus to boost demand (a key agenda point). However, Prime Minister Shinzo Abe could use the summit to announce further fiscal stimulus and a delay to the second sales tax hike, though the cabinet is only scheduled to finalise its 2016 fiscal policy after the summit. The JPY is also expected to be in the spotlight at the summit, with Tokyo expressing concern over its excessive rise. A number of policy makers have been looking to talk down the JPY by indicating potential intervention. The BoJ emphasised that it will not hesitate to ease monetary policy further, as recent market developments, including a spike in the JPY, threaten the inflation outlook. Japan's headline inflation for April (released on 27 May) is expected to have fallen to -0.4% y-o-y, from -0.1% in the previous month.

► **US: Continued focus on Fed's interest rate outlook**

Markets will continue to digest the April FOMC minutes and more hawkish comments from FOMC members, in a relatively quiet data week. A number of FOMC members are scheduled to speak this week and we believe they will continue to highlight the possibility of a mid-2016 rate hike, if the data supports it. The April FOMC minutes showed concern that the possibility of a June rate hike was not being adequately priced in by the markets, and that this possibility should be highlighted in the Fed's communications. The key release this week will be durable goods orders. Consensus expects that April orders (excluding the volatile transportation component) rose by 0.3% m-o-m, from -0.2% in March. An improvement would indicate a pickup in 2Q economic activity, in line with other recent data including retail sales and housing. The second reading of 1Q GDP (released on 27 May) is also forecast to be raised to 0.9% q-o-q SAAR (0.5% in the initial reading), on the back of stronger personal spending.

► **Europe: Greek debt relief possible; Turkey likely to cut rates**

The Eurogroup meets this week (24-25 May) to discuss Greek debt relief. Eurogroup President Jeroen Dijsselbloem has suggested that the EU is close to an agreement to defer or reduce the interest payments of EUR3.5 billion payable by Greece in July. This comes after Greece introduced another package of economic reform bills in parliament. We see potential for an agreement to be reached this week, though the critical issue remains the extension of the debt maturity. Meanwhile, we and consensus believe that the Turkish central bank will cut overnight lending rates by another 50 bps on 24 May. However, we see risks to easing at this juncture, given the recent widening in the current account deficit, the rise in energy prices and core inflation remaining stubbornly high at 9.4% y-o-y.

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I. Recent Data and Events

A. MENA Economies

GCC: Holdings of US Treasuries announced

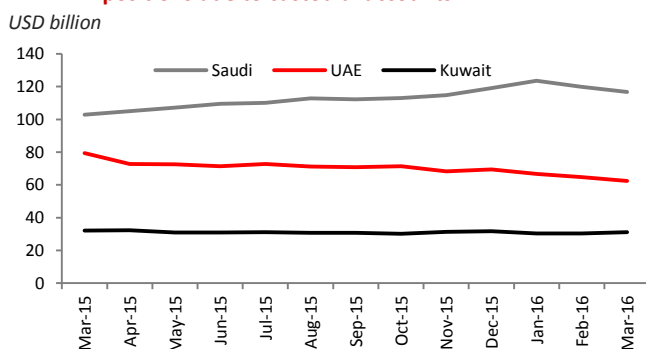
The US Department of the Treasury released the first breakdown of GCC holdings of Treasuries last week, after more than four decades. Prior to this, only the overall holdings of OPEC countries had been provided. The data show that overall GCC holdings stood at USD231.3 billion in March 2016, substantially less than the USD1.2 trillion held by China and the USD1.1 trillion by Japan. Within the GCC, Saudi Arabia held the most at USD116.8 billion, followed by the UAE with USD62.5 billion and Kuwait with USD31.2 billion. Treasuries accounted for 20.2% of SAMA’s net foreign assets in March, and 30% of its investments in foreign securities. Meanwhile, Qatar directly held only USD3.7 billion.

