

# Weekly Focus

## Norges Bank set to hike, Fed set to cut

### Market movers ahead

- We expect **Norges Bank** to hike its policy rate by 25bp to 1.50% on Thursday and believe that the rate path will be flattened. We expect the new rate path to suggest unchanged rates after Thursday but believe that a hike is more likely than a cut.
- In Sweden, we expect the **Riksbank minutes** to show that there has been significant disagreement within the Executive Board.
- On Wednesday, we expect **the Fed** to cut by 25bp without pre-committing to more cuts.
- We do not expect either the **Bank of Japan** or the **Bank of England** to change its monetary policy stance next week.
- Watch out for **low-level trade talks between the US and China** ahead of the formal meeting in early October.
- On Tuesday, the **UK Supreme Court hearing** on whether Prime Minister Boris Johnson's prorogation of Parliament was unlawful begins (it is not clear whether the ruling will also be on Tuesday). In our view, the ruling will not be a game changer for Brexit.

### Weekly wrap-up

- The ECB cut the deposit rate by 10bp to -0.5% and restarted QE by EUR20bn per month (open-ended).
- The probability of a no-deal Brexit has declined.
- We are seeing more positive signs in the trade war but the hurdles to reach a deal have not changed.
- We keep our EUR/USD forecast of 1.10 in 1-3M.

### Contents

Market movers	2
Weekly Wrap-Up	5
Scandi update	6
Latest research from Danske Bank	6
Macroeconomic forecast	8
Financial forecast	9
Calendar	10

### Financial views

#### Major indices

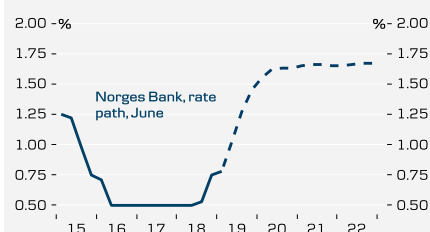
	13-Sep	3M	12M
10yr EUR swap	-0.06	-0.30	-0.10
EUR/USD	111	110	115
ICE Brent oil	60	75	75

Source: Danske Bank

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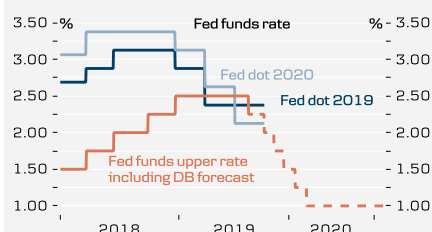
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#### Norges Bank set to hike but flatten the rate path



Source: Norges Bank, Macrobond Financial

#### We expect the Fed to ease monetary policy



Source: Federal Reserve, Macrobond Financial

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# Market movers

## Global

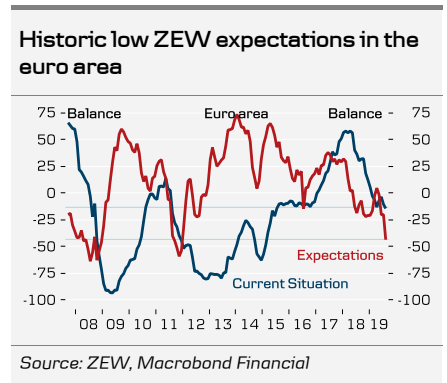
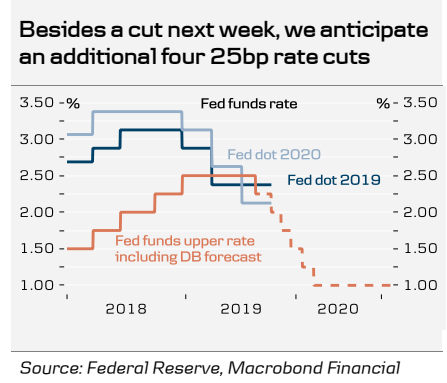
- In the **US**, we have a quiet week in terms of data releases. However, Wednesday brings the FOMC meeting and rate decision. As repeated at the last FOMC meeting, the Fed ‘will act as appropriate to sustain the expansion’ and we think the Fed will deliver on its promise. Our view is that the Fed will cut rates by 25bp, as two out of the three important factors explaining the July cut (higher (trade) uncertainty, slower global growth and subdued inflation) have worsened since then (Trump escalated the trade war and data out of China and Europe have disappointed). While we do not think the Fed will pre-commit to further easing (although it will repeat its easing bias), we still expect four more cuts after the one next week, taking the target range to 0.75-1.00% at the March meeting. The trade war is an important risk to our outlook in both directions, but a global slowdown poses risks as well. For more details, see *FOMC Preview - Another Fed cut without pre-committing to further easing*, 13 September.

