

Weekly Focus

Reaching the endgame in US-China trade talks

Market movers ahead

- US-China trade talks are set to reach the endgame in Washington next week. We see a high probability that the talks will end with an announcement of a Xi Jinping-Donald Trump signing meeting in late May or early June.
- German industrial production for March should give more clues as to the state of European industry. So far, 'soft data' (surveys) have been weaker than 'hard data'.
- Focus in the EU Commission spring forecast will be on fiscal policy and the projections for Italy.
- In China, data on exports should add more information about the simmering recovery. CPI inflation is likely to push higher due to an increase in pork prices as African swine fever has intensified recently.
- We expect US core CPI inflation to show an unchanged rate of 2.1% in April.
- In Scandinavia, focus turns to the Riksbank minutes and inflation out of Norway, where we look for a decline in core inflation.

Weekly wrap-up

- Euro area GDP for Q1 beat expectations, painting a slightly brighter picture of the economy than survey data suggest. US GDP for the first quarter also came out stronger than expected. Chinese PMI data was lower following very strong March readings.
- There were no major changes to Fed policy this week. The Fed is firmly on hold, with no policy bias in either direction.
- Oil prices had a volatile week on Trump tweet and supply concerns following the military coup attempt in Venezuela. Risk appetite is in decline as markets reassess the cyclical outlook and scope for a global recovery.

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Financial views

Major indices

	03-May	3M	12M
10yr EUR swap	0.52	0.55	0.85
EUR/USD	112	113	117
ICE Brent oil	70	70	80

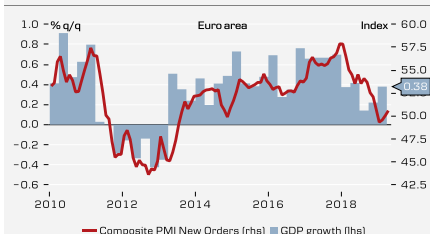
Source: Danske Bank

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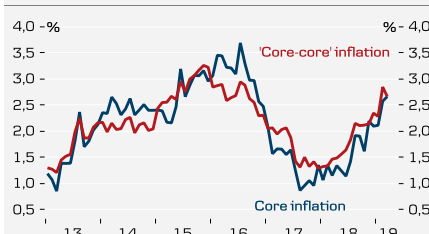


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Euro-area GDP rebounds in Q1



Norway core inflation for April set to decline



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Market movers

Global

- In the **US**, next week is a quiet week in terms of data releases. CPI core is due out Friday and likely rose +0.2% m/m in April implying an unchanged annual inflation rate at 2.1% y/y.

Next week also brings several Fed speeches. As repeated at the last FOMC meeting, the Fed is firmly on hold, but it will be interesting to hear the different stances within the Fed. At the last meeting, the Fed caught the market by surprise by cutting the Interest on Excess Reserves (IOER) by 5bp to 2.35% from 2.40%. A second step in this transformation could be the introduction of a new repo facility. Powell mentioned that the Fed is looking at this option and will return to it at an upcoming meeting.

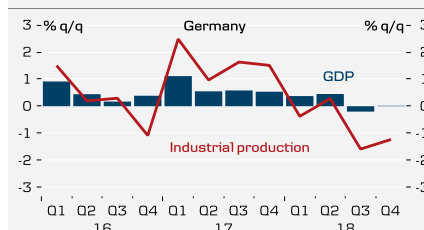
- In the **euro area**, the EU commission will publish its Spring economic forecasts for the 27 member states on Tuesday. We will especially monitor the updated fiscal forecasts for France and Italy. On the back of the 'grande debate' President Macron recently announced his plans for both tax cuts and higher pensions which will likely push the 2019 deficit above 3% of GDP. Markets will probably pay particularly close attention to the Italian forecasts. After the government eased fiscal policy significantly this year and in light of weaker growth, the projection is likely to confirm that a reduction in the 132% of GDP public debt burden remains an elusive goal. Another fiscal rebuke from the Commission could well bring back fears in the market of the Italian budget fight reigniting in the autumn.

In **Germany**, we get the March industrial production print on Wednesday, which will give us the last piece of information on where German Q1 growth is heading. The German industrial sector has been at the epicentre of the euro area slowdown and PMIs still paint a dismal picture of the manufacturing sector. After tanking in H2 18, industrial production has rebounded slightly over the last months and we see scope for further stabilisation in the March print.

