13 April 2018

Weekly Focus

More to worry about

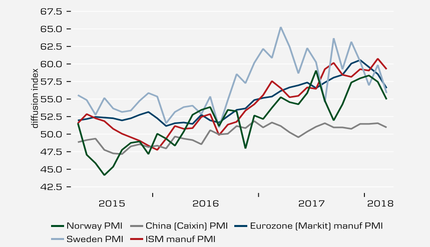
Market movers ahead

- In a week with few important data releases and scheduled events, we expect markets to remain focused on global politics – there have been encouraging signs on trade policy lately but increasing worries over Syria and the US-Russia relationship.
- US retail sales should be interesting, as they have been weak lately but the underlying case for consumption growth remains strong.
- UK data is likely to show increasing wage growth and core inflation, supporting the case for a rate hike next month.
- We expect a lot of attention on Swedish house prices for March – our indicator shows that the decline in Stockholm apartment prices continued and there was a very large decline in trading activity.

Global macro and market themes

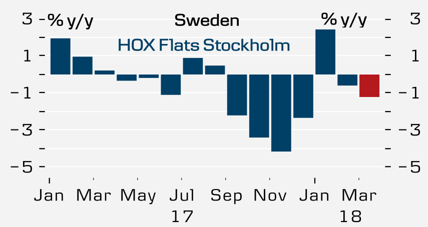
- Geopolitical risk has resurfaced but despite the heightened uncertainty from a weakening growth cycle and the trade issue, volatility has stayed subdued and market moves have generally been muted with the RUB a key exception.
- We still expect equities to rebound, while rate and FX markets are taking a breather from recent ECB and Riksbank repricing and the USD decline.
- Norwegian inflation was much lower than expected in March, but that was only due to temporary factors, and the new wage agreement actually points clearly towards higher inflation.

Downturn in growth indicators lately



Source: Macrobond Financial

Looks like another dip in Sweden



Sources: Valueguard, Danske Bank forecast

Contents

Financial views

Major indices	13-Apr	3M	12M
10yr EUR swap	0.96	1.20	1.60
EUR/USD	123	123	128
ICE Brent oil	72	62	64

Source: Danske Bank

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Market movers

Global

- In the **US**, we expect markets to continue focusing on US trade policy. This week there have been encouraging signs, as both the US and China seem willing to find a solution to the dispute at the negotiating table (see *Flash Comment – Encouraging signs in the US-China trade conflict*, 10 April).

  With respect to economic data releases, retail sales in March are due out on Monday. Retail sales have been weak in recent months but the slowdown comes after a period with strong growth. Retail sales are very noisy but, given the high degree of optimism among US consumers, we believe private consumption will remain a growth driver.

  Industrial production data for March are due out Tuesday. Industrial production is quite volatile but both PMI and ISM manufacturing are signalling the expansion will continue.

  Next week also brings several FOMC speeches. We still expect another hike in June.

- In the **euro area**, there are no market movers next week. However, the final HICP figures for March are due for release on Wednesday. The initial prints surprised on the downside, where non-energy industrial goods, in particular, were a drag on core inflation. The details will show whether the weak core figure was a result of the lagged impact of the euro appreciation or one-off factors with less concern for the ECB.

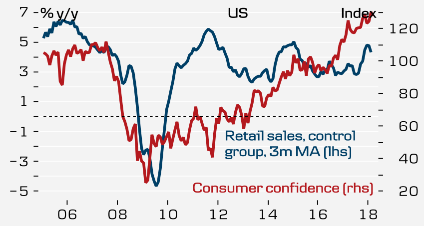
- There are two very important data releases in the **UK** next week, as the Bank of England still seems on track to deliver a rate hike at its meeting next month. On Tuesday, the labour market report for February is due out. We expect the annual growth rate of average hourly earnings excluding bonuses (3M average) to increase to 2.8% y/y from 2.6% y/y, as the weight of the monthly fall in December 2016 becomes less important. We believe the unemployment rate (3M average) will remain at 4.3%.

  On Wednesday, we are due to get CPI inflation data for March. We estimate CPI inflation was unchanged at 2.7% y/y in March (but lower second decimal), while core CPI inflation may have risen to 2.5% from 2.4%. Our base case is still that CPI inflation will move lower this year, as food price inflation has peaked, energy prices are stabilising and the impact of past GBP depreciation is fading.

- In **Japan**, we get March exports on Wednesday. Foreign demand is the key growth driver in Japan, as exporters enjoy the tailwind from the strong global economic upturn. Recently, we have seen the beginning of export weakness, with the yen strengthening and sentiment indicators such as PMIs and Tankan pointing towards some slowdown. It will be interesting to see whether exports can rebound on the back of this. On Friday, we are set to get March inflation figures. The Bank of Japan's target measure, CPI excluding fresh food, has been climbing upwards for more than a year now and currently stands at 1.0% y/y – still a long way off the 2.0% target. Excluding energy, inflation has only just reached 0.5%.