- In the **euro area**, the focus next week is on Tuesday’s ZEW sentiment index from both Germany and the euro area. Last month, investors’ expectations of the economy plunged to a level similar to the beginning of 2008. However, the assessment of the current situation in the euro area is not in a free fall anymore and this month’s Sentix indicator actually showed a rebound for the euro area. Hence, we see scope for a small rebound in the euro area expectations but see further downside risks to the German print due to the still dim growth outlook.

- In the **UK**, the focus is on Brexit. While Parliament is currently ‘prorogued’ (suspended/sent home), that may change on Tuesday when the Supreme Court starts its hearing on whether the prorogation was unlawful or not (it is a bit unclear whether the ruling will also be given on Tuesday or whether the hearing will take a few days). Our guess is that the Supreme court will rule it was not unlawful (in line with the ruling from the High Court in England and Wales but against the ruling in Scotland). The ruling will likely cause a lot of political noise no matter what, but in reality we doubt it will be very important for the Brexit outcome (whenever that comes).

We do not expect Bank of England to change its monetary policy at its meeting on Thursday. The Bank of England is caught in the middle of a combination of a tight labour market, higher wage growth, high Brexit uncertainty, trade war uncertainty and slower global growth.

- In **China** the focus remains on the trade war where we saw some positive gestures from both sides over the past week ahead of the high-level talks in early October. There will be lower-level preparations for the talks in September, which could lead to some comments from US and China ahead of the important negotiations in October. We believe both sides will aim to create a good atmosphere so would mostly expect positive comments. The actual talks will be difficult, though, in our view.



On the data front it is time for the batch of industrial production, retail sales and fixed asset investments, which are always released on the same day. We expect to see some rebound in industrial production after a quite weak print last month. While growth is under pressure, there is no sign of a hard landing when we look at a broad range of indicators, see *China Leading Indicators: Weakness but still not a hard landing*, 12 September 2019. Retail sales is expected to hover around 8% as it has done since November last year. On Friday, the new benchmark lending rate (Loan Prime Rate) is expected to decline slightly from the current level of 4.85%.

- In **Japan**, the most important event is the Bank of Japan's policy meeting ending on Thursday. We expect no changes to the 'QQE with yield curve control' policy. However, the struggling global economy and the October VAT hike are threatening to send Japan back into deflation mode, so the likelihood of action later this year has risen. Look out for our preview published on Monday.

On Wednesday, we also get August export figures – a relevant indicator of the global slowdown's effect on Japan. A strong yen is currently a headwind to exporters. The strong yen is a challenge for the BoJ's inflation target as well. We get fresh August CPI inflation figures on Friday.

## Scandi

- In **Denmark**, the week kicks off with Finance Denmark's housing statistics for Q2, which will give us the figures for house price growth at a municipal level. House prices have grown strongly this year, while apartment prices have trended more modestly higher. Apartment project sales have declined sharply this year, which may also be reflected in the new figures.

Consumer confidence is due on Friday. We are looking for a slight decline to 5, following last month's leap to 6.3. That would probably be too high for this month, as household expectations on the future course of the Danish economy will likely continue to pull lower.

- In **Sweden**, the Riksbank minutes are likely to show that there has been significant disagreement within the Executive Board about the shape of the repo rate forecast and that the surprising flattening of the path was the result of a compromise. Arguably, Per Jansson, as the most dovish member, has seen weakening global and domestic data, easing signals from both the Fed and the ECB and global bonds yields plunging into the negative this summer as signs that the next step for the Riksbank is to postpone rate hikes of even prepare to cut rates again. At the opposite end we have Henry Ohlsson and Martin Flodén who have both been at the forefront of raising rates. Ohlsson has probably continued to argue that the economy and labour market are strong and inflation and inflation expectations close to target. Flodén may have been more concerned about the SEK weakness. We believe a middle way between an unchanged repo path and a postponed one was the flatter. The discussion should be put into the context that this week we saw all measures of August inflation being 0.2pp below forecast and Prospera's broad-based quarterly inflation expectations falling again on all horizons.

