22 November 2019

Weekly Focus

Market jitters due to trade deal uncertainty

Market Movers ahead

- Focus continues to be on US-China trade talks and the scope for a phase-one deal. We expect a deal to be reached over the next month but there have been reports that it could drag out further due to disagreements on tariff roll-back and Chinese agricultural purchases.

- On the data front, focus is on signs of a bottom in the global business cycle. US core durable goods orders and private consumption will help us gauge what Q4 GDP growth looks like. In the euro area the German IFO index is set to give clues whether German industry has passed the low point.

- We expect November euro area core inflation to be unchanged at 1.1%, while US core PCE inflation is expected to be unchanged at 1.7%.

- In Scandi focus turns to consumer and business surveys and Q3 GDP in Sweden as well as unemployment and retail sales in Norway.

Weekly Wrap-up

- US-China tensions flared up again as the US Senate passed a bill on Hong Kong, which angered China. However, it did not seem to affect trade talks, as the Chinese chief negotiator continued to signal cautious optimism on a trade deal.

- European PMIs for November showed that the manufacturing recession has stopped intensifying (suggesting that the worst is probably behind us).

- ECB and FOMC minutes confirmed that both central banks are on hold.

- After a strong month, market sentiment turned jittery this week following more mixed signals on US-China trade talks. Equity markets have increasingly priced in a phase one deal.

Contents

Financial views

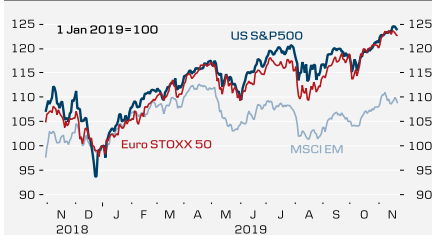| Major indices			
	22-Nov	3M	12M
10yr EUR swap	0.06	0.10	0.40
EUR/USD	111	109	113
ICE Brent oil	64	60	60

Source: Danske Bank

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Stock markets positioning for recovery and phase one trade deal

Note: Past performance is not a reliable indicator of future results. Source: Macrobond Financial

Look out for German IFO index next week

Note: Past performance is not a reliable indicator of future results. Source: Macrobond Financial

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Important disclosures and certifications are contained from page 12 of this report.

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Market movers

Global

- In the **US**, we have a quiet week ahead of us in terms of economic data releases but a few may attract attention. On Tuesday, the Consumer Confidence Indicator from the Conference Board is due out and nothing suggests it should fall from its high level. On Wednesday, besides the second estimate of Q3 GDP, focus is on the preliminary core capex orders and shipments in October. Capital investments have become the weak spot in the US economy given the weakness in the manufacturing sector globally and the ongoing trade war. Monthly real private consumption growth and PCE core inflation in October are also due out on Wednesday. Based on retail sales, real private consumption growth was solid in October. Based on CPI, PCE core likely rose +0.15% m/m in October (unchanged 1.7% y/y).

- In the **euro area** focus will be on the November inflation prints, which come in on Friday. Last month, core inflation ticked up to 1.1% y/y driven by slightly higher service prices, while headline inflation fell to 0.7% y/y on the back of falling energy prices. The uptick in core inflation is encouraging news for the ECB, but the uptick was not as broad-based as one could hope since especially NEIG inflation remains very low at just 0.3% y/y. We expect core inflation to remain hovering around 1% y/y due to the still missing pass-through from wages and the sluggish growth outlook. Thus, we see scope for the November print to come in at 1.1% y/y, while we expect headline inflation at 0.8% due to a less pronounced drag from energy prices. German inflation prints on Thursday will foreshadow the euro area data.

  On Monday we get the November IFO prints from **Germany** where we will closely monitor whether the recent stabilisation in the current conditions component continues and whether the rebound in expectations has extended. However, we still do not expect the weakness in the German manufacturing sector to be over until early 2020, so risks are tilted to the downside.

  One the political front, the German CDU party convention concluding on Saturday might send some interesting signals about the chancellor candidate for the next election. Now that Chancellor Angela Merkel has withdrawn from the political limelight, apparent heir and CDU party leader Annegret Kramp-Karrenbauer is struggling with flagging poll ratings and faces the risk of a coup.

- In the **UK**, there are no economic data releases of importance next week. Focus is on the election on 12 December and what the outcome will be. Looking at polls, the Conservative Party has moved back above 40% (at the expense of the Brexit Party), which was the 'normal' level for the party under Theresa May. Labour is now around 30%, while LibDems have declined further to around 15%.

