Danske Bank

23 November 2018

Weekly Focus

One step closer to a US-China trade agreement?

Market movers ahead

- In the US, PCE core inflation is set to come in just below the Fed's 2% target

- In the euro area, falling energy prices will drag headline inflation lower

- Brexit negotiations will continue to be high on the agenda with an EU summit on Sunday and uncertainty about political backing in the UK

- Newsflows around the upcoming meeting between Chinese President Xi Jinping and US president Trump, likely to occur on 1 December, will be a key market theme

- Chinese PMI manufacturing reading for November may drop below the 50 benchmark

Weekly wrap-up

- Politics (Brexit, US-China trade talks and Italy) in focus rather than economic data this week

- Brexit one step closer to a deal, but uncertainty prevails, while Italy is one step closer to an EDP

- Conciliatory tones from Trump in a potential Xi-Trump ceasefire in the trade war between China and the US.

Contents

Financial views

Major indices

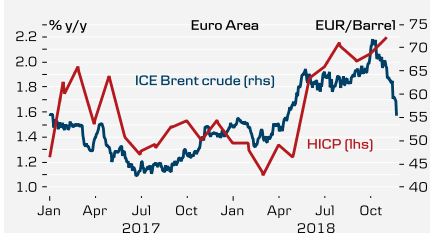|	23-Nov	3M	12M
10yr EUR swap	0.91	1.10	1.40
EUR/USD	114	113	125
ICE Brent oil	67	87	80

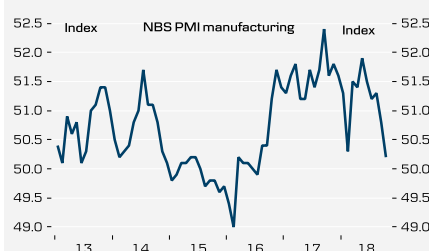*Source: Danske Bank*

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Will the drop in oil prices pull eurozone HICP inflation down to ECB's target?

Source: Macrobond Financial

China: PMI to dip below 50 in November

Source: Source: Macrobond Financial, NBS

Editor

Chief Analyst
Jakob Christensen
+4512 8530
Jakc@danskebank.dk

Important disclosures and certifications are contained from page 13 of this report.

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Market movers

Global

- In the **US**, PCE core inflation numbers for October are due to released on Thursday. Based on the CPI index, we expect PCE numbers to come in at 0.2% m/m and - 1.9 y/y, which is just below the Fed's 2% target. On Thursday, FOMC meeting minutes are due out. Recently, markets have interpreted this as the Fed having struck a more dovish tone. However, we do not expect Fed to stop its hiking cycle until the 3.0% neutral interest rate is reached. After that, it is more stop and go for the Fed. Markets will probably scrutinise the minutes for anything that backs the dovish interpretation.
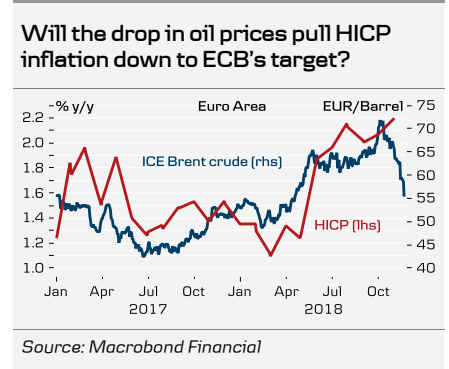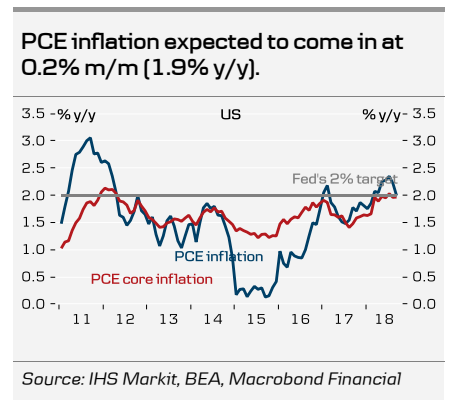
  Next week also brings housing market data for October. Recently, the housing market has looked a bit shaky, possibly as a result of higher mortgage rates. However, housing market data is quite volatile and at the same time very exposed to revisions. We will continue to keep an eye on the housing market in coming months.

