

Weekly Focus

Global slowdown

Market Movers ahead

- The US mid-term elections will attract a lot of attention but are unlikely to lead to any changes in economic policy.
- The FOMC meeting is a small one and we do not expect any policy or signal changes.
- In Europe, keep an eye on politics in Italy and Germany.
- The UK is likely to strong GDP figures for Q3, but more interestingly, we will also get indicators for Q4, which might well be weaker.
- Trade and FX reserve data out of China will shed light on the effects of the trade war and the scale of the intervention to support the CNY in October.
- Norwegian price data is likely to indicate a slowdown in core inflation.

Global macro and market themes

- Global growth data disappointed, with weak GDP numbers for the euro area, lower new orders in the US and a nosediving PMI in China.
- Italy avoided a downgrade from rating agencies, but still seems uncompromising on the budget. It is now also facing stagnation as growth in Q3 was zero.
- US labour costs showed the highest growth in 10 years.
- In contrast, Swedish wage growth remained muted.

Contents

Market movers.....	2
Weekly Wrap-Up	4
Scandi update	6
Latest research from Danske Bank	8
Macroeconomic forecast	9
Financial forecast	10
Calendar	11

Financial views

Major indices

	02-Nov	3M	12M
10Yr EUR swap	0.98	1.10	1.40
EUR/USD	114	115	125
ICE Brent oil	73	85	85

Source: Danske Bank

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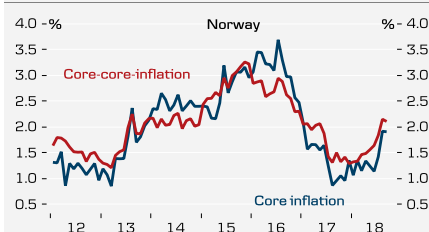
@Danske_Research

US industry feeling global slowdown



Source: Macrobond Financial

The trend is up in Norwegian inflation



Source: Macrobond Financial, Danske Bank

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Market movers

Global

- In the **US**, Midterm Election Day is on Tuesday. Counting starts as soon as the polls close and we should have the results early morning Wednesday (CEST). We expect a divided US Congress, which means that Trump would be unable to push his domestic policy agenda through. Therefore, in our view, the mid-term elections should have limited implications for markets and the economy, as there will be no changes to economic policy. For more details see, *US Midterm Elections: Mostly a political event with limited implications for markets and the economy*, 3 September.

In terms of data economic data releases, we have a quiet week. On Monday, ISM non-manufacturing is due for release, which will give us more information about the current growth momentum. In September, the index printed the second-highest value since the series began in 1997.

Furthermore, the coming week also brings the November FOMC meeting. It is one of the small meetings without updated projections and a press conference. We do not expect the Fed to increase the target range, and we do not expect any signals in the statement either, as they often do not change it much from meeting to meeting.

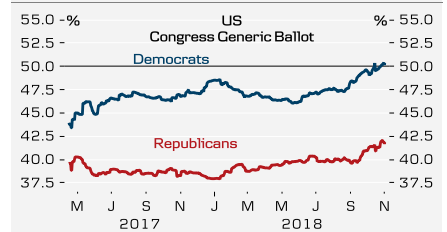
- There are no market movers due out in the **euro area** next week, but focus will remain on politics with the ongoing Italian budget negotiations and developments around German politics as Angela Merkel's CDU party concludes its leadership meeting on Monday to discuss the recent regional election defeats and possible personnel consequences.
- In the **UK**, we have a busy calendar ahead of us. On Friday, the first full estimate of Q3 GDP growth is due out. Given strong base effects, quarterly GDP growth could come out as high as 0.7% q/q, although our point estimate is 0.6%. This will probably not last, because the base effect is temporary and as survey indicators have deteriorated.

On Monday, the PMI service index for October is due, which will give us more insight into growth momentum in the beginning of Q4. While the Lloyds Business Barometer suggests a sharp fall is on the cards, the DG ECFIN service confidence indicator says it probably remained unchanged. The latter is usually a better indicator but we think the service index may have declined slightly to 53.3, given the manufacturing index fell as well.

In terms of Brexit, nothing is scheduled for next week, but as the Irish Prime Minister Leo Varadkar has indicated, we probably need more progress in the negotiations very soon if there is to be an extraordinary EU summit on Brexit in mid-November.

