

Weekly Focus

Pressure on Italy is set to intensify

Market Movers ahead

- In the euro area, focus will remain on the Italian budget turmoil and the ECB meeting on Thursday. We will get the first indication of Q4 GDP with the flash PMI.
- In the US, the first estimate for Q3 GDP is due to be released, as well as PMI for October.
- We are likely to have to wait another two months at least for a deal to be agreed on Brexit.
- In the Nordics, the key event will be the Riksbank meeting, as well as projections from the Swedish Debt Office. We also have the Norges bank meeting.

Global macro and market themes

- Brexit negotiations failed to reach breakthrough at EU summit. No deal within the next two months.
- Harsh EU letter to the Italian government.
- US sell-off took a breather amid moderate risk sentiment.

Focus

FI research: Next stop is 3.50% for 10Y US treasury yields

Brexit Monitor: Final deal unlikely before December

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Financial views

Major indices			
	19-Oct	3M	12M
10yr EUR swap	0.99	0.95	1.25
EUR/USD	115	115	125
ICE Brent oil	80	85	85

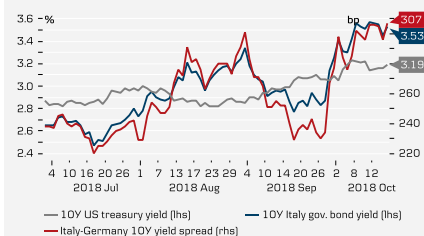
Source: Danske Bank

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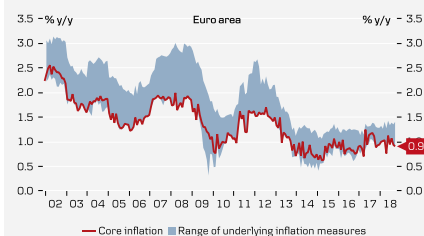
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Markets heave a (temporary) sigh of relief



Source: Macrobond Financial and Danske Bank

No 'vigorous pick up' in euro area core inflation in sight yet



Source: ECB, Eurostat, Macrobond Financial, Danske Bank

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Market movers

Global

- In the **US**, we have a few important data releases. On Friday, we get the first estimate of GDP growth in Q3. Atlanta Fed's GDPNow says it was 3.9% q/q AR, while the NY Fed Nowcast indicator says it was just 2.2% q/q AR. We believe it was probably slightly higher than 3.0% q/q AR, which is relatively strong, at least in this expansion. As we estimate PCE core rose 0.1% m/m in September, it is likely core PCE rose 1.5% q/q AR but watch out for revisions. The figure will probably not change anything for the Fed, which is on autopilot until it reaches 3% in June next year after hikes in both December and March. Markit PMIs for October will give us a first indication of whether the strong growth continues.

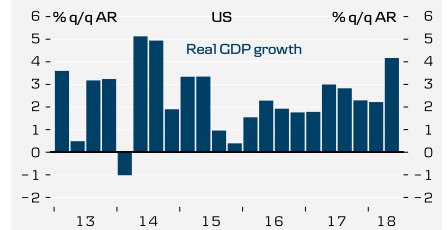
- In the **euro area**, we have a busy week ahead of us. On Thursday, we have the ECB Governing Council (GC) meeting, which we expect to be a meeting with little action. Since the last meeting, incoming data has not warranted a change in policies, not least the wording on ending its APP. Therefore, we expect, the word 'anticipate' to remain. Should it be changed (meaning an official end to APP), it could lead to a knee-jerk market reaction, without long-lasting implications. We do not expect discussions on the capital key update but will scrutinise any hints on this. Further, we expect a 'vigorous' Mario Draghi, pointing to continued solid wage dynamics but still somewhat moderate inflation assessment.

On Wednesday, the euro area flash PMIs for October are due. In September, manufacturing numbers continued this year's declining trend and fell to 53.2, while services rose slightly to 54.7. We expect services PMI to extend the pickup and rise to 54.9; in contrast, we see a downside risk for manufacturing PMI, declining further to 53.0 due to the deteriorating new orders component in the latest reading. In **Germany**, IFO business climate for October is on the agenda on Thursday, which has defied the recent downward trend in the PMI, and it will be interesting to see whether this divergence persists in Q4.