- In the **euro area**, the November flash inflation numbers are due on Friday. In October, core inflation finally took off and rose to 1.1% y/y and headline inflation remained above the ECB's target, coming in at 2.2 % y/y in October – the highest rate since 2013. However, headline inflation was driven mainly by rising energy prices and as oil prices in EUR terms have fallen from EUR63 to EUR55 per barrel since the beginning of November, we expect this print to come in at 2.0% y/y and for the core to remain at the current level. Note, that German inflation numbers on due out on Thursday.

  On Monday, German Ifo numbers for November are due out. After the business climate deteriorated further in October, we expect some stabilisation in business expectations in the November print, but could see further declines in the current situation assessment similar to the latest ZEW signals.

- There are no important data releases out of the **UK** next week but all eyes are on the political development and Brexit anyway. The first obstacle is the EU summit on Sunday where the EU leaders have to approve the final agreement (both the withdrawal agreement and the political declaration on the future relationship). We expect the approval to be relatively straightforward despite Spain's opposition due to the Gibraltar issue, which remains largely unresolved (remember the approval does not require unanimity but 'just' a strong qualified majority (20 of the 27 member states representing 65% of the EU27 population). We maintain the view that the real challenge is the vote in the House of Commons in mid-December (10 or 11 December has been mentioned).

  Otherwise, the two main things to look out for in the near term are whether there will be a 'no confidence' vote in Theresa May and whether the supporting party, Ulster's DUP, will pull its support for the government. With respect to the former, it is proving more difficult for the Brexit hardliners to secure the 48 'no confidence' letters than they had imagined. With respect to the latter, the DUP chose to abstain from the budget votes (or even voted against the government) earlier this week, which is against the confidence and supply deal between May and the DUP. The big question we need an answer to is whether this is just a warning shot, or whether the DUP is indeed about to pull its overall support.

PCE inflation expected to come in at 0.2% m/m (1.9 % y/y).

Source: IHS Markit, BEA, Macrobond Financial

Will the drop in oil prices pull HICP inflation down to ECB's target?

Source: Macrobond Financial

- In **Japan**, the labour market will be in focus with both the unemployment rate and the jobs/applicants ratio for October ticking in on Friday. We have seen a continual tightening of the labour market for a long time. In September, there were 164 job openings for every 100 applicants, which is the highest since the beginning of the 1970s. On the same day, October industrial production is due. It will be interesting to see how big a rebound we get after several natural disasters caused a weak September. In addition, trade tensions seem to be weighing on Japan through Chinese demand.

- The key focus in **China** over the coming week will be the meeting between Chinese President Xi Jinping and US President Donald Trump at the G20 meeting. A meeting and dinner are reportedly planned for Saturday 1 December. We still see a 60% likelihood of an agreement that contains a ceasefire in the trade war and a plan for high-level negotiations to reach a deal at some point in 2019.

On the data front, we will have the official version of PMI manufacturing. It dropped to 50.2 in October and we look for a dip below 50 to 49.9 in November. We expect Chinese activity to get worse before it gets better from Q2 19 as stimuli kick in more forcefully. See *China Leading Indicators - It gets worse before it gets better*, 22 November 2018.

Historically tight Japanese labour market
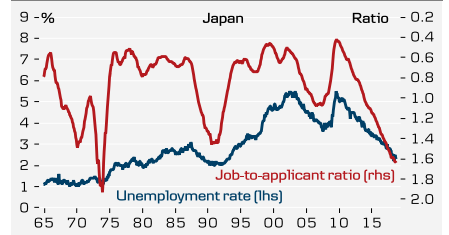
Source: Japanese Statistics Bureau, Japanese Ministry of Labour, Macrobond Financial

China: PMI to dip below 50 in November
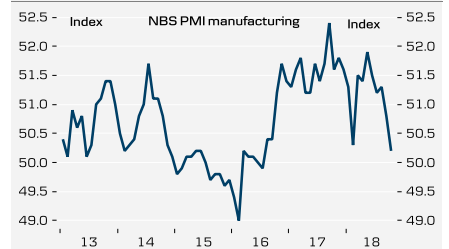
Source: Macrobond Financial, NBS

Scandi

- **Denmark** has a number of important data releases scheduled for the coming week. We start the week gently with retail sales figures for October. Danmarks Nationalbank is set to release new figures for portfolio investments and securities in October on Tuesday. On Thursday, Statistics Denmark plans to publish Danish business confidence for October, which should provide an insight into the corporate view on the coming months. We have just received strong figures for manufacturing expectations for investment next year, so it will be interesting to see if this is reflected in the confidence indicator.

