

# Weekly Focus

## Signs the worst is over for global manufacturing

### Market movers ahead

- In the US, we are due to get both the jobs report and ISM indices for November. We expect good news from both.
- In the euro area, we are set to get detailed information along with the final Q3 GDP estimate. We expect the tougher global trade environment to show up negatively in the export component. We will also be looking out for German industrial production figures to see whether the worst is over for the German manufacturing sector.
- In China, focus is set to be on PMI data from both Caixin and NBS, which currently show a very different picture. We expect them to converge in November.
- Markets are also likely to be keeping a close eye on US-China trade negotiations and the scope for a phase one deal.
- In the Scandies, we are due to get news from the manufacturing sector, with Swedish and Norwegian PMIs and industrial production out of Sweden, Norway and Denmark.

### Weekly wrap-up

- YouGov's MRP model for the upcoming UK general election, which has a good record, predicts a comfortable win for Conservatives.
- Despite the US signing of a Hong Kong bill, we still believe the US and China will land a phase 1 deal before the scheduled 15% tariff hike on 15 December.
- US equity benchmarks closed at new all-time highs, with cyclical sectors leading the advance. In Europe, the mood stayed more cautious.
- Diminished trade worries and improved global industrial signals underpinned the USD, which has seen multiple sessions of gains.

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### Financial views

#### Major indices

	29-Nov	3M	12M
10Yr EUR swap	0.05	0.10	0.40
EUR/USD	110	109	113
ICE Brent oil	64	60	60

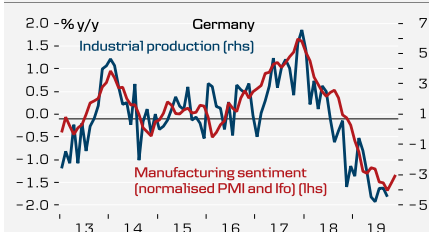
Source: Danske Bank

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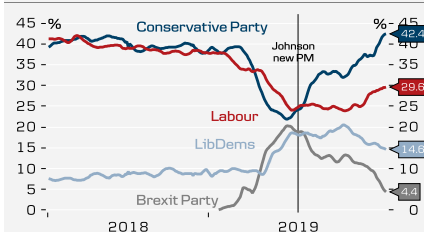
@Danske\_Research

### Is the worst of the German industrial recession behind us?



Source: Destatis, Markit, Ifo, Danske Bank, Macrobond Financial

### Conservatives still well ahead in polls



Source: Britain Elects, Macrobond Financial

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# Market movers

## Global

- In the **US**, we have a busy week ahead of us. We start the week with the release of the ISM manufacturing and non-manufacturing indices for November on Monday and Wednesday, respectively. ISM manufacturing is weak but the regional indices and the Markit PMI manufacturing index point to an increase. We do not have many indicators for ISM non-manufacturing but a couple suggest at least a stabilisation. Remember the level is lower than it was in 2017-18 and we believe an increase is more likely than a decline. We will also keep a close eye on the employment sub-indices for manufacturing and non-manufacturing, which have been quite weak recently.

The highlight of the week is the jobs report for November, due out on Friday. Employment in October was quite strong, both when looking at the revisions to the previous months and when taking into account that the strike at General Motors (affecting nearly 50,000 workers) pulled down the headline despite soft indicators suggesting a more severe jobs growth slowdown (as mentioned above). Soft indicators continue to indicate a softening in employment growth but the headline is likely to be strong, as the striking workers have returned to work. We estimate nonfarm payrolls rose 200,000 in November, suggesting underlying growth of around 150,000.