- In the **UK**, we have a relatively quiet week except for the release of the first estimate of GDP growth in Q1 (including subcomponents) on Friday. Q1 data have in general been distorted by Brexit, as many companies have stockpiled as part of their Brexit preparations. We expect GDP growth was +0.5% q/q in Q1 (versus 0.2% q/q in Q4 18) but think growth is slowing again in Q2.
- In **China** the focus will be on what could be the last round of trade talks between the US and China. The hope on both sides is that a trade deal can be reached by the end of next week that will be signed at a meeting by Chinese President Xi Jinping and US President Donald Trump at the end of May or early June.

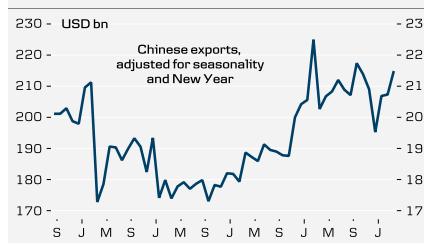
On the data front we will have trade data. Export growth rebounded in March in line with other activity signals. The numbers are very volatile but looking through the noise we believe export growth bottomed in Q1. CPI and PPI inflation are also released. The African Swine Fever is likely to push up CPI inflation from 2.3% to around 3%. We expect PPI inflation to be broadly unchanged just above zero. Finally, we look for FX reserves to be broadly flat as has been the case for more than a year now.

Industrial production will show where German Q1 GDP growth is heading



Source: Destatis, Macrobond Financial

Exports have recovered lately after a big drop around end-2018



Source: Macrobond Financial, Markit, NBS

- In **Japan**, we get labour market cash earnings for March on Friday. This will be interesting as February disappointed, being significantly down 0.7% y/y. Domestic demand has weakened somewhat recently and another month with annual real earnings decline above 1% certainly will not help on this. The labour market is still extremely tight and we expect earnings to bounce back.
- The Reserve Bank of **Australia** (RBA) and the Reserve Bank of **New Zealand** (RBNZ) hold policy meetings in the coming week. In terms of policy, markets have come to expect in Q1 that both the RBA and RBNZ will cut rates at either these or upcoming meetings.

This has come about as a reaction to the global slowdown since last year which has now stabilised somewhat, a housing market correction in Australia that seems to be fading (and without having tightened broader credit conditions) and dovish comments from both banks on the back of weak inflation.

These central banks will likely not be able to materially change the economic and inflationary outlook by themselves and a cyclical and inflationary uptick remain to be driven out of China. We think both AUD and NZD will continue to face pressure while the Asian (and global) demand picture remains non-accelerating, and we expect them to lean in on the dovish pricing by recognising a weak outlook, without necessarily changing policy parameters.

Scandi

- There are several interesting key figures due for release next week in **Denmark**. We kick off on Tuesday with industrial production for March. Manufacturing has performed remarkably well in recent months and the latest business confidence indicators also show sentiment to be improving in the sector. It will be interesting to see if the positive developments have continued – especially as this would bode well for GDP growth in Q1. Thursday will bring export figures for March. The strong state of manufacturing was also reflected in export figures at the start of the year.

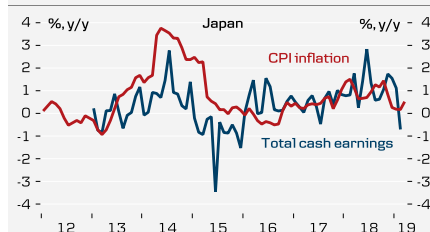
April CPI inflation is due on Friday. We expect inflation to decline to 1.0% from 1.2% in March. Base effects on food and alcohol will be pulling inflation down along with a significant cut in the PSO tariff on electricity, which is adjusted quarterly depending on the forward price for electricity. Clothing is the big joker, as prices are down almost 4% y/y. Based on that, we expect a somewhat bigger price pick-up here than we usually see in April. If this does not materialise, we could get an even bigger decline in the inflation rate.

- **Sweden.** The March production value index will be an important check for Q1 GDP. As seen in the chart, private PVI has slowed over the past two years and is now approaching a standstill. This chimes well with the decline seen in composite PMI over the same time span.

As January and February PVI levels are below the average seen in Q4 it appears likely that Q1 production could very well be flat compared to Q4. This suggests a quite weak GDP print in Q1.

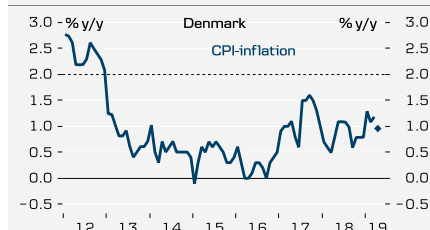
The main focus of the week, however, is likely to be the Riksbank Minutes. Given the surprise outcome of the April meeting, the Minutes will be scrutinised for the apparent shift in the stance among the ‘drifters’ i.e. Skingsley, Ingves and af Jochnick.