GCC countries directly held USD231.3 billion of US Treasuries in March

These figures were surprisingly low, and likely reflect the fact that a significant portion of GCC countries’ Treasuries are held in custodial accounts and are thus not reflected in the data. These custodial accounts in turn boost the holdings of the Cayman Islands, UK, Belgium, and Luxembourg. Moreover, the Treasury data were inconsistent with Saudi Arabia’s FX reserves trend. The Kingdom’s reported Treasury holdings increased in 2015 despite SAMA’s net foreign assets falling by around USD115 billion for the year. We believe that the drop in FX reserves included sales of Saudi Arabia’s Treasury positions. Meanwhile, the data showed that the UAE’s direct holdings were 21% y-o-y lower in March 2016.

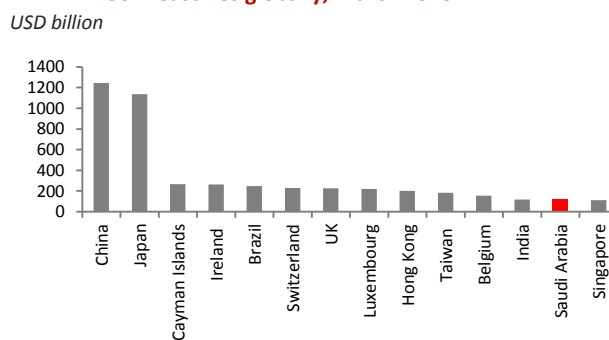
Custodial accounts distort true ownership figures

Fig. 1. GCC: Direct US Treasury holdings do not fully reflect positions due to custodial accounts



Source: US Department of the Treasury

Fig. 2. Global: Saudi Arabia has 13th largest direct holding of US Treasuries globally, March 2016



Source: US Department of the Treasury

GCC: More sovereign debt to be issued to cover fiscal deficits

Qatar is looking to issue a USD-denominated benchmark-sized sovereign bond this week to help cover its fiscal deficit. The country has been holding meetings with potential investors in Asia, Europe, and the US, Bloomberg reports. Fitch Ratings has assigned the bond an expected rating of AA. Meanwhile, a number of corporates are also looking to tap debt capital markets ahead of Ramadan in order to take advantage of the improved market conditions. Meanwhile, we could see issuances from Kuwait and Saudi Arabia after Ramadan. Kuwait’s Deputy Prime Minister Anas Al Saleh said in an interview that the country was planning to issue international debt to help finance

Sovereign debt to change mix in deficit funding channels compared to 2015

its budget. However, he repudiated local media reports about the size (USD5 billion) and timing (3Q2016) of the bond, saying that these factors have yet to be decided. Kuwait has already embarked upon a local bond programme. Saudi Arabia has sent invitations to banks to arrange an international bond, according to Reuters. The sale will likely take place after Ramadan, but could be delayed into 3Q due to the quieter summer period.

We maintain that the issuance of debt (and foreign borrowing) will be important in helping to cover regional fiscal deficits, especially given the tightening banking-sector liquidity. Sharjah, Bahrain, and Abu Dhabi have already issued sovereign debt this year, and we expect Oman to do the same. The recent rise in the oil price should help garner investor interest in GCC debt.

Rise in oil prices in 2Q should support interest in GCC bond issuances

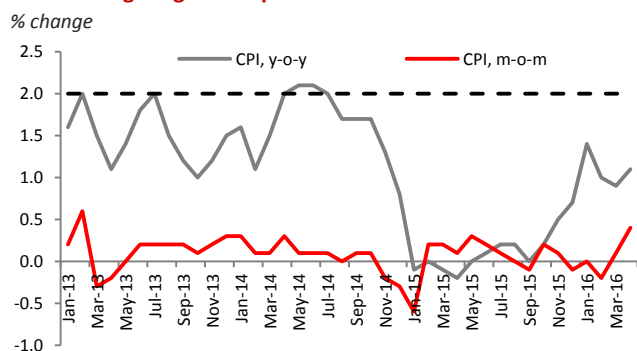
Saudi Arabia: Market indications suggest that the government is looking to issue "I owe you" (IOU) notes to contractors to help cover outstanding dues. These notes could potentially be held to maturity or sold at a discount to bank to raise working capital. The government has already started to cover some of the arrears to contractors from April. We believe that the ability of contractors to sell these bonds to domestic banks will depend on how the pricing compares to that of government debt, especially if they have a floating rate. The Saudi banking sector's holding of government debt rose sharply in March 2016, with the issuance of floating-rate bonds. The sale of these notes to banks would further tighten banking sector liquidity. Similar IOU notes were issued in the 1990s to contractors and farmers when the fiscal position was under stress.