- In **Japan**, we get October retail sales on Thursday. This is particularly interesting because of the VAT-hike on 1 October. The September sales increased over 7% m/m and we expect a big decline in October. The Q3 surge in retail sales did not translate into a surge in private consumption in the national accounts for Q3 though, which decreases the impact it has on GDP-growth and probably also the level of worry for the Bank of Japan.
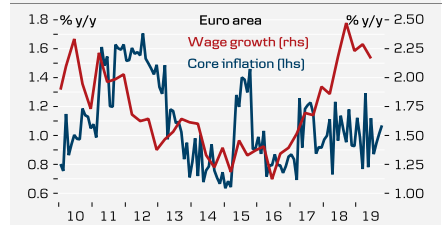
  On Friday, we also get October industrial production. It has been flat over the recent year and we are not likely to see a rebound anytime soon.

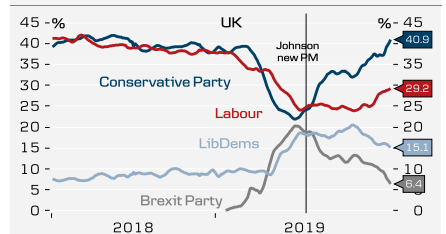**Private consumption growth remains strong**
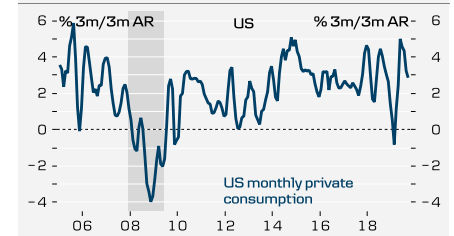
Source: BEA, Macrobond Financial

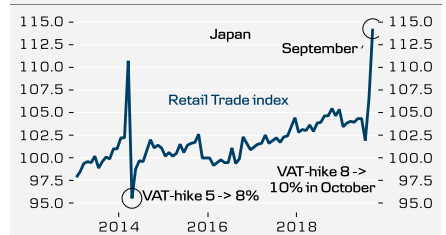**Core inflation remains low despite vigorous wage growth**

Source: Eurostat, ECB, Macrobond Financial

Conservatives increase their lead over Labour

Source: British elects, Macrobond Financial

Manufacturing sector slowing

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

- There are no tier 1 data in **China** next week but focus continues to be on the trade talks between US and China and attempts to reach a phase one deal. The negotiations seems to have stalled over Trump's reluctance to roll back tariffs and the number of agricultural goods China is willing to buy. China has apparently invited the US team for negotiations in Beijing but reports say that the US will only go if China is willing to offer more. It is hard to know if it is the usual difficulties at the last inning of making a deal or whether the two sides are unable to reach a deal. We still expect a phase one deal in December but uncertainty has increased lately.

Scandi

- In **Denmark,** October's retail sales figures are due on Tuesday. Retail sales have grown in the past few months, as was also reflected in overall consumption in Q3, which contributed much of the growth in private demand. However, consumption has remained modest throughout this upswing and we expect this trend will continue to be reflected in the new figures.
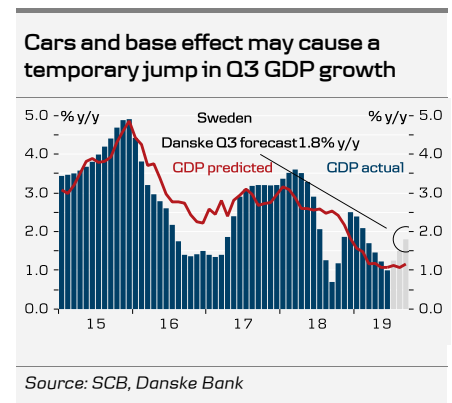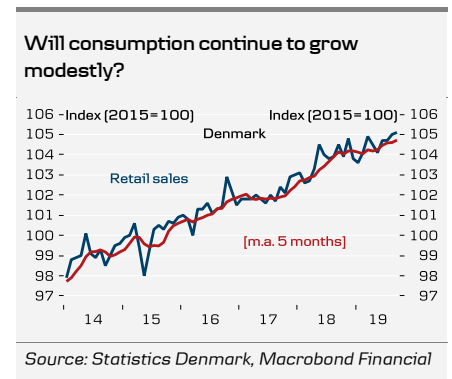
  Thursday should see the release of Statistics Denmark's business confidence indicator for November. Sentiment in the industrial sector, in particular, has taken something of a dive on this indicator in recent months, though the downbeat mood has not yet been reflected in a tangible downturn in industry, which in August rose by 1.5%.