Weak labour market earnings weigh on domestic demand



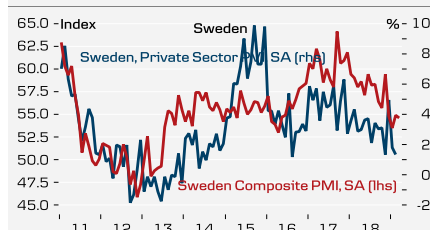
Source: Japanese Ministry of Labour, Japanese Statistics Bureau, Macrobond Financial

We expect inflation declined in April



Source: Finance Denmark, Macrobond Financial

Production is stagnant

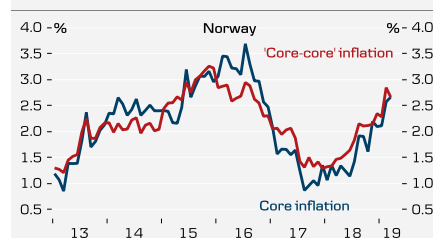


Source: SCB, Swedbank

- **Core inflation in Norway** delivered yet another upside surprise in March, rising to 2.7%, which is well above Norges Bank's inflation target of 2%. Reasons included stronger-than-expected price increases on plane tickets and food. As readers may know, these two components are notoriously volatile month to month, and particularly in the Easter month. Our 'core-core' inflation, which excludes these two components, eased from 2.8% in February to 2.7% in March. We therefore expect to see a further correction in the April figures, which along with base effects should pull core inflation down to 2.3%. That being said, there is no doubt the underlying trend in core inflation is up. With the production gap closed, this upward trend will push inflation higher unless the NOK strengthens considerably. This suggests Norges Bank will have to continue normalising monetary policy and is again likely to signal a further rate increase in June at the interest rate meeting on Thursday. This is an 'interim' meeting without a monetary policy report or press conference, just a press release.

After moving sideways for most of 2018, housing prices have started to pick up again. The market seems well balanced and as interest rates continue to rise prices are unlikely to move much stronger than wages. We expect roughly stable prices in April, although the OBOS-figures published last week imply some downside risk.

Inflation clearly above 2% target



Source: Macrobond Financial, Danske Bank

Market movers ahead

Global movers				Event		Period	Danske	Consensus	Previous
During the week									
Tue	07-May	6:30	AUD	Reserve Bank of Australia rate decision	%		1.5%	1.25%	1.5%
		11:00	EUR	EU Comission publishes Spring Economic Forecasts					
Wed	08-May	-	CNY	Trade balance	USD bn	Apr		33.7	32.7
		4:00	NZD	Reserve Bank of New Zealand (cash rate decision)	%		1.75%	1.5%	1.75%
		8:00	DEM	Industrial production	m/m y/y	Mar		-0.9% -2.8%	0.7% -0.4%
Thurs	09-May	3:30	CNY	CPI	y/y	Apr	3.0%	2.5%	2.3%
		3:30	CNY	PPI	y/y	Apr		0.6%	0.4%
Fri	10-May	1:30	JPY	Labour cash earnings	y/y	Mar		-0.5%	-0.7%
		10:30	GBP	GDP, preliminary	q/q y/y	1st quarter	0.5%	0.5% 1.8%	0.2% 1.4%
		14:30	USD	CPI core	m/m y/y	Apr	0.2% 2.1%	0.2% 2.1%	0.1% 2.0%
Scandi movers									
During the week									
Tue	07-May	9:30	SEK	Riksbank publishes minutes			1.0%		
Thurs	09-May	10:00	NOK	Norges Banks monetary policy meeting	%		1.0%	1.0%	1.0%
Fri	10-May	8:00	NOK	Core inflation (CPI-ATE)	m/m y/y	Apr	0.3% 2.3%	0.0% 2.5%	0.3% 2.7%
		8:00	DKK	CPI	m/m y/y	Apr	1.0%		0.1% 1.2%