Saudi could issue IOU notes to contractors to help cover payment arrears

B. G4 Economies

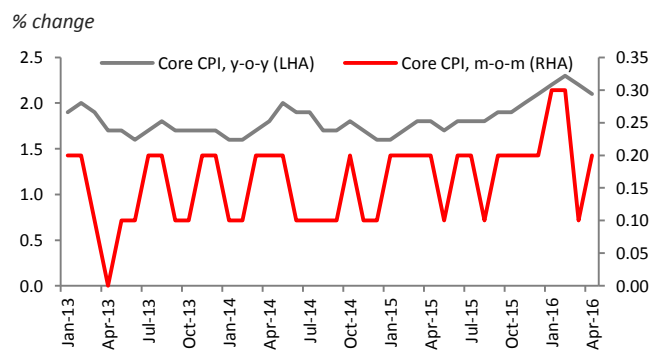
US: Headline inflation accelerates on higher gasoline and rent prices

Fig. 3. US: Headline inflation accelerates in April on back of higher gasoline prices



Source: Bloomberg

Fig. 4. US: Core inflation still driven by services, goods inflation remains weak



Source: Bloomberg

US headline CPI accelerated to 0.4% m-o-m in April, pushing the yearly rate to 1.1% (from 0.9% in March). This was the strongest pace of monthly growth since February 2013, and beat the consensus expectation of 0.3%. The rise was due largely to gasoline prices, which rose 3.4% m-o-m. Core inflation strengthened to 0.2% m-o-m in April from 0.1% in March, in line with market forecasts. Meanwhile, the y-o-y rate moderated marginally to 2.1% from 2.2% in March. Core inflation remained supported by the service sectors, including rent, education, and medical care. Rents and owner equivalent rents both rose 0.3% m-o-m in April, supported by the tightening labour

Gasoline and rents drive inflation to fastest pace in three years in April

market, which has been boosting demand for new homes. However, goods inflation remained weak, with import prices subdued. Core goods inflation fell to 0.1% m-o-m in April, led by clothing and vehicles.

The rise in the oil price and the fading base effect should lead headline prices to firm and the differential with core inflation to narrow. Other April data released last week were also solid, beating consensus expectations. These included housing starts rebounding with a 6.6% m-o-m rise (consensus: 3.3%); existing home sales rising by 1.7% m-o-m (consensus: 1.3%); and industrial production climbing to 0.7% m-o-m (consensus: 0.3%). The inflation data and early indications of a pickup in economic activity in 2Q support a rate hike by the Fed in mid-2016. However, we believe that the inflation outlook still justifies a very gradual rise in interest rates. Market expectations of a rate hike have increased following the improved data and speeches by FOMC members.

Difference between core and headline inflation looks set to narrow

US: Hawkish tone in April FOMC minutes and members' speeches

The minutes of the FOMC's April meeting and recent Fed comments suggest that a number of FOMC members are looking to push ahead with normalising interest rates. Comments have recently taken on a more hawkish tone. Dallas Fed President Robert Kaplan said that he would advocate an interest rate hike at either the June or July meeting, while Atlanta Fed President Dennis Lockhart indicated that he would support action at the June meeting. Lockhart and San Francisco Fed President John Williams both indicated that they would be in favour of two to three rate hikes by December. Meanwhile, New York Federal Reserve President William Dudley highlighted that the economy could be strong enough to warrant an interest rate increase in June or July, with a number of the FOMC's key conditions likely to be satisfied.