  Data on the full national accounts for Q3 18 is due at the end of the week. The GDP indicator, which is released by Statistics Denmark two weeks ahead of the total national accounts figures, showed strong growth of 0.7%. The new figures will enlighten us on what that means for growth in 2018 as a whole. Right now, the indications are for overall growth of around 1%, which should be seen against the unusually dry summer, which hit the agricultural sector particularly hard. Statistics Denmark is also set to release October unemployment figures on Friday. Unemployment has fallen apace with rising employment. In September, unemployment hit a low not seen since February 2009, both as a percentage of the labour force and the overall number of unemployed.

- In **Sweden**, there is a batch of data due out next week, some of which will give guidance for the start of Q4. Most important, however, will be Q3 GDP.

  Starting with the latter, our GDP indicator suggests that calendar-adjusted y/y growth continued to slow between Q2 and Q3, from 2.5% y/y to just above 2% y/y. This indicator, however, is a bit unprecise. Hence, we should look at quarterly changes, which suggest quite a few signals for a possible negative GDP print. The consumption indicator, industrial production, goods imports and exports and inventories all point in a negative direction. Imports actually appear to have fallen more than exports, implying a possible positive impact on Q3 GDP growth, but for the wrong reasons, i.e. weakening international trade. This is very much in line with our assumptions in our Nordic Outlook, where we assumed Q3 GDP would 'grow' by -0.2% q/q seasonally adjusted and 1.9% y/y calendar adjusted. Hence, we stick to that forecast.

  There is also a slew of other interesting hard data for October: trade balance, retail sales and household lending all providing a first glimpse of Q4 GDP, but also NIER's November confidence survey. The latter has shown gradually declining confidence in primarily construction but also the services, retail trade and consumer sectors, while manufacturing has remained at high levels. That said, we believe the reason behind that has been elevated production expectations, which should be suffering going forward. Perhaps it is time for a significant drop now.

- In **Norway**, it was good to see registered unemployment falling again in October after a few months of showing signs of rising. All leading labour market indicators point to accelerating employment growth and the number of vacancies is still increasing. This means that the labour market is continuing to tighten despite a growing labour supply. We expect this picture to persist for a few months yet and so expect seasonally-adjusted NAV unemployment to be unchanged at 2.3% in November, with gross unemployment down by 200-300 people m/m. This would be exactly in line with the projections in Norges Bank's September monetary policy report and should therefore be neutral in terms of the chances of a March rate hike. The week also brings retail sales data for October. Retail sales have been weak in recent months, fuelling speculation that expectations of higher interest rates are now putting a spoke in the wheel of the

Solid growth in Q3
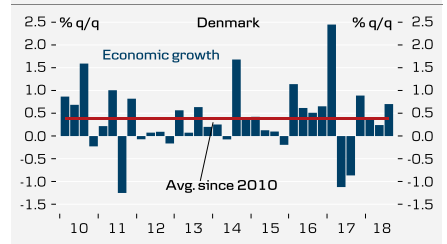
Source: Statistics Denmark

Several negative signs for Q3 GDP (q/q s.a.)
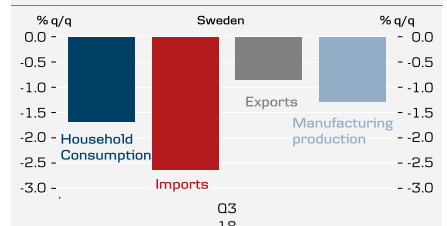
Source: Statistics Sweden, Danske Bank calculations

Slowdown in retail trade

Source: Macrobond, Danske Bank

economic upswing. We, on the other hand, believe this is closely related to the rise in inflation during the same period. With consumer prices climbing close to 3.5% y/y, real wage growth has been well into negative territory since May, and there has been a close correlation historically between real wages and private consumption. The slightly lower inflation in October therefore points to slightly more robu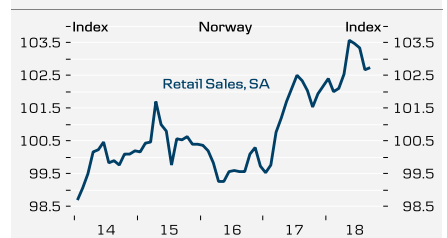st retail sales, but it will probably be a few months before real wage growth is high enough again to give consumption growth a serious boost. We therefore estimate a moderate increase in retail sales of 0.3% m/m in October.