Last but not least, markets still await the European Commission's verdict on **Italy's** budget draft and we expect it to issue a negative opinion and request for revision within the coming week (see also *Italian Politics Monitor - The (budget) genie is out of the bottle*, 12 October).

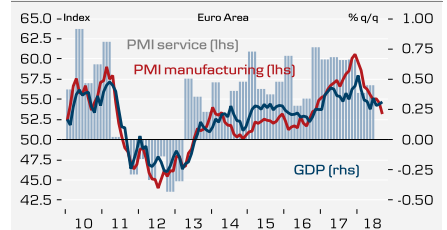
- In the **UK**, we do not have any important data releases next week. After the Brexit negotiations ended this week without a deal, we expect to have to wait to December (or even early January) to get one. Our base case is still a decent Brexit, where the UK leaves on orderly terms.
- There are no market movers in **China** in the coming week.
- In **Japan**, we get manufacturing PMIs on Wednesday. The manufacturing sector has shown some weakness recently amid global trade tensions and several natural disasters. Japan exports much electronics and manufacturing equipment to China that it uses to make products demanded in the US. The trade war could hurt Japanese exports this way.

US GDP growth has been strong and we expect another strong print for Q3



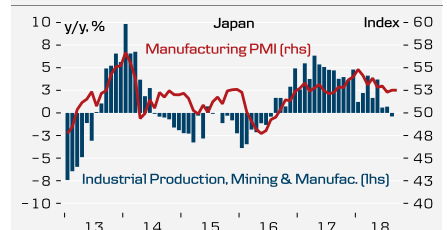
Source: BEA, Macrobond Financial

Service and manufacturing PMIs expected to diverge further



Source: Markit, Eurostat, Macrobond Financial, Danske Bank

Manufacturing sector slowing amid trade tensions



Source: Japanese Ministry of Economy, Trade & Industry, IHS Markit, Macrobond Financial

Scandi

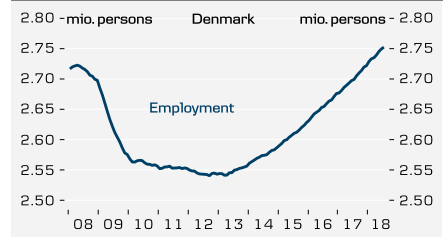
- In **Denmark**, there is plenty on the agenda after a quiet week for the school holidays. Monday brings employment figures for August. Job creation has been rampant, with employment rising every month for the past five years. Eventually, it will need to move down a gear but, for now, the arrow still seems to be pointing up. Therefore, we expect employment to climb further in the last month of summer. Consumer confidence follows on Tuesday and we expect the Danes to be more positive about both the future and the current situation after a steady decline over the summer. We expect the indicator to climb to 8.0 in October. Retail sales, foreign portfolio investments and securities statistics for September then round off the week on Friday.
- On Wednesday 24 and Thursday 25 October, the Riksbank and Debt Office (DO), respectively, are due to release new forecasts. On the back of inflation prints on track with its forecasts and inflation expectations close to the target, we expect the Riksbank to stick to its intentions set out in September, i.e. it will basically signal an intention to raise the repo rate by 25bp in December and then twice a year going forward. This would be in line with the change in focus seen recently in the Executive Board, from core inflation to headline and inflation expectations. In our view, inflation will probably remain close to the Riksbank's path up to mid-2019, as this summer's drought may raise food prices more than previously expected, in addition to the remaining effects of higher energy prices and the delayed effects of the weaker SEK earlier this year. Hence, we believe the Riksbank's window of opportunity for rate hikes will extend to the July meeting.

In the period elapsed since the previous Debt Office forecast (June-September) borrowing has been close to forecast, just a SEK2bn deviation. Hence, there is currently no reason to expect any significant change to the Debt Office's forecasts, unless there is a different perception of flows to the tax account. In addition, fiscal policies are stuck due to the political deadlock, so the possibility for political spending is minimal, as the current budget just rolls on. In June, the Debt Office forecast budget surpluses of SEK90bn and SEK70bn in 2018 and 2019, respectively, so there is very little need for the Debt Office to raise money. We expect only small changes to bond funding, if any at all. Currently, the Debt Office expects to raise SEK32bn through government bonds in 2019, a level that is said not to be reduced further.