FOMC members highlight potential for mid-2016 rate hike

The minutes of the FOMC's April meeting also surprised markets with their hawkishness. The minutes kept a June rate hike firmly on the table as long as the data remain supportive. Indeed, "most" participants felt that a case for hiking in June could be made if their main economic assumptions are met. This includes improving economic activity and inflation in 2Q, as well as the labour market remaining strong. However, some members expressed concern that a sufficiently clear signal might not be sent in time, especially on the inflation side. Regarding the labour market, the minutes noted that "many" participants felt that conditions had reached, or were approaching, the committee's objective of maximum employment. Adding to the hawkish tone, the minutes highlighted that the downside risks presented by financial markets and global factors had diminished (though not disappeared). The Brexit referendum and China's exchange rate policy remain the main external concerns.

"Most" FOMC members see case for June rate hike if economic data lend support

The recent pickup in economic indicators and Fed statements/comments support our outlook for a mid-2016 rate hike. The timing will, however, be closely balanced and dependent on upcoming data, especially May NFPs (due on 3 June). We maintain that the next rate hike could be delayed to July if Brexit uncertainty rises ahead of the 23 June vote. Moreover, we believe that the Fed would likely need to see a rate increase more implied by financial markets, despite the recent increase in rate hike expectations (Fig. 5). The April minutes expressed concern that markets were not adequately prepared for a June rate hike, and highlighted that the Fed should communicate the possibility of a rate hike clearly. This is likely the reason for the Fed's more hawkish recent comments.

April minutes support outlook for mid-2016 rate hike

Fig. 5. US: Market expectations of mid-2016 rate hike increase following release of April FOMC minutes

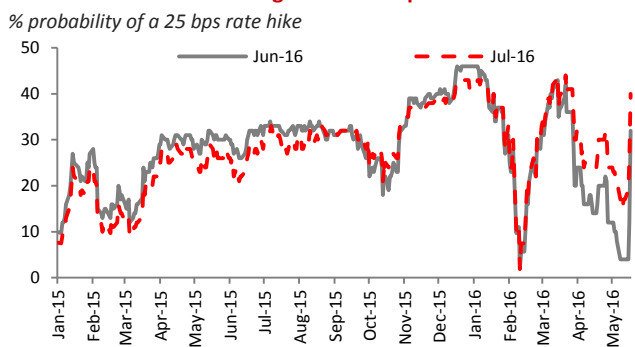
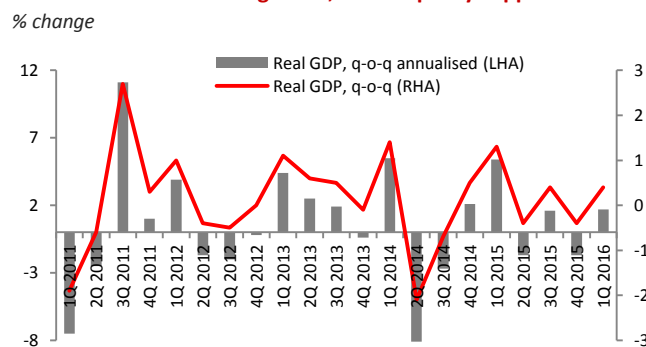


Fig. 6. Japan: GDP growth returns to positive territory in 1Q, albeit remaining weak; further policy support needed



Japan: 1Q GDP stronger than market expected, policy support still required

Japan's GDP expanded by 0.4% q-o-q (SAAR) in 1Q2016, substantially stronger than the consensus expectation of 0.1%. GDP data for 4Q2015 were revised down to show a contraction of -0.4% q-o-q (SAAR), from the previous estimate of -0.3%. Though expanding modestly, the underlying data still reflect a weak economic backdrop and the need for further policy support. The leap year also boosted consumption. The main positive contributors to headline GDP growth were private consumption (up 0.5% q-o-q) and government spending (up 0.7% q-o-q). Net exports also contributed, helped by falling imports, reflecting the weak demand environment. Meanwhile, business investment fell -1.4% q-o-q in 1Q, showing that companies remain reluctant to increase capital expenditure without domestic and external demand having picked up further.