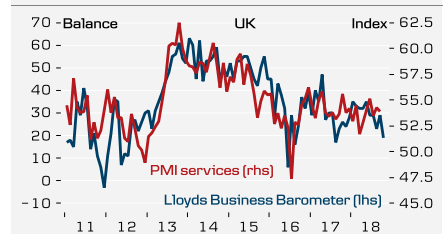
- Main focus in **China** will be trade balance and FX reserves. When it comes to trade balance, exports are likely to attract attention due to the trade war and the sharp drop in PMI export new orders lately. However, the hard data on exports may stay up in Q4 as Chinese companies are pushing forward sales to the US before the potential tariff increase from 10% to 25% on goods worth USD200bn. The FX reserve will reveal how much the People's Bank of China (PBoC) have intervened in October to dampen the CNY depreciation. The FX Reserve has edged lower this year as the PBoC has sold currency to support the CNY and we expect to see a further small decline in October, but it should stay above USD3trn. It was USD3.087trn in September.

Democrats lead opinion polls ahead of Election Day on Tuesday



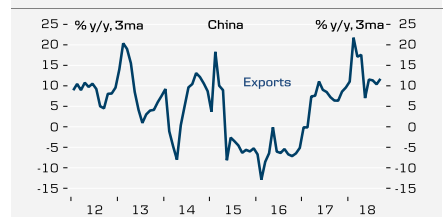
Source: FiveThirtyEight, Macrobond Financial

UK: Lloyds Business Barometer suggests PMI services should decline



Source: ONS, Macrobond Financial

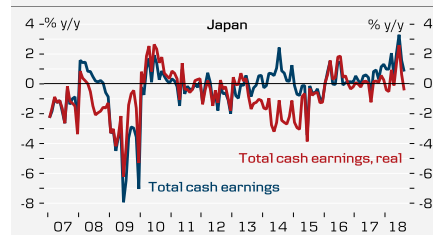
Exports holding up - but unlikely to drop in Q4 due to potential tariff increase



Source: Macrobond Financial, Danske Bank

- In **Japan**, Cash earnings on for September are due out on Wednesday. After the summer's large bonus payments, cash earnings have lost momentum again and y/y real earnings were actually negative in August. Cash earnings are key for the inflation outlook to brighten and Bank of Japan governor Kuroda has also highlighted that they will follow wage developments closely in order to spot future tendencies in inflation. It will be interesting to see if the August print indicated weakening or it was just a bump on the road.

Japanese cash earnings weakened again

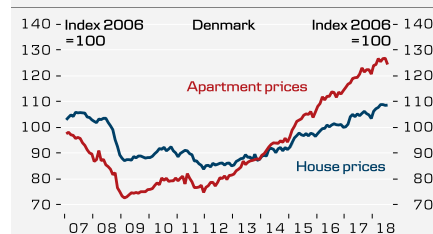


Source: Japan Statistics Bureau, Japanese Ministry of Labour, Macrobond Financial

Scandinavia

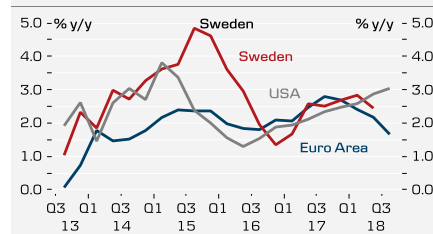
- Denmark** will see the publication of a number of key figures in the coming week, starting on Tuesday with bankruptcy and forced sale figures for October. New house price data is due on Wednesday, and it will be interesting to see if house prices continued to climb and whether apartment prices saw a turnaround in August after falling for the past few months. We still expect house prices to appreciate further and rise by 3% next year. Wednesday will also bring industrial production data for September. The big news comes on Friday, with the Danish foreign trade figures. Goods exports seem to have regained some of their form after a disappointing performance at the start of the year. We will get to see if the trend continued in September despite more subdued growth among our closest trading partners.
- This week there will be a number of important inputs to the Q3 GDP figure. We expect **Swedish** growth to be guided by slowing eurozone growth rather than the more upbeat signal from the US. Hence, September industrial production, new orders and the consumption indicator will provide important input for our final estimate. Our official Nordic Outlook is for a 1.9 % yoy GDP print in Q3 and the GDP indicator, ahead of the data, suggests growth at just above 2% y/y.