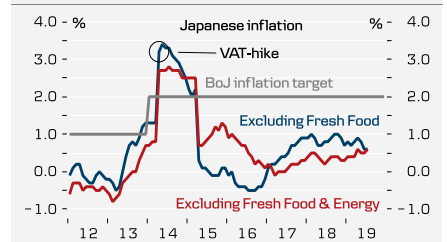
Unemployment data for the past couple of months have been quite awful. Other job-market data confirm that labour market conditions are cooling down. Employment has turned down, overtime hours are plunging and vacancies are falling. Having said that,

### Chinese growth under pressure but no sign of hard landing



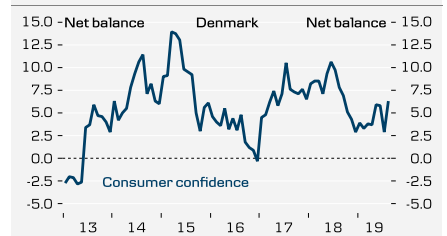
Source: Macrobond Financial, NBS, Danske Bank

### Risk inflation is heading lower



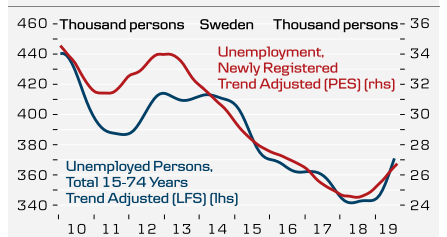
Source: Japanese Cabinet Office, Macrobond Financial

### Consumer confidence likely to dip in September



Source: Statistics Denmark, Macrobond Financial

### Correction or not - that's the question!

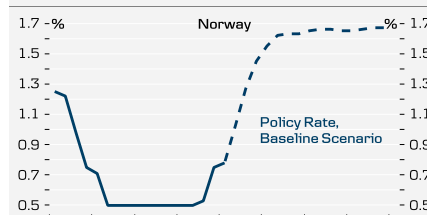


Source: SCB, PES, Macrobond Financial

one should also keep in mind that summer months are volatile and subject to uncertainty. In seasonally adjusted terms, unemployment has spiked from 6% in April to 7.1% in July. Honestly speaking, this looks somewhat exaggerated. Therefore we would guess that it may be time for a correction. Given the fact that seasonally adjusted numbers are also very volatile a forecast is really a matter of informed guessing. Nevertheless we are looking for a decline in unemployment (s.a.) from 7.1% to 6.8% but would not be too surprised to see a somewhat bigger correction. On the back of this, we are looking for a drop in unadjusted unemployment from 6.9% to 6.3%. A smaller – or no – correction downwards in unemployment would really be astonishing. The continued rise in PES newly registered unemployed actually suggests just that.

- In **Norway**, it will be the most exciting rate-setting meeting for some time. In June, Norges Bank signalled that its policy rate would probably go up again in September. While global risks have very clearly been mounting, there are still no signs of this producing increased uncertainty in the Norwegian economy. Growth is still above trend, the labour market is tightening, and wage growth is climbing slightly faster than expected. The krone is also much weaker, and the price of oil only marginally lower, than projected in the previous monetary policy report. We therefore reckon that Norges Bank will raise its key rate by 25bp to 1.50% on Thursday, with the new money policy report showing interest rates more likely to rise than fall next year.

Norges Bank's interest rate path from June



Source: Norges Bank, Macrobond Financial

Market movers ahead

Global movers		Event		Period	Danske	Consensus	Previous		
Mon	16-Sep	-	GBP	PM Johnson meets with EU's Juncker in Luxembourg					
		4:00	CNY	Industrial production	y/y	Aug	5.2%	4.8%	
		4:00	CNY	Retail sales	y/y	Aug	7.9%	7.6%	
Tue	17-Sep	4:00	CNY	Fixed assets investments	y/y	Aug	5.7%	5.7%	
		11:00	DEM	ZEW current situation	Index	Sep	-13.5	-13.5	
		11:00	DEM	ZEW expectations	Index	Sep	-38.0	-44.1	
Wed	18-Sep	11:30	GBP	Supreme Court begins three-day hearing on prorogation of Parliament					
Wed	18-Sep	20:00	USD	FOMC meeting	%	2.0%	2.0%	2.25%	
Thurs	19-Sep	-	JPY	BoJ policy rate	%	-0.1%	-0.1%	-0.1%	
		13:00	GBP	BoE minutes					
		13:00	GBP	BoE government bond purchases (APF)	GBP bn	Sep	435	435	435
		13:00	GBP	BoE corporate bond purchases (CBPP)	GBP bn	Sep	10	10	10
13:00	GBP	BoE Bank rate	%		0.75%	0.75%	0.75%		
Scandi movers									
During the week									
Tue	17-Sep	9:30	SEK	Unemployment (n.s.a.)	%	Aug	6.3% 6.8%	6.3%	6.9% 7.1%
		9:30	SEK	Riksbank publishes minutes					
Thurs	19-Sep	10:00	NOK	Norges Banks monetary policy meeting	%		1.50%	1.25%	1.25%

