

Key Macro Events

Macro Research Team

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Key Macro Events 18 – 22 March 2024

- **Eurozone** – The composite PMI is expected to have increased in March, with the biggest part of the rise probably due to a jump in the manufacturing PMI. The manufacturing PMI still was well below the 50 boom-bust mark in February, but its forward looking new orders component rose markedly during the past four months, indicating that output is bottoming out after it has contracted sharply throughout 2023. The services PMI is expected to be more stable at a level just above 50.
- **US** – We expect the Fed to keep policy on hold at the March FOMC meeting. The Committee will also update its quarterly projections, and we expect this to show the median FOMC member still expecting three rate cuts this year. Chair Powell is likely to maintain the cautiously hawkish tone of recent remarks and not seek to rock the boat, as the Fed is likely comfortable with current market pricing for rate cuts. Powell signalled at the January meeting that the FOMC would discuss the winddown of QT at the March meeting. Given that use of the Overnight Repo Facility has stabilised recently, it is probably too soon for the Fed to announce a winddown plan at this meeting, but Powell is likely to confirm that this is now being actively worked on. See also here for more: <https://www.abnamro.com/research/en/our-research/fed-watch-confidence-is-key>
- **Asia** – The Bank of Japan is getting closer to normalisation of its monetary policy framework, including the end of negative policy rates, with the technical recession in 2H-23 revised away, the latest wage negotiation rounds pointing to a sharp rise in wages, and the BoJ's preferred inflation measure expected to remain above 2% this year. Today, the largest trade union (Rengo) announced an average wage hike of 5.3%, compared to 3.8% last year. Although we do not rule out the possibility of a March hike, consensus expectation including ours is for the BoJ to stay pat at its 19 March meeting. With consumption still weak, the central bank may wait until Q2 to see further confirmation in the macro data before hiking its policy rate for the first time in 17 years. In any case, we only foresee a very gradual, and modest hiking path for the Bank of Japan going forward. Meanwhile in China, we expect the 1-year loan prime rate to be left on hold on Wednesday, after the PBoC left its 1-year medium-term lending facility rate unchanged at 2.50% today.
- **The Netherlands** – We expect that the unemployment rate has slowly crept up to 3,7% in February, from 3,6% in January. The labour market remains tight and we see only modest signs of easing. As bankruptcies are normalising from pandemic lows, labour mobility is also likely to increase going forward, but we do not expect a sharp rise in unemployment.

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	Date	Time	Country	Market indicator	Period	Latest outcome	Expectation consensus	ABN AMRO
Monday	18/03/2024	00:50:00	JP	Machinery orders private sector - % mom	Jan	2.7	-0.7	
Monday	18/03/2024	03:00:00	CN	Industrial production - % yoy ytd	Feb	4.6	5.2	
Monday	18/03/2024	03:00:00	CN	Retail sales - % yoy ytd	Feb	7.2	5.6	
Monday	18/03/2024	03:00:00	CN	Fixed investments - % yoy ytd	Feb	3.0	3.2	
Monday	18/03/2024	11:00:00	EZ	Core inflation - % yoy, second estimate	Feb F	3.1	3.1	
Monday	18/03/2024	15:00:00	US	NAHB home builders' confidence index	Mar	48	48	
Tuesday	19/03/2024	04:30:00	AU	Policy rate - %	Mar 19	4.35	4.35	
Tuesday	19/03/2024	11:00:00	DE	ZEW index (expectation economic growth)	Mar	19.9	21.0	
Tuesday	19/03/2024	13:30:00	US	Housing starts - % mom	Feb	-15	8	
Tuesday	19/03/2024		JP	Policy rate - %	Mar 19	-0.10	-0.10	-0.10
Tuesday	19/03/2024		JP	10-y yield target -%	Mar 19	0.00	0.00	0.00
Wednesday	20/03/2024	2:15:00	CN	1-year loan prime rate	mrt-20	3.45	3.45	3.45
Wednesday	20/03/2024	06:30:00	NL	Consumer confidence - index	Mar	-27		
Wednesday	20/03/2024	08:00:00	GB	CPI - % yoy	Feb	4		
Wednesday	20/03/2024	9:30:00	EZ	ECB's Lagarde speaks				
Wednesday	20/03/2024	10:30:00	EZ	ECB's Lane speaks				
Wednesday	20/03/2024	13:00:00	EZ	ECB's De Cos speaks				
Wednesday	20/03/2024	14:30:00	CZ	Repo rate - %	Mar 20	6.25	5.75	
Wednesday	20/03/2024	14:45:00	EZ	ECB's Schnabel speaks				
Wednesday	20/03/2024	16:00:00	EZ	Consumer confidence - index	Mar P	-15.5	-15.0	
Wednesday	20/03/2024	16:30:00	EZ	ECB's Holzmann speaks				
Wednesday	20/03/2024	19:00:00	US	FOMC Rate decision upper bound - %	Mar 20	5.50	5.50	
Wednesday	20/03/2024	19:30:00	US	Fed Chair Powell post-meeting press conference				
Wednesday	20/03/2024	22:30:00	BR	Policy rate - %	Mar 20	11.25	10.75	
Thursday	21/03/2024	00:50:00	JP	Merchandise trade exports - % yoy	Feb	11.9	5.0	
Thursday	21/03/2024	06:30:00	NL	Unemployment - %	Feb	3.6		3.7
Thursday	21/03/2024	08:00:00	GB	Public sector net borrowing - GBP mln	Feb	-18		
Thursday	21/03/2024	09:30:00	CH	Policy rate - %	Mar 21	1.75		
Thursday	21/03/2024	10:00:00	EZ	PMI manufacturing - index	Mar P	46.5	47.2	47.7
Thursday	21/03/2024	10:00:00	EZ	PMI services - index	Mar P	50.2	50.5	50.4
Thursday	21/03/2024	10:00:00	EZ	Composite PMI output	Mar P	49.2	49.6	49.8
Thursday	21/03/2024	10:00:00	NO	Policy rate - %	Mar 21	4.5		
Thursday	21/03/2024	10:30:00	GB	PMI manufacturing - index	Mar P	47.5		
Thursday	21/03/2024	10:30:00	GB	PMI services - index	Mar P	53.8		
Thursday	21/03/2024	12:00:00	TR	Repo rate - %	Mar 21	45.0		
Thursday	21/03/2024	13:00:00	GB	Policy rate - %	Mar 21	5.25		5.25
Thursday	21/03/2024	13:30:00	US	Philadelphia Fed - business confidence - index	Mar	5.2	-2.2	
Thursday	21/03/2024	14:45:00	US	Markit manufacturing PMI	Mar P	52.2		
Thursday	21/03/2024	15:00:00	US	Existing home sales - % mom	Feb	3.1	-1.8	
Thursday	21/03/2024	20:00:00	MX	Policy rate - %	Mar 21	11.25		
Friday	22/03/2024	00:00:00	NL	Dutch House Price Index	Feb	1.2		
Friday	22/03/2024	00:30:00	JP	CPI - % yoy	Feb	2.2	2.9	
Friday	22/03/2024	01:01:00	GB	GfK Consumer confidence - index	Mar	-21.0		
Friday	22/03/2024	08:00:00	GB	Retail sales - % mom	Feb	3.4		
Friday	22/03/2024	10:00:00	DE	Ifo - business climate - index	Mar	85.5		

Source: Bloomberg, ABN AMRO Group Economics (we provide own forecasts only for selected key variables and events)

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