House prices continue to climb



Source: Danmarks Nationalbank

Swedish growth likely to follow eurozone lower in Q3



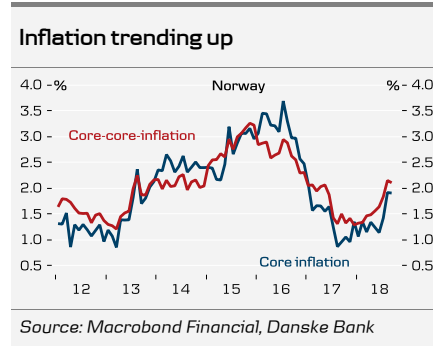
Source: Macrobond Financial, SCB

Mäklarstatistik is due to publish October property prices. It uses a 3M moving average and hence lags others like the HOX index, which we find more interesting. However, Mäklarstatistik brings data on transactions, which may provide some extra insight about into price formation is getting along. Up until now, there has been only a slight decline in tenant-owned flats transactions, but the backdrop is one of considerably higher supply, implying the sales ratio has been declining.

The Debt Office is due to publish the October budget figures. It expects a SEK10.3 bn surplus, according to its new forecast.

Finally, there is October Services PMI, which should continue to slow towards 55, and the Prospera inflation survey, which should show very minor changes.

• In Norway, inflation has surprised on the upside over the past three months. The core rate was 1.9% y/y in September, once again well above the level projected by Norges Bank (1.6%). A glance at the underlying data reveals that the causes are not straightforward. First, prices of imported goods have been higher than expected, partly due to a departure from the normal seasonal pattern. This could be down to chance (e.g. the abnormal weather) but could also be due to delayed effects from the krone's depreciation in H2 17. Second, prices for Norwegian agricultural produce also climbed more than expected over the summer, due partly to the settlement with farmers but also to the dry summer destroying parts of the harvest. We are not sure how much of the increase in import prices is only temporary, but we do believe that much of the climb in prices for domestic agricultural produce is just that. We therefore expect some of the rise in core inflation in recent months to reverse in October, with the annual rate slowing to 1.8%. Norges Bank has a tradition of putting out little in the way of new signals in the speeches given between rate-setting meetings, so we do not generally expect it to elicit any great market reaction. This week, however, we will make a slight exception when Governor Øystein Olsen teams up with Riksbank Deputy Governor Kerstin af Jochnick on Tuesday to speak on "Monetary policy and housing prices in Norway and Sweden". Following the publication of Norges Bank's financial stability report and media coverage of consumer credit in Norway, it seems that markets are again beginning to worry that the Norwegian housing market could put a spoke in the wheel of the expected normalisation of interest rates. Based on Norges Bank's projections, which are supported by our own view, we do not expect Olsen to appear particularly worried about developments in the housing market. It will also be interesting to see whether the rhetoric on the Swedish side is any different.



Market movers ahead

Global movers			Event	Period	Danske	Consensus	Previous	
Mon	05-Nov	10:30	GBP PMI services	Index	Oct	53.3	53.4	53.9
		16:00	USD ISM non-manufacturing	Index	Oct		59.4	61.6
Tue	06-Nov	-	USD Midterm Election Day					
Wed	07-Nov	-	USD Midterm Election Results					
		-	CNY Foreign exchange reserves	USD bn	Oct			3087.0
		1:00	JPY Labour cash earnings	y/y	Sep		1.1%	0.8%
Thurs	08-Nov	-	CNY Trade balance	USD bn	Oct			31.7
		20:00	USD FOMC meeting	%		2.25%	2.25%	2.25%
Fri	09-Nov	10:30	GBP GDP, first estimate	q/q/y/y	3rd quarter	0.6% 1.5%	0.6% 1.5%	0.4% 1.2%
Scandi movers								
Mon	05-Nov	6:00	SEK Maklarstatistik Swedish housing price data					
		11:00	NOK House prices	m/m/y/y	Oct			
Tue	06-Nov	-						
Wed	07-Nov	8:00	DKK Industrial production	m/m	Sep			-1.2%
		8:00	DKK House and apartment prices	m/m/y/y	Aug			
		8:00	SEK Prospera inflation expectations					
		9:30	SEK Budget balance	SEK bn	Oct			6.7
Thurs	08-Nov	9:30	SEK Average house prices	SEK m	Oct			2.77
Fri	09-Nov	8:00	NOK Core inflation (CPI-ATE)	m/m/y/y	Oct	0.1% 1.8% 1.9%	0.5% 1.9%
		8:00	DKK Current account (nsa sa)	DKK bn	Sep			.. 8.7