Source: Bloomberg, Danske Bank

# Weekly Wrap-Up

## Open-ended QE and a tiering system

### Main macro themes

- The ECB cut the deposit rate by 10bp to -50bp, leaving the MRO and MLF unchanged, while also linking it to the inflation outlook. In addition, the ECB restarted QE by EUR20bn per month with an open end, which was a strong commitment, but a very vocal call from Mario Draghi indicated a need for fiscal policies to take the stage now. Given the much-clouded environment and the need to gauge the market impact of the tiered deposit system on money-market rates, we do not expect the ECB to change policy rates at the current juncture. However, if further monetary easing is needed, it will come via a rate cut and not further QE. See also *ECB Research: Open-ended QE and tiering. Now, over to you, fiscal policies*, 12 September 2019, and *ECB Research: Understanding ECB's tiering system*, 13 September 2019.
- The probability of a no-deal Brexit diminished this week as Parliament passed the 'no-deal legislation' and made it into law. The law states that the government must ask the EU for a Brexit extension if no agreement is reached with the EU by 19 October. The Parliament has now been prorogued (sent home) and will return 14 October (unless the Supreme Court says otherwise next week). It still points to a new election after 31 October, as Johnson does not have a majority in Parliament. See also *Brexit Monitor: Opposition unlikely to support snap election ahead of prorogation*, 9 September 2019.
- On the US-China trade war, Trump's tariff delay improves conditions for October trade talks, but the hurdles to reach a trade deal remain. Chinese stocks rallied again on easing trade tensions and policy stimulus. USD/CNY stabilised just above 7.10. We expect it to stay here for some time. PPI moves further into deflation territory but does not signal a hard landing. A cut in the RRR rate signals more efforts to sustain growth at a minimum of 6.0%.
- In Norway, the Regional Network Survey confirmed that mainland growth prospects remain strong (at 2.7% annualised growth over the next 6M), that the Norwegian economy is fairly insulated against weaker global growth impulses and that capacity problems are on the rise. Unlike the markets, we expect Norges Bank to hike policy rates by 25bp on 19 September.

### Financial market developments

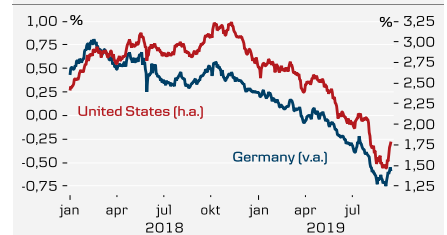
- In the medium term, we think that the ECB regained some credibility with its strong forward guidance, which makes EUR a more two-sided bet. We keep our forecast on 1-3M of 1.10. The Fed meets next week. We look for a 25bp cut in line with market expectations, but likely no strong pre-commitment to further easing, which could weigh on EUR/USD.
- After the recent sell-off in the European fixed income space going into the ECB meeting, the ECB meeting was very dramatic. Looking beyond the near future, the ECB and Draghi are sending a strong message that rates are 'low for a very long' time as well as an open-ended QE, such that the ECB could be stuck with a QE programme 'for infinity' as market participants describe it. Attention will now turn to the inflation market to see if the 5bp jump yesterday will persist in the near future.

### Financial views

Major indices			
	13-Sep	3M	12M
10yr EUR swap	-0.06	-0.30	-0.10
10yr US swap	1.69	1.25	1.20
ECB key rate	-0.50	-0.60	-0.60
Fed funds rate	2.25	1.75	1.00
EUR/SEK	1067	1080	1100
EUR/NOK	994	965	950
EUR/USD	111	110	115
ICE Brent oil	60	75	75

Source: Danske Bank

### Bonds have 'sold-off' recently on better risk sentiment, ECB proved a volatile session



Source: Macrobond Financial

### EUR/USD and Bund yield market reaction to ECB press conference



Source: Bloomberg, Danske Bank

# Scandi update

## Denmark – Greater effective rate cut than ECB

Danmarks Nationalbank cut its benchmark rate from -0.65% to -0.75% in connection with the ECB's rate cut on 12 September. Effectively, this is a greater rate cut than the ECB's, as the ECB also introduced a system whereby banks can have some of their money deposited at 0% - a system that Danmarks Nationalbank already had in place. Given that the Danish krone (DKK) is already relatively weak, it will be interesting to see whether this rate reduction will squeeze the DKK further.