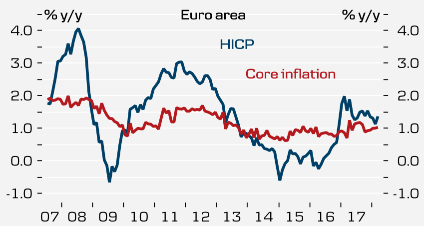
- There are no market movers in **China** next week.

High consumer confidence supports consumption



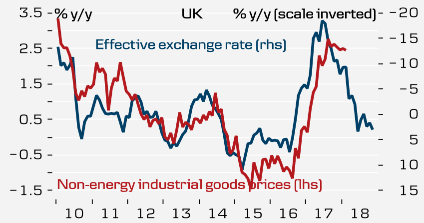
Source: Conference Board, Census Bureau, Macrobond Financial

Inflation rose in March but less than expected



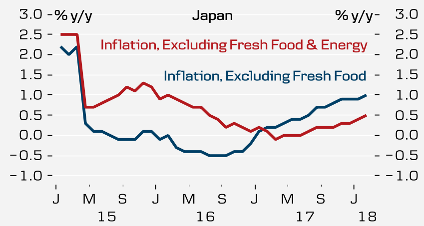
Source: Eurostat, Macrobond Financial, Danske Bank

Impact of GBP depreciation is fading



Source: ONS, Bank of England, Macrobond Financial

Inflation climbing – but very slowly

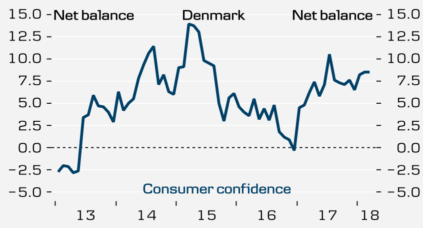


Source: Japanese Cabinet Office, Macrobond Financial

Scandi

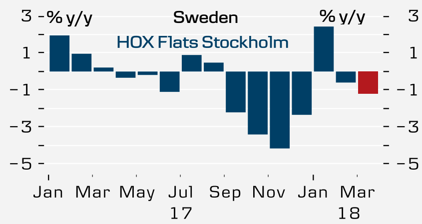
- In **Denmark**, there is little on the agenda, the only notable release being consumer confidence on Friday. Although the indicator was unchanged in March, it has made a strong start to the year, with increases in both January and February taking it to its highest since July 2017. We expect sentiment to soften slightly in April, with the indicator edging back to 8.0.
- Next week in **Sweden**, March HOX residential property prices are in the limelight. Our Swedish Boprisindicator (tracking Stockholm flats prices) showed prices fell again in March (1.2% m/m nsa, 1.6% seasonally adjusted). This said, most intriguing was the 50% collapse in transactions, probably a result of the new amortisation requirement introduced on 1 March. We stick to our view that prices are likely to continue falling as the supply of newly produced flats is rising sharply in 2018.
- In **Norway**, a somewhat quieter week will see our interest centring on manufacturing confidence for Q1. Relatively high oil prices are currently fuelling demand in the oil supply sector, while the combination of strong global growth and a relatively weak krone is giving exporters a helping hand. This has been very much in evidence in the monthly manufacturing indicators. This said, we have seen a slight softening in the PMI over the past two months. Historically, the manufacturing confidence indicator has been more stable than the PMI, including at a quarterly level, so we are counting on an answer as to whether there is actually a slowdown under way or whether it is just noise in the PMI. We expect a moderate rise in the overall index from 6.4 in Q4 to 7.0 in Q1, confirming a continued upswing in manufacturing.