Underlying economic momentum weak despite GDP returning to growth in 1Q

Overall, the rebound in GDP growth in 1Q was insufficient to allay expectations that Prime Minister Shinzo Abe will delay the sales tax hike due to be introduced in April 2017. We also see the possibility of an additional spending package being announced, perhaps at the G7 Leaders Summit to be held in Japan on 26-27 May. Moreover, there are signs that disinflationary pressures remain strong despite activity picking up in 1Q. PPI inflation contracted by -4.2% y-o-y in April, compared to -3.8% in March. This was its weakest print since 2009, and is expected to put further downward pressure on consumer inflation. The JPY's strengthening since January is also providing a substantial headwind to the inflation outlook and exports.

Further fiscal and monetary support required

UK: Labour market rebounds in March, but also signs of peak in activity

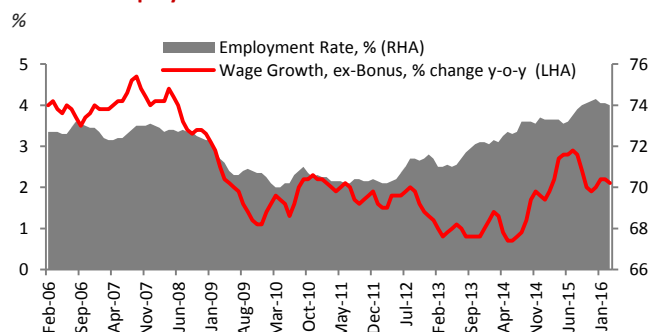
Labour market data for March beat the consensus, with weekly earnings (including bonuses) rising 2% 3m/y-o-y (1.9% in February) and employment up a net 44K (20K in February). However, the labour market signalled an overall slowdown in momentum in 1Q for both job creation and wage growth, after a robust 4Q2015. We believe that new job creation will inevitably soften in 1H2016 ahead of the EU referendum. Vacancies have been falling steadily as firms put hiring on hold. Nevertheless, this will likely be temporary, with businesses largely expecting the "Remain" camp to win. Reflecting this expectation, layoffs remained muted throughout 1Q.

Hiring seems to be temporarily on hold ahead of Brexit vote

Our main concern remains the pace of wage increases, which will be pertinent for the timing of any rate liftoff by the BoE. Wage growth actually slowed marginally to 2.1% 3m/y-o-y in March (from 2.2% in February), when financial sector bonuses are excluded. Furthermore, private sector wage growth (including bonuses) also decelerated in March. We believe that wages could initially lag any potential pickup in employment growth in 2H2016, with some slack remaining. Weak wage pressure combined with the BoE's more dovish inflation outlook released last week suggest that a rate hike in 1H2017 could be deferred. Meanwhile, CPI inflation slowed to 0.3% y-o-y in April after the transient effects of the earlier-than-usual Easter period pushed inflation up to 0.5% in March. We believe that the April print marked a return towards the prevailing inflation trend rather than falling pricing power.