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

The euro area economy is showing signs of life

Main macro themes

- **This week we got relatively encouraging numbers for the euro area (for a change).** Real GDP growth rose on a quarterly basis to 0.38% in Q1 from 0.22% in Q4. Despite the gloomier PMI surveys for the euro area countries, industrial production data signal a pick up. The growth rate in Q1 is above the ECB's latest forecast (0.2% in Q1), hence creating upside risks to the ECB's June projections and reducing the probability of further easing measures from the ECB, in our view.
- **Another positive is that US GDP growth in Q1 came out higher than expected.** This was partly due to increasing stockpiling by companies, which is likely to revert. However, the data support our long-held view that it was way too early to talk about an imminent recession in the US. The US economy remains in good shape, in our view.
- **As expected, the Fed left the target range unchanged at 2.25-2.50%** and overall there were no major changes to the policy signals (apart from a technical adjustment in the interest rates on excess reserves). On the one hand, the Fed said economic growth and the labour market remain strong, on the other hand, inflation is running below the 2% target.
- **Economic data in China were less encouraging this week.** PMI manufacturing fell back slightly again in April, but this comes after a strong reading in March. It is not unusual that Chinese data are volatile around the Chinese New Year, so the decline in April was not a big surprise to us. **We still expect a recovery in China, but the numbers point to a moderate recovery.** Investors' hope for further monetary easing is still alive and we see a 50-50 chance of a broad based cut in the Reserve Requirement Ratio.

Financial market developments

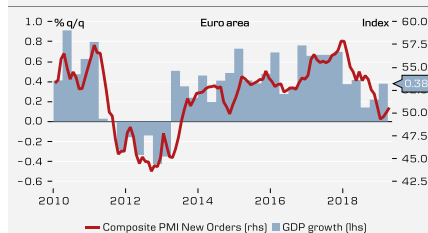
- **The oil price had another turbulent week.** US president Trump caused a plunge in the oil price after he tweeted late last Friday that he would call on OPEC producers to ramp up production to limit the upward pressure on the oil price. However, the oil price rose during the week on rumours of a military coup attempt in Venezuela led by opposition leader Guaido and backed by the US.
- **In FX markets, the EUR initially received a boost from the higher than expected German inflation data as well as euro area GDP data,** lifting EUR/USD above 1.12. EUR/USD initially rose above 1.1260 on the statement from the FOMC meeting and the news that the Fed had cut the IOER by 5bp, but afterwards fell back as the Fed downplayed the move and suggested it was on hold. We maintain our view that EUR/USD is headed back towards 1.13 in 3M due to a pick-up in global activity.
- **Equities have traded a bit lower so far this week led by cyclical sectors.** In general, earnings released so far have been above the analyst consensus estimates. However, they were lowered by a huge margin in Q1, which explains the muted reaction. In the Nordic space, industrials look better than expected before the earnings season, while banks have disappointed on an aggregated level. The big news for equities were the FOMC meeting and comments from Powell, which were taken a bit negatively and were the primary reason for the negative performance last week.

Financial views

Major indices			
	03-May	3M	12M
10yr EUR swap	0.52	0.55	0.85
10yr US swap	2.54	2.60	2.70
ECB key rate	-0.40	-0.40	-0.40
Fed funds rate	2.50	2.50	2.50
EUR/SEK	1069	1060	1080
EUR/NOK	979	950	930
EUR/USD	112	113	117
ICE Brent oil	70	70	80

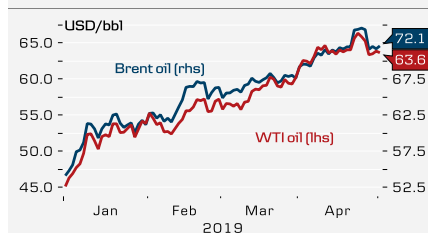
Source: Danske Bank

The euro-area GDP rebounds in Q1



Source: Macrobond Financial

Oil price fell on the back of Trump's call for higher oil production



Source: Macrobond Financial

Scandi update

House prices rose 1.1% (seasonally adjusted) in February, while apartment prices fell 0.4%. Hence, the trend of increasing house prices and slightly declining apartment prices continues – a trend that has now lasted for one year.

Seasonally adjusted, car sales fell 28.8% from March to April. The significant fall was expected and followed on the heels of a growth spurt in the opening months of the year. The great volatility in car sales in recent months was due to the prospect of an increase in car taxes on 1 April. While this has now been postponed until the end of 2020, many people had already made the decision to buy before the change of date. Strong car sales in the early part of the year gave a substantial boost to private consumption in Q1 but we expect car sales will tend to reduce private consumption in Q2. The underlying picture of steady but less than impressive growth in private consumption thus remains intact.

Statistics Denmark's business confidence indicators rose for both the manufacturing and service sectors in April, while building and construction remained at a historically high level. This is certainly encouraging, though it also comes after a period of severe decline in business confidence. Manufacturing, in particular, has been facing headwinds recently, not least in Germany, while sentiment among Danish manufacturers has also taken a knock. Yet, production at Danish manufacturers has been excellent, as have manufacturing exports. However, major growth spurts in pharmaceuticals, for example, do not really get captured by the confidence indicator. Meanwhile, manufacturing, construction and the service sector are all reporting an increasing shortage of labour, although the shortage across all three sectors is still somewhat lower than it was last summer and autumn.