Consumer confidence on the up so far this year



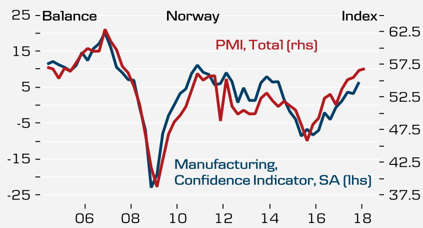
Source: Statistics Denmark

Another dip in March



Sources: Danske Bank forecast (red), Valueguard

Manufacturing on the increase



Source: Macrobond Financial, Danske Bank

Market movers ahead

Global movers				Event		Period	Danske	Consensus	Previous
Mon	16-Apr	14:30	USD	Retail sales control group	m/m	Mar		0.3%	0.1%
Tue	17-Apr	4:00	CNY	Real GDP	q/q|y/y	1st quarter		1.5%|6.8%	1.6%|6.8%
		4:00	CNY	Industrial production	y/y	Mar		6.4%	6.2%
		10:30	GBP	Average weekly earnings ex bonuses (3M)	y/y	Feb	2.8%	2.8%	2.6%
		10:30	GBP	Unemployment rate (3M)	%	Feb	4.3%	4.3%	4.3%
		15:15	USD	Industrial production	m/m	Mar		0.3%	0.9%
Wed	18-Apr	1:50	JPY	Exports	y/y (%)	Mar		0.1	0.0
		10:30	GBP	CPI	m/m|y/y	Mar	...|2.7%	0.3%|2.7%	0.4%|2.7%
		10:30	GBP	CPI core	y/y	Mar	2.5%	2.4%	2.4%
		11:00	EUR	HICP inflation, final	m/m|y/y	Mar	...|1.4%	1.0%|1.4%	0.2%|1.1%
Fri	20-Apr	1:30	JPY	CPI - national	y/y	Mar		1.1%	1.5%
		1:30	JPY	CPI - national ex. fresh food	y/y	Mar		0.9%	1.0%
Scandi movers									
Mon	16-Apr	6:00	SEK	Valueguard HOX Stockholm flats prices	m/m		1.2%		-0.6%
Wed	18-Apr	13:00	SEK	Industrial production s.a.	y/y	Mar			
Fri	20-Apr	8:00	NOK	Industrial confidence (SSB)	Net. bal.	1st quarter	7.0		6.4

Source: Bloomberg, Danske Bank

Global Macro and Market Themes

Don't mention the war(s)

In a week where the Russia-Syrian conflict escalated and the US-China trade issue continued to linger, oil drifted higher and the US dollar weakened; euro-zone short-end rates were lifted by hawkish ECB comments, whereas equities overall saw muted moves across regions. Despite the risks mounting from weaker growth, geopolitics and the trade issue, volatility has stayed subdued across equity, rates and FX markets.

Scandi inflation misses

The loss of growth momentum globally has gained further traction, as Chinese indicators continue to weaken, see *China Leading Indicators - More signs of (moderate) slowdown*, 11 April 2018. Inflation data in the Scandi region came out on the weak side of expectations in Sweden, Norway and Denmark alike and thus added to the sense of cyclical weakness in this region as well. Indeed, on top of the geopolitical and trade-war risks, the global cycle remains a lingering concern for risk assets in general and the Scandi currencies in particular.

We still expect notably Norway to fare better than Sweden growth-, inflation-, and housing-wise as 2018 progresses. While we could see a pause in the repricing of the Riksbank near term, we still like to receive Swedish rates in the short end and pay further out on the curve for a steepening of the curve. EUR/SEK continues to hover at elevated levels (10.30ish) and fundamentals increasingly suggest the pair is overbought. The risk of deteriorating risk sentiment is a challenge for both SEK and NOK, but we still expect the Norwegian economy to outperform the Swedish one, allowing Norges Bank to move significantly before the Riksbank on the first hike. Hence, it still seems premature to see a SEK bound.

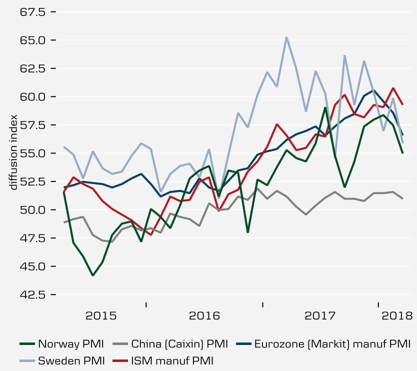
US and equities holding up well

The US has so far fared somewhat better than elsewhere with decent inflation figures this week and notably a healthy job report for March. This is probably one reason the USD has held up well when risk sentiment has soured on cyclical worries. The FOMC minutes this week showed a Fed on autopilot, in the sense that rates are heading higher still and the balance sheet lower, notwithstanding global growth weakness and tighter USD liquidity. We still think the Fed will deliver two more hikes with risks tilted in favour of a third, and we look for a steeper money-market curve still. **The start of the earnings season not least in the US may provide some comfort for risk sentiment though, as we expect this to start on a markedly positive note.** Global equity markets have come down around 10% since the peak this year and we maintain that equities remain a buy due to a strong earnings uptrend and non-existent recession risks.