There is also a bunch of data due, such as NIER's October confidence survey and September data for PPI, household lending, retail sales and trade balance. These should give clues as to whether growth is slowing in Q3 as we expect.

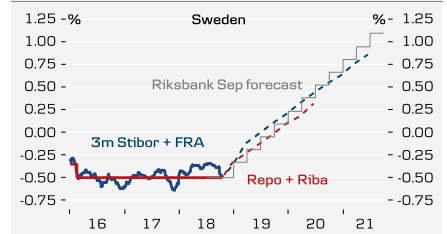
- In **Norway**, we do not expect any new signals from Norges Bank at next week's rate-setting meeting. This is only an 'interim' meeting, with no new monetary report, only a press release and the Executive Board's assessment. It would normally require something special for Norges Bank to put out fresh signals at such a meeting. With it being only a month since the previous meeting, there has not been much new information that would point to the bank departing from its plan of 'a gradual interest rate increase'. The factors that normally prompt changes in the interest rate outlook have been pulling in slightly different directions. Growth in the Norwegian economy has been slightly weaker than expected, while inflation has been slightly higher. However, the latter is down to the unusually dry summer and will probably be discounted as only temporary. The krone is marginally stronger than Norges Bank assumed but this can be seen in the light of oil prices being somewhat higher than expected.

Employment continues to climb



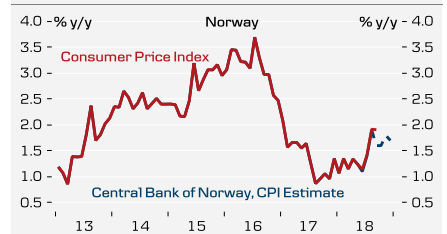
Source: Statistics Denmark

Riksbank set to confirm December hike, which is largely priced by market



Source: Riksbank, Macrobond Financial, Danske Bank

Inflation has been slightly higher than expected



Source: Macrobond Financial, Danske Bank

The global outlook has not changed much either, although we have seen a correction in global stock markets over the past fortnight. Interest rate expectations among Norway's trading partners, on the other hand, are now slightly higher than at the September meeting. Generally speaking, the risk from the trade war between the US and China and turbulence in some emerging markets does not seem to be any greater than a month ago – probably the opposite. Overall, then, we expect Norges Bank to repeat the message that it will next increase its policy rate in Q1 next year.

The week also brings LFS unemployment data for August (July-September). NAV's jobless numbers have levelled off in recent months, which we think is due partly to stronger growth in the labour supply, rather than weaker growth in employment. As the LFS also includes figures for employment and the labour supply, it is now more important than normal for confirming whether our assumption holds. Nevertheless, we estimate the jobless rate decreased to 3.9% in August.