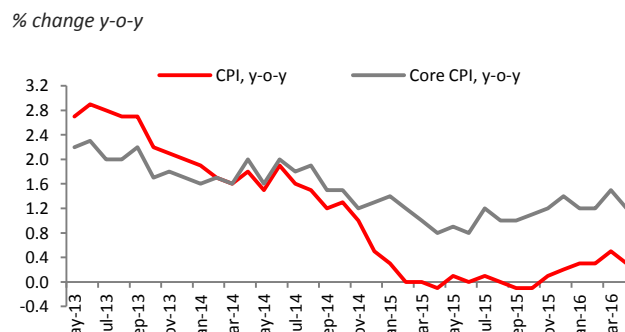
Wage growth ex-bonuses slows marginally

Fig. 7. UK: Wage growth (ex-bonuses) lags increase in employment



Source: Bloomberg

Fig. 8. UK: Inflation returns to trend in April following March's Easter boost



Source: Bloomberg

Europe: ECB remains concerned about inflation and wage dynamics

Minutes of the ECB's April monetary policy meeting once again highlighted the persistent concern among policymakers about the inflation outlook. In its statement, the ECB noted that both long-term and near-term inflation expectations had become somewhat "decoupled" from the recent increase in energy prices, and remained below its preferred level of 2% y-o-y. Further, some members pointed out that wage growth had remained below 1.5% y-o-y in 4Q2015 despite economic growth having been steady over the past seven quarters, suggesting that second-round effects of lower headline inflation were feeding into wages. Despite these concerns, the ECB decided to keep its policy stance unchanged in April, considering that the full implementation and impact of all the measures announced in its March QE package was still ongoing. We believe that given the high levels of labour market slack in some economies in the Eurozone and the slow pace of credit creation, inflation might significantly undershoot ECB's projections by the year-end, causing it to further extend its asset purchase programme beyond March 2017 to meet its price stability targets.

Further easing expected with weak inflation outlook

C. Emerging Market Economies

China: Property price increases in April skewed towards mid-tier cities

Residential property prices in China rose for a fourth straight month in April, climbing 4.1% y-o-y (versus 2.9% in March). Prices rose in 65 of the 70 cities covered by the National Bureau of Statistics, versus 62 in March. However, the distribution of price

Government efforts support mid-tier markets as price growth in large cities moderates

increases this time was away from top-tier cities towards mid-tier ones with higher levels of housing inventory. Growth slowed dramatically in Shanghai, Shenzhen, Beijing, and Guangzhou, indicating that the restrictions on property markets announced by municipal governments in major cities were dampening prices. In March, city governments increased mortgage downpayments and loan-to-income requirements for buyers of second homes and toughened the eligibility criteria for home purchases by nonresidents. Meanwhile, prices in mid-tier cities including Hefei, Nanjing, and Xiamen, which had previously been weighed down by high inventory levels, increased significantly.

We believe that the property sector will likely remain a headwind to investment growth in 2016, contributing to a deceleration in GDP growth. We expect aggregate property prices to move down – driven by the big cities – as monetary stimulus becomes less expansionary. However, prices in mid-tier and small cities are likely to remain supported by greater fiscal spending and efforts by local governments to mop up inventory (through social housing projects). Furthermore, the government may soon offer incentives to first-time home buyers in mid-sized cities in order to temper housing demand growth in large cities.

Government may soon announce measures to incentivise first-time homebuyers in smaller cities

India: State election results bode well for reform agenda

India's ruling political alliance (NDA) seized power in one of the five states that went to the polls in April. Another three of the states were won by regional parties that have agreed to provide conditional support to the NDA on critical economic reforms pertaining to FDI and indirect taxes. This increases the likelihood of the NDA capturing a larger share of seats in the upper house of parliament (by garnering more votes in the Electoral College), where it currently lacks a majority.

State election results support ruling NDA's strength in upper house

A further 46 seats are up for reelection in June and July in the upper house, where the NDA has 66 members. Following its recent performance in the state elections, we expect the ruling alliance to capture 20 seats from the opposition. This would strengthen the NDA's negotiations with the 85 members of the House who have remained noncommittal about the goods and services tax reforms in the July-August 'monsoon session'. We expect the upper house to pass the GST bill in 2H2016, leading the way for it to be implemented in 2017, thus boosting India's long-term growth prospects. However, the NDA will still not have the 123 seat majority in the upper house that is required to pass bills. The GST reforms are vital to the government's economic reform objective of creating a uniform countrywide tax and customs framework.