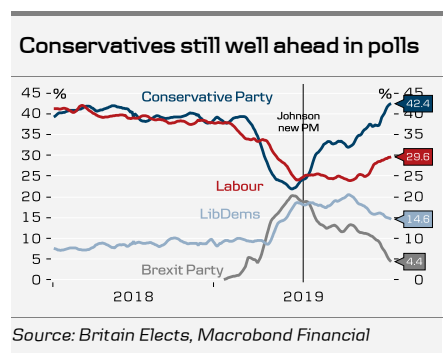
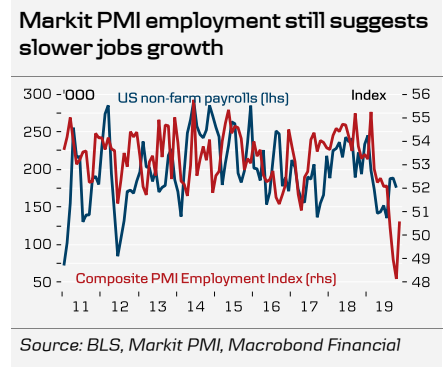
- In the **euro area**, focus is set to be on the final Q3 GDP estimate, which is due out on Thursday, when for the first time we expect detailed information about the GDP components. The flash estimates showed that the euro area economy is limping along with a growth rate of 0.2% q/q. We expect collateral damage from the tougher global trade environment to show up negatively in the export component but Brexit stockpiling might again have contained the damage. Furthermore, it will be interesting to see whether domestic demand is starting to feel the pinch as well. However, rising wages might have held a helping hand under domestic demand, as negotiated wages rose 2.6% y/y in Q3 and Thursday's print will also show how much of this translated into overall wage growth.

On Friday, October German industrial production figures will give us a clue about how the manufacturing sector started Q4. In September, production continued to fall by 4.4% y/y but recent signs of a forming trough in leading indicators such as Ifo and PMI leave hope that the worst of the German industrial recession is behind us.

German politics is also entering an interesting week, with the result of the SPD party leadership run-off announced on Saturday 30 November. The outcome will have important implications for whether the SPD party will stay in the current governing coalition, or whether Germany is heading towards new elections in 2020. A win for Finance Minister Olaf Scholz's continuity team would reduce the risk of a government collapse but we expect a final SPD decision only at the party convention in early December.

- In the **UK**, there is not much to write about next week in terms of economic data releases. Final PMIs are due out on Monday next week but given that IHS Markit has begun releasing flash estimates (released last week), they are unlikely to attract much attention if they do not show big revisions, which is the case for the rest of Europe.

Focus remains on the 12 December election and its outcome. This week, saw the release of results from the acknowledged MRP model from YouGov predicting an absolute majority for the Conservative Party (359 seats versus 326 seats to secure a majority), making it possible for Boris Johnson to pass his Brexit deal before Christmas, which is



now our base case. For more details, see *UK Election Monitor - YouGov's MRP model predicts a majority win for the Conservative Party – it is now our base case*, 28 November.

- In **Japan**, we have October total cash earnings ticking in on Friday. They have recovered slightly recently but we are not likely to see a strong rebound as long as global demand is weak. This puts a lid on domestic demand and the inflation outlook.
- The key focus in **China** on the data front will be the batch of PMI data from both Caixin (private) as well as NBS (official). In our view, it is set to be very interesting, as the two sets of data show a very different picture currently. Caixin PMI manufacturing has increased sharply in recent months, while NBS PMI manufacturing has stayed at lacklustre levels. We believe the truth is somewhere in between, as suggested by a range of different indicators (electricity production, rail freight, copper prices, etc.). Hence, we look for a big decline in Caixin PMI manufacturing on Monday from 51.7 to 51.0 (consensus 51.2) but a small increase in NBS PMI manufacturing from 49.3 to 49.7 (consensus 49.5) on Saturday.

We expect markets also to keep a close eye on US-China trade negotiations and the scope for a phase one deal. The two sides are struggling to agree on the scale of Chinese agricultural purchases and a rollback of some tariffs. We believe they will be able to make a deal ahead of 15 December, when the last batch of US tariffs on China is supposed to come into effect. This tariff increase would be likely to hurt the US economy at a time when growth has already softened and we expect Trump to find a way out of going through with this increase.