Market movers ahead

Global movers			Event	Period	Danske	Consensus	Previous		
Wed	24-Oct	1:30	JPY Nikkei Manufacturing PMI, preliminary	Index	Oct		52.5		
		9:15	FRF PMI manufacturing, preliminary	Index	Oct		52.0		
		9:15	FRF PMI services, preliminary	Index	Oct		54.5		
		9:30	DEM PMI manufacturing, preliminary	Index	Oct		53.4		
		9:30	DEM PMI services, preliminary	Index	Oct		55.5		
		10:00	EUR PMI manufacturing, preliminary	Index	Oct	53.0	53.0		
		10:00	EUR PMI composite, preliminary	Index	Oct		54.2		
		10:00	EUR PMI services, preliminary	Index	Oct	54.9	54.5		
		15:45	USD Markit PMI manufacturing, preliminary	Index	Oct		55.5		
		15:45	USD Markit PMI service, preliminary	Index	Oct		54.0		
		16:00	CAD Bank of Canada rate decision	%		1.75%	1.8%		
		Thurs	25-Oct	10:00	DEM IFO - business climate	Index	Oct		103.7
				10:00	DEM IFO - current assessment	Index	Oct		106.4
				10:00	DEM IFO - expectations	Index	Oct		101.0
				13:45	EUR ECB announces refi rate			0.00%	0.00%
13:45	EUR ECB announces deposit rate			%		-0.40%	-0.40%		
14:30	USD Initial jobless claims			1000					
Fri	26-Oct	14:30	EUR ECB's Draghi speaks at press conference				0		
		-	ITL S&P may publish Italy's debt rating						
		3:00	USD Fed's Mester (voter, hawkish) speaks						
		12:30	RUB Central Bank of Russia rate decision	%		7.50%	7.5%		
		14:30	USD GDP, Q3 release, preliminary	% q/q AR	3rd quarter	3.2	3.3		
		14:30	USD PCE core, preliminary	% q/q AR	3rd quarter	1.5	1.5		
		16:00	USD University of Michigan Confidence, final	Index	Oct		99		
Scandi movers									
Mon	22-Oct	8:00	DKK Employment, s.a.		Aug				
Tue	23-Oct	8:00	DKK Consumer confidence	Net. bal.	Oct	8.0	6.9		
Wed	24-Oct	9:30	SEK Riksbank, rate decision	%		-0.5%	-0.5%		
Thurs	25-Oct	8:00	NOK Unemployment (LFS)	%	Aug	3.9%	4.0%		
		9:00	SEK Consumer confidence	Index	Oct		103.6		
		9:00	SEK Economic Tendency Survey	Index	Oct		111.7		
		9:30	SEK Household lending	y/y	Sep	6.0%	6.1%		
		9:30	SEK PPI	m/m y/y	Sep		0.0% 9.3%		
Fri	26-Oct	10:00	NOK Norges Banks monetary policy meeting	%			0.8%		
		8:00	DKK Foreign portfolio investments		Sep				
		8:00	DKK Retail sales	m/m y/y	Sep		0.2% ...		
		9:30	SEK Retail sales s.a.	m/m y/y	Sep	0.5% 1.5%	0.8% ...		
		9:30	SEK Trade balance	SEK bn	Sep	3	-5.3		

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

Brexit breakthrough postponed

Main macro themes

- **Brexit negotiations** failed to reach a breakthrough at the EU summit. The talks remain deadlocked on the backstop solution for the Irish border issue, although PM Theresa May has signalled willingness to extend the transition period beyond 2020. We probably need to move closer to the actual deadline for a compromise and might have to wait until December or even January to get a deal on the withdrawal agreement. Our base case is still a ‘decent’ Brexit (see *Brexit monitor*, 27 September 2018).
- Markets heaved a sigh of relief after the **Italian government** met the deadline to submit its 2019 Draft Budgetary Plan to Brussels. However, critical noises from senior EU officials this week signalled that the EU Commission will voice a negative opinion and ask for a revision of the Italian budget next week, which is in line with our view (see *Italian Politics Monitor*, 5 October 2018).
- Euro area core **inflation** slowed further in September to 0.9%, still failing to show the ‘vigorous pick up’ that the ECB’s Draghi has talked about. By contrast, Swedish inflation surprised on the upside, and after a revision of our inflation forecast we now expect the **Riksbank** to deliver two hikes up to July next year (see *Strategy Sweden*, 15 October 2018).
- As expected, the **US Treasury** refrained from labelling **China** a currency manipulator, but the report still included very hawkish language against China. The strategic conflict/trade war between the two countries is likely to drag on.

Fixed income developments

- The rebound in global risk appetite and FOMC minutes signalling further hikes ahead had limited impact on **US treasury yields** this week, which remained below last week’s peak. We still see a case for both higher short- and long-end US yields and expect 10Y US treasury yields to reach 3.50% over the next three to six months (see *FI research: Next stop is 3.50% for 10Y US treasury yields*, 15 October 2018).
- **Periphery markets** had a good start to the week on the back of Portugal’s rating upgrade to investment grade and last minute budget accords reached in Spain and Italy. Later, signs of an imminent EU budget clash and looming rating reviews heightened the pressure on Italian government bonds. We remain on the side-lines with respect to BTP exposure, but see little risk of contagion to other periphery countries.