Key points

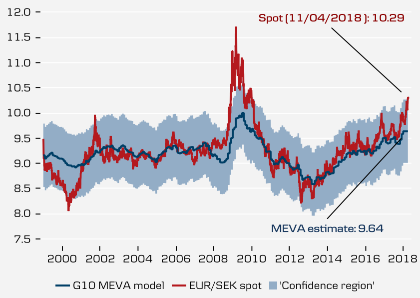
- Geopolitical risk has resurfaced but despite the heightened uncertainty from a weakening growth cycle and the trade issue, volatility has stayed subdued and market moves have generally been muted with RUB a key exception.
- We still expect equities to rebound, while rate and FX markets are taking a breather from recent ECB and Riksbank repricing and the USD decline.

Loss of cyclical momentum recently across regions – but from high levels



Source: *Macrobond Financial, Danske Bank*

EUR/SEK starts to look overvalued on fundamentals



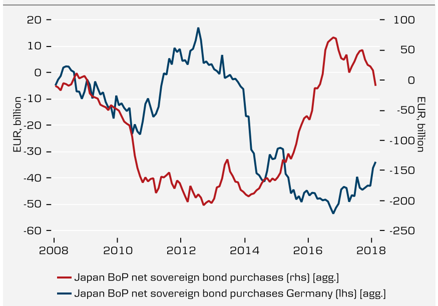
Source: *Eviews, Macrobond Financial, Danske Bank*

ECB remains in 'exit' mode – Japanese lured from US to EU

Despite the weaker indicators in the euro zone lately, ECB's Nowotny initiated talk of *how* to deliver the first hike. This served as a reminder that the first hike is what ECB focus is increasingly drawn towards and this stirred some volatility – not least as an ECB spokesperson in an unprecedented way later dismissed the comments as simply personal statements from Nowotny. The episode clearly illustrates (i) the sensitivity of the market to news on the ECB 'exit' process, and (ii) the ECB's awareness of not triggering a pre-emptive tightening of financial conditions. However, the ECB March minutes came across a tad soft in notably stressing the need for prudence, patience and persistence, thus underlining the likelihood of a very gradual 'normalisation' process.

EUR/USD edged higher at the start of the week but was dragged down a bit by the ECB minutes. We still do not expect the cross to break far away from the 1.23 mark, which has proved a strong attractor recently. We still think market pricing of ECB is excessive and like to receive in the shorter end of the curve, while we are looking for steepening further out the curve as higher US rates prove contagious. Data on Japanese investor flows saw Japan investors continue to shed US Treasuries, while buying EU bonds. Indeed, the relative attractiveness of assets increasingly favour EU over US assets when roll yield and hedging costs are accounted for. This process could continue and to the extent that some of these flows remain unchanged, it could provide continued EUR support.

Japanese investors increasingly favour EU over US assets



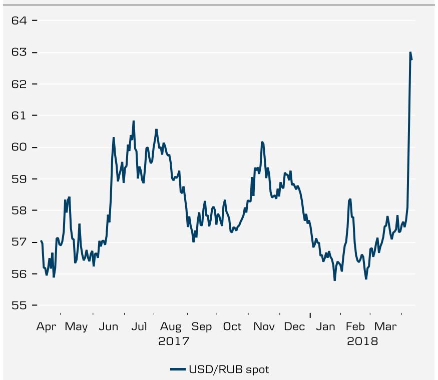
Source: MoF, Macrobond Financial, Danske Bank

Don't mention the war(s)

The US administration's protectionist agenda has fuelled tit-for-tat measures being announced from both Trump and China's president Xi on an ongoing basis in recent weeks. The ebbs and flows of the trade issue continued this week and while the rhetoric may appear harsh at times, there are increasingly signs that negotiations will be entered, and hence that we will avert an outright trade war, see *Flash Comment: Encouraging signs in the US-China trade conflict*, 10 April 2018. Markets are indeed experiencing some trade-war fatigue with neither equity nor currency markets seeming too preoccupied with the risk of this issue, having traded on this for quite a few weeks at this stage. We note, however, that both the Fed and the ECB this week stressed that the uncertainty and possible impairment of consumer and investor confidence that this gives rise to should not be dismissed.

Further adding to uncertainty, the alleged gas attacks in Syria and associations with Russia, led the US administration to impose further sanctions on Russia and announce a missile attack in Syria. This sent the Russian rouble into a free fall, down close to 8% versus USD in recent days. Oil prices have also continued to creep higher with Brent crude testing new 2018 highs at USD73/bbl. Despite the awakening of geopolitical risks, USD/JPY remained remarkably steady. EUR/CHF continued its recent climb driven by continued ECB exit talk and possibly by CHF outflows as US sanctions hit Russian CHF-based entities.

