

Week ahead economic calendar [19 – 23 Dec]

European data to highlight growing recession risk

- **Bank of England minutes to provide clues on further stimulus**
- **European business and consumer surveys to highlight divergent trends across the Eurozone**
- **First look at Q3 GDP for Italy, plus final estimates for the US, UK and France**

The coming week sees the publication of the Bank of England monetary policy meeting minutes, business and consumer sentiment surveys, US housing market data plus a raft of third quarter GDP estimates.

The [Bank of England's Monetary Policy Committee](#) announced no further measures to revive a [stagnant-looking economy](#) earlier this month, but the minutes from the meeting will be scoured for signs that further quantitative easing may be forthcoming in February once the current £75bn of bond purchases is completed.

UK government debt and spending data for November are also published. Latest data showed government borrowing to be on target for the year, though rising unemployment and slower economic growth look set to cause an overshoot by the end of the financial year.

Flash December [PMIs for the Eurozone](#) surprised on the upside, and European Commission-sponsored surveys, including the German IFO survey will provide further insight. It is likely that the overall signal will be one of a region sliding back into recession, but that contrasting trends are evident by country. German consumers are showing some resilience to the sovereign debt crisis, helping support business confidence, but that the periphery continued to see falling sentiment among both businesses and households.

Recent data have also shown the US economy to have been holding up better than many had expected in the face of Europe's crisis. Durable goods orders, personal income and expenditure data for November, plus the University of Michigan's consumer confidence survey, are expected to add to the picture of steady but unspectacular growth.

Updated third quarter GDP estimates are also published for the US, UK and France, while the delayed estimate of third quarter economic growth for Italy could show the economy heading for technical recession.

Monday

Markit's UK Household Finance Index will provide an insight into consumer spending, savings and debt trends, as well as inflation expectations, house prices and job security. [November's survey](#) showed household finances worsening at the sharpest pace since August.

Eurozone current account, Italian trade and NAHB US housing market survey numbers are other highlights in an otherwise quiet day for economic data releases.

Tuesday

The UK sees the release of the Nationwide consumer confidence index, as well as CBI distributive trade data at 11:00 GMT.

Consumer sentiment data from GfK are published for Germany, which also sees producer prices and the closely watched IFO business survey data. Elsewhere in the monetary union, Italian industrial orders are released at 09:00 GMT.

In the US, housing starts and weekly Redbook and ICSC store chain sales data are published.

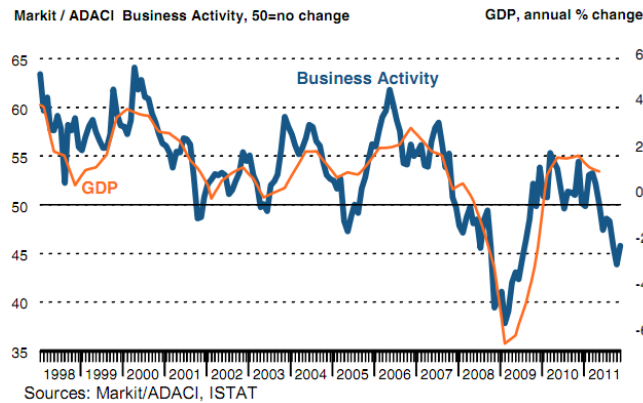
Other notable data releases include Canadian consumer price inflation, Japanese trade data and the minutes of the prior (6 December) Reserve Bank of Australia monetary policy meeting. Meanwhile, central banks in Sweden and Hungary announce their interest rate decisions.

Wednesday

The Bank of Japan is expected to stick with its ultra-loose monetary policy stance at their monthly meeting on Wednesday.

The delayed estimate of Italian Q3 economic growth will be hotly anticipated. With a decline in GDP on the cards for Q4, a third quarter contraction would almost certainly place Italy in technical recession.

Italian GDP



Public sector borrowing figures for the UK will highlight whether the Chancellor is on track to meet deficit reduction plans. Meanwhile, Gfk are scheduled to release the latest update on UK consumer sentiment.

The minutes of the latest Bank of England monetary policy meeting will provide insight into committee members' thinking on further asset purchases.

Existing home sales and mortgage applications data are the main highlights in the United States, while consumer sentiment data is published for the Eurozone.

Thursday

GDP figures will be the order of the day on Thursday, with both the UK and US scheduled to release final estimates of Q3 economic growth.

The US also sees the final consumer sentiment reading from the University of Michigan, FHFA house price and weekly jobless claims data.

Italy publishes retail sales and trade (non-EU) statistics, while Turkey's central bank meet to discuss monetary policy and set interest rates.

Friday

New home sales, personal income & outlays and durable goods orders data are released in the United States.

France sees producer prices data and the final estimate of Q3 economic growth, while Italian hourly wages and consumer confidence numbers are published.

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