Market movers ahead

Global movers

				Event		Period	Danske	Consensus	Previous
During the week		Sun 25	GBP	EU summit on Brexit - approval of Brexit	m. CZK				
Mon	26-Nov	10:00	DEM	IFO - business climate	Index	Nov		102.3	102.8
		10:00	DEM	IFO - current assessment	Index	Nov		105.4	105.9
		10:00	DEM	IFO - expectations	Index	Nov		99.2	99.8
Thurs	29-Nov	14:30	USD	PCE core	m/m|y/y	Oct	0.2%|1.9%	0.2%|1.9%	0.2%|2.0%
		20:00	USD	FOMC November minutes					
Fri	30-Nov	0:30	JPY	Unemployment rate	%	Oct		2.3%	2.3%
		0:30	JPY	Job-to-applicant ratio		Oct		1.65	1.64
		2:00	CNY	PMI manufacturing	Index	Nov		50.2	50.2
		2:00	CNY	PMI non-manufacturing	Index	Nov		53.8	53.9
		11:00	EUR	HICP - core inflation, preliminary	y/y	Nov	1.2%	1.1%	1.1%

Scandi movers

				Event		Period	Danske	Consensus	Previous
During the week									
Wed	28-Nov	9:00	SEK	Economic Tendency Survey	Index	Nov			108.0
		9:30	SEK	Retail sales s.a.	m/m|y/y	Oct		-0.1%|2.0%	0.5%|2.1%
Thurs	29-Nov	8:00	NOK	Credit indicator (C2)	y/y	Oct			5.6%
		9:30	SEK	GDP	q/q|y/y	3rd quarter		0.4%|2.2%	0.8%|2.5%
Fri	30-Nov	9:30	SEK	Wages (blue collars/white collars)	y/y	Sep			2.6%
		10:00	NOK	Unemployment	%	Nov	2.3%	2.2%	2.2%

Source: Bloomberg, Danske Bank

Weekly Wrap-Up

Brexit triumphs while Italy flounders
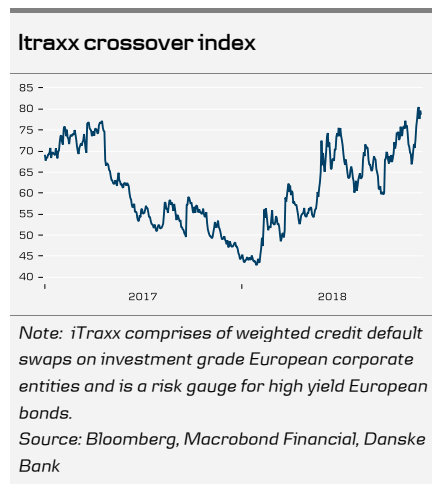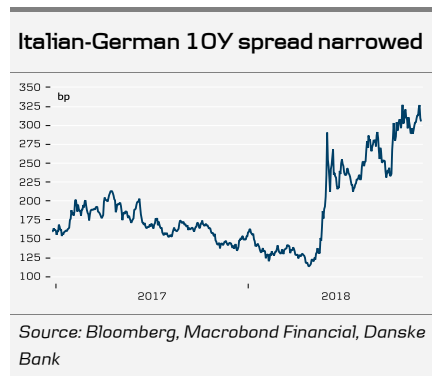
Main macro themes

- This week's major themes have concerned the political front rather than economic data. Parts of the Brexit withdrawal agreement (WA) concerning the future relationship between the EU and the UK have been leaked. The WA aims at keeping as close as possible a co-operation between the EU and the UK, which includes a tariff-free zone with regard to customs and regulation. Furthermore, the so-called backstop regarding the Irish border is not intended to be used. The next step is this Sunday's EU summit, where EU leaders are widely expected to approve the WA, despite some pushback, in particular from Spain on Gibraltar.

- The European Commission announced its final verdict on Italy's 2019 budget plan and it is in line with our expectations. The report judges Italy to be 'particularly seriously' non-compliant with the debt criterion (i.e. insufficient reduction in its debt/GDP ratio) and the budget is considered to indicate a marked backtracking on past growth-enhancing structural reforms, which warrants an opening of a debt-based excessive deficit procedure (EDP). The report is the first step before formally opening an EDP after a qualified majority vote at the ECOFIN council. However, the Italian BTP market led EGB yields lower as, according to reports in the media, Deputy Prime Minister Matteo Salvini has now struck a slightly more conciliatory tone towards the EU.

- This week, we also heard more conciliatory tunes from the Trump camp on the prospect of a ceasefire and plans for further talks after next week's Xi-Trump dinner. White House Economic Advisor Larry Kudlow said that talks are in a 'much better place than where we were two, three, four weeks ago'. Furthermore, the media reported that Advisor to President Trump, Peter Navarro, will be excluded from the dinner, which is positive for market sentiment. Navarro is one of the ultra-hawks in Trump's camp.