USD/RUB spikes



Source: Bloomberg, Macrobond Financial, Danske Bank

Financial views

Asset class	Main factors
Equities	
Positive on 3-12 month horizon.	Strong business cycle and near double digit earnings growth in most major regions. Low rates drive demand for risk assets.
Bond market	
German/Scandi yields – in recent range for now, higher in	ECB to normalise gradually only due to lack of wage pressure and stronger euro. ECB on hold for a long time.
EUR 2y10y steeper, USD 2y10y flatter	The ECB keeps a tight leash on the short end of the curve. But 10Y higher as US impact.
US-euro spread - short-end to widen further	The spread in the short-end to widen further as Fed continues to hike
Peripheral spreads – tightening	Economic recovery, ECB stimuli, better fundamentals, an improved political picture and rating upgrades to lead to further tightening despite the recent strong moves. Italy still a risk
FX & Commodities	
EUR/USD – rangebound near term	In 1.21-1.26 range for now; supported longer term by valuation and capital-flow reversal due to ECB 'normalisation'
EUR/GBP – gradually lower over the medium term	Brexit uncertainty dominates but GBP should strengthen in 6-12M on Brexit clarification and BoE rate hikes.
USD/JPY – lower short term	Risk appetite decisive near term; downside risks reduced on postioning correct.
EUR/SEK – risk to the topside	Negative on the SEK due to lower growth, subdued inflation and too aggressive RB pricing; eventually EUR/SEK lower but not in H1 18
EUR/NOK - to move lower, but near-term topside risk	Positive on NOK on valuation, relative growth, positoning, terms-of-trade, the global outlook, and Norges Bank initiating a hiking cycle.
Oil price – lower short term	Talk of long-term coorporation between OPEC and Russia has supported prices. Downside risk from escalation of trade war.

Source: Danske Bank

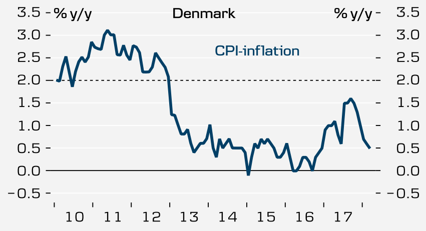
Scandi Update

Denmark – inflation continues to fall

As we predicted, CPI inflation edged down from 0.6% in February to 0.5% in March, due mainly to lower alcohol and TV prices, while a surprise increase in book prices pulled in the other direction.

Exports of goods fell 0.4% in February, continuing the decline from recent months, and are now below their levels at the beginning of 2017. Given the upswing in activity across most of the global economy, including key export markets, we had expected a stronger appetite for Danish goods. Therefore, it is rather disappointing to see exports fall in recent months.

Inflation has fallen back in recent months



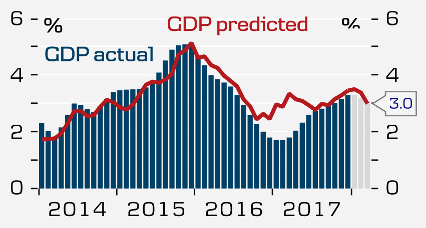
Source: Statistics Denmark

Sweden – house prices down again, growth slowing

We have updated our GDP growth tracker with Statistics Sweden monthly private consumption data. This still suggests growth momentum slowed in Q1 but slightly less so than before. Signals remain in line with our official GDP forecast (grey columns).

The March budget balance was almost SEK5bn better than expected, closing the gap relative to the February outcome, which was SEK5bn worse. Hence, data so far is on track with the forecast.

Growth momentum slowing in Q1

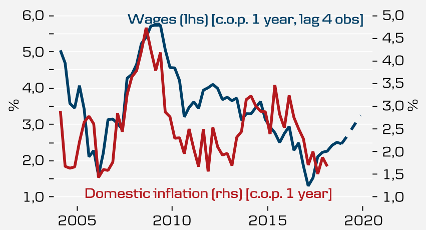


Source: Riksbank, Danske Bank

Norway – inflation drivers in place

Markets reacted very negatively during the week to core inflation coming out at 1.2% y/y in March, well below the expected 1.5%. However, as we have pointed out, it was two notoriously volatile components – airfares and food prices – that surprised on the downside in the run-up to Easter. Adjusted for this, 'core-core' inflation actually rose year on year from 1.4% to 1.5%. The point of this adjustment is to pinpoint the underlying trend in inflation and we see no signs of any disinflationary forces at play. Instead, we would draw attention to the outcome of the private sector wage talks concluded on Sunday. The two sides settled on central pay supplements of 0.5-0.6%, which, together with an overhang of 1.2%, gave a total increase of 'around 2.8%'. In other words, the social partners expect wage drift this year of 1.0-1.1%, which is around or slightly below 2017's level. Given that the labour market is growing much tighter and profitability in the business sector is improving, we believe wage drift will be a little higher than this and we still expect wage growth of 3.0% this year. As can be seen from the chart on the right, accelerating wages over the past year mean that domestic inflation has bottomed out and will probably push up over the next couple of years on the back of higher wage growth. So, while the market had all its attention on temporary noise in the monthly CPI data, it escaped its notice that the most important driver of inflation in the medium term is clearly upward bound.