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

Global growth moving lower

Main macro themes

- Data for the **global economy** disappointed this week. Euro GDP in Q3 increased 0.2% q/q, the weakest print in four years. US ISM manufacturing for October fell back in October and the Chinese official PMI manufacturing plunged to the lowest level in two years, pulled lower by export orders as the trade war increasingly shows its impact. We see more downside risks short term, but stabilisation followed by a rebound next year when the effects of Chinese policy easing kick in and a US-China trade deal is reached.
- Regarding the **US-China trade war**, US President Donald Trump stated he will put tariffs on the rest of Chinese imports if the meeting with Xi Jinping in late November does not lead to any results. However, on Thursday he also tweeted that he had a good conversation with Xi and discussions are moving along nicely. We see a 60% chance that the meeting ends with a plan to restart high-level trade talks.
- US labour costs** rose further in Q3 to 2.9% y/y, the highest level in around 10 years. It adds evidence that the labour market is tightening and wage pressure is increasing.
- Regarding **Brexit negotiations**, at least on the surface it does not seem like there has been much progress since the EU summit in mid-October. As of today, the EU and the UK have not scheduled an extraordinary Brexit summit in mid-November. It remains our base case that the two sides will reach an agreement eventually but we have to get closer to the deadline. (see *Brexit monitor*).
- Market sentiment towards **Italy** got a boost at the beginning of the week after S&P refrained from a rating downgrade and media speculation that the Italian government might delay the implementation of its citizen income and pension reform in a concession to EU demands. However, the mood reversed later in the week, after the government denied any willingness for concessions and data showed Italian Q3 GDP growth stagnating. Pressure is mounting on the government to resolve its current impasse with the EU, but we don't think we have reached the tipping point just yet.

Financial market developments

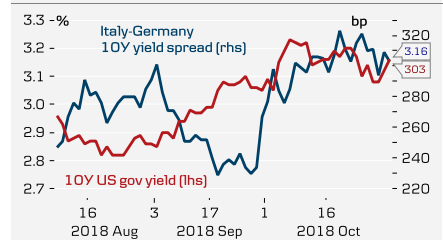
- Stock markets** had a volatile week as early losses were reversed late in the week. A technically oversold market and more attractive valuation lured buyers back.
- US 10-year treasury yields** moved higher, reversing the decline the previous week. We expect yields to move higher over the coming quarters as the Fed keeps hiking and growth stays robust, (see *FI research: Next stop is 3.50% for 10Y US treasury yields*).
- Periphery markets.** We remain side-lined in Italian bonds, as a clash with the EU is probably not over. But we see little risk of contagion to other periphery countries.
- EUR/USD** moved lower to test 1.13 this week on weaker Euro data and a still robust US economy. We expect EUR/USD to be in a range around 1.15 for the rest of the year. (see *FX Forecast Update - USD strength set to remain until year-end*). **EUR/GBP** fell sharply this week to 0.88165 on positive Brexit news. UK Brexit Secretary Dominic Raab said in a letter that that UK banks will get continued access to the EU markets after Brexit and that he expects a deal to be reached on 21 November.

Financial views

Major indices			
	02-Nov	3M	12M
10yr EUR swap	0.98	1.10	1.40
10yr US swap	3.24	3.35	3.55
ECB key rate	-0.40	-0.40	-0.40
Fed funds rate	2.25	2.50	3.00
EUR/SEK	1029	1020	1010
EUR/NOK	951	940	910
EUR/USD	114	115	125
ICE Brent oil	73	85	85

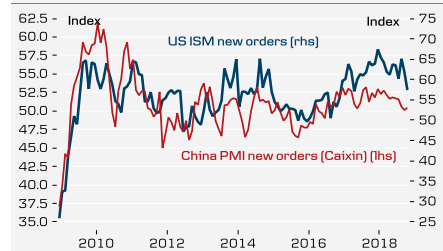
Source: Danske Bank

US yields hovering around 3.10-3.20 level



Source: Macrobond Financial, Danske Bank

US manufacturing is starting to feel global slowdown - and trade war



Source: ECB, Eurostat, Macrobond Financial, Danske Bank

Scandi update

Denmark – manufacturing remains gloomy

Business confidence figures for October were released this past week. Confidence in the manufacturing industry fell marginally to -2 following a sharp decline last month. This contributed to pulling the overall indicator lower – together with declining consumer confidence – for the second month in a row. Lacklustre order book growth has been a notable downward force on the indicator recently. This may be partially due to foreign companies – which Danish companies deliver to – being more reluctant to place large orders on account of the escalating trade war between the US and China. The quarterly measure of companies’ limits to production arrived alongside business confidence for October. Companies continue to report increasing limits on production, with some reporting labour shortages approaching pre-crisis levels.