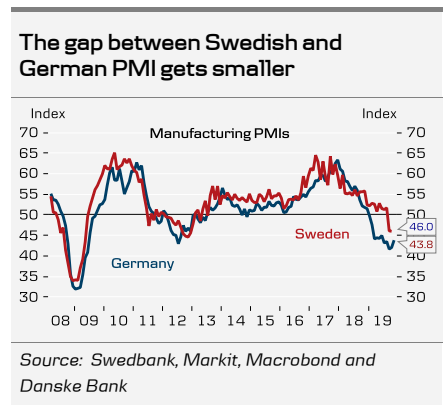
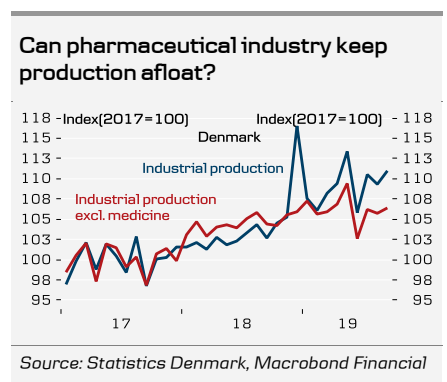
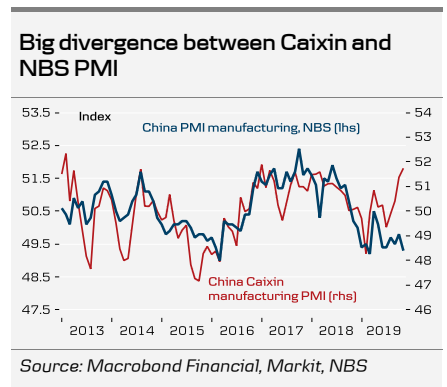
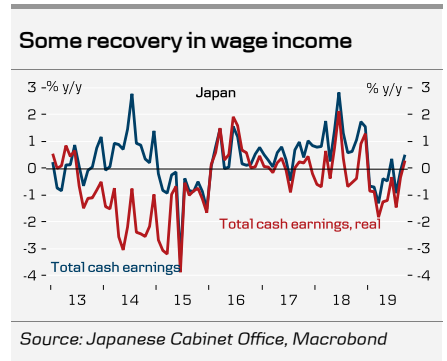
**Scandi**

- In **Denmark**, Danmarks Nationalbank is scheduled to publish FX reserve figures for November on Tuesday. Danmarks Nationalbank intervened in October to the tune of DKK400m to counter DKK weakening. Meanwhile, in November, Danmarks Nationalbank has allowed the DKK to weaken further, so we believe the market will be closely following whether more intervention has accompanied this.

Thursday brings data on the number of bankruptcies and forced sales in November, while Friday sees industrial production figures for October. Despite the global industrial slowdown, Danish industry remains robust – due mainly to the less cyclically sensitive pharmaceutical sector, which has been responsible for most of the growth. The rest of the industrial sector has more been trading water in the past year and it appears to be affected more by the international situation, which will presumably also affect the October figures.

- Much data is due for release in **Sweden** next week. Last month, we expected a rebound in manufacturing PMI; instead, the downturn in the business cycle was further confirmed. German manufacturing PMI has been a leader and the latest print came out somewhat better than previously, although still at a very low level. In November, we expect Swedish manufacturing PMI (due Monday) to stabilise at a similar level to October (46.0) but with upside risk. We have seen the same downward trend in the service sector as in manufacturing PMI. As services PMI (due Wednesday) is strongly correlated with the manufacturing sector, we expect this week's figure to remain at a low level.

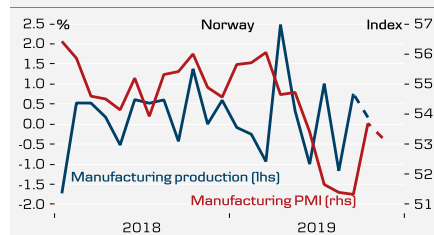
There is also October private sector production value index (PVI) on Friday, containing both manufacturing and private services. Over the past couple of years, there has been an upward trend. However, in 2019, the upward trend has slowed and, if anything, changed direction.



Additionally, Riksbank Deputy Governor Per Jansson is due to visit Danske Bank on Tuesday to speak about ‘the considerations from an interest rate dove and an inflation hawk’. We expect this to be interesting as Jansson is the one on the executive board who has recently talked about being critical of the upcoming December hike. Later in the week, on Thursday, Riksbank Deputy Governor Martin Flodén is due to speak about the economic outlook and monetary policy.