  The end of the week is speckled with data. First, we have further details on the national accounts figures for Q3. Last week, the GDP indicator clocked growth of 0.3%, which was a little less than expected, so it will be interesting to see precisely what has pulled the figure down. We can also expect data on both property prices in September and unemployment in October.

- **Swedish** Q3 GDP will be an important input at the Riksbank December meeting. Both the household consumption indicator (driven by an already significant front-running of car registrations ahead of higher 'bonus-malus' taxes on 1 January 2020) and private production value index suggest positive q/q contributions to Q3 GDP. That, however, is likely to be partly balanced by declining residential and business fixed investment, a declining trade surplus and unchanged working hours. In total we see a small increase q/q, which would put y/y growth at 1.8%. In contrast, our GDP tracker still suggests growth remained low in Q3, at just 1.2% y/y. Remember that y/y comparisons are 'easy' in Q3, as there was a significant drop q/q last year, again due to 'bonus-malus'. This effect should reverse in Q4. This time it is worth recalling that the revision of the LFS survey may cause revisions to GDP. For instance, hours worked has been revised lower.

  Considering the current low quality of SCB's labour market data (LFS), NIER business confidence survey's hiring plans are particularly interesting. Hiring plans for the private business sector now have two negative prints, the first ones since 2013, suggesting stagnating to reduced private sector hiring in the period ahead. Manufacturing is deeper in the red but a bit away from the 2012 lows.

  We will also receive October retail sales. In previous years, retail sales have been relatively weak and we have seen a downward trend. Since the beginning of 2019, however, the sector has recovered somewhat. Especially durable trade has been the driving factor for the positive trend in 2019. In October, we look for another positive monthly change of 0.3%, which means 3.5% y/y. October household lending and trade balance are also on the agenda.

Will consumption continue to grow modestly?

Source: Statistics Denmark, Macrobond Financial

Cars and base effect may cause a temporary jump in Q3 GDP growth

Source: SCB, Danske Bank

- In **Norway**, retail sales are currently battling relatively strong structural headwinds and growing much more slowly than consumption of services. We nevertheless expect moderate growth of 0.4% m/m in October due to solid consumer fundamentals. Real wage growth is strong enough to compensate for higher interest rates and employment is still growing well. Nor are we too worried by the slightly weaker consumer confidence numbers, as they have a poor track record in explaining variations in the saving rate. Unemployment has begun to flatten out after falling continuously for three years. On the face of it, an unchanged jobless rate could be a sign of growth approaching trend. However, the number of vacancies is still increasing and hours worked are growing faster than employment, which indicates that demand for labour is holding up and that the flat unemployment is due to bottlenecks. We expect registered unemployment to be unchanged at 2.2% in November and the LFS jobless rate to hold at 3.7% in September (August-October).

Moderate upward trend in retail sales
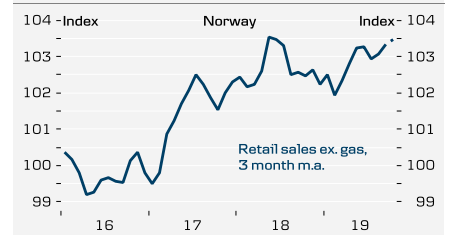
Source: Macrobond Financial, Danske Bank