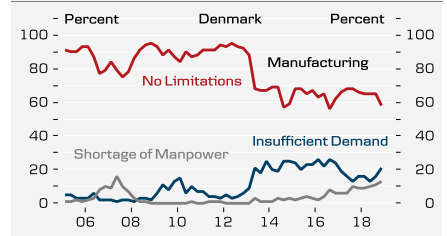
The shortage of labour is reflected in falling unemployment, where the latest figures show unemployment dropped by 600 (fulltime jobs) in September. There are now 106,600 unemployed in Denmark and the unemployment rate is 3.9% – unchanged relative to the previous month. Employment, moreover, continues to surge. This pace of labour market growth cannot continue for much longer. Nevertheless, unemployment is still some way from the alarmingly low level just ahead of the financial crisis erupting, when a low just shy of 67,000 was reached in July 2008.

Sweden – wage growth insufficient to drive inflation

Preliminary August Swedish economy-wide wage growth was a mere 2.2% y/y, a report from the Mediation Office showed. The MO says slightly higher wage growth in private sectors was balanced by slower gains in public sectors as the ‘extras’ to nurses and teachers last year were fading out. Taking into account the normal pattern for revisions, the MO puts the forecast for August at 2.5% y/y. In essence, Swedish wage growth remains far below the level needed to generate domestic cost pressures that are consistent with a sustainable CPIF inflation at the 2% target. The chart shows the expected contribution from wage growth to CPIF inflation if Social Partners’ average wage expectations in the quarterly Prospera survey are met. Prospera covers expectations on 1-, 2- and 5-year horizons. This is the prime reason why we expect inflation to eventually fall back as the current boost from energy, the weak SEK and food supply disruptions eventually fade out.

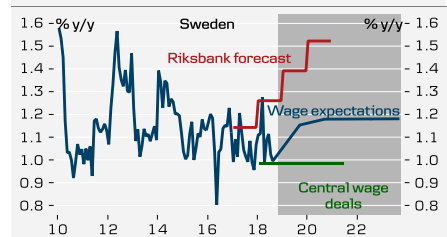
Manufacturing PMI showed just a minor drop in October, contrary to signals that it could follow the lead of its German and eurozone counterparts. Export orders moderated, but much less so than seen in these important export markets. Still, it is probably only a matter of time unless there is a rebound in the European markets.

More reports of labour shortages in manufacturing



Source: Statistics Denmark

Wage growth's contribution to CPIF inflation – not enough for 2%



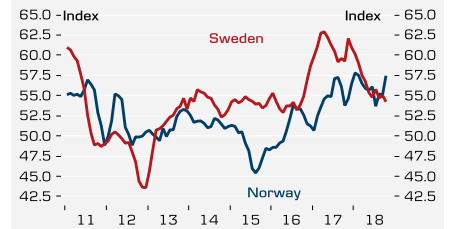
Source: Mediation Office, Prospera, Riksbank, Danske Bank calculations

Norway – temporary dip in private consumption but manufacturing delivers the goods

Retail sales disappointed in September, falling 0.7% m/m. Add in the drop in electricity consumption, and consumption of goods fell 1.3% q/q in Q3. Although consumption of services probably fared much better than this, overall growth in private consumption is set to be slightly negative in Q3, pulling GDP growth down to 0.3-0.4% q/q. Naturally this has sparked a debate about whether we are now seeing fears of higher interest rates and a weaker housing market knocking the wind out of consumer spending and so reducing the probability of further rate hikes over the next 2-3 years. We still do not share these fears. A closer look at the retail data shows that sales in kroner are still growing around 3% y/y. We therefore reckon that it is recent months' price increases for electricity and other goods that have pulled volumes down, due quite simply to reduced purchasing power. Next year, we expect much higher real wage growth for Norwegian households, with real disposable income climbing 2.75-3%, so the risk of a more severe correction in private consumption is limited.

The October PMI, meanwhile, confirmed our view that we are on our way into a manufacturing-led upswing. The index climbed from 55.8 to 56.0, taking the underlying trend up to 57.5. With oil prices looking set to be in the USD70-85 range over the next few years, the low cost levels in the Norwegian sector are making a larger proportion of the oil companies' investment portfolio profitable, and making it more tempting to explore for new fields. As yet, we have not seen any real signs of this upswing in hard data, but it is showing increasingly in the oil investment survey and confidence surveys.

Upward trend in Norwegian manufacturing since the summer



Source: Macrobond Financial, Danske Bank

Latest research from Danske Bank

2/11 Euro Area Macro Monitor - Flagging growth amid rising political headwinds

European growth momentum is increasingly showing signs of weakness, as growing headwinds from protectionism and Brexit uncertainties weigh on business confidence.

1/11 Bank of England Review - Hiking cycle continues but depends on Brexit deal

As expected, the Bank of England voted unanimously to keep the Bank Rate at 0.75%.