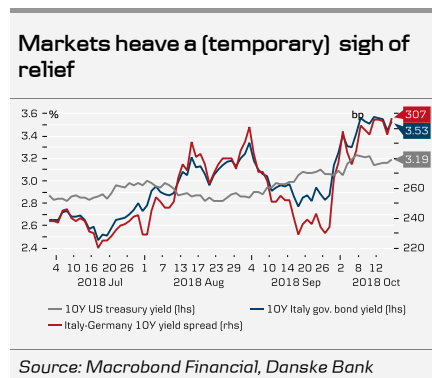
FX developments

- FX markets continue to be very headline driven, with **EUR/GBP** in particular remaining on a ‘Brexit rollercoaster’ this week. With no Brexit deal in sight yet, we continue to see EUR/GBP risks tilted to the upside, targeting 0.88 in 1M.
- **EUR/USD** continued its range trading around 1.15 and with the Fed remaining in the hiking game and lingering risks of setbacks on Italy and Brexit negotiations, we expect this to continue for the rest of the year (see *FX Forecast Update - USD strength set to remain until year-end*, 15 October 2018).

Financial views

Major indices			
	19-Oct	3M	12M
10yr EUR swap	0.99	1.10	1.40
EUR/USD	115	115	125
ICE Brent oil	80	85	85
ECB key rate	0.00	0.00	0.00
Fed funds rate	2.25	2.50	3.00
EUR/SEK	1034	1020	1010
EUR/NOK	946	940	910
10yr US swap	3.26	3.35	3.55

Source: Danske Bank



Scandi update

Denmark – autumn break

It is not only the schools that have taken a break this week in Denmark, so there is nothing of note to report.

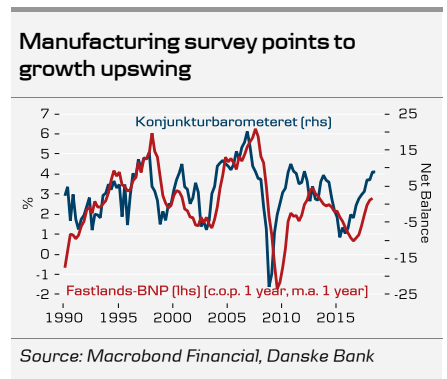
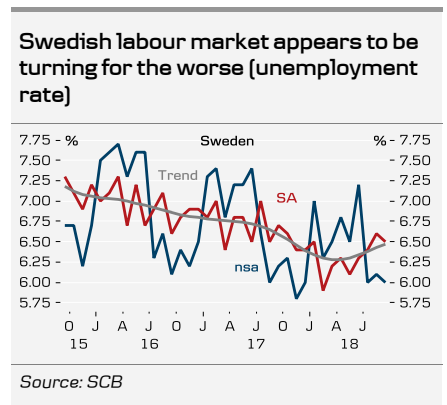
Sweden – flat prices slightly down in September

The September LFS survey was slightly better than expected, but seems to suggest that the tide is turning in the Swedish labour market. Although employment growth slowed in September to about half of what we have seen in past years – which is a concern – part of the explanation is that there was a heavy inflow of job seekers into the labour force, people who were not included before. It is too early to make a big thing of this, but developments need to be monitored, as this is the basis for aggregated income growth. If people start losing their jobs, it will surely aggravate the increasingly tough situation in the housing market.

September HOX data turned out very close to what our Boprisindikator suggested for Stockholm flats, showing a minor decline. That was also the case for most other regions in Sweden as well as for Sweden overall. Both house and flats showed these minor declines. Recent reports, however, suggest that property developers, with the epicentre in Stockholm, have big problems with declining sales for new production, even though they have reduced prices to levels similar to the secondary market, according to statistics from Booli. We stick to our view that this will eventually put renewed downward pressure on flats prices in particular.

Norway – manufacturing upswing on its way

The cornerstone of our view of the Norwegian economy over the next three to four years is an expectation of an oil-driven upswing. With oil prices looking set to be in the USD70-85 range over the next few years, the low cost levels in the Norwegian sector are making a larger proportion of the oil companies’ investment portfolio profitable, and making it more tempting to explore for new fields. As yet, we have not seen any real signs of this upswing in hard data, but it has been showing up in the oil investment survey and various panel surveys. The tendency survey for the manufacturing sector showed during the week that this trend is continuing. The overall confidence indicator was unchanged at 8.9, its highest since 2012, and the indices for orders are also up around their best for the past six to seven years. As can be seen from the chart, this could indicate that economic growth is set to accelerate.