- In **Norway**, there has been a clear slowdown in industrial production over the past three months following three years of strong growth. This suggests the downturn in the global industrial cycle is now affecting Norwegian manufacturers too and we are seeing some signs of oil-related industries growing slightly more slowly. We believe we will continue to see more moderate growth in industrial production (Friday) and predict an increase of 0.2% m/m in September. The PMI for its part has been highly volatile in recent months and climbed to 54.9 in October. We fear this is exaggerating the true rate of manufacturing growth and we expect the index to fall back down to 53.0 in November on Monday but this would still indicate slightly stronger growth than normal. Housing prices surprised considerably on the upside through to the summer but are now showing signs of stabilising. The combination of higher interest rates, the new debt register and a growing supply of housing will probably continue to put a dampener on price increases and we expect largely unchanged prices in seasonally adjusted terms in November.

**Manufacturing growth slowing but still above average**



Source: NIMA, Statistics Norway

**Market movers ahead**

Global movers		Event	Period	Danske	Consensus	Previous			
During the week	Sat 30	CNY	PMI manufacturing	Index	Nov	49.7	49.5	49.3	
	Sat 30	CNY	PMI non-manufacturing	Index	Nov		53.1	52.8	
Mon	02-Dec	2:45	CNY	Caixin PMI manufacturing	Index	Nov	51.0	51.5	51.7
		16:00	USD	ISM manufacturing	Index	Nov		49.5	48.3
Wed	04-Dec	16:00	USD	ISM non-manufacturing	Index	Nov		54.5	54.7
Fri	06-Dec	8:00	DEM	Industrial production	m/m y/y	Oct		0.2% -3.6%	-0.6% -4.3%
		14:30	USD	Unemployment	%	Nov	3.6%	3.6%	3.6%
		14:30	USD	Average hourly earnings, non-farm	m/m y/y	Nov	0.3% 3.0%	0.3% 3.0%	0.2% 3.0%
		14:30	USD	Non farm payrolls	1000	Nov	200	190	128
Scandi movers									
Mon	02-Dec	8:30	SEK	PMI manufacturing	Index	Nov	46.0	47.0	46.0
		9:00	NOK	PMI manufacturing	Index	Nov	53.0		54.9
Tue	03-Dec	14:30	SEK	Riksbank's Jansson will speak at Danske Bank					
		17:00	DKK	Currency reserves	DKK bn	Nov			442.7
Wed	04-Dec	8:30	SEK	PMI services	Index	Nov			49.5
Thurs	05-Dec	9:30	SEK	Average house prices	SEK m	Nov			3.057
Fri	06-Dec	8:00	NOK	Manufacturing production	m/m y/y	Oct			0.8% 2.9%

Source: Bloomberg, Danske Bank

# Weekly Wrap-Up

## Cautious optimism returns

### Main macro themes

- Further signs of a nascent bottom in the global business cycle:** US data pointed to robust private consumption growth in Q4 and core capital goods orders surprised positively for the first time since the trade war started escalating in 2018. German Ifo added to signs that industry has passed the low point (see *twitter*). Still, not all indicators are showing improvement yet: Chinese industrial profits fell -9.9% y/y in October, the weakest in 10 years (see *twitter*) and the pressure on further policy easing in Japan increased after retail sales plunged following the October VAT hike and typhoon (see *twitter*).
- YouGov's MRP model for upcoming UK general election predicts a comfortable win for Conservatives:** The model is the only one that correctly predicted that Theresa May would lose her absolute majority in 2017 and as we do not have much else to rely on, a Conservative majority and passage of the Brexit deal before the deadline is now our base case (see also *UK Election Monitor - YouGov's MRP model predicts a majority win for the Conservative Party - it is our new base case*, 28 November).
- Despite another phone call, US and China trade negotiators passed another week without much progress** on the unresolved issues (i.e. how much Donald Trump needs to roll back tariffs and how many farm products China will buy in return). US President Trump has signed the Hong Kong Bill, which might further worsen the negotiating climate. However, it is still our belief that the sides will be able to keep the Hong Kong issue separate and land a phase 1 deal before the scheduled 15% tariff hike on 15 December.
- In *Euro Area Research - Measuring the euro area inflation pulse*, 29 November, we take a deep dive into euro area inflation dynamics, looking at the latest developments in inflation drivers, market dynamics and the core inflation outlook. Digitalisation has often been mentioned as a possible culprit for the structural downtrend in inflation and the unattainability of the ECB's inflation target. In *Euro Area Research - Inflation's race against the digital machine*, 27 November, we take a closer look at the evidence for this claim.**