31/10 China Notes - Weak Chinese PMI points to further slowdown in Q4

Chinese PMI released overnight was very weak and points to more slowing in Q4. The official PMI manufacturing decreased to 50.2 (Consensus 50.6) in October, down from 50.8 in September.

29/10 Flash Comment Brazilian election: market-friendly forces rise to power

In Brazil, during the second round of the presidential election held on 28 October 2018, the Social Liberal Party's (PSL) candidate Jair Bolsonaro gained 55% of the votes versus the Workers' Party (PT) Fernando Haddad, who gained 45%, thus losing the race.

29/10 US election monitor no. 4 - Trump proposes new tax cuts but unlikely to change momentum so close to Election Day

Election Day is fast approaching and opinion polls continue to look good for the Democrats.

Macroeconomic forecast

Macro forecast, Scandinavia

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Denmark	2017	2.3	1.6	0.6	4.5	4.4	4.3	1.1	1.7	4.2	1.1	36.1	8.1
	2018	1.6	2.5	0.6	7.7	2.2	4.4	0.8	1.9	4.0	0.4	34.7	5.4
	2019	2.0	2.3	0.5	2.6	3.7	3.0	1.4	2.3	3.7	-0.1	33.9	6.1
Sweden	2017	2.5	2.2	0.0	6.1	3.2	4.8	1.8	2.5	6.7	1.2	41.0	4.2
	2018	2.0	2.2	0.8	3.1	2.7	3.7	1.9	2.6	7.1	1.0	37.0	2.8
	2019	1.6	1.9	0.4	1.3	2.3	2.2	1.6	2.7	7.6	0.8	35.0	2.8
Norway	2017	1.8	2.3	2.0	3.5	0.8	2.2	1.8	2.3	2.7	-	-	-
	2018	2.4	2.3	1.9	-0.4	0.8	3.3	2.8	3.0	2.4	-	-	-
	2019	2.5	2.5	1.8	4.4	2.4	3.0	1.6	3.5	2.1	-	-	-

Macro forecast, Euroland

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Euro area	2017	2.5	1.7	1.2	2.9	5.4	4.0	1.5	1.6	9.1	-1.0	86.8	3.5
	2018	1.9	1.4	1.1	3.1	3.2	3.0	1.8	2.2	8.2	-0.7	86.0	3.4
	2019	1.6	1.7	2.1	2.0	3.1	3.9	1.8	2.3	7.9	-0.6	85.5	3.4
Germany	2017	2.5	2.0	1.6	3.6	5.3	5.3	1.7	2.6	3.8	1.0	63.9	7.9
	2018	1.8	1.4	1.1	3.4	3.0	3.9	1.9	3.0	3.4	1.2	60.2	7.9
	2019	1.8	2.1	2.3	3.1	3.6	5.4	2.0	3.2	3.3	1.1	56.3	7.6
Finland	2017	2.8	1.3	-0.5	4.0	7.5	3.5	0.8	0.2	8.6	-0.7	61.3	-0.7
	2018	2.7	2.1	2.0	4.0	3.2	3.0	1.2	2.0	7.6	-0.3	59.3	-0.6
	2019	2.0	1.6	0.5	3.5	4.0	3.5	1.5	2.3	7.3	0.1	57.7	-0.2

Macro forecast, Global

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
USA	2017	2.2	2.5	-0.1	4.8	3.0	4.6	2.1	2.5	4.4	-3.5	105.0	-2.5
	2018	2.8	2.5	1.4	5.7	5.1	3.8	2.5	2.8	3.9	-4.0	106.0	-3.0
	2019	2.5	2.4	1.2	4.1	3.4	2.8	2.0	3.1	3.6	-4.6	107.0	-3.4
China	2017	6.9	-	-	-	-	-	2.0	9.0	4.1	-3.7	47.6	1.4
	2018	6.6	-	-	-	-	-	2.3	8.7	4.3	-3.4	50.8	1.1
	2019	6.4	-	-	-	-	-	2.3	8.5	4.3	-3.4	53.9	1.2
UK	2017	1.7	1.9	-0.1	3.3	5.7	3.2	2.7	2.2	4.4	-1.8	87.5	-4.1
	2018	1.2	1.6	0.3	-0.1	0.5	0.6	2.5	2.5	4.1	-1.8	85.4	-4.4
	2019	1.5	1.6	0.4	1.1	1.8	1.8	1.5	2.9	3.9	-1.7	85.3	-4.0