Financial market developments

- This week has mainly seen risk off-mode driven by lower equities, lower US yields and declining oil prices. Oil has declined 26% since the peak in early October and is now back at the early 2018 level. Most recently, stock market developments, a stronger USD and the US government selling its strategic reserves seem to be the main drivers.

- Global credit has been suffering recently and US treasury yields have moved lower but are still above the important 3% level in the 10Y area. The Fed is still on 'autopilot' to hike rates at least until summer next year. However, cracks are starting to emerge. This week, Fed member Kashkari (non-voter and dove) said that the Fed should pause its hiking campaign. Markets are currently pricing in another c.40bp by mid-next year.

- GBP has been volatile recently with various Brexit headlines driving the market. We continue to expect a stronger pound on the back of a successful Brexit deal and target 0.83 on EURGBP in 3M (see *FX Strategy - Brexit scenarios and outcomes for EUR/GBP,* 16 November 2018). The EUR/USD traded in a very narrow range this week at around 1.14. We expect the cross to stay around current levels until year-end.

Financial views

Major indices			
	23-Nov	3M	12M
10yr EUR swap	0.91	1.10	1.40
10yr US swap	3.13	3.35	3.55
ECB key rate	-0.40	-0.40	-0.40
Fed funds rate	2.25	2.50	3.00
EUR/SEK	1030	1010	1000
EUR/NOK	974	940	910
EUR/USD	114	113	125
ICE Brent oil	67	87	80

Source: Danske Bank

Italian-German 10Y spread narrowed

Source: Bloomberg, Macrobond Financial, Danske Bank

Itraxx crossover index

Note: iTraxx comprises of weighted credit default swaps on investment grade European corporate entities and is a risk gauge for high yield European bonds.
Source: Bloomberg, Macrobond Financial, Danske Bank

Scandi update

Denmark – even more in work, but pace slackens slightly

We received the September figures for wage-earner employment in the past week. Employment rose by 3,100 compared to the previous month, which is on the low side for 2018. Moreover, employment growth in August was revised down somewhat from 6,500 to 4,100. Employment has repeatedly set new records in 2018. Yet, another side to the story is that the number of actual hours worked is still some way below pre-crisis levels, due mainly to an increase in the number of part-time employed.

The past week also saw new figures for consumer confidence, which fell for the fifth consecutive month from 5.1 in October to 4.3 in November. Consumer confidence has been falling since June and is now at a near two-year low. Reasons potentially include Brexit and the US-China trade war being extensively covered by the media in the autumn and creating uncertainty on the economy going forward.

Employment continues to climb, but at a slightly slower pace

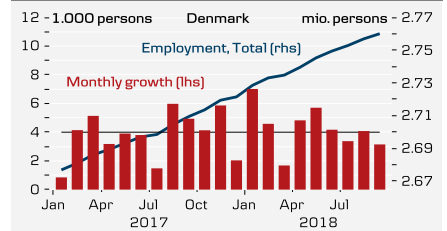*Source: Statistics Denmark and own calculations*

Sweden – residential construction going down

Seasonally-adjusted Q3 data showed that starts of new flats fell below completions for the first time in five years. However, this is just the starting point of a major rebalancing in the market, as starts have been outpacing completions by about 50,000 apartments overall. This is what we have termed pent-up supply, which needs to be soaked up by the market in addition to current starts. This is to a large extent a Stockholm problem, where overly expensive apartments have been produced. It is hard to see how this supply could be balanced without additional price reductions – especially as many purchases will be hit by FSA mandatory amortisation, higher mortgage rates as the Riksbank starts hiking and not least slowing real wage growth, which will erode household purchasing power.

Slowing production of multi-family flats – as expected
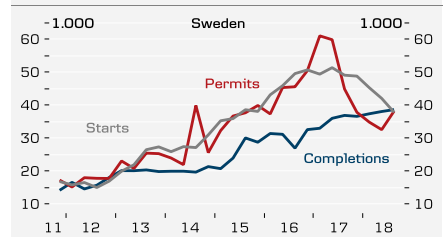
Source: SCB, Danske Bank seasonal adjustment

Norway – oil investment set to drive growth

The latest investment survey reveals that the oil companies now expect to invest NOK155.6bn in 2018 and NOK175.3bn in 2019, as opposed to NOK156.3bn and NOK165.1bn in the August round. While the survey suggests investment growth of 21% next year, this needs to be adjusted for the submission of the plan for the development and operation of phase 1 of the Johan Sverdrup field in December last year. Even then, the survey indicates an increase in investment of around 13% in 2019, which is slightly higher than both our forecast of 10-12% and the 10.8% in Norges Bank's September projections. This lends support to our expectation that oil investment will contribute around 0.5pp to mainland GDP next year, helping keep growth above trend, and also our expectation that Norges Bank will raise interest rates twice next year.