Latest research from Danske Bank

18/10 Brexit Monitor: Final deal unlikely before December

As expected, there was no withdrawal agreement at yesterday's Brexit working dinner (negotiations broke down on Sunday).

16/10 Yield Outlook: Higher US yields to set the global 'yield-agenda'

Danske Bank's rate forecasts.

15/10 FX Forecast Update - USD strength set to remain until year-end

Danske Bank's FX forecasts.

15/10 Macro Strategy Views podcast: The stock market rout to fade despite looming Italy-EU clash

Italian debt worries and rising US interest rates have driven the sell-off. We expect the former to stay with us for a while, with the latter fading in importance.

Macroeconomic forecast

Macro forecast, Scandinavia

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

Macro forecast, Euroland

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
Euro area	2017	2.5	1.7	1.2	2.9	5.4	4.0	1.5	1.6	9.1	-0.9	86.7	3.5
	2018	2.0	1.5	1.1	3.0	2.9	2.8	1.8	2.2	8.2	-0.7	86.0	3.4
	2019	1.7	1.9	2.1	1.9	3.1	3.8	1.7	2.3	7.9	-0.6	85.5	3.4
Germany	2017	2.5	2.0	1.6	3.6	5.3	5.3	1.7	2.6	3.8	1.3	64.1	7.9
	2018	1.9	1.5	1.1	3.4	3.0	3.9	1.7	3.0	3.4	1.2	60.2	7.9
	2019	1.8	2.2	2.3	3.1	3.6	5.4	1.6	3.2	3.3	1.1	56.3	7.6
Finland	2017	2.7	1.7	1.6	5.8	7.5	3.7	0.7	0.2	8.6	-0.7	61.3	-0.7
	2018	2.7	2.1	2.0	4.0	3.2	3.0	1.2	2.0	7.6	-0.3	59.3	-0.6
	2019	2.0	1.6	0.5	3.5	4.0	3.5	1.5	2.3	7.3	0.1	57.7	-0.2

Macro forecast, Global

	Year	GDP ¹	Private cons. ¹	Public cons. ¹	Fixed inv. ¹	Ex-ports ¹	Im-ports ¹	Infla-tion ¹	Wage growth ¹	Unem-ploym ³	Public budget ⁴	Public debt ⁴	Current acc. ⁴
USA	2017	2.2	2.5	-0.1	4.8	3.0	4.6	2.1	2.5	4.4	-3.5	105.0	-2.5
	2018	2.8	2.5	1.4	5.7	5.1	3.8	2.5	2.8	3.9	-4.0	106.0	-3.0
	2019	2.5	2.4	1.2	4.1	3.4	2.8	2.0	3.1	3.6	-4.6	107.0	-3.4
China	2017	6.9	-	-	-	-	-	2.0	9.0	4.1	-3.7	47.6	1.4
	2018	6.6	-	-	-	-	-	2.3	8.7	4.3	-3.4	50.8	1.1
	2019	6.4	-	-	-	-	-	2.3	8.5	4.3	-3.4	53.9	1.2
UK	2017	1.7	1.9	-0.1	3.3	5.7	3.2	2.7	2.2	4.4	-1.8	87.5	-4.1
	2018	1.3	1.2	1.2	0.7	-0.9	-0.2	2.5	2.5	4.1	-1.8	85.4	-4.4
	2019	1.5	1.6	0.6	1.4	1.5	1.7	1.5	2.9	3.9	-1.7	85.3	-4.0