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

Financial forecast

Bond and money markets

		Key interest rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK
USD	02-Nov	2.25	2.56	3.09	3.24	114.3	-	652.5
	+3m	2.50	2.86	3.20	3.35	115.0	-	648.0
	+6m	2.75	3.07	3.40	3.55	118.0	-	631.8
	+12m	3.00	3.37	3.50	3.55	125.0	-	596.4
EUR	02-Nov	-0.40	-0.32	-0.11	0.98	-	114.3	746.0
	+3m	-0.40	-0.33	-0.05	1.10	-	115.0	745.3
	+6m	-0.40	-0.33	0.05	1.30	-	118.0	745.5
	+12m	-0.40	-0.26	0.15	1.40	-	125.0	745.5
JPY	02-Nov	-0.10	-0.09	0.04	0.32	129.2	113.0	5.78
	+3m	-0.10	-	-	-	130.0	113.0	5.73
	+6m	-0.10	-	-	-	134.5	114.0	5.54
	+12m	-0.10	-	-	-	143.8	115.0	5.19
GBP	02-Nov	0.75	0.82	1.16	1.61	87.8	130.2	849.7
	+3m	0.75	0.82	1.30	1.85	84.0	136.9	887.2
	+6m	0.75	1.02	1.40	2.00	83.0	142.2	898.2
	+12m	1.00	1.07	1.60	2.20	83.0	150.6	898.2
CHF	02-Nov	-0.75	-0.75	-0.50	0.51	114.4	100.1	652.0
	+3m	-0.75	-	-	-	113.0	98.3	659.5
	+6m	-0.75	-	-	-	116.0	98.3	642.7
	+12m	-0.75	-	-	-	120.0	96.0	621.3
DKK	02-Nov	-0.65	-0.30	0.01	1.12	746.0	652.5	-
	+3m	-0.65	-0.30	0.05	1.25	745.3	648.0	-
	+6m	-0.65	-0.30	0.15	1.45	745.5	631.8	-
	+12m	-0.65	-0.23	0.25	1.55	745.5	596.4	-
SEK	02-Nov	-0.50	-0.48	0.02	1.29	1029.3	900.2	72.5
	+3m	-0.25	-0.25	0.25	1.40	1020.0	887.0	73.1
	+6m	-0.25	-0.15	0.40	1.40	1010.0	855.9	73.8
	+12m	0.00	0.00	0.65	1.50	1010.0	808.0	73.8
NOK	02-Nov	0.75	1.17	1.59	2.32	950.8	831.6	78.5
	+3m	0.75	1.30	1.65	2.55	940.0	817.4	79.3
	+6m	1.00	1.40	1.95	2.70	920.0	779.7	81.0
	+12m	1.25	1.65	2.20	2.80	910.0	728.0	81.9

Commodities

	02-Nov	2018				2019				Average	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019
ICE Brent	73	67	75	76	85	87	87	85	80	76	85