Strong growth in oil investment
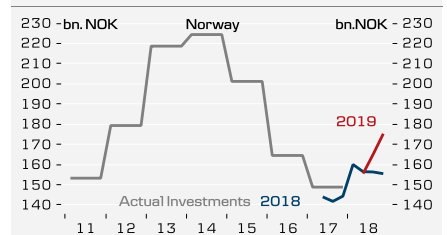
Source: Macrobond Financial, Danske Bank

Latest research from Danske Bank

22/11 China Leading Indicators - It gets worse before it gets better

Leading indicators paint a mixed picture

19/11 Macro Strategy Views Podcast: A deal is still likely despite the UK's house of cards

We focus on the contents of the withdrawal agreement and the likelihood of a deal. The biggest risks to a deal are a no-confidence vote against Theresa May and the vote in the House of Commons. We discuss these risks as well as the implications for markets.

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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	2017	2.3	2.1	0.7	4.6	3.6	3.6	1.1	1.7	4.2	1.1	36.1	8.0
	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	-1.0	86.8	4.0
	2018	1.9	1.4	1.1	3.1	3.2	3.0	1.8	2.2	8.2	-0.7	86.0	3.8
	2019	1.6	1.7	2.1	2.0	3.1	3.9	1.8	2.3	7.9	-0.6	85.5	3.6
Germany	2017	2.5	2.0	1.6	3.6	5.3	5.3	1.7	2.6	3.8	1.0	63.9	7.9
	2018	1.8	1.4	1.1	3.4	3.0	3.9	1.9	3.0	3.4	1.2	60.2	7.9
	2019	1.8	2.1	2.3	3.1	3.6	5.4	2.1	3.2	3.3	1.1	56.3	7.6
Finland	2017	2.8	1.3	-0.5	4.0	7.5	3.5	0.8	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	87.4	-4.1
	2018	1.2	1.6	0.3	-0.1	0.5	0.6	2.5	2.5	4.1	-1.8	85.4	-4.4
	2019	1.5	1.6	0.4	1.1	1.8	1.8	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 interest rate	3m interest rate	2-yr swap yield	10-yr swap yield	Currency vs EUR	Currency vs USD	Currency vs DKK
USD	23-Nov	2.25	2.68	3.01	3.13	113.7	-	656.3
	+3m	2.50	2.99	3.30	3.35	113.0	-	659.5
	+6m	2.75	3.15	3.40	3.55	118.0	-	631.8
	+12m	3.25	3.46	3.60	3.55	125.0	-	596.4
EUR	23-Nov	-0.40	-0.32	-0.14	0.91	-	113.7	746.2
	+3m	-0.40	-0.33	-0.05	1.00	-	113.0	745.3
	+6m	-0.40	-0.33	0.05	1.20	-	118.0	745.5
	+12m	-0.40	-0.20	0.15	1.40	-	125.0	745.5
JPY	23-Nov	-0.10	-0.11	0.03	0.28	128.4	112.9	5.81
	+3m	-0.10	-	-	-	127.7	113.0	5.84
	+6m	-0.10	-	-	-	134.5	114.0	5.54
	+12m	-0.10	-	-	-	143.8	115.0	5.19
GBP	23-Nov	0.75	0.89	1.16	1.58	88.5	128.4	842.7
	+3m	0.75	0.82	1.30	1.70	83.0	136.1	897.9
	+6m	1.00	1.07	1.40	2.00	83.0	142.2	898.2
	+12m	1.00	1.08	1.60	2.20	83.0	150.6	898.2
CHF	23-Nov	-0.75	-0.75	-0.54	0.44	113.3	99.7	658.6
	+3m	-0.75	-	-	-	113.0	100.0	659.5
	+6m	-0.75	-	-	-	116.0	98.3	642.7
	+12m	-0.75	-	-	-	120.0	96.0	621.3
DKK	23-Nov	-0.65	-0.31	-0.02	1.05	746.2	656.3	-
	+3m	-0.65	-0.30	0.05	1.15	745.3	659.5	-
	+6m	-0.65	-0.30	0.15	1.35	745.5	631.8	-
	+12m	-0.65	-0.17	0.25	1.55	745.5	596.4	-
SEK	23-Nov	-0.50	-0.44	0.01	1.21	1029.8	905.7	72.5
	+3m	-0.25	-0.25	0.25	1.35	1010.0	893.8	73.8
	+6m	-0.25	-0.15	0.35	1.30	1000.0	847.5	74.6
	+12m	0.00	0.00	0.55	1.45	1000.0	800.0	74.6
NOK	23-Nov	0.75	1.20	1.54	2.24	974.0	856.7	76.6
	+3m	0.75	1.35	1.65	2.45	940.0	831.9	79.3
	+6m	1.00	1.41	1.95	2.70	920.0	779.7	81.0
	+12m	1.25	1.66	2.20	2.85	910.0	728.0	81.9