Domestic inflation is bottoming out



Source: Macrobond Financial, Danske Bank

Latest research from Danske Bank

10/4 China Leading Indicators - More signs of (moderate) slowdown

Growth outlook. All our three favourite leading indicators point to a moderate slowdown ahead.

10/4 Flash Comment: Encouraging signs in the US-China trade conflict

Following the escalation of the US-China trade dispute on Friday, we have seen two signs that support the picture that it is part of negotiations to reach a deal rather than Trump taking China into a trade war.

Macroeconomic forecast

Macro forecast, Scandinavia

	Year	GDP[1]	Private cons.[1]	Public cons.[1]	Fixed inv.[1]	Stock build.[2]	Ex-ports[1]	Im-ports[1]	Infla-tion[1]	Unem-ploym.[3]	Public budget[4]	Public debt[4]	Current acc.[4]
Denmark	2017	2.2	1.5	1.2	3.7	0.1	4.4	4.1	1.1	4.3	1.0	36.4	7.7
	2018	1.8	1.9	1.0	5.8	0.3	2.5	4.2	0.6	4.0	-0.2	35.7	7.5
	2019	1.9	2.6	0.5	4.2	-0.2	2.9	3.6	1.3	3.8	-0.1	34.5	7.5
Sweden	2017	2.7	2.4	0.4	6.0	0.1	3.7	5.0	1.8	6.7	1.2	41.0	4.1
	2018	1.7	1.6	1.3	-1.1	0.2	5.6	4.8	1.6	7.1	1.0	37.0	3.5
	2019	2.0	1.8	0.8	0.4	0.2	4.7	3.8	1.3	7.6	0.8	35.0	3.9
Norway	2017	1.8	2.3	2.0	3.5	-1.6	0.8	2.2	1.8	2.7	-	-	-
	2018	2.5	2.5	1.8	3.0	-0.2	2.0	2.0	2.0	2.3	-	-	-
	2019	2.3	2.3	1.8	2.0	0.0	2.0	2.0	1.9	2.2	-	-	-

Macro forecast, Euroland

	Year	GDP[1]	Private cons.[1]	Public cons.[1]	Fixed inv.[1]	Stock build.[2]	Ex-ports[1]	Im-ports[1]	Infla-tion[1]	Unem-ploym.[3]	Public budget[4]	Public debt[4]	Current acc.[4]
Euro area	2017	2.5	1.7	**1.2**	**3.1**	-	5.3	4.3	1.5	9.1	-1.1	89.3	3.0
	2018	2.1	1.7	**1.5**	**3.8**	-	4.6	4.6	1.3	8.4	-0.9	87.2	3.0
	2019	1.9	1.9	**1.3**	**4.2**	-	3.4	4.4	1.3	8.0	-0.8	85.2	2.9
Germany	2017	2.5	2.1	1.6	3.9	-	5.3	5.6	1.7	3.8	0.9	64.8	8.0
	2018	2.2	1.8	2.3	3.4	-	5.0	6.0	1.5	3.5	1.0	61.2	7.5
	2019	2.0	2.3	2.2	4.5	-	3.1	4.8	1.5	3.3	1.0	57.9	7.2
Finland	2017	2.6	1.6	1.3	6.3	-	7.8	3.5	0.7	8.6	-0.6	61.4	0.7
	2018	2.4	2.1	0.5	3.5	-	4.5	4.5	1.0	8.0	-0.2	59.6	0.6
	2019	2.0	1.6	0.5	3.5	-	4.5	4.0	1.4	7.7	-0.2	58.0	0.8