Sweden – PMI weakest since 2013

We have been waiting for Swedish manufacturing PMI to fall significantly on the back of plummeting German manufacturing PMI. April recorded 50.9, the weakest reading since July 2013, as significant components of the index declined. Notably, delivery time and employment are now below the 50 level.

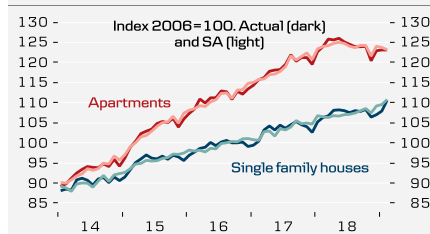
Looking forward, unless the weaker SEK props up orders and production, a further decline in line with what is seen in Germany seems likely.

Norway – consumer spending set to rise

Monthly retail sales figures have fluctuated considerably in Norway since autumn 2018, while the underlying trend has been weak since spring 2018. In our opinion, the latter is very much due to extremely high electricity prices seriously undermining purchasing power in the period. However, forward electricity prices indicate a substantial fall in inflation in the second half of the year and this, together with higher wage growth, should result in a clear improvement in purchasing power. The effect was probably not visible in the retail sales figures for March, which rose 0.6% m/m, mainly as a reaction to weak February figures, but the effect should begin to make its presence felt from April.

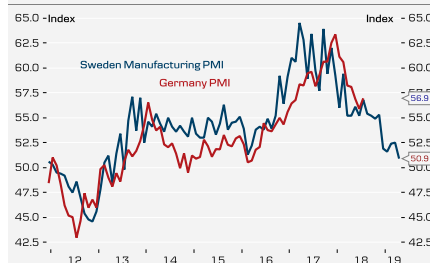
April's PMI figures were a real disappointment, falling to 53.8, from 56.3 in March. PMI has had a tendency to surprise positively in the month before Easter and disappoint slightly in the month when Easter falls and we view this as the most important reason for the correction. Given signs of a stabilisation in the global economy and still strong growth in oil investments, we continue to expect activity in the manufacturing sector to pick up further over the rest of the year.

More expensive houses, cheaper apartments



Source: Statistics Denmark, Macrobond Financial

PMI set to accompany Germany



Source: Markit, Swedbank

Lower electricity prices will improve purchasing power



Source: Macrobond Financial, Danske Bank

Latest research from Danske Bank

2/5 Flash Comment Denmark - Lowest level of government deposits since 2008

The Danish FX reserve declined DKK1.2bn in April to DKK453bn.

2/5 China Leading Indicators - moderate recovery still on track

Our view. April PMIs fell back but are still clearly off the lows. We continue to look for a moderate recovery in 2019.

2/5 FOMC review - No easing bias despite IOER rate cut

As expected, the Fed left the target range unchanged at 2.25-2.50% and overall there were no major changes to the policy signals (Powell said the IOER rate cut was a technical adjustment and not an expression of an easing bias, see more below).

1/5 Monthly Executive Briefing: Moderate recovery in China

In China, economic data have shown signs of a moderate recovery.

30/4 Flash Comment China - PMI lower but moderate recovery on track

Chinese PMI came out weaker than expected (see charts for details) but as we wrote in *China Weekly Letter* on Friday, the rebound in March data was probably too good to be true and some correction in April was to be expected.

29/4 Spanish Election Monitor Europe's centre-left stages a comeback

The third general election in four years brought another shake-up in Spain's political landscape, for the first time seeing the far-right Vox party joining the ranks of parliament.

Macroeconomic forecast

Macro forecast, Scandinavia

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Denmark	2018	1.4	2.3	0.8	5.1	0.6	2.7	0.8	2.3	3.9	0.5	34.1	6.0
	2019	1.8	1.8	0.4	-1.2	3.2	1.2	1.2	2.2	3.8	0.3	32.6	7.1
	2020	1.6	2.2	0.4	3.2	1.9	2.4	1.4	2.5	3.8	0.0	31.5	7.1
Sweden	2018	2.4	1.2	0.9	3.3	3.5	2.9	2.0	2.6	6.3	0.9	38.5	0.5
	2019	1.0	0.8	0.6	-0.3	4.1	3.2	1.7	2.6	6.6	0.1	34.0	4.4
	2020	1.5	1.6	1.5	1.7	3.2	2.8	1.5	2.7	7.1	0.5	33.0	4.2
Norway	2018	2.2	2.0	1.5	0.9	-0.8	0.9	2.7	2.8	2.4	-	-	-
	2019	2.6	2.0	1.8	4.7	3.5	3.0	2.2	3.3	2.3	-	-	-
	2020	2.4	2.3	1.8	1.8	3.0	3.0	1.7	3.8	2.2	-	-	-