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

Financial forecast

Bond and money markets								
		Key int. rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK
USD	19-Oct	2.25	2.45	3.11	3.26	114.6	-	651.0
	+3m	2.50	2.86	3.20	3.35	115.0	-	648.0
	+6m	2.75	3.07	3.40	3.55	118.0	-	631.8
	+12m	3.00	3.37	3.50	3.55	125.0	-	596.4
EUR	19-Oct	0.00	-0.32	-0.12	0.99	-	114.6	746.1
	+3m	0.00	-0.33	-0.05	1.10	-	115.0	745.3
	+6m	0.00	-0.33	0.05	1.30	-	118.0	745.5
	+12m	0.00	-0.26	0.15	1.40	-	125.0	745.5
JPY	19-Oct	-0.10	-0.08	0.06	0.35	128.9	112.4	5.79
	+3m	-0.10	-	-	-	130.0	113.0	5.73
	+6m	-0.10	-	-	-	134.5	114.0	5.54
	+12m	-0.10	-	-	-	143.8	115.0	5.19
GBP	19-Oct	0.75	0.80	1.15	1.66	87.9	130.3	848.3
	+3m	0.75	0.82	1.30	1.85	84.0	136.9	887.2
	+6m	0.75	1.02	1.40	2.00	83.0	142.2	898.2
	+12m	1.00	1.07	1.60	2.20	83.0	150.6	898.2
CHF	19-Oct	-0.75	-0.74	-0.51	0.53	114.1	99.6	653.6
	+3m	-0.75	-	-	-	113.0	98.3	659.5
	+6m	-0.75	-	-	-	116.0	98.3	642.7
	+12m	-0.75	-	-	-	120.0	96.0	621.3
DKK	19-Oct	0.05	-0.31	0.01	1.12	746.1	651.0	-
	+3m	0.05	-0.30	0.05	1.25	745.3	648.0	-
	+6m	0.05	-0.30	0.15	1.45	745.5	631.8	-
	+12m	0.05	-0.23	0.25	1.55	745.5	596.4	-
SEK	19-Oct	-0.50	-0.49	0.03	1.32	1034.0	902.3	72.2
	+3m	-0.25	-0.25	0.25	1.40	1020.0	887.0	73.1
	+6m	-0.25	-0.15	0.40	1.40	1010.0	855.9	73.8
	+12m	0.00	0.00	0.65	1.50	1010.0	808.0	73.8
NOK	19-Oct	0.75	1.08	1.59	2.37	946.3	825.7	78.8
	+3m	0.75	1.30	1.65	2.55	940.0	817.4	79.3
	+6m	1.00	1.40	1.95	2.70	920.0	779.7	81.0
	+12m	1.25	1.65	2.20	2.80	910.0	728.0	81.9

Commodities												
		2018				2019				Average		
	19-Oct	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019	
NYMEX WTI	69	63	68	68	68	69	69	70	70	67	70	
ICE Brent	80	67	75	76	85	87	87	85	80	76	85	