Inflation was unchanged at 0.4% in August – slightly lower than we had expected and largely due to food and petrol prices declining by more than anticipated. Several temporary factors are also providing considerable negative input to inflation at the moment. Vacation home rentals are pulling inflation lower, but this will evaporate when the season ends in September. Electricity prices are also pulling lower, in part because the market price has dropped and also because the PSO levy has fallen to zero, though this could very well rise again in Q4.

Exports rose 3.8% m/m in July following weak figures in June. Medical and machinery exports were the main driving force, which has also been the case for most of this year. Hence, exports continue to look strong, and are up 7.1% since December.

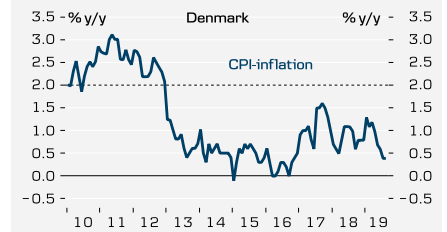
## Sweden – August data a blow to Riksbank

All three measures of inflation – i.e. CPI, target CPIF and core CPIF excl. Energy – were 0.2pp below the Riksbank's new forecasts. Furthermore, they were all well below the 2% target. Needless to say, that was hardly what the Riksbank wanted. But there was more bad news. Prospera's 'big' (several sectors including Social Partners) quarterly survey showed that inflation expectations declined in the manner set out by monthly money market players' expectations. Moreover, Social Partners wage expectations dropped on the 1- and 2-year horizons, contrary to the Riksbank's wage forecast in the MPR. We expect these trends to continue, eventually resulting in a rate cut next year.

## Norway – further solid growth ahead

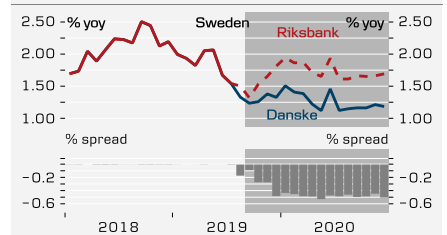
Norges Bank's regional network is now signalling slightly weaker growth than last time around. The aggregated output index nevertheless points to annual growth in the mainland economy of around 2.7% over the next six months, which is still well over the Norwegian 'speed limit' and indicates that pressures in the economy are set to mount. There are also clear signs of capacity utilisation starting to hit high levels in some industries. It is particularly important that few firms are reporting that uncertainty about the US-China trade war or Brexit is affecting their employment or investment plans.

Inflation low in August



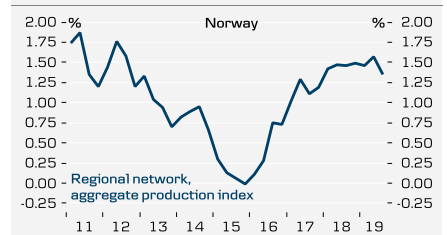
Source: Statistics Denmark, Macrobond Financial

August inflation on the low side of Riksbank forecast and well below 2%



Source: SCB, Riksbank, Danske Bank

Growth to slow but remain strong



Source: Macrobond Financial, Danske Bank

## Latest research from Danske Bank

### *13/9 China Weekly Letter - Signs of goodwill and interim deal now in play*

Trump's tariff delay improves conditions for October trade talks, but the hurdles to reach a trade deal remain.

### *13/9 ECB Research - Understanding ECB's tiering system*

At the meeting yesterday, the ECB announced a tiering system for reserve remuneration (starting 30 October 2019) to support the bank-based transmission of monetary policy.

### *13/9 FOMC Preview - Another Fed cut without pre-committing to further easing*

We expect the Fed to cut again next week in line with market pricing.

### *12/9 Flash: ECB Research - Open-ended QE and tiering. Now, over to you, fiscal policies*

The ECB cut the deposit rate by 10bp to -50bp, leaving the MRO and MLF unchanged, while also linking it to the inflation outlook.

### *12/9 Flash Comment Denmark - Back at record-low policy rate of -0.75%*

Danmarks Nationalbank today cut its key policy rate by 10bp to minus 0.75%.

### *12/9 Bank of Japan Preview: On hold but action increasingly likely*

We expect the BoJ to keep its 'QQE with yield curve control' policy unchanged at the next monetary policy meeting ending on Thursday, 19 September.

### *12/9 China Leading Indicators: Weakness but still not a hard landing*

Our view. PMIs are set to remain weak in the short term with more downside especially in the Caixin PMI manufacturing.

### *9/9 Macro Strategy Views Podcast: Why ECB's policy easing would not help*

In our weekly Macro Strategy Views podcast, we discuss the ECB's policy meeting later this week, in terms of what it is likely to do, what it implies for markets and whether it will actually succeed in lifting growth and inflation.