Source: Danske Bank

Calendar

Key Data and Events in Week 45

Monday, November 5, 2018					Period	Danske Bank	Consensus	Previous
2:45	CNY	Caixin PMI service	Index	Oct			52.8	53.1
6:00	SEK	Maklarstatistik Swedish housing price data						
8:30	SEK	PMI services	Index	Oct				56.6
10:30	GBP	PMI services	Index	Oct	53.3		53.4	53.9
10:30	EUR	Sentix Investor Confidence	Index	Nov			9.8	11.4
11:00	NOK	House prices	m/m y/y	Oct				
15:45	USD	Markit PMI service, final	Index	Oct			54.7	54.7
16:00	USD	ISM non-manufacturing	Index	Oct			59.4	61.6
Tuesday, November 6, 2018					Period	Danske Bank	Consensus	Previous
-	USD	Midterm Election Day						
-	NOK	Øystein Olsen (Norges Bank) and Kersin af Jochnick (Riksbank) speaks						
1:30	JPY	Markit PMI services	Index	Oct				50.2
4:30	AUD	Reserve Bank of Australia rate decision	%		1.50%		1.50%	1.50%
8:00	DKK	Forced sales (s.a.)	Number	Oct				
8:00	DKK	Bankruptcies (s.a.)	Number	Oct				
8:00	DEM	Factory orders	m/m y/y	Sep			-0.4% -2.7%	2.0% -2.1%
8:30	EUR	ECB's Praet speaks in Brussels						
9:15	ESP	PMI services	Index	Oct			51.8	52.5
9:30	SEK	Industrial orders	m/m y/y	dr				-4.9% 2.0%
9:45	ITL	PMI services	Index	Oct			52.0	53.3
9:50	FRF	PMI services, final	Index	Oct			55.6	55.6
9:55	DEM	PMI services, final	Index	Oct			53.6	53.6
10:00	EUR	PMI composite, final	Index	Oct			52.7	52.7
10:00	EUR	PMI services, final	Index	Oct			53.3	53.3
11:00	EUR	PPI	m/m y/y	Sep			4.2% 0.4%	4.2% 0.3%
12:15	EUR	ECB's Coeure speaks in Brussels						
13:00	EUR	ECB's Lautenschlaeger speaks in Frankfurt						
Wednesday, November 7, 2018					Period	Danske Bank	Consensus	Previous
-	USD	Midterm Election Results						
-	CNY	Foreign exchange reserves	USD bn	Oct				3087.0
-	PLN	Polish central bank rate decision	%		1.50%		1.50%	1.50%
1:00	JPY	Labour cash earnings	y/y	Sep			1.1%	0.8%
6:00	JPY	Leading economic index, preliminary	Index	Sep			103.8	104.5
8:00	DKK	Industrial production	m/m	Sep				-1.2%
8:00	DKK	House and apartment prices	m/m y/y	Aug				
8:00	SEK	Prospera inflation expectations						
8:00	NOK	Manufacturing production	m/m y/y	Sep				-0.1% 5.1%
8:00	NOK	Industrial production	m/m y/y	Sep				1.8% 2.3%
8:00	DEM	Industrial production	m/m y/y	Sep			0.0% 0.7%	-0.3% -0.1%
9:00	CHF	SNB balance sheet, intervention	CHF bn	Oct				739.7
9:30	SEK	Budget balance	SEK bn	Oct				6.7
11:00	EUR	Retail sales	m/m y/y	Sep			0.1% 0.8%	-0.2% 1.8%
16:30	USD	DOE U.S. crude oil inventories	K					3217
21:00	USD	Consumer credit	USD bn	Sep			16.0	20.1
21:00	NZD	Reserve Bank of New Zealand (cash rate decision)	%		1.75%		1.75%	1.75%

Source: Danske Bank

Calendar (continued)

Thursday, November 8, 2018					Period	Danske Bank	Consensus	Previous
-	CNY	Trade balance	USD bn	Oct				31.7
1:01	GBP	RICS house price balance	Index	Oct			0.0	0.0
7:45	CHF	Unemployment	%	Oct			2.5%	2.5%
8:00	DEM	Trade balance	EUR bn	Sep			19.5	17.1
9:30	SEK	Average house prices	SEK m	Oct				2.77
10:00	EUR	ECB Publishes Economic Bulletin						
14:30	USD	Initial jobless claims	1000					214
15:15	EUR	ECB's Coeure speaks in Berlin						
20:00	USD	FOMC meeting	%			2.25%	2.25%	2.25%
Friday, November 9, 2018					Period	Danske Bank	Consensus	Previous
1:30	AUD	RBA Statement of Monetary Policy						
2:30	CNY	PPI	y/y	Oct				3.6%
2:30	CNY	CPI	y/y	Oct				2.5%
8:00	NOK	Core inflation (CPI-ATE)	m/m y/y	Oct	0.1% 1.8% 1.9%		0.5% 1.9%
8:00	DKK	Trade balance ex ships	DKK bn	Sep				5
8:00	DKK	Exports	m/m	Sep				
8:00	NOK	CPI	m/m y/y	Oct			-- 3.4%	0.6% 3.4%
8:00	NOK	PPI	m/m y/y	Oct				1.5% 21.1%
8:00	DKK	Current account (nsa sa)	DKK bn	Sep				... 8.7
8:45	FRF	Industrial production	m/m y/y	Sep			-0.3% 1.1%	0.3% 1.6%
9:30	SEK	Household consumption	m/m y/y	Sep				1.5% 0.3%
10:30	GBP	GDP, first estimate	q/q y/y	3rd quarter	0.6% 1.5%	0.6% 1.5%		0.4% 1.2%
10:30	GBP	Monthly GDP estimate	m/m q/q	Sep	0.1% 0.6%	0.1% ...		0% ...
10:30	GBP	Index of services	m/m 3m/3m	Sep		0.001 0.005		0 0.005
10:30	GBP	Trade balance	GBP mio.	Sep		-1484		-1274
14:30	USD	PPI	m/m y/y	Oct		0.2% 2.7%		0.2% 2.6%
14:30	USD	PPI core	m/m y/y	Oct		0.2% 2.5%		0.2% 2.5%
16:00	USD	University of Michigan Confidence, preliminary	Index	Nov		97.9		98.6

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Source: Danske Bank

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