Macro forecast, Euroland

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Euro area	2018	1.8	1.3	1.1	3.3	3.1	3.1	1.8	2.3	8.2	-0.5	85.1	3.8
	2019	1.4	1.2	2.3	3.1	3.0	4.0	1.6	2.2	7.7	-0.8	84.9	3.6
	2020	1.5	1.6	2.4	2.0	2.7	3.5	1.5	2.4	7.5	-0.7	82.8	3.6
Germany	2018	1.5	0.9	1.0	2.7	2.2	3.4	1.9	3.0	3.4	1.7	60.9	7.3
	2019	0.9	0.9	2.8	3.3	2.2	4.6	1.4	3.2	3.1	1.2	56.7	7.3
	2020	1.4	1.6	2.2	3.1	3.1	4.6	1.5	3.0	2.9	1.1	53.7	6.9
Finland	2018	2.3	1.4	1.4	3.2	1.5	4.2	1.1	1.8	7.4	-0.7	58.9	-1.9
	2019	1.7	1.6	0.5	1.0	2.5	3.0	1.3	2.5	6.5	0.0	57.6	-1.5
	2020	1.2	1.3	0.5	1.0	2.0	2.0	1.5	2.5	6.4	0.1	56.3	-1.2

Macro forecast, Global

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
USA	2018	2.9	2.6	1.5	5.2	4.0	4.5	2.4	3.0	3.9	-4.0	106.0	-3.2
	2019	2.4	2.4	1.3	2.9	2.1	3.5	1.8	3.3	3.6	-4.6	107.0	-3.6
	2020	1.9	2.1	1.0	2.7	2.4	2.6	2.4	3.5	3.5	-4.6	108.0	-3.7
China	2018	6.6	8.2	-	5.0	-	-	2.2	8.5	-	-4.1	50.1	0.7
	2019	6.2	8.0	-	4.7	-	-	2.0	8.3	-	-4.5	53.9	0.7
	2020	6.2	7.8	-	4.6	-	-	2.2	8.0	-	-4.3	57.1	0.7
UK	2018	1.4	1.8	0.4	0.2	0.1	0.7	2.5	3.0	4.1	-1.5	85.0	-3.3
	2019	1.0	1.4	1.3	-0.7	1.4	2.2	1.6	3.5	3.9	-1.5	84.1	-3.2
	2020	1.3	1.5	0.6	1.7	2.0	2.0	1.5	3.8	3.8	-1.3	83.2	-3.0
Japan	2018	0.9	0.3	0.5	1.8	3.1	2.7	0.9	-	2.8	-	-	-
	2019	0.9	1.0	0.8	1.5	2.0	2.1	1.4	-	2.4	-	-	-
	2020	0.5	0.0	0.8	-0.3	2.8	1.2	2.0	-	2.4	-	-	-