### *9/9 Brexit Monitor - Opposition unlikely to support snap election ahead of prorogation*

PM Johnson tries to find ways to ignore the Brexit delay bill

### *8/9 Harr's view: Why ECB's policy easing would not help*

The pass-through of a new cut in policy rates to bank deposit rates is likely to be limited, as Eurozone banks are either unwilling or unable (or both) to charge depositors.

## Macroeconomic forecast

### Macro forecast. Scandinavia

	Year	GDP <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
Denmark	2018	1.5	2.2	0.9	6.5	0.4	3.3	0.8	2.3	3.9	0.5	34.1	5.7
	2019	1.7	1.5	0.4	-1.6	2.3	1.7	1.0	2.2	3.8	0.5	32.5	6.2
	2020	1.6	2.3	0.5	3.0	1.7	2.1	1.3	2.5	3.8	0.0	31.5	6.6
Sweden	2018	2.5	1.2	0.9	4.0	3.9	3.8	2.0	2.6	6.3	0.9	38.5	0.4
	2019	1.3	0.4	0.6	-0.9	4.4	2.0	1.7	2.6	6.6	0.1	34.0	4.0
	2020	1.5	1.8	1.5	0.6	3.3	2.6	1.5	2.7	7.1	0.5	33.0	4.1
Norway	2018	2.2	1.9	1.4	2.8	-0.2	1.9	2.7	2.8	2.4	-	-	-
	2019	2.6	2.0	1.7	4.8	3.0	3.3	2.5	3.3	2.3	-	-	-
	2020	2.3	2.4	1.7	3.0	3.5	2.7	1.7	3.8	2.2	-	-	-

### Macro forecast. Euroland

	Year	GDP <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
Euro area	2018	1.9	1.4	1.1	2.3	3.5	2.7	1.8	2.3	8.2	-0.5	85.1	3.6
	2019	1.2	1.2	1.5	2.6	2.4	2.6	1.2	2.2	7.7	-0.9	85.8	3.3
	2020	0.9	1.4	1.8	1.4	1.4	2.6	1.3	2.3	7.5	-0.9	84.3	3.2
Germany	2018	1.5	1.2	1.4	3.5	2.3	3.7	1.9	3.0	3.4	1.7	60.9	7.3
	2019	0.5	1.5	2.1	2.9	0.8	2.8	1.4	3.2	3.1	1.0	58.4	6.0
	2020	0.7	1.4	2.3	1.3	0.7	2.7	1.5	3.0	3.0	0.8	55.6	5.9
Finland	2018	1.7	2.0	1.4	3.1	1.1	4.1	1.1	1.8	7.4	-0.7	59.5	-1.6
	2019	1.3	0.8	0.5	0.0	3.0	2.0	1.2	2.5	6.5	-0.3	58.3	-1.7
	2020	1.0	1.2	1.5	1.0	2.0	2.5	1.5	2.5	6.4	-0.2	57.3	-1.4

### Macro forecast. Global

	Year	GDP <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
USA	2018	2.9	3.0	1.7	4.6	3.0	4.4	2.4	3.0	3.9	-3.9	106.0	-2.3
	2019	2.3	2.5	2.3	1.6	-0.5	2.0	2.0	3.1	3.6	-4.2	106.0	-2.6
	2020	1.7	2.4	0.9	1.1	0.7	2.2	2.3	2.3	3.4	3.4	-4.2	106.0
China	2018	6.6	8.2	-	5.0	-	-	2.2	8.5	-	-4.1	50.1	0.7
	2019	6.2	7.5	-	5.0	-	-	2.5	8.0	-	-6.1	53.9	0.0
	2020	6.0	7.8	-	4.6	-	-	2.2	7.5	-	-5.5	57.1	-0.1
UK	2018	1.4	1.8	0.4	0.2	0.1	0.7	2.5	3.0	4.1	-1.5	86.8	-4.0
	2019	1.2	1.9	2.5	-0.6	0.7	4.2	1.9	3.5	3.8	-1.4	83.8	-3.8
	2020	1.3	1.6	1.3	-2.0	0.8	-2.4	1.4	3.5	3.6	-1.1	82.9	-3.5
Japan	2018	0.8	0.3	0.8	1.1	3.4	3.3	0.9	-	2.4	-	-	-
	2019	1.4	1.0	2.2	2.4	-1.7	-0.6	1.0	-	2.4	-	-	-
	2020	0.5	-0.3	1.7	0.6	1.7	1.2	1.6	-	2.5	-	-	-