We expect upper house to pass GST bill in 2H2016

II. Economic Calendar

Fig. 9. Upcoming events and releases

Time*	Country	Data point	Period	Prior	Consensus
Expected this week					
	Saudi Arabia	CPI, y-o-y	Apr	4.3%	--
	UAE	CPI, y-o-y	Apr	1.4%	--
	UAE	Central Bank Foreign Assets	Apr	306.2B	--
	UAE	Dubai Airport Cargo Volume, y-o-y	Apr	0.1%	--
	Kuwait	CPI, y-o-y	Apr	3.1%	--
Monday 23 May					
03:50	Japan	Trade Balance	Apr	¥754.2B	¥540B
03:50	Japan	Exports, y-o-y	Apr	-6.8%	-9.9%
12:00	Eurozone	Markit Eurozone Manufacturing PMI	May P	51.7	51.9
12:00	Eurozone	Markit Eurozone Composite PMI	May P	53	53.2
13:45	Eurozone	EU Foreign Ministers Hold Meeting in Brussels			
14:15	US	Fed's Bullard Speaks in Beijing			
16:00	US	Fed's Williams Speaks in New York			
18:00	Eurozone	Consumer Confidence	May A	-9.3	-9
Tuesday 24 May					
02:30	US	Fed's Harker Speaks on Economic Outlook in Philadelphia			
06:00	Japan	Nikkei Japan PMI Manufacturing	May P	48.2	--
11:00	Eurozone	ECB's Praet Speaks at NABE/OECD Symposium in Paris			
13:00	Germany	ZEW Survey Expectations	May	11.2	12
15:00	Turkey	Central Bank Overnight Lending Rate	24-May	10%	9.5%
18:00	US	Richmond Fed Manufact. Index	May	14	9
18:00	US	New Home Sales	Apr	511K	521K
	Eurozone	ECB's Nouy, BOE's Gracie Speak at IIF Conference in Madrid			
Wednesday 25 May					
12:00	Germany	IFO Business Climate	May	106.6	106.8
12:00	Germany	IFO Expectations	May	100.4	100.8
14:30	Eurozone	ECB Vice President Constancio Speaks in London			
17:00	US	Fed's Harker Speaks at Forum in Philadelphia			
17:45	US	Markit US Services PMI	May P	52.8	53
19:40	US	Fed's Kashkari Speaks on Energy and Monetary Policy in ND			
22:00	US	Fed's Kaplan Speaks at Greater Houston Partnership			
	Netherlands	ECB's Praet, Knot, Villeroy, Linde Speak at IIF in Madrid			
Thursday 26 May					
12:30	UK	GDP, q-o-q	1Q P	0.4%	0.4%
12:30	UK	GDP, y-o-y	1Q P	2.1%	2.1%
12:30	UK	Private Consumption, q-o-q	1Q P	0.6%	0.5%
13:15	US	Fed's Bullard Speaks in Singapore			
16:30	US	Initial Jobless Claims	21-May	278K	275K
16:30	US	Durable Goods Orders	Apr P	1.3%	0.4%
16:30	US	Durables, ex-Transportation	Apr P	-0.8%	0.3%
18:00	US	Pending Home Sales, m-o-m	Apr	1.4%	0.7%
20:00	US	Fed's Powell Speaks About Economy at Peterson Institute			
Friday 27 May					
03:30	Japan	Natl CPI, y-o-y	Apr	-0.1%	-0.4%
03:30	Japan	Natl CPI ex-Fresh Food, y-o-y	Apr	-0.3%	-0.4%
16:30	US	GDP Annualized, q-o-q	1Q S	0.5%	0.9%
16:30	US	Personal Consumption	1Q S	1.9%	2.1%
18:00	US	U. of Mich. Sentiment	May F	95.8	95.5
18:30	US	Fed's Yellen to Speak at Harvard's Radcliffe Day			