Market movers ahead

Global movers				Event		Period	Danske	Consensus	Previous
During the week		Sat 23	DEM	German CDU party conference	m/m|y/y				
Mon	25-Nov	10:00	DEM	IFO - current assessment	Index	Nov		98.0	97.8
		10:00	DEM	IFO - expectations	Index	Nov		92.4	91.5
Tue	26-Nov	16:00	USD	Conference Board consumer confidence	Index	Nov		126.8	125.9
Wed	27-Nov	14:30	USD	Core capital goods orders, preliminary	%	Oct		-0.4%	-0.6%
		16:00	USD	Personal spending	m/m	Oct		0.3%	0.2%
		16:00	USD	PCE core	m/m|y/y	Oct	0.15%|1.7%	0.2%|1.7%	0.0%|1.7%
Thurs	28-Nov	0:50	JPY	Retail trade	m/m|y/y	Oct		-10.4%|-3.8%	7.2%|9.2%
		14:00	DEM	HICP, preliminary	m/m|y/y	Nov		-0.8%|1.2%	0.1%|0.9%
Fri	29-Nov	0:50	JPY	Industrial production, preliminary	m/m|y/y	Oct		-2.0%|-5.3%	1.7%|1.3%
		11:00	EUR	HICP - core inflation, preliminary	y/y	Nov	1.1%	1.2%	1.1%
		11:00	EUR	HICP inflation, preliminary	y/y	Nov	0.7%	0.9%	0.7%
Scandi movers									
Tue	26-Nov	8:00	DKK	Retail sales	m/m|y/y	Oct			0.1%|0.2%
Wed	27-Nov	8:00	NOK	Unemployment (LFS)	%	Sep		3.7%	3.7%
Thurs	28-Nov	8:00	DKK	Business Confidence	Nettotal	Nov			
		9:00	SEK	Economic Tendency Survey	Index	Nov			93.6
		9:30	SEK	Retail sales s.a.	m/m|y/y	Oct	0.3%|3.5%	-0.2%|3.0%	0.3%|2.6%
Fri	29-Nov	8:00	DKK	House and apartment prices	m/m|y/y	Sep			
		8:00	NOK	Retail sales, s.a.	m/m	Oct	0.4%	-0.2%	-0.1%
		8:00	DKK	GDP, preliminary	q/q|y/y	3rd quarter			0.9%|...
		9:30	SEK	GDP	q/q|y/y	3rd quarter	...%|1.8%	0.2%|1.7%	0.1%|1.0%
		10:00	NOK	Unemployment	%	Nov	2.2%	2.2%	2.1%

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

US-China tensions flare up...yet again

Main macro themes

- **US-China tensions have flared up again**, just as the two parties were in final discussions about a 'phase 1' trade deal. Amid intensifying protests in Hong Kong, the US Senate this week passed a bill that requires certification of Hong Kong's autonomy and warned China against suppressing protestors violently. The US backing of Hong Kong demonstrators fuelled Chinese anger about US interference in internal affairs. However, despite the diplomatic tensions Vice Premier Liu He said he remains 'cautiously optimistic' about a deal and China invited US trade negotiators for a new round of face-to-face talks.

- **European PMIs for November showed that the manufacturing recession has stopped intensifying** (suggesting the worst is probably over). However, with service sector activity growing more modestly and jobs growth waning, it suggests the European economy remains caught in a low-growth environment for now with PMIs pointing to quarterly growth of only 0.1% q/q.

- **ECB and FOMC meeting minutes from October confirmed that both central banks have paused.** While ECB policymakers voiced increasing concerns about sliding inflation expectations, there was broad agreement that patience is warranted to let the new easing package take effect on the economy and the inflation outlook. Similarly, FOMC member think monetary policy is now 'well calibrated', although downside risks still linger in the background.
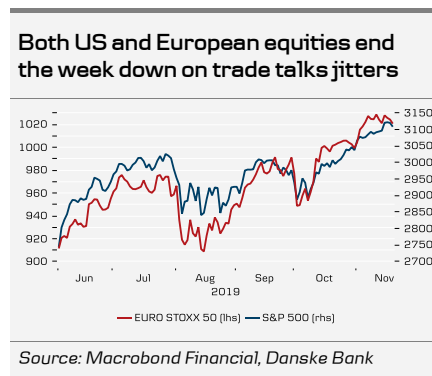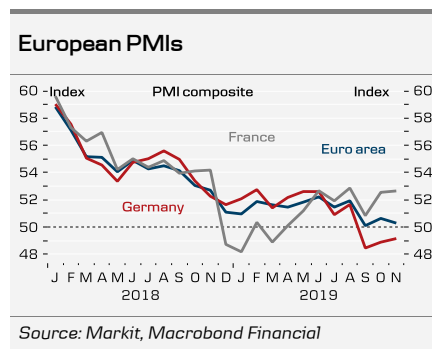
Financial market developments

- **Market sentiment turned jittery this week** amid worries that the 'Hong Kong bill' could upset US-China trade talks yet again, possibly leading to a déjà vu of the developments in May, when a breakdown in talks led to another round of tariff increases. Separately, the US House of Representatives managed to pass a stopgap-funding bill to avert a looming US government shutdown. However, the latter was not enough to lift risk sentiment from the hit it took on China-US worries and both US and European equities ended the week lower, while US 10Y Treasury yields fell to 7bp.

- **European periphery fixed income markets remained under pressure** this week, in light of poor risk sentiment in general and news that foreigners scaled down their exposure in September. We stay on the sidelines in the periphery for now, as December is often a weak month in terms of performance ahead of the new syndicated deals in January (see *Government Bonds Weekly – We close our periphery recommendations. Risk of further spread-widening ahead of new syndicated deals in January 2020*, 15 November).