Macro forecast, Global

	Year	GDP[1]	Private cons.[1]	Public cons.[1]	Fixed inv.[1]	Stock build.[2]	Ex-ports[1]	Im-ports[1]	Infla-tion[1]	Unem-ploym.[3]	Public budget[4]	Public debt[4]	Current acc.[4]
USA	2017	2.3	2.8	0.1	4.0	-0.1	3.4	4.0	2.1	4.4	-3.6	106.0	-2.4
	2018	2.4	2.2	0.0	5.1	0.0	3.6	2.6	2.5	4.0	-4.1	109.0	-3.0
	2019	2.1	1.9	0.4	4.9	0.0	3.1	3.0	2.1	3.8	-5.2	113.0	-3.1
China	2017	6.9	-	-	-	-	-	-	2.0	4.1	-3.7	47.6	1.4
	2018	6.5	-	-	-	-	-	-	2.3	4.3	-3.4	50.8	1.1
	2019	6.3	-	-	-	-	-	-	2.3	4.3	-3.4	53.9	1.2
UK	2017	1.8	1.7	0.1	4.0	-0.4	5.7	3.2	2.7	4.4	-2.4	87.0	-4.6
	2018	1.3	1.3	0.5	1.9	0.1	2.4	2.2	2.2	4.1	-2.0	87.3	-4.7
	2019	1.2	1.0	0.4	2.0	0.0	2.6	1.8	1.8	4.1	-1.8	87.4	-4.6

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 int. rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK
USD	13-Apr	1.75	2.34	2.66	2.86	123.4	-	603.7
	+3m	2.00	2.32	2.60	3.05	123.0	-	605.3
	+6m	2.00	2.40	2.80	3.15	125.0	-	595.6
	+12m	2.25	2.85	3.05	3.35	128.0	-	581.8
EUR	13-Apr	0.00	-0.33	-0.14	0.96	-	123.4	744.7
	+3m	0.00	-0.33	-0.05	1.20	-	123.0	744.5
	+6m	0.00	-0.33	0.00	1.25	-	125.0	744.5
	+12m	0.00	-0.33	0.20	1.60	-	128.0	744.8
JPY	13-Apr	-0.10	-0.04	0.05	0.25	132.7	107.6	5.61
	+3m	-0.10	-	-	-	131.6	107.0	5.66
	+6m	-0.10	-	-	-	137.5	110.0	5.41
	+12m	-0.10	-	-	-	143.4	112.0	5.19
GBP	13-Apr	0.50	0.77	1.15	1.57	86.4	142.8	862.2
	+3m	0.75	0.77	1.25	1.75	87.0	141.4	855.7
	+6m	0.75	0.89	1.45	1.90	86.0	145.3	865.7
	+12m	1.00	1.14	1.70	2.10	84.0	152.4	886.6
CHF	13-Apr	-0.75	-0.74	-0.49	0.41	118.6	96.2	627.8
	+3m	-0.75	-	-	-	119.0	96.7	625.6
	+6m	-0.75	-	-	-	121.0	96.8	615.3
	+12m	-0.75	-	-	-	123.0	96.1	605.5
DKK	13-Apr	0.05	-0.29	0.00	1.13	744.7	603.7	-
	+3m	0.05	-0.30	0.10	1.35	744.5	605.3	-
	+6m	0.05	-0.30	0.15	1.40	744.5	595.6	-
	+12m	0.05	-0.30	0.35	1.75	744.8	581.8	-
SEK	13-Apr	-0.50	-0.37	-0.17	1.19	1038.1	841.5	71.7
	+3m	-0.50	-0.45	-0.10	1.45	1030.0	837.4	72.3
	+6m	-0.50	-0.45	-0.05	1.50	1030.0	824.0	72.3
	+12m	-0.50	-0.45	0.05	1.60	1010.0	789.1	73.7
NOK	13-Apr	0.50	1.12	1.44	2.19	956.6	775.5	77.8
	+3m	0.50	1.05	1.55	2.50	940.0	764.2	79.2
	+6m	0.75	1.20	1.75	2.60	920.0	736.0	80.9
	+12m	1.00	1.40	1.95	2.95	910.0	710.9	81.8

Commodities

		2018				2019				Average	
	13-Apr	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019
NYMEX WTI	58	58	58	60	60	60	60	61	61	58	61
ICE Brent	72	62	62	64	64	64	64	65	65	63	65