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	13-Sep	2.25	2.13	1.72	1.69	111.0	-	672.4	895.5	961.0
	+3m	1.75	1.39	1.30	1.25	110.0	-	678.0	877.3	981.8
	+6m	1.25	1.05	0.90	1.00	113.0	-	659.7	849.6	964.6
	+12m	1.00	1.00	1.00	1.20	115.0	-	648.3	826.1	956.5
EUR	13-Sep	-0.50	-0.43	-0.41	-0.06	-	111.0	746.4	994.0	1066.8
	+3m	-0.50	-0.51	-0.50	-0.30	-	110.0	745.8	965.0	1080.0
	+6m	-0.50	-0.51	-0.50	-0.30	-	113.0	745.5	960.0	1090.0
	+12m	-0.50	-0.51	-0.45	-0.10	-	115.0	745.5	950.0	1100.0
JPY	13-Sep	-0.10	-0.09	-0.10	0.03	120.5	108.0	6.19	8.25	8.85
	+3m	-0.10	-	-	-	115.5	105.0	6.46	8.35	9.35
	+6m	-0.10	-	-	-	118.7	105.0	6.28	8.09	9.19
	+12m	-0.10	-	-	-	126.5	110.0	5.89	7.51	8.70
GBP	13-Sep	0.75	0.78	0.83	0.84	89.5	124.1	834.2	1111.0	1192.3
	+3m	0.75	0.84	0.70	0.60	90.0	122.2	828.6	1072.2	1200.0
	+6m	0.75	0.84	0.70	0.60	90.0	125.6	828.3	1066.7	1211.1
	+12m	0.75	0.84	0.80	0.70	90.0	127.8	828.3	1055.6	1222.2
CHF	13-Sep	-0.75	-0.85	-0.76	-0.31	109.6	98.8	680.8	906.6	973.0
	+3m	-0.75	-	-	-	110.0	100.0	678.0	877.3	981.8
	+6m	-0.75	-	-	-	112.0	99.1	665.6	857.1	973.2
	+12m	-0.75	-	-	-	114.0	99.1	653.9	833.3	964.9
DKK	13-Sep	-0.75	-0.47	-0.33	0.04	746.4	672.4	-	133.2	142.9
	+3m	-0.75	-0.50	-0.40	-0.20	745.8	678.0	-	129.4	144.8
	+6m	-0.75	-0.50	-0.45	-0.25	745.5	659.7	-	128.8	146.2
	+12m	-0.75	-0.50	-0.40	-0.05	745.5	648.3	-	127.4	147.6
SEK	13-Sep	-0.25	-0.03	-0.06	0.38	1066.8	961.0	70.0	93.2	100.0
	+3m	-0.25	-0.10	-0.15	0.25	1080.0	981.8	69.1	89.4	-
	+6m	-0.50	-0.35	-0.30	0.25	1090.0	964.6	68.4	88.1	-
	+12m	-0.50	-0.35	-0.30	0.20	1100.0	956.5	67.8	86.4	-
NOK	13-Sep	1.25	1.67	1.84	1.76	994.0	895.5	75.1	100.0	107.3
	+3m	1.50	2.11	1.80	1.65	965.0	877.3	77.3	-	111.9
	+6m	1.50	2.16	1.90	1.65	960.0	849.6	77.7	-	113.5
	+12m	1.75	2.30	1.95	1.75	950.0	826.1	78.5	-	115.8

## Commodities

	13-Sep	2019				2020				Average	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020
ICE Brent	60	65	70	70	75	75	75	75	75	72	75