- **High-beta FX crosses sold off mildly during the week**. As trade negotiations seem to have stalled over Donald Trump's reluctance to roll back tariffs and the amount of agricultural goods China is willing to buy, we have seen CNH and other Asian currencies drifting lower. EUR/PLN went higher on the back of global risk aversion and as data showed employment growth slowed further in October.

Financial views

Major indices

	22-Nov	3M	12M
10yr EUR swap	0.06	0.10	0.40
10yr US swap	1.64	1.75	2.00
ECB key rate	-0.50	-0.50	-0.50
Fed funds rate	1.75	1.75	1.50
EUR/SEK	1064	1080	1100
EUR/NOK	1011	990	970
EUR/USD	111	109	113
ICE Brent oil	64	60	60

Source: Danske Bank

European PMIs

Source: Markit, Macrobond Financial

Both US and European equities end the week down on trade talks jitters

Source: Macrobond Financial, Danske Bank

Scandi update

Denmark – More signs of weakness in the labour market

Statistics Denmark's latest figures for wage earner employment, released on Thursday, showed an increase of 900 new jobs in September. That is relatively low compared with recent years and not improved by the August figure being revised lower. The number follows the trend from recent months of weak figures for the labour market, which is beginning to show signs of being affected by the global slowdown.

The slowdown also appears to be affecting consumer confidence, which fell once again in October, to 1.4. The Danes have generally developed a more negative view on their own finances, which was the main reason for the fall in the monthly figures. In contrast, they have turned a little more positive on the prospects for their own finances and the Danish economy as a whole one year from now. Danish households should really not be unduly worried overall, as their finances generally appear to be robust.

Weak employment growth in September

Source: Statistics Denmark, Macrobond Financial
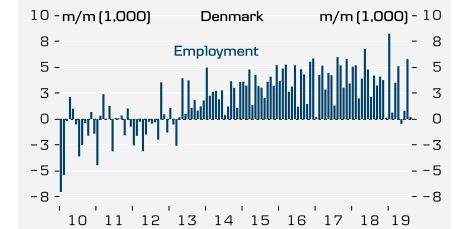
Sweden – House prices recover, but ...

After a significant drop in the second half of 2017, residential prices stabilised in 2018 and have been on a slow recovery in 2019. Up until just recently, that is. Actually, prices have been accelerating past two months (September and October) in seasonally adjusted terms. The reason is declining household rate expectations, which in turn is a function of the Riksbank's message that the repo rate will just be hiked once in December and remain unchanged for several years thereafter.

This optimistic view, possibly also boosted by the abolition of the 5% extra state income tax early next year, stands in contrast to a further decline in multi-dwelling starts in Q3. This development is very much in line with our long-held view that pent-up supply needs to be balanced by a further rise in completions before starts can stabilise and resume a pace that is in line with the expected population growth. Meanwhile, residential construction (read multi-dwellings) is set to continue to be a drag on GDP growth.

Diverging paths for flat prices and starts – which one will lead?

Source: SCB, Valueguard

Norway – Further increase in oil investment next year

The Q4 oil investment survey confirmed that oil investment will grow by around 15% this year. More importantly, the oil companies now expect to invest NOK182.7bn next year, which points to an increase of around 2-3% when compared to their estimate for 2019 this time last year, assuming inflation of around 2%. Oil investment will therefore make a positive contribution to growth in the Norwegian economy again next year, albeit a much smaller one than this year. So, while we do expect growth to slow in 2020, there is little to suggest that it will drop below trend. This supports our view that 2020 is more likely to bring another interest rate hike than the unchanged rates currently priced into the market.

Oil investment to grow further
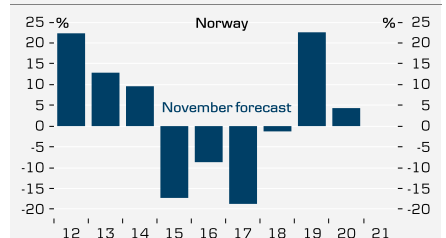
Source: Macrobond Financial, Danske Bank

Latest research from Danske Bank

21/11 Postcard from China - From trade war to US-China decoupling

Below are our key impressions from a week of travelling in China. While views are divided, most people expect the trade war to calm down over the next year.

18/11 Macro Strategy Views - Cross-asset rotation and implications for currencies

In our weekly Macro Strategy Views podcast we discuss the FX winners and losers from cross-asset rotation.