Source: Danke Bank

Calendar

During the week				Period	Danske Bank	*Consensus*	Previous
Monday, April 16, 2018				Period	Danske Bank	*Consensus*	Previous
6:00	SEK	Valueguard HOX Stockholm flats prices	m/m		**1.2%**		-0.6%
8:00	NOK	Trade balance	NOK bn	Mar			21.3
14:30	USD	Retail sales control group	m/m	Mar		*0.3%*	0.1%
14:30	USD	Empire Manufacturing PMI	Index	Apr		*19.6*	22.5
16:00	USD	NAHB Housing Market Index	Index	Apr		*70.0*	70.0
22:00	USD	TICS international capital flow, Net inflow	USD bn	Feb			119.7
Tuesday, April 17, 2018				Period	Danske Bank	*Consensus*	Previous
3:30	AUD	RBA April Meeting Minutes					
4:00	CNY	Real GDP	q/q|y/y	1st quarter		*1.5%|6.8%*	1.6%|6.8%
4:00	CNY	Industrial production	y/y	Mar		*6.4%*	6.2%
4:00	CNY	Retail sales	y/y	Mar		*9.7%*	9.4%
4:00	CNY	Fixed assets investments	y/y	Mar		*7.7%*	7.9%
6:30	JPY	Industrial production	m/m|y/y	Feb			4.1%|1.4%
10:00	ITL	HICP, final	m/m|y/y	Mar			...|1.1%
10:30	GBP	Average weekly earnings ex bonuses (3M)	y/y	Feb	**2.8%**	*2.8%*	2.6%
10:30	GBP	Unemployment rate (3M)	%	Feb	**4.3%**	*4.3%*	4.3%
11:00	DEM	ZEW current situation	Index	Apr		*86.0*	90.7
11:00	DEM	ZEW expectations	Index	Apr		*-1.5*	5.1
14:30	USD	Building permits	1000 (m/m)	Mar		*1330*	1321.0 (-4.1%)
14:30	USD	Housing starts	1000 (m/m)	Mar		*1269*	1236.0 (-7.0%)
15:15	USD	Fed's Williams (voter, neutral) speaks					
15:15	USD	Capacity utilization	%	Mar		*77.9%*	77.7%
15:15	USD	Industrial production	m/m	Mar		*0.3%*	0.9%
15:15	USD	Manufacturing production	m/m	Mar		*0.1%*	1.2%
17:00	USD	Fed's Harker (non-voter, hawkish) speaks					
19:10	USD	Fed's Evans (non-voter, dovish) speaks					
Wednesday, April 18, 2018				Period	Danske Bank	*Consensus*	Previous
1:50	JPY	Exports	y/y (%)	Mar		*0.1*	0.0
1:50	JPY	Import	y/y (%)	Mar		*0.1*	0.2
1:50	JPY	Trade balance, s.a.	JPY bn	Mar		*98.5*	-201.5
10:30	GBP	PPI - input	m/m|y/y	Mar		*0.1%|4.1%*	-1.1%|3.4%
10:30	GBP	CPI	m/m|y/y	Mar	**...|2.7%**	*0.3%|2.7%*	0.4%|2.7%
10:30	GBP	CPI core	y/y	Mar	**2.5%**	*2.4%*	2.4%
11:00	EUR	HICP inflation, final	m/m|y/y	Mar	**...|1.4%**	*1.0%|1.4%*	0.2%|1.1%
11:00	EUR	HICP - core inflation, final	y/y	Mar	**1.0%**	*1.0%*	1.0%
13:00	SEK	Service production	y/y	Feb			
13:00	SEK	Industrial production s.a.	y/y	Mar			
16:00	CAD	Bank of Canada rate decision	%		**1.3%**	*1.3%*	1.3%
16:30	USD	DOE U.S. crude oil inventories	K				
21:00	USD	Fed's Dudley (voter, neutral) speaks					

Source: Danske Bank

Calendar (continued)

Thursday, April 19, 2018				Period	Danske Bank	*Consensus*	Previous
0:45	NZD	CPI	q/q|y/y	1st quarter		*0.5%|1.1%*	0.1%|1.6%
3:30	AUD	Employment change	1000	Mar		*20.0*	17.5
10:00	EUR	Current account	EUR bn	Feb			37.6
10:30	GBP	Retail sales ex fuels	m/m|y/y	Mar		*-0.2%|1.4%*	0.6%|1.1%
14:30	USD	Philly Fed index	Index	Apr		*21.0*	22.3
14:30	USD	Initial jobless claims	1000				
Friday, April 20, 2018				Period	Danske Bank	*Consensus*	Previous
-	EUR	Moody's may publish Portugal's debt rating					
-	EUR	Fitch may publish Cyprus's debt rating					
1:30	JPY	CPI - national	y/y	Mar		*1.1%*	1.5%
1:30	JPY	CPI - national ex. fresh food	y/y	Mar		*0.9%*	1.0%
8:00	NOK	Industrial confidence (SSB)	Net. bal.	1st quarter	**7.0**		6.4
8:00	DKK	Consumer confidence	Net. bal.	Apr	**8.0**		8.5
9:00	USD	Fed's Mester(voter, hawkish) speaks					
14:30	CAD	CPI	m/m|y/y	Mar			...|2.2%
14:30	CAD	Retail sales	m/m	Feb			0.3%
15:40	USD	Fed's Evans (non-voter, dovish) speaks					
16:00	EUR	Consumer confidence	Net bal.	Apr		*-0.1*	0.1

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Source: Danske Bank

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