* UAE time

Source: Bloomberg

Fig. 10. Last week's data

Time*	Country	Data point	Period	Prior	Consensus	Actual
MENA data						
	Saudi Arabia	April Cement Output, YTD y-o-y	Apr	3.1%		1.9%
	Kuwait	March Crude Oil Exports				
	Egypt	Trade Balance	Mar	-3018M	--	-2258M
Monday 16 May						
03:01	UK	Rightmove House Prices m-o-m	May	1.3%	--	0.4%
03:01	UK	Rightmove House Prices y-o-y	May	7.3%	--	7.8%
03:50	Japan	PPI y-o-y	Apr	-3.8%	-3.7%	-4.2%
10:30	India	Wholesale Prices y-o-y	Apr	-0.9%	-0.2%	0.3%
16:30	US	Empire Manufacturing	May	9.56	6.5	9.02
18:00	US	NAHB Housing Market Index	May	58	59	58
Tuesday 17 May						
08:30	Japan	Industrial Production y-o-y	Mar F	0.1%	--	0.2%
08:30	Japan	Industrial Production m-o-m	Mar F	3.6%	--	3.8%
12:30	UK	CPI m-o-m	Apr	0.4%	0.3%	0.1%
12:30	UK	CPI y-o-y	Apr	0.5%	0.5%	0.3%
12:30	UK	CPI Core y-o-y	Apr	1.5%	1.4%	1.2%
12:30	UK	RPI m-o-m	Apr	0.4%	0.3%	0.1%
16:30	US	Housing Starts ('000)	Apr	1099K	1125K	1172K
16:30	US	Building Permits ('000)	Apr	1077K	1135K	1116K
16:30	US	Building Permits m-o-m	Apr	-7.3%	5.5%	3.6%
16:30	US	CPI m-o-m	Apr	0.1%	0.3%	0.4%
16:30	US	CPI ex-Food and Energy m-o-m	Apr	0.1%	0.2%	0.2%
16:30	US	CPI y-o-y	Apr	0.9%	1.1%	1.1%
16:30	US	CPI ex-Food and Energy y-o-y	Apr	2.2%	2.1%	2.1%
17:15	US	Industrial Production m-o-m	Apr	-0.9%	0.3%	0.7%
Wednesday 18 May						
03:50	Japan	GDP SA q-o-q	1Q P	-0.4%	0.1%	0.4%
03:50	Japan	GDP Annualized SA q-o-q	1Q P	-1.7%	0.3%	1.7%
03:50	Japan	GDP Deflator y-o-y	1Q P	1.5%	1%	0.9%
12:30	UK	Claimant Count Rate	Apr	2.2%	2.1%	2.1%
12:30	UK	Jobless Claims Change	Apr	14.7K	5K	-2.4K
12:30	UK	Average Weekly Earnings 3m/y-o-y	Mar	1.9%	1.7%	2%
12:30	UK	Weekly Earnings ex Bonus 3m/y-o-y	Mar	2.2%	2.3%	2.1%
12:30	UK	ILO Unemployment Rate 3m	Mar	5.1%	5.1%	5.1%
12:30	UK	Employment Change 3m/3m	Mar	20K	0K	44K
15:00	US	MBA Mortgage Applications	13-May	0.4%	--	-1.6%
22:00	US	FOMC Meeting Minutes	27-Apr	--	--	
Thursday 19 May						
03:50	Japan	Machine Orders m-o-m	Mar	-9.2%	-2%	5.5%
10:00	Japan	Machine Tool Orders y-o-y	Apr F	-21.2%		-26.4%
12:30	UK	Retail Sales ex-Auto Fuel m-o-m	Apr	-0.7%	0.6%	1.5%
12:30	UK	Retail Sales ex-Auto Fuel y-o-y	Apr	2.6%	2%	4.2%
12:30	UK	Retail Sales Inc Auto Fuel m-o-m	Apr	-0.5%	0.6%	1.3%
12:30	UK	Retail Sales Inc Auto Fuel y-o-y	Apr	3.0%	2.5%	4.3%
16:30	US	Initial Jobless Claims	14-May	294K	275K	278K
16:30	US	Continuing Claims	7-May	2165K	2158K	2152K
18:00	US	Leading Index	Apr	0%	0.4%	0.6%
Friday 20 May						
18:00	US	Housing Starts ('000)	Apr	5.36M	5.4M	5.45M

* UAE time

Source: Bloomberg

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