Source: Dansk Bank

# Calendar week 38

During the week			Period	Danske Bank	Consensus	Previous
Mon 16	JPY	Respect-For-The-Aged Day				
Monday, September 16, 2019			Period	Danske Bank	Consensus	Previous
-	GBP	PM Johnson meets with EU's Juncker in Luxembourg				
-	JPY	Respect-For-The-Aged Day				
4:00	CNY	Industrial production	y/y	Aug	5.2%	4.8%
4:00	CNY	Retail sales	y/y	Aug	7.9%	7.6%
4:00	CNY	Fixed assets investments	y/y	Aug	5.7%	5.7%
8:00	NOK	Trade balance		Aug		6.5
10:00	ITL	HICP, final	m/m y/y	Aug	... 0.5%	... 0.5%
14:30	USD	Empire Manufacturing PMI	Index	Sep	4.0	4.8
Tuesday, September 17, 2019			Period	Danske Bank	Consensus	Previous
9:30	SEK	Unemployment (n.s.a. s.a.)	%	Aug	<b>6.3% 6.8%</b>	6.3%
9:30	SEK	Riksbank publishes minutes				6.9% 7.1%
11:00	DEM	ZEW current situation	Index	Sep	-13.5	-13.5
11:00	DEM	ZEW expectations	Index	Sep	-38.0	-44.1
11:30	GBP	Supreme Court begins three-day hearing on prorogation of Parliament				
15:15	USD	Capacity utilization	%	Aug	77.6%	77.5%
15:15	USD	Industrial production	m/m	Aug	0.2%	-0.2%
15:15	USD	Manufacturing production	m/m	Aug	0.2%	-0.4%
16:00	USD	NAHB Housing Market Index	Index	Sep	66.0	66.0
19:10	EUR	ECB's Coeure speaks in Luxembourg				
22:00	USD	TICS international capital flow, Net inflow	USD bn	Jul		1.7
Wednesday, September 18, 2019			Period	Danske Bank	Consensus	Previous
1:50	JPY	Exports	y/y (%)	Aug	-0.1	0.0
1:50	JPY	Import	y/y (%)	Aug	-0.1	0.0
1:50	JPY	Trade balance, s.a.	JPY bn	Aug	-156.2	-126.8
10:30	GBP	PPI - input	m/m y/y	Aug	-0.4% -0.8%	0.9% 1.3%
10:30	GBP	CPI	m/m y/y	Aug	0.5% 1.8%	0.0% 2.1%
10:30	GBP	CPI core	y/y	Aug	1.8%	1.9%
11:00	EUR	HICP inflation	m/m y/y	Aug	0.2% 1.0%	-0.5% 1.0%
11:00	EUR	HICP - core inflation, final	y/y	Aug	0.9%	0.9%
14:30	CAD	CPI	m/m y/y	Aug	... 2.0%	... 2.0%
14:30	USD	Building permits	1000 (m/m)	Aug	1310	1317.0 (6.9%)
14:30	USD	Housing starts	1000 (m/m)	Aug	1250	1191.0 (-4.0%)
16:30	USD	DOE U.S. crude oil inventories	K			-6912
20:00	USD	FOMC meeting	%		<b>2.0%</b>	2.0%
20:30	USD	FOMC Press Conference, Powell Speaks				2.25%

Source: Danske Bank

## Calendar week 38

Thursday, September 19, 2019				Period	Danske Bank	Consensus	Previous
-	JPY	BoJ policy rate	%		<b>-0.1%</b>		-0.1%
0:45	NZD	GDP	q/qly/y	2nd quarter		0.4% 2.0%	0.6% 2.5%
3:30	AUD	Employment change	1000	Aug		15	41.1
9:30	CHF	SNB 3-month Libor target rate	%			-0.75%	-0.75%
10:00	EUR	Current account	EUR bn	Jul			18.4
10:00	NOK	Norges Banks monetary policy meeting	%		<b>1.50%</b>	1.25%	1.25%
10:30	GBP	Retail sales ex fuels	m/mly/y	Aug		-0.3% 2.3%	0.2% 2.9%
12:00	EUR	ECB's Coeure speaks in Frankfurt					
13:00	GBP	BoE minutes					
13:00	GBP	BoE government bond purchases (APF)	GBP bn	Sep	<b>435</b>	435	435
13:00	GBP	BoE corporate bond purchases (CBPP)	GBP bn	Sep	<b>10</b>	10	10
13:00	GBP	BoE Bank rate	%		<b>0.75%</b>	0.75%	0.75%
14:30	USD	Current account	USD bn	2nd quarter		-126.6	-130.4
14:30	USD	Philly Fed index	Index	Sep		10.8	16.8
14:30	USD	Initial jobless claims	1000				204
16:00	USD	Existing home sales	m(m/m)	Aug		5.39	5.42 0.025
Friday, September 20, 2019				Period	Danske Bank	Consensus	Previous
-	EUR	S&P may publish Spain's debt rating					
-	EUR	Moody's may publish Cyprus's debt rating					
1:30	JPY	CPI - national	y/y	Aug		0.3%	0.5%
1:30	JPY	CPI - national ex. fresh food	y/y	Aug		0.5%	0.6%
8:00	DKK	Consumer confidence	Net. bal.	Sep	<b>5</b>		6.3
14:30	CAD	Retail sales	m/m	Jul		0.4%	0.0%
16:00	EUR	Consumer confidence, preliminary	Net bal.	Sep		-7.0	-7.1
17:20	USD	Fed's Rosengren (voter, neutral) speaks					

Source: Danske Bank

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