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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	2.4	2.8	0.4	5.4	2.4	3.6	0.8	2.2	3.8	0.8	34.2	7.0
	2019	2.0	1.5	0.3	-1.8	4.5	0.3	0.8	2.0	3.8	2.0	32.4	7.6
	2020	1.3	2.4	0.9	0.9	1.6	1.9	1.2	2.1	4.0	0.5	31.5	7.3
Sweden	2018	2.4	1.6	0.4	4.6	3.1	3.6	2.0	2.6	6.3	0.8	38.5	0.4
	2019	1.0	0.7	0.7	-1.8	4.2	1.7	1.7	2.6	6.8	0.1	35.0	3.7
	2020	0.7	1.9	1.5	-2.2	2.7	2.1	1.1	2.4	7.8	-0.5	34.0	3.7
Norway	2018	2.2	1.9	1.4	2.8	-0.2	1.9	2.7	2.8	2.5	-	-	-
	2019	2.6	2.0	2.0	4.8	3.0	3.5	2.2	3.4	2.3	-	-	-
	2020	2.2	2.4	1.7	3.0	4.0	2.5	2.2	3.6	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	1.9	1.4	1.1	2.4	3.3	2.7	1.8	2.2	8.2	-0.5	85.9	3.8
	2019	1.2	1.1	1.6	6.8	2.5	4.6	1.2	2.1	7.6	-0.8	86.4	3.3
	2020	0.9	1.4	1.8	2.5	1.4	3.2	1.1	2.3	7.5	-0.9	85.1	3.2
Germany	2018	1.5	1.2	1.4	3.5	2.3	3.7	1.9	2.9	3.4	1.9	61.9	7.3
	2019	0.5	1.5	2.1	2.9	0.8	2.8	1.3	3.0	3.1	1.0	59.2	6.0
	2020	0.7	1.4	2.3	1.3	0.7	2.7	1.6	2.8	3.0	0.8	56.8	5.9
Finland	2018	1.7	1.8	1.5	3.3	2.2	5.0	1.1	1.7	7.4	-0.8	59.1	-1.4
	2019	1.2	0.8	1.5	0.5	3.5	2.0	1.1	2.5	6.6	-0.4	58.4	-0.8
	2020	0.8	1.0	1.5	0.6	1.5	2.0	1.4	2.7	6.6	-0.4	57.7	-0.8

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	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	3.3	3.6	-4.2	106.0	-2.6
	2020	1.7	2.4	0.9	1.1	0.7	2.2	2.3	3.6	3.4	-4.2	106.0	-2.7
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	1.6	0.6	-0.1	-0.9	0.7	2.5	3.0	4.1	-2.3	85.9	-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	22-Nov	1.75	1.90	1.57	1.64	110.6	-	675.7	914.5	962.1
	+3m	1.75	1.71	1.50	1.75	109.0	-	685.3	908.3	990.8
	+6m	1.50	1.65	1.50	1.75	111.0	-	673.2	882.9	991.0
	+12m	1.50	1.65	1.60	2.00	113.0	-	661.3	858.4	973.5
EUR	22-Nov	-0.50	-0.40	-0.33	0.06	-	110.6	747.3	1011.4	1064.0
	+3m	-0.50	-0.41	-0.30	0.10	-	109.0	747.0	990.0	1080.0
	+6m	-0.50	-0.41	-0.30	0.20	-	111.0	747.3	980.0	1100.0
	+12m	-0.50	-0.41	-0.20	0.40	-	113.0	747.3	970.0	1100.0
JPY	22-Nov	-0.10	-0.10	-0.06	0.06	120.5	108.5	6.20	8.39	8.83
	+3m	-0.10	-	-	-	118.3	108.5	6.32	8.37	9.13
	+6m	-0.10	-	-	-	120.4	108.5	6.20	8.14	9.13
	+12m	-0.10	-	-	-	124.3	110.0	6.01	7.80	8.85
GBP	22-Nov	0.75	0.80	0.76	0.90	85.9	128.7	869.8	1177.2	1238.4
	+3m	0.75	0.60	0.80	0.95	87.5	124.6	853.7	1131.4	1234.3
	+6m	0.50	0.54	0.70	0.95	87.5	126.9	854.0	1120.0	1257.1
	+12m	0.50	0.54	0.80	1.15	87.5	129.1	854.0	1108.6	1257.1
CHF	22-Nov	-0.75	-0.71	-0.67	-0.23	110.0	99.4	679.5	919.7	967.5
	+3m	-0.75	-	-	-	109.0	100.0	685.3	908.3	990.8
	+6m	-0.75	-	-	-	110.0	99.1	679.3	890.9	1000.0
	+12m	-0.75	-	-	-	112.0	99.1	667.2	866.1	982.1
DKK	22-Nov	-0.75	-0.41	-0.23	0.16	747.3	675.7	-	135.3	142.4
	+3m	-0.75	-0.45	-0.20	0.20	747.0	685.3	-	132.5	144.6
	+6m	-0.75	-0.45	-0.20	0.30	747.3	673.2	-	131.1	147.2
	+12m	-0.75	-0.45	-0.10	0.50	747.3	661.3	-	129.8	147.2
SEK	22-Nov	-0.25	0.07	0.18	0.52	1064.0	962.1	70.2	95.1	100.0
	+3m	0.00	0.15	0.15	0.65	1080.0	990.8	69.2	91.7	-
	+6m	0.00	0.15	0.15	0.70	1100.0	991.0	67.9	89.1	-
	+12m	0.00	0.15	0.15	0.80	1100.0	973.5	67.9	88.2	-
NOK	22-Nov	1.50	1.86	1.99	1.91	1011.4	914.5	73.9	100.0	105.2
	+3m	1.50	2.20	2.10	2.00	990.0	908.3	75.5	-	109.1
	+6m	1.75	2.20	2.10	2.10	980.0	882.9	76.3	-	112.2
	+12m	1.75	2.17	2.15	2.20	970.0	858.4	77.0	-	113.4