Commodities

		2018				2019				Average	
	23-Nov	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	2018	2019
ICE Brent	62	67	75	76	85	87	87	85	80	76	85

Source: Danske Bank

https://research.danskebank.com

Calendar

Key Data and Events in Week 48

During the week				Period	Danske Bank	Consensus	Previous
Sun 25	GBP	EU summit on Brexit - approval of Brexit					

Monday, November 26, 2018				Period	Danske Bank	Consensus	Previous
1:30	JPY	Nikkei Manufacturing PMI, preliminary	Index	Nov			52.9
6:00	JPY	Leading economic index, final	Index	Sep			103.9
8:00	DKK	Retail sales	m/m|y/y	Oct			0.5%|0.7%
10:00	EUR	ECB's Praet speaks in Frankfurt					
10:00	DEM	IFO - business climate	Index	Nov		102.3	102.8
10:00	DEM	IFO - current assessment	Index	Nov		105.4	105.9
10:00	DEM	IFO - expectations	Index	Nov		99.2	99.8
15:00	EUR	ECB's Draghi speaks in Brussels					

Tuesday, November 27, 2018				Period	Danske Bank	Consensus	Previous
-	DEM	Retail sales	m/m|y/y	Oct		0.3%|1.6%	0.1%|-2.6%
2:30	CNY	Industrial profits	y/y	Oct			4.1%
8:45	FRF	Consumer confidence	Index	Nov		94.0	95.0
9:30	SEK	PPI	m/m|y/y	Oct			1.2%|10.1%
9:30	SEK	Household lending	y/y	Oct			5.9%
9:30	SEK	Trade balance	SEK bn	Oct			1.4
15:00	USD	FHFA house price index	m/m	Sep		0.4%	0.3%
16:00	USD	Conference Board consumer confidence	Index	Nov		136.0	137.9

Wednesday, November 28, 2018				Period	Danske Bank	Consensus	Previous
8:00	DKK	CB's securities statistics		Oct			
8:00	DKK	Foriegn portfolio investments		Oct			
8:00	GBP	BoE Financial Stability Report					
9:00	SEK	Consumer confidence	Index	Nov			99.5
9:00	SEK	Economic Tendency Survey	Index	Nov			108.0
9:00	SEK	Manufacturing confidence	Index	Nov			115.4
9:30	SEK	Retail sales s.a.	m/m|y/y	Oct		-0.1%|2.0%	0.5%|2.1%
10:00	EUR	Money supply (M3)	y/y	Oct		3.6%	3.5%
10:00	EUR	Loans to households (adj. for sales and sec.)	%	Oct		3.6%	3.5%
10:00	EUR	Loans to NFCs (adj. for sales and sec.)	%	Oct		3.6%	3.5%
13:00	DEM	GfK consumer confidence	Net. Bal.	Dec		10.5	10.6
14:30	USD	GDP, second release	q/q AR	3rd quarter		0.036	0.035
14:30	USD	PCE core	q/q AR	3rd quarter			0.016
14:30	USD	Advance goods trade balance	USD bn	Oct		-77.0	-76.3
16:00	USD	New home sales	1000 (m/m)	Oct		582	553.0 (-5.5%)
16:30	USD	DOE U.S. crude oil inventories	K				4851
18:00	USD	Fed's Powell (voter, neutral) speaks					

Source: Danske Bank

Calendar (continued)