### Financial market developments

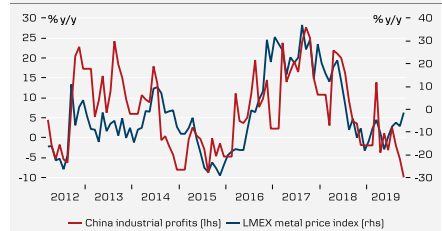
- Despite the lack of progress on the trade front, some optimism that the US and China are closing in on a deal has returned to the market.** US equity benchmarks have closed at new all-time highs, with cyclical sectors leading the advance. In Europe, the mood has stayed more cautious and core-EU yields are edging lower again, while the markets still await an announcement on the trade deal.
- Diminished trade worries and improved global industrial signals underpinned the USD, which has seen multiple sessions of gains. Despite a stronger greenback, commodities also rebounded at the beginning of this week.** Notably, the price of Brent crude broke above the USD64/bbl level but base metal prices also rallied. The JPY was a clear loser on the increase in commodity prices, with USD/JPY rising above 109, while commodity currencies posted gains.

### Financial views

Major indices			
	29-Nov	3M	12M
10yr EUR swap	0.05	0.10	0.40
10yr US swap	1.69	1.75	2.00
ECB key rate	-0.50	-0.50	-0.50
Fed funds rate	1.75	1.75	1.50
EUR/SEK	1051	1080	1100
EUR/NOK	1010	990	970
EUR/USD	110	109	113
ICE Brent oil	64	60	60

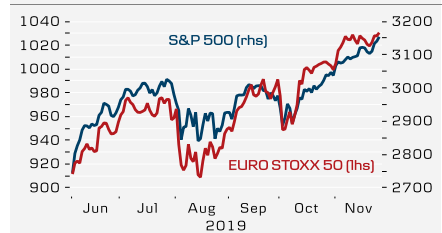
Source: Danske Bank

### Chinese industrial profits still paint a bleak picture but metal prices suggest a rebound should soon take place



Source: Macrobond Financial, Danske Bank

### US stocks reach new all-time highs



Source: Macrobond Financial, Danske Bank

# Scandi update

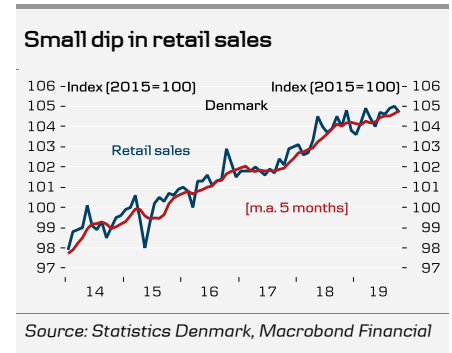
## Denmark – Black Friday kept retail sales down

Retail sales fell 0.2% in October, driven lower mainly by a dip in clothing sales, which fell 2.7% when seasonally corrected. However, Black Friday is a relatively new phenomenon, so the correction probably did not sufficiently take into account consumers postponing some of their clothing purchases until the major sales in November. The fall will therefore probably be offset by a rise in the November figures.

Business confidence rose broadly in October, with sentiment in the industrial sector, in particular, picking up slightly again after a pronounced fall in September. Improved order books were the main driving force here.

We also received the first national accounts for Q3 and thus details on GDP growth, which remained unchanged relative to what the GDP indicator told us earlier in the month at 0.3%. Exports are the main factor keeping the Danish economy on track at the moment.