Commodities

		2019				2020				Average		
	22-Nov	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2019	2020	
ICE Brent	64	64	68	62	65	60	60	60	60	72	60	

Source: Danske Bank

Calendar

Key Data and Events in Week 48

During the week			Period	Danske Bank	Consensus	Previous
Sat 23	JPY	Labor Thanksgiving Day				
Sat 23	DEM	German CDU party conference	m/m|y/y			

Monday, November 25, 2019			Period	Danske Bank	Consensus	Previous
10:00	DEM	IFO - business climate	Index	Nov	95.0	94.6
10:00	DEM	IFO - current assessment	Index	Nov	98.0	97.8
10:00	DEM	IFO - expectations	Index	Nov	92.4	91.5

Tuesday, November 26, 2019			Period	Danske Bank	Consensus	Previous
1:00	USD	Fed's Powell (voter, neutral) speaks				
8:00	DEM	GfK consumer confidence	Net. Bal.	Dec	9.6	9.6
8:00	DKK	Retail sales	m/m|y/y	Oct		0.1%|0.2%
9:00	EUR	ECB's Coeure speaks in Brussels				
9:30	SEK	PPI	m/m|y/y	Oct		0.0%|0.3%
14:30	USD	Advance goods trade balance	USD bn	Oct	-71.3	-70.4
15:00	USD	FHFA house price index	m/m	Sep	0.5%	0.2%
16:00	USD	Conference Board consumer confidence	Index	Nov	126.8	125.9
16:00	USD	New home sales	1000 (m/m)	Oct	707	701.0 (-0.7%)
19:00	USD	Fed's Brainard (voter, neutral) speaks				

Wednesday, November 27, 2019			Period	Danske Bank	Consensus	Previous
2:30	CNY	Industrial profits	y/y	Oct		-5.3%
8:00	NOK	Unemployment (LFS)	%	Sep	3.7%	3.7%
8:45	FRF	Consumer confidence	Index	Nov	103.0	104.0
9:30	SEK	Household lending	y/y	Oct		4.8%
9:30	SEK	Trade balance	SEK bn	Oct		2
14:30	USD	GDP, ___ release	q/q AR	3rd quarter	0.019	0.019
14:30	USD	Core capital goods orders, preliminary	%	Oct	-0.4%	-0.6%
14:30	USD	Initial jobless claims	1000			227
15:45	USD	Chicago PMI	Index	Nov	47.1	43.2
16:00	USD	PCE headline	m/m|y/y	Oct	0.3%|1.4%	0.0%|1.3%
16:00	USD	Personal spending	m/m	Oct	0.3%	0.2%
16:00	USD	Pending home sales	m/m|y/y	Oct	0.2%|6.2%	1.5%|6.3%
16:00	USD	PCE core	m/m|y/y	Oct	**0.15%|1.7%**	0.2%|1.7%	0.0%|1.7%
16:30	USD	DOE U.S. crude oil inventories	K			1379