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

Financial forecast

Bond and money markets										
		Key interest rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK	Currency vs NOK	Currency vs SEK
USD	03-May	2.50	2.58	2.46	2.54	111.6	-	668.8	876.7	958.0
	+3m	2.50	2.60	2.55	2.60	113.0	-	660.0	840.7	938.1
	+6m	2.50	2.60	2.55	2.60	115.0	-	648.3	808.7	930.4
	+12m	2.50	2.60	2.60	2.70	117.0	-	637.2	794.9	923.1
EUR	03-May	-0.40	-0.31	-0.19	0.52	-	111.6	746.6	978.6	1069.3
	+3m	-0.40	-0.31	-0.15	0.55	-	113.0	745.8	950.0	1060.0
	+6m	-0.40	-0.31	-0.15	0.60	-	115.0	745.5	930.0	1070.0
	+12m	-0.40	-0.31	-0.05	0.85	-	117.0	745.5	930.0	1080.0
JPY	03-May	-0.10	-0.07	-0.02	0.13	125.6	111.5	5.94	7.79	8.51
	+3m	-0.10	-	-	-	127.7	113.0	5.84	7.44	8.30
	+6m	-0.10	-	-	-	130.0	113.0	5.74	7.16	8.23
	+12m	-0.10	-	-	-	132.2	113.0	5.64	7.03	8.17
GBP	03-May	0.75	0.82	1.05	1.37	85.7	130.2	870.6	1141.2	1247.0
	+3m	0.75	0.84	1.15	1.40	86.0	131.4	867.2	1104.7	1232.6
	+6m	0.75	0.84	1.20	1.55	86.0	133.7	866.9	1081.4	1244.2
	+12m	0.75	0.84	1.30	1.65	86.0	136.0	866.9	1081.4	1255.8
CHF	03-May	-0.75	-0.72	-0.64	0.08	113.9	102.0	655.4	859.1	938.8
	+3m	-0.75	-	-	-	113.0	100.0	660.0	840.7	938.1
	+6m	-0.75	-	-	-	115.0	100.0	648.3	808.7	930.4
	+12m	-0.75	-	-	-	117.0	100.0	637.2	794.9	923.1
DKK	03-May	-0.65	-0.34	-0.12	0.63	746.6	668.8	-	131.1	143.2
	+3m	-0.65	-0.32	-0.05	0.65	745.8	660.0	-	127.4	142.1
	+6m	-0.65	-0.32	-0.05	0.70	745.5	648.3	-	124.7	143.5
	+12m	-0.65	-0.32	0.05	0.95	745.5	637.2	-	124.7	144.9
SEK	03-May	-0.25	-0.07	0.04	0.86	1069.3	958.0	69.8	91.5	100.0
	+3m	-0.25	-0.05	0.12	0.90	1060.0	938.1	70.4	89.6	-
	+6m	-0.25	-0.05	0.15	0.95	1070.0	930.4	69.7	86.9	-
	+12m	-0.25	-0.05	0.15	1.05	1080.0	923.1	69.0	86.1	-
NOK	03-May	1.00	1.41	1.77	2.10	978.6	876.7	76.3	100.0	109.3
	+3m	1.25	1.79	1.90	2.15	950.0	840.7	78.5	-	111.6
	+6m	1.25	1.94	2.15	2.15	930.0	808.7	80.2	-	115.1
	+12m	1.50	2.12	2.30	2.35	930.0	794.9	80.2	-	116.1

Commodities													
	03-May	2019				2020				Average			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020		
ICE Brent	70	65	70	75	80	80	80	80	80	72	80		

Source: Danske Bank

Calendar

Key Data and Events in Week 19

During the week

			Period	Danske Bank	Consensus	Previous
Sat 04	JPY	Greenery Day				
Sat 04	USD	Fed's Bullard (non-voter, dovish) speaks				
Sat 04	USD	Fed's Mester (voter, hawkish) speaks				
Sat 04	USD	Fed's Kaplan (non-voter, neutral) speaks				
Mon 06	JPY	Children's Day (obs)				

Monday, May 6, 2019

			Period	Danske Bank	Consensus	Previous
-	JPY	Children's Day (obs)				
3:45	CNY	Caixin PMI service	Index	Apr	54.2	54.4
8:30	SEK	PMI services	Index	Apr		55.3
9:15	ESP	PMI services	Index	Apr	55.4	56.8
9:45	ITL	PMI services	Index	Apr	51.9	53.1
9:50	FRF	PMI services, final	Index	Apr	50.5	50.5
9:55	DEM	PMI services, final	Index	Apr	55.6	55.6
10:00	EUR	PMI composite, final	Index	Apr	51.3	51.3
10:00	EUR	PMI services, final	Index	Apr	52.5	52.5
10:30	EUR	Sentix Investor Confidence	Index	May	1.0	-0.3
11:00	EUR	Retail sales	m/m y/y	Mar	-0.2% 1.6%	0.4% 2.8%
15:30	USD	Fed's Harker (non-voter, hawkish) speaks				

Tuesday, May 7, 2019

			Period	Danske Bank	Consensus	Previous
-	CNY	Foreign exchange reserves	USD bn	Apr	3101.5	3098.8
2:30	JPY	Nikkei Manufacturing PMI, final	Index	Apr		49.5
6:30	AUD	Reserve Bank of Australia rate decision	%	1.5%	1.25%	1.5%
8:00	DKK	Industrial production	m/m	Mar		-1.2%
8:00	DEM	Factory orders	m/m y/y	Mar	1.0% -5.4%	-4.2% -8.4%
9:00	CHF	SNB balance sheet, intervention	CHF bn	Apr		756
9:30	SEK	Industrial orders	m/m y/y	Mar		-2.0% -2.8%
9:30	SEK	Riksbank publishes minutes				
11:00	EUR	EU Commission publishes Spring Economic Forecasts				
13:00	USD	Fed's Kaplan (non-voter, neutral) speaks				
21:00	USD	Consumer credit	USD bn	Mar	17.0	15.2