Unemployment in September was unchanged at 3.7% of the labour force for the twelfth month in a row. That the slowdown in job growth has not led to greater unemployment in Denmark is good news, though it is also a sign that labour market growth is now slowing.



## Sweden – domestic economy remains stuck in limbo

NIER Confidence Indicator came out somewhat higher than in October but remains lower than normal, indicating still reduced growth but at a slower pace than before. Construction and retail are the sectors that drove the upturn. Something that stuck out from the data was that export orders dipped in manufacturing industry, indicating that the global slowdown could soon hit Swedish foreign trade. Considering the current low quality of SCB's labour market data (LFS), NIER business confidence survey hiring plans are particularly interesting. Hiring plans for the next three months in the total business sector improved. However, manufacturing industry plans for continued reductions and the current situation remained low in the total business sector. Households also continue to be unusually pessimistic about how the Swedish economy will develop in the coming year.

Q3 GDP figures printed +0.3 % q/q sa/ 1.6 % y/y cal adj, close to market expectations. All growth came from abroad, in principle a huge boost to services exports. Domestic demand was again flat which it has been since Q1 18. Q1 and Q2 growth was revised down by 0.3pp and 0.1pp All this puts the growth path a bit below Riksbank's 2019 forecast. This is, however, probably too small a deviation to rock its December hike plan. In Q4, there will be a huge (Q4 18 was +1.2pp q/q!) reversed base effect, which will push Q4 2019 y/y growth towards zero. How close remains to be seen.

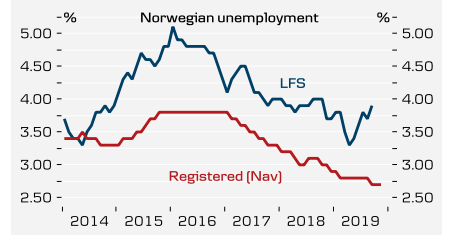
We also received retail sales, which continue to increase and came out relatively strong, as we forecast. Durable trades have been the driving factor for the increase during 2019, but in November, consumables (excluding 'Systembolaget') increased more.



## Norway – unchanged unemployment

Once again there is considerable divergence between the two measures of unemployment in Norway. While the LFS has shown a relatively sharp rise in joblessness over the past two to three months, the number of people registered as unemployed with NAV has been unchanged. Being survey-based, the LFS numbers are more uncertain than those from NAV and can therefore fluctuate more at times. We have long set greater store by the NAV figures and do so again this time around, especially since other economic data (including for the labour market) contain little to support the increase indicated by the LFS. Our conclusion is that unemployment has been more or less unchanged this year.

Unemployment has levelled out



Source: NAV, Statistics Norway

# Latest research from Danske Bank

## *29/11 Euro Area Research - Measuring the euro area inflation pulse*

In this comprehensive publication, we take a deep dive into euro area inflation dynamics, looking at the latest developments in inflation drivers, market dynamics and the core inflation outlook from a bottom-up approach.

## *28/11 UK Election Monitor - YouGov's MRP model predicts a majority win for the Conservative Party - it is our new base case*

We send out our UK election monitor one day earlier than normal, as the long awaited results from YouGov's so-called MRP model for the upcoming general election were published late last evening.

## *27/11 Euro Area Research - Inflation's race against the digital machine*

Since the introduction of the first personal computer in 1979, digital technological improvements have been enormous and today even a normal smartphone holds far more processing power than the computer used to guide the first Moon landing in 1969.

## *25/11 Macro Strategy Views - From trade war to US-China decoupling*

In our weekly Macro Strategy Views podcast, we zoom in on China and discuss the US-China trade war, US-China decoupling and the Chinese growth outlook.