Source: Danske Bank

Calendar

Thursday, November 28, 2019				Period	Danske Bank	Consensus	Previous
-	USD	Thanksgiving					
0:50	JPY	Retail trade	m/m|y/y	Oct		-10.4%|-3.8%	7.2%|9.2%
7:45	CHF	GDP	q/q|y/y	3rd quarter		0.1%|0.8%	0.3%|0.2%
8:00	DKK	Business Confidence	Nettotal	Nov			
8:00	DKK	CB's securities statistics		Oct			
8:00	DKK	Foriegn portfolio investments		Oct			
8:00	NOK	Credit indicator (C2)	y/y	Oct			5.8%
9:00	SEK	Consumer confidence	Index	Nov			92.7
9:00	SEK	Economic Tendency Survey	Index	Nov			93.6
9:00	SEK	Manufacturing confidence	Index	Nov			96.0
9:00	ESP	HICP, preliminary	m/m|y/y	Nov		0.1%|0.5%	0.7%|0.2%
9:30	SEK	Retail sales s.a.	m/m|y/y	Oct	0.3%|3.5%	-0.2%|3.0%	0.3%|2.6%
10:00	EUR	Loans to households (adj. for sales and sec.)	%	Oct			
10:00	EUR	Loans to NFCs (adj. for sales and sec.)	%	Oct			
10:00	EUR	Money supply (M3)	y/y	Oct		5.5%	5.5%
11:00	EUR	Service confidence	Net bal.	Nov		9.0	9.0
11:00	EUR	Business climate indicator	Net bal.	Nov		-0.1	-0.2
11:00	EUR	Industrial confidence	Net bal.	Nov		-9.1	-9.5
11:00	EUR	Economic confidence	Index	Nov		101.0	100.8
11:00	EUR	Consumer confidence, final	Net bal.	Nov			-7.2
14:00	DEM	HICP, preliminary	m/m|y/y	Nov		-0.8%|1.2%	0.1%|0.9%

Friday, November 29, 2019				Period	Danske Bank	Consensus	Previous
-	EUR	S&P may publish Ireland's debt rating					
0:30	JPY	Unemployment rate	%	Oct		2.4%	2.4%
0:30	JPY	Job-to-applicant ratio		Oct		1.56	1.57
0:50	JPY	Industrial production, preliminary	m/m|y/y	Oct		-2.0%|-5.3%	1.7%|1.3%
1:01	GBP	GfK consumer confidence	Index	Nov		-14.0	-14.0
6:00	JPY	Consumer confidence	Index	Nov		37.0	36.2
8:00	DKK	House and apartment prices	m/m|y/y	Sep			
8:00	NOK	Retail sales, s.a.	m/m	Oct	0.4%	-0.2%	-0.1%
8:00	DKK	Gross unemployment s.a.	K (%)	Oct			0.037
8:00	DEM	Retail sales	m/m|y/y	Oct		0.2%|2.8%	0.0%|3.4%
8:00	DKK	GDP, preliminary	q/q|y/y	3rd quarter			0.9%|...
8:45	FRF	Household consumption	m/m|y/y	Oct		0.2%|...	-0.4%|0.3%
8:45	FRF	HICP, preliminary	m/m|y/y	Nov		-0.1%|1.1%	-0.1%|0.9%
8:45	FRF	GDP, final	q/q|y/y	3rd quarter		0.3%|1.3%	0.3%|1.3%
9:00	CHF	KOF leading indicator	Index	Nov		95.0	94.7
9:30	SEK	GDP	q/q|y/y	3rd quarter	...%|1.8%	0.2%|1.7%	0.1%|1.0%
9:30	SEK	Wages (blue collars/white collars)	y/y	Sep			2.6%
9:55	DEM	Unemployment	%	Nov		5.0%	5.0%
10:00	NOK	Norges Bank's daily FX purchases	m	Dec			-700
10:00	NOK	Unemployment	%	Nov	2.2%	2.2%	2.1%
11:00	EUR	Unemployment	%	Oct		7.5%	7.5%
11:00	EUR	HICP - core inflation, preliminary	y/y	Nov	1.1%	1.2%	1.1%
11:00	EUR	HICP inflation, preliminary	y/y	Nov	0.7%	0.9%	0.7%
11:00	ITL	HICP, preliminary	m/m|y/y	Nov		0.2%|0.2%	0.2%|0.2%
12:00	ITL	GDP, final	q/q|y/y	3rd quarter		0.1%|0.3%	0.1%|0.3%
12:00	EUR	Portugal, GDP, final	q/q|y/y	3rd quarter			0.3%|1.9%
14:30	CAD	GDP	m/m|y/y	Sep			0.1%|1.3%

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Source: Danske Bank

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