Thursday, November 29, 2018				Period	Danske Bank	Consensus	Previous
0:50	JPY	Retail trade	m/m|y/y	Oct		0.3%|2.6%	0.1%|2.2%
7:45	CHF	GDP	q/q|y/y	3rd quarter		0.4%|3.0%	0.7%|3.4%
8:00	DKK	Business Confidence		Nov			
8:00	NOK	Credit indicator (C2)	y/y	Oct			5.6%
8:45	FRF	Household consumption	m/m|y/y	Oct		0.5%|1.0%	-1.7%|-1.5%
8:45	FRF	GDP, preliminary	q/q|y/y	3rd quarter		0.4%|1.5%	0.4%|1.5%
9:00	ESP	HICP, preliminary	m/m|y/y	Nov		0.0%|2.0%	0.7%|2.3%
9:30	SEK	GDP	q/q|y/y	3rd quarter		0.4%|2.2%	0.8%|2.5%
9:55	DEM	Unemployment	%	Nov		5.1%	5.1%
11:00	EUR	Business climate indicator	Net bal.	Nov		1.0	1.0
11:00	EUR	Industrial confidence	Net bal.	Nov		2.5	3.0
11:00	EUR	Economic confidence	Index	Nov		109.1	109.8
11:00	EUR	Consumer confidence, final	Net bal.	Nov		-3.9	-3.9
11:00	EUR	Service confidence	Net bal.	Nov		13.1	13.6
14:00	DEM	HICP, preliminary	m/m|y/y	Nov		0.2%|2.3%	0.1%|2.4%
14:30	USD	Personal spending	m/m	Oct		0.4%	0.4%
14:30	USD	Initial jobless claims	1000				224
14:30	USD	PCE headline	m/m|y/y	Oct		0.2%|2.1%	0.1%|2.0%
14:30	USD	PCE core	m/m|y/y	Oct	0.2%|1.9%	0.2%|1.9%	0.2%|2.0%
16:00	USD	Pending home sales	m/m|y/y	Oct		0.8%|...	0.5%|-3.4%
20:00	USD	FOMC November minutes					
20:00	USD	Fed's Evans (non-voter, dovish) speaks					

Friday, November 30, 2018				Period	Danske Bank	Consensus	Previous
-	USD	G20 meeting begins					
-	EUR	S&P may publish Ireland's debt rating					
-	EUR	Fitch may publish Belgium's debt rating					
-	EUR	Fitch may publish Portugal's debt rating					
0:30	JPY	Unemployment rate	%	Oct		2.3%	2.3%
0:30	JPY	Job-to-applicant ratio		Oct		1.65	1.64
0:50	JPY	Industrial production, preliminary	m/m|y/y	Oct		1.2%|2.5%	-0.4%|-2.5%
1:01	GBP	GfK consumer confidence	Index	Nov		-11.0	-10.0
2:00	CNY	PMI manufacturing	Index	Nov		50.2	50.2
2:00	CNY	PMI non-manufacturing	Index	Nov		53.8	53.9
6:00	JPY	Consumer confidence	Index	Nov		43.2	43.0
8:00	NOK	Retail sales, s.a.	m/m	Oct	0.3%	-0.1	-0.7%
8:00	DKK	Gross unemployment s.a.	K (%)	Oct			106.6
8:00	DKK	GDP, final	q/q|y/y	3rd quarter			0.2%|...
8:45	FRF	HICP, preliminary	m/m|y/y	Nov		-0.2%|2.2%	0.1%|2.5%
9:00	CHF	KOF leading indicator	Index	Nov		99.8	100.1
9:30	SEK	Wages (blue collars/white collars)	y/y	Sep			2.6%
10:00	NOK	Norges Bank's daily FX purchases	m	Dec			-350
10:00	NOK	Unemployment	%	Nov	2.3%	2.2%	2.2%
11:00	ITL	HICP, preliminary	m/m|y/y	Nov		-0.2%|1.6%	0.2%|1.7%
11:00	EUR	Unemployment	%	Oct		8.0%	8.1%
11:00	EUR	HICP - core inflation, preliminary	y/y	Nov	1.2%	1.1%	1.1%
11:00	EUR	HICP inflation, preliminary	y/y	Nov	2.0%	2.1%	2.2%
12:00	ITL	GDP, final	q/q|y/y	3rd quarter		0.0%|0.8%	0.0%|0.8%
12:00	EUR	Portugal, GDP, final	q/q|y/y	3rd quarter			0.3%|2.1%
14:30	CAD	GDP	m/m|y/y	Sep			0.1%|2.5%
15:00	USD	Fed's Williams (voter, neutral) speaks					
15:45	USD	Chicago PMI	Index	Nov		58.5	58.4

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For furher information, call (+45) 45 12 85 22.

Source: Danske Bank

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