## *22/11 China Weekly Letter: Phase one deal hinges on tariff cuts by the 'tariff man'*

US-China phase one deal challenged by Trump's reluctance to roll back tariffs and US demand for big Chinese agricultural purchases



## Macroeconomic forecast

### Macro forecast. Scandinavia

	Year	GDP <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
Denmark	2018	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 <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
Euro area	2018	1.9	1.4	1.1	2.4	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	1.2	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 <sup>1</sup>	Private cons. <sup>1</sup>	Public cons. <sup>1</sup>	Fixed inv. <sup>1</sup>	Ex-ports <sup>1</sup>	Im-ports <sup>1</sup>	Infla-tion <sup>1</sup>	Wage growth <sup>1</sup>	Unem-ploym <sup>3</sup>	Public budget <sup>4</sup>	Public debt <sup>4</sup>	Current acc. <sup>4</sup>
USA	2018	2.9	3.0	1.7	4.6	3.0	4.4	2.4	3.0	3.9	-3.9	106.0	-2.3
	2019	2.3	2.5	2.3	1.6	-0.5	2.0	2.0	3.3	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	29-Nov	1.75	1.91	1.63	1.69	110.1	-	678.6	917.8	954.8
	+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	29-Nov	-0.50	-0.40	-0.35	0.05	-	110.1	747.1	1010.4	1051.2
	+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	29-Nov	-0.10	-0.09	-0.04	0.06	120.5	109.5	6.20	8.38	8.72
	+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	29-Nov	0.75	0.79	0.77	0.89	85.3	129.1	876.2	1185.0	1232.8
	+3m	0.50	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	29-Nov	-0.75	-0.72	-0.69	-0.27	110.0	99.9	679.5	919.0	956.1
	+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	29-Nov	-0.75	-0.40	-0.24	0.15	747.1	678.6	-	135.2	140.7
	+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	29-Nov	-0.25	0.06	0.20	0.56	1051.2	954.8	71.1	96.1	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	29-Nov	1.50	1.84	1.96	1.89	1010.4	917.8	73.9	100.0	104.0
	+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

	29-Nov	2019				2020				Average	
		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 49

During the week				Period	Danske Bank	Consensus	Previous
Sat 30	DEM	SPD party leadership run-off					
Sat 30	CNY	PMI manufacturing	Index	Nov	49.7	49.5	49.3
Sat 30	CNY	PMI non-manufacturing	Index	Nov		53.1	52.8
Monday, December 2, 2019				Period	Danske Bank	Consensus	Previous
1:30	JPY	Nikkei Manufacturing PMI, final	Index	Nov			48.6
2:45	CNY	Caixin PMI manufacturing	Index	Nov	51.0	51.5	51.7
8:30	SEK	PMI manufacturing	Index	Nov	46.0	47.0	46.0
9:00	NOK	PMI manufacturing	Index	Nov	53.0		54.9
9:15	ESP	PMI manufacturing	Index	Nov		46.5	46.8
9:45	ITL	PMI manufacturing	Index	Nov		47.6	47.7
9:50	FRF	PMI manufacturing, final	Index	Nov		51.6	51.6
9:55	DEM	PMI manufacturing, final	Index	Nov		43.8	43.8
10:00	EUR	PMI manufacturing, final	Index	Nov		46.6	46.6
10:30	GBP	PMI manufacturing, final	Index	Nov		48.3	48.3
15:30	CAD	RBC manufacturing PMI	Index	Nov			51.2
15:45	USD	Markit PMI manufacturing, final	Index	Nov		52.2	52.2
16:00	USD	Construction spending	m/m	Oct		0.4%	0.5%
16:00	USD	ISM manufacturing	Index	Nov		49.5	48.3
Tuesday, December 3, 2019				Period	Danske Bank	Consensus	Previous
-	USD	Total vehicle sales	m	Nov		16.85	16.55
4:30	AUD	Reserve Bank of Australia rate decision	%		0.75%	0.75%	0.75%
8:30	CHF	CPI	m/m y/y	Nov		-0.1% -0.1%	-0.2% -0.3%
10:30	GBP	PMI construction	Index	Nov		44.6	44.2
11:00	EUR	PPI	m/m y/y	Oct		-1.7% 0.1%	-1.2% 0.1%
14:30	SEK	Riksbank's Jansson will speak at Danske Bank					
17:00	DKK	Currency reserves	DKK bn	Nov			442.7
Wednesday, December 4, 2019				Period	Danske Bank	Consensus	Previous
-	PLN	Polish central bank rate decision	%		1.50%	1.50%	1.50%
1:30	AUD	GDP	q/q y/y	3rd quarter		0.5% 1.6%	0.5% 1.4%
1:30	JPY	Markit PMI services, final	Index	Nov			50.4
2:45	CNY	Caixin PMI service	Index	Nov		51.2	51.1
8:30	SEK	PMI services	Index	Nov			49.5
9:15	ESP	PMI services	Index	Nov		52.0	52.7
9:30	SEK	Current account	SEK bn	3rd quarter			37
9:45	ITL	PMI services	Index	Nov		51.8	52.2
9:50	FRF	PMI services, final	Index	Nov		52.9	52.9
9:55	DEM	PMI services, final	Index	Nov		51.3	51.3
10:00	EUR	PMI composite, final	Index	Nov		50.3	50.3
10:00	EUR	PMI services, final	Index	Nov		51.5	51.5
10:30	GBP	PMI services, final	Index	Nov		48.6	48.6
11:00	NOK	House prices	m/m y/y	Nov			-0.8% 2.4%
14:15	USD	ADP employment	1000	Nov		140	125
15:45	USD	Markit PMI service, final	Index	Nov		51.6	51.6
16:00	USD	ISM non-manufacturing	Index	Nov		54.5	54.7
16:00	CAD	Bank of Canada rate decision	%		1.75%	1.75%	1.75%
16:30	USD	DOE U.S. crude oil inventories	K				