Wednesday, May 8, 2019

			Period	Danske Bank	Consensus	Previous
-	CNY	Trade balance	USD bn	Apr	33.7	32.7
2:30	JPY	Markit PMI services	Index	Apr		52.0
4:00	NZD	Reserve Bank of New Zealand (cash rate decision)	%	1.75%	1.5%	1.75%
7:45	CHF	Unemployment	%	Apr	2.4%	2.4%
8:00	NOK	Manufacturing production	m/m y/y	Mar	0.3%	-0.3% 3.1%
8:00	NOK	Industrial production	m/m y/y	Mar		-1.8% -5.7%
8:00	DEM	Industrial production	m/m y/y	Mar	-0.9% -2.8%	0.7% -0.4%
9:30	SEK	Budget balance	SEK bn	Apr		12
16:30	USD	DOE U.S. crude oil inventories	K			9934

Source: Danske Bank

Calendar (continued)

Thursday, May 9, 2019				Period	Danske Bank	Consensus	Previous
-	EUR	EU summit in Sibiu, Romania					
1:01	GBP	RICS house price balance	Index	Apr		-0.2	-0.2
3:30	CNY	CPI	y/y	Apr	3.0%	2.5%	2.3%
3:30	CNY	PPI	y/y	Apr		0.6%	0.4%
6:00	SEK	Maklarstatistik Swedish housing price data					
7:00	JPY	Consumer confidence	Index	Apr		40.3	40.5
8:00	DKK	Current account (nsa sa)	DKK bn	Mar			... 13.6
8:00	DKK	Trade balance ex ships	DKK bn	Mar			6.9
8:00	DKK	Exports	m/m	Mar			690.0%
9:30	SEK	Average house prices	SEK m	Apr			3.097
10:00	NOK	Norges Banks monetary policy meeting	%		1.0%	1.0%	1.0%
14:30	USD	PPI	m/m y/y	Apr		0.2% 2.3%	0.6% 2.2%
14:30	USD	PPI core	m/m y/y	Apr		0.2% 2.5%	0.3% 2.4%
14:30	USD	Trade balance	USD bn	Mar		-51.4	-49.4
14:30	USD	Initial jobless claims	1000				
19:15	USD	Fed's Evans (non-voter, dovish) speaks					
Friday, May 10, 2019				Period	Danske Bank	Consensus	Previous
-	NOK	Consumer confidence	Net. bal.	2nd quarter			12.7
-	CNY	Money supply M2	y/y	Apr		8.5%	8.6%
1:30	JPY	Labour cash earnings	y/y	Mar		-0.5%	-0.7%
3:30	AUD	RBA Statement of Monetary Policy					
8:00	NOK	Core inflation (CPI-ATE)	m/m y/y	Apr	0.3% 2.3%	0.0% 2.5%	0.3% 2.7%
8:00	DEM	Trade balance	EUR bn	Mar		21.6	18
8:00	NOK	CPI	m/m y/y	Apr		... 2.7%	0.2% 2.9%
8:00	NOK	PPI	m/m y/y	Apr			-2.1% 5.2%
8:00	DKK	CPI	m/m y/y	Apr	1.0%		0.1% 1.2%
8:45	FRF	Industrial production	m/m y/y	Mar		-0.6% 0.2%	0.4% 0.6%
9:30	EUR	ECB's Lautenschlaeger speaks in Paris					
9:30	SEK	Household consumption	m/m y/y	Mar	1.5%		0.2% 1.8%
10:30	GBP	GDP, preliminary	q/q y/y	1st quarter	0.5%	0.5% 1.8%	0.2% 1.4%
10:30	GBP	Monthly GDP estimate	m/m q/q	Mar		0 ...	0.002 ...
10:30	GBP	Index of services	m/m 3m/3m	Mar		0.001 0.004	0.001 0.004
10:30	GBP	Trade balance	GBP mio.	Mar		-4600	-4860
14:30	USD	CPI headline	m/m y/y	Apr		0.4% 2.1%	0.4% 1.9%
14:30	USD	CPI core	m/m y/y	Apr	0.2% 2.1%	0.2% 2.1%	0.1% 2.0%
14:30	CAD	Net change in full time employment	1000	Apr			-6.4
16:00	USD	Fed's Williams (voter, neutral) speaks					
16:30	EUR	ECB's Coeure speaks in Paris					
20:00	USD	Budget statement	USD bn	Apr		165.0	-146.9

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Source: Danske Bank

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