Source: Danske Bank

Calendar

Key Data and Events in Week 43

During the week			Period	Danske Bank	Consensus	Previous
EUR	European Commission may announce opinion on Italian budget draf					
Monday, October 22, 2018			Period	Danske Bank	Consensus	Previous
8:00	DKK	Employment, s.a.	Aug			
Tuesday, October 23, 2018			Period	Danske Bank	Consensus	Previous
8:00	DKK	Consumer confidence	Net. bal.	Oct	8.0	6.9
15:30	USD	Fed's Kashkari (non-voter, dovish) speaks				
16:00	EUR	Consumer confidence, preliminary	Net. bal.	Oct	-3.0	-2.9
22:15	USD	Fed's Kaplan (non-voter, neutral) speaks				
Wednesday, October 24, 2018			Period	Danske Bank	Consensus	Previous
1:30	JPY	Nikkei Manufacturing PMI, preliminary	Index	Oct		52.5
2:00	USD	Fed's George (non-voter, hawkish) speaks				
7:00	JPY	Leading economic index, final	Index	Aug		104.4
8:45	FRF	Business confidence	Index	Oct		106.0
9:15	FRF	PMI manufacturing, preliminary	Index	Oct		52.5
9:15	FRF	PMI services, preliminary	Index	Oct		54.8
9:30	SEK	Riksbank, rate decision	%		-0.5%	-0.5%
9:30	DEM	PMI manufacturing, preliminary	Index	Oct		53.7
9:30	DEM	PMI services, preliminary	Index	Oct		55.9
10:00	EUR	PMI manufacturing, preliminary	Index	Oct	53.0	53.2
10:00	EUR	PMI composite, preliminary	Index	Oct		54.1
10:00	EUR	PMI services, preliminary	Index	Oct	54.9	54.7
10:00	EUR	Money supply (M3)	y/y	Sep		3.5%
10:00	EUR	Loans to households (adj. for sales and sec.)	%	Sep		3.5%
10:00	EUR	Loans to NFCs (adj. for sales and sec.)	%	Sep		3.5%
15:00	USD	FHFA house price index	m/m	Aug		0.2%
15:45	USD	Markit PMI manufacturing, preliminary	Index	Oct		55.6
15:45	USD	Markit PMI service, preliminary	Index	Oct		53.5
16:00	USD	New home sales	1000 (m/m)	Sep		629.0 (3.5%)
16:00	CAD	Bank of Canada rate decision	%		1.75%	1.5%
16:30	USD	DOE U.S. crude oil inventories	K			6490
19:10	USD	Fed's Mester (voter, hawkish) speaks				
Thursday, October 25, 2018			Period	Danske Bank	Consensus	Previous
1:00	USD	Fed's Brainard (voter, dovish) speaks				
8:00	NOK	Unemployment (LFS)	%	Aug	3.9%	4.0%
8:00	DEM	GfK consumer confidence	Net. Bal.	Nov		10.6
9:00	SEK	Consumer confidence	Index	Oct		103.6
9:00	SEK	Economic Tendency Survey	Index	Oct		111.7
9:00	SEK	Manufacturing confidence	Index	Oct		117.5
9:30	SEK	Household lending	y/y	Sep	6.0%	6.1%
9:30	SEK	PPI	m/m y/y	Sep		0.0% 9.3%
10:00	NOK	Norges Banks monetary policy meeting	%			0.8%
10:00	DEM	IFO - business climate	Index	Oct		103.7
10:00	DEM	IFO - current assessment	Index	Oct		106.4
10:00	DEM	IFO - expectations	Index	Oct		101.0
13:00	TRY	Central Bank of Turkey rate decision	%		24.0%	24.0%
13:45	EUR	ECB announces refi rate			0.00%	0.00%
13:45	EUR	ECB announces deposit rate	%		-0.40%	-0.40%
14:30	USD	Initial jobless claims	1000			
14:30	USD	Core capital goods orders, preliminary	%	Sep		-0.9%
14:30	USD	Advance goods trade balance	USD bn	Sep		-75.5
14:30	EUR	ECB's Draghi speaks at press conference				0
16:00	USD	Pending home sales	m/m y/y	Sep		-0.1% ...

Source: Danske Bank

Calendar (continued)

Friday, October 26, 2018			Period	Danske Bank	Consensus	Previous
-	DEM	S&P may publish Germany's debt rating				
-	ITL	S&P may publish Italy's debt rating				
-	EUR	Moody's may publish France's debt rating				
-	EUR	S&P may publish Germany's debt rating				
-	EUR	S&P may publish Italy's debt rating				
-	EUR	Fitch may publish Netherlands's debt rating				
3:00	USD	Fed's Mester (voter, hawkish) speaks				
8:00	DKK	CB's securities statistics	Sep			
8:00	DKK	Foreign portfolio investments	Sep			
8:00	DKK	Retail sales	m/m y/y	Sep	0.2% ...	0.3% 3.5%
8:45	FRF	Consumer confidence	Index	Oct	94.0	94.0
9:30	SEK	Retail sales s.a.	m/m y/y	Sep	0.5% 1.5%	0.8% 2.0%
9:30	SEK	Trade balance	SEK bn	Sep	3	-5.3
10:00	EUR	ECB's survey of professional forecasters				
12:30	RUB	Central Bank of Russia rate decision	%		7.50%	7.5%
14:30	USD	GDP, Q3 release, preliminary	% q/q AR	3rd quarter	3.2	3.3
14:30	USD	PCE core, preliminary	% q/q AR	3rd quarter	1.5	1.5
16:00	USD	University of Michigan Confidence, final	Index	Oct	99	99.0

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Source: Danske Bank

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