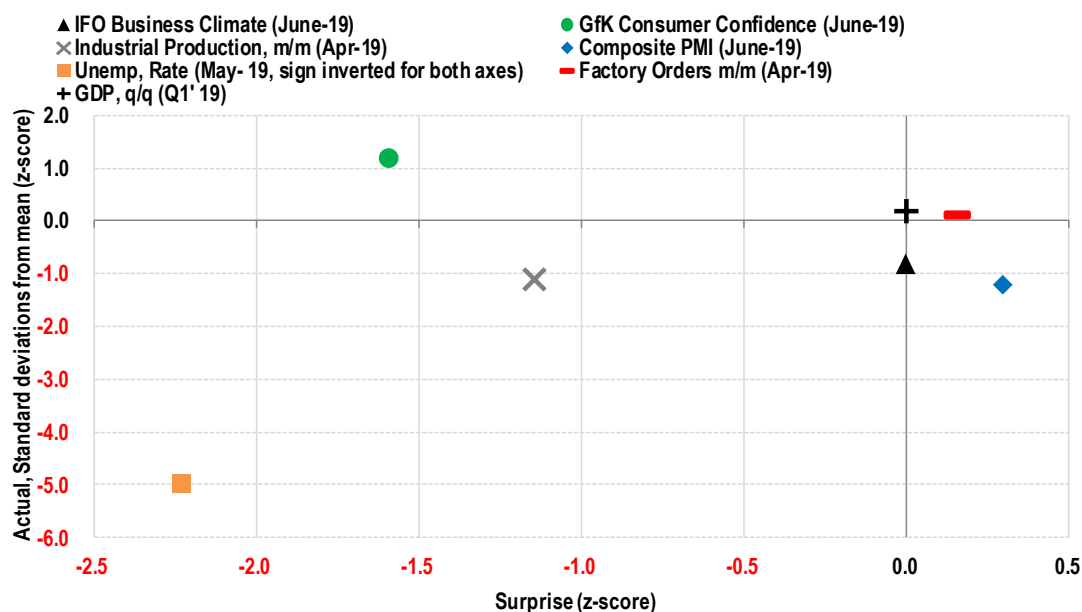


Pulse

Germany: Signs of stabilisation

Today's Pulse for Germany suggests that the economy is doing even less well than the already diminishing expectations. But on closer inspection, it does not look half so bad. In fact, some indicators such as the Ifo climate index and manufacturing orders are showing signs of stabilising, albeit at a low level. Consumer confidence recorded losses for a second month in a row. However, also in this case, the assessment of the economic climate showed signs of stabilisation. Finally, the worst negative surprise came from unemployment, rising in May for the first time in five years. The weak economic environment may have played the role. But the main reason was an inspection carried out by the Federal Audit Office which unearthed 30k to 40k more unemployed than previously reported. Again an example of German thoroughness.



Source: Bloomberg, Markit, BNP Paribas

Indicators preview

As usual, the first week of the month is very heavy in terms of data releases. Japan will publish the Tankan survey and consumer confidence and, in the eurozone, the unemployment rate for May will be released. As usual, attention will however go to the purchasing manager indices (manufacturing, services, composite) in several countries as well as both ISM indicators in the US. Most importantly, we will also have the labour market data in the US.

Date	Country/Region	Event	Period	Survey	Prior
07/01/2019	Japan	Tankan Large Manufacturing	2Q	--	--
07/01/2019	China	Caixin Manufacturing PMI	June	50.0	50.2
07/01/2019	Japan	Consumer Confidence	June	--	39.4
07/01/2019	France	Markit Manufacturing PMI	June	--	52.0
07/01/2019	Eurozone	Markit Manufacturing PMI	June	--	47.8
07/01/2019	Eurozone	Unemployment Rate	May	--	7.6%
07/01/2019	United States	Manufacturing ISM	June	51.4	52.1
07/03/2019	China	Caixin Composite PMI	June	--	51.5
07/03/2019	France	Markit Composite PMI	June	--	52.9
07/03/2019	Eurozone	Markit Composite PMI	June	--	52.1
07/03/2019	United States	Durable Goods Orders	May	--	--
07/03/2019	United States	Non Manufacturing ISM	June	56.0	56.9
07/05/2019	United States	Change in Nonfarm Payroll Employment	June	165,000	75,000

Source: Bloomberg, BNP Paribas

