

The Week Ahead

Group Economics | 31 May 2024

Key Macro Events 3 – 7 June 2024

- **US** – The end of next week sees the release of May labor figures in the form of change in nonfarm payrolls, hourly earnings and the unemployment rate. We expect the unemployment rate to remain unchanged at 3.9% and hourly earnings to grow at 0.3% m/m, largely in line with the historical average. New jobs is expected to come in at 190k, slightly up from last month, but significantly below the exceptionally strong numbers in the first quarter of this year. The week also marks the start of the Fed blackout period preceding the June 12 FOMC meeting.
- **Eurozone** – The ECB is widely expected to lower its key policy rates by 25bp, in the first of what is likely to be a series of rate cuts. As this is fully priced in by financial markets, attention will be focused on any clues for what happens next. Our base case currently sees the ECB following up with a further 25bp cut in July, but the upside surprise to core inflation on Friday combined with recent commentary from Governing Council members suggests a rising probability of a pause. The ECB will also update its economic projections. With developments evolving broadly in line with expectations since the last update in March, we expect only marginal changes to growth and inflation forecasts.
- **Germany** – Industrial production is expected to show further signs of bottoming out in April. The series however is highly volatile on a monthly basis. The German manufacturing sector is still in contractionary territory although recent figures provide some silver linings. Easing energy prices for instance have led to production increases in energy intensive industries. Overall demand for the sector is still weak, preventing a strong recovery in the coming months.
- **China** – Caixin's May PMIs due on Monday (manufacturing) and Wednesday (services) are expected to more or less stabilise at relatively high levels compared to the official PMIs published today (with the official manufacturing PMI having fallen back below the neutral 50 mark again after improvement seen in March/April). Meanwhile, annual growth of exports is expected to have accelerated in May, while annual import growth is forecasted to have slowed somewhat but to remain positive.

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	Date	Time	Country	Market indicator	Period	Latest outcome	Expectation consensus	ABN AMRO
Monday	03/06/2024	03:45:00	CN	PMI manufacturing - index (Caixin)	May	51.4	51.6	
Monday	03/06/2024	10:00:00	EZ	PMI manufacturing - index	May F	47.4		
Monday	03/06/2024	10:30:00	GB	PMI manufacturing - index	May F	51.3		
Monday	03/06/2024	16:00:00	US	ISM manufacturing - index	May	49.2	49.7	50.2
Monday	03/06/2024		US	Auto sales total - millions annualised	May	15.7	15.8	
Tuesday	04/06/2024	09:55:00	DE	Unemployment - %	May	5.9	5.9	
Tuesday	04/06/2024	16:00:00	US	New durable goods orders - % mom	Apr F	0.7	0.7	
Tuesday	04/06/2024	16:00:00	US	US Job Openings by Industry	Apr	8,488	8,356	
Tuesday	04/06/2024	16:00:00	US	Factory orders - % mom	Apr	0.8	0.7	
Wednesday	05/06/2024	03:45:00	CN	PMI services - index (Caixin)	May	52.5	52.6	
Wednesday	05/06/2024	10:00:00	EZ	Composite PMI output	May F	52.3		
Wednesday	05/06/2024	10:00:00	EZ	PMI services - index	May F	53.3		
Wednesday	05/06/2024	14:15:00	US	ADP nat. employment report - thousands	May	192.0	175.0	
Wednesday	05/06/2024	15:45:00	CA	Policy rate - %	Jun 5	5.00	4.75	
Wednesday	05/06/2024	16:00:00	US	ISM non-manufacturing, index	May	49.4	50.9	
Wednesday	05/06/2024		PL	Reference rate - %	Jun 5	5.75	5.75	
Thursday	06/06/2024	08:00:00	DE	Manufacturing orders - % mom	Apr	-0.4	1.2	
Thursday	06/06/2024	11:00:00	EZ	Retail sales - % mom	Apr	0.8	0.0	0.2
Thursday	06/06/2024	14:15:00	EZ	ECB Deposit rate - %	Jun 6	4.00	3.75	3.75
Thursday	06/06/2024	14:30:00	US	Trade balance - USD bn	Apr	-69.4	-69.5	
Thursday	06/06/2024	14:45:00	EZ	ECB President Christine Lagarde Holds Press Conference				
Friday	07/06/2024	08:00:00	DE	Industrial production - % mom	Apr	-0.4	-0.1	0.0
Friday	07/06/2024	9:00:00	EZ	ECB's Nagel Speaks in Berlin				
Friday	07/06/2024	10:00:00	EZ	ECB's Holzmann Speaks in Vienna				
Friday	07/06/2024	10:00:00	EZ	ECB's Schnabel Speaks in Berlin				
Friday	07/06/2024	11:00:00	EZ	GDP - % qoq	1Q F	0.3	0.3	0.3
Friday	07/06/2024	14:30:00	US	Change in employment total - thousands	May	175.0	180.0	190
Friday	07/06/2024	14:30:00	US	Unemployment - %	May	3.9	3.9	3.9
Friday	07/06/2024	14:30:00	US	Hourly earnings - % mom	May	0.2	0.3	0.3
Friday	07/06/2024	14:30:00	US	Labour Force participation rate	May	62.7		
Friday	07/06/2024	18:00:00	US	US Household net worth bn	1Q	4,839		
Friday	07/06/2024	21:00:00	US	Fed Reserve consumer credit - USD bn	Apr	6.3	10.2	
Friday	07/06/2024		CN	Exports - % yoy	May	1.5	5.1	
Friday	07/06/2024		CN	Imports - % yoy	May	8.4	5.0	
Friday	07/06/2024		CN	Foreign Reserves - USD bn	May	3,201		

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

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