Source: Danske Bank

## Calendar

Thursday, December 5, 2019				Period	Danske Bank	Consensus	Previous
8:00	DEM	Factory orders	m/m y/y	Oct		0.5% -4.8%	1.3% -5.4%
8:00	DKK	Bankruptcies (s.a.)		Nov			
8:00	DKK	Enforced sales (s.a.)		Nov			
9:30	SEK	Average house prices	SEK m	Nov			3.057
11:00	EUR	Retail sales	m/m y/y	Oct		-0.2% 1.9%	0.1% 3.1%
11:00	EUR	GDP, final	q/q y/y	3rd quarter		0.2% 1.2%	0.2% 1.2%
11:00	EUR	Gross fixed investments	q/q	3rd quarter		0.4%	5.6%
11:00	EUR	Government consumption	q/q	3rd quarter		0.4%	0.4%
11:00	EUR	Private consumption	q/q	3rd quarter		0.3%	0.2%
11:00	EUR	Employment, final	q/q y/y	3rd quarter			0.1% 1.0%
14:30	USD	Initial jobless claims	1000				
14:30	USD	Trade balance	USD bn	Oct		-48.9	-52.5
16:00	USD	Core capital goods orders, final	%	Oct			
Friday, December 6, 2019				Period	Danske Bank	Consensus	Previous
-	EUR	S&P may publish Estonia's debt rating					
0:30	JPY	Labour cash earnings	y/y	Oct		0.2%	0.5%
8:00	DKK	Industrial production	m/m	Oct			1.5%
8:00	DEM	Industrial production	m/m y/y	Oct		0.2% -3.6%	-0.6% -4.3%
8:00	NOK	Manufacturing production	m/m y/y	Oct			0.8% 2.9%
8:00	NOK	Industrial production	m/m y/y	Oct	0.2% ...		-0.5% -8.1%
9:00	CHF	SNB balance sheet, intervention	CHF bn	Nov			779.1
9:30	SEK	Budget balance	SEK bn	Nov			31.9
9:30	SEK	Industrial orders	m/m y/y	Oct			-0.2% -1.5%
9:30	SEK	Production Value Index					
14:30	USD	Unemployment	%	Nov	3.6%	3.6%	3.6%
14:30	USD	Average hourly earnings, non-farm	m/m y/y	Nov	0.3% 3.0%	0.3% 3.0%	0.2% 3.0%
14:30	USD	Non farm payrolls	1000	Nov	200	190	128
14:30	CAD	Net change in full time employment	1000	Nov			-16.1
16:00	USD	University of Michigan Confidence, preliminary	Index	Dec		97.0	96.8
21:00	USD	Consumer credit	USD bn	Oct		15.8	9.5

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Source: Danske Bank

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