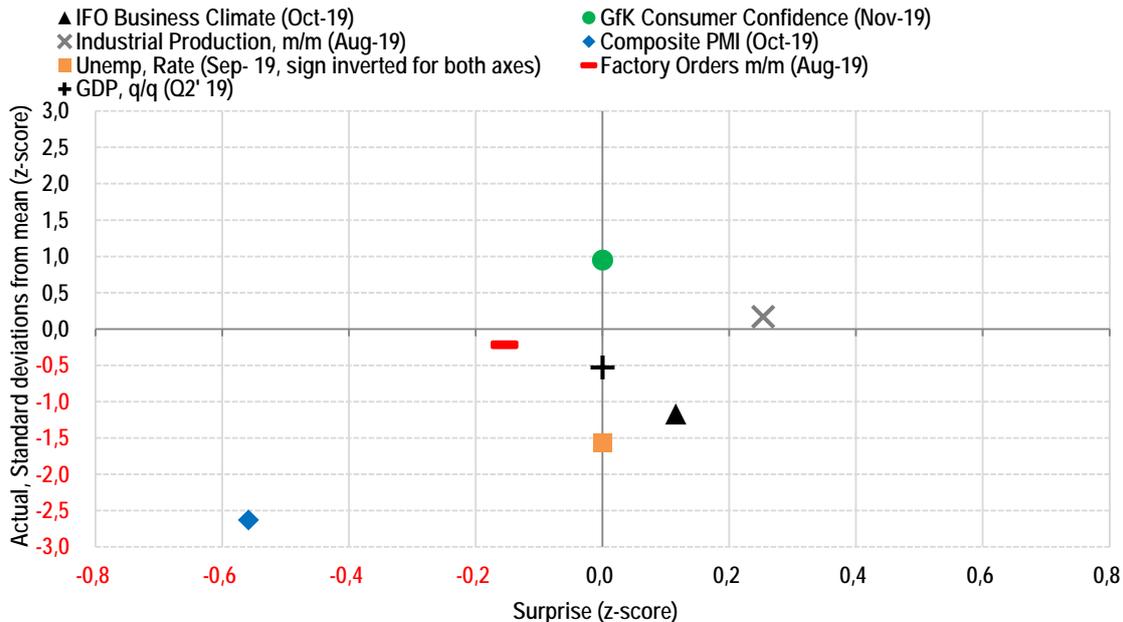


## Pulse

### Germany: A ray of hope?

After months of negative surprises, some indicators of the Pulse have migrated to the right hand side of the chart. In particular, the ifo business climate index stabilised in October, whereas the market had expected a further decline. Both ifo and pmi surveys signal a slight improvement in sentiment in manufacturing, although the indices remained deep in contraction territory. This is also confirmed by the continuing weakness of orders in August. Hence, the slight pick-up of industrial activity in that month was probably a statistical blip.

The main risk for the economy is that the negative news feed from the export-oriented manufacturing sector is spreading to the domestic economy. GfK reports that consumers are getting more negative about the economy which is also dampening income expectations and their propensity to buy. As a result, consumer confidence is set to decline in November.



### Indicators preview

Next week is very important with the meeting of the FOMC and a possible decision of another rate cut, as well as the publication of key data such as the labour market numbers in the US and the ISM index. In addition we will also have the first estimate for third quarter GDP growth in the US, the eurozone and France. Important surveys will be published covering the month of October: purchasing managers' indices, consumer confidence (France, US, UK), eurozone economic confidence. Finally, the Bank of Japan will also meet.

Date	Country/Region	Event	Period	Survey	Prior
10/28/2019	United States	Advanced Goods Trade Balance	Sep	-7.35e+10	-7.28e+10
10/29/2019	France	Consumer Confidence	Oct	--	104
10/29/2019	United States	Conf. Board Consumer Confidence	Oct	--	125.1
10/30/2019	Japan	Retail Sales MoM	Sep	--	4.8%
10/30/2019	France	GDP QoQ	3Q P	--	0.3%
10/30/2019	Germany	Unemployment Change (000's)	Oct	--	-10000
10/30/2019	Eurozone	Economic Confidence	Oct	--	101.7
10/30/2019	United States	GDP Annualized QoQ	3Q A	--	2.0%
10/30/2019	Germany	CPI EU Harmonized MoM	Oct P	--	-0.1%
10/30/2019	United States	FOMC Rate Decision (Upper Bound)	oct-30	2.00%	2.00%
10/31/2019	Japan	Industrial Production MoM	Sep P	--	-1.2%
10/31/2019	United Kingdom	GfK Consumer Confidence	Oct	--	-12
10/31/2019	China	Composite PMI	Oct	--	53.1
10/31/2019	France	CPI EU Harmonized MoM	Oct P	--	-0.4%
10/31/2019	Eurozone	Unemployment Rate	Sep	--	7.4%
10/31/2019	Eurozone	GDP SA QoQ	3Q A	--	0.2%
10/31/2019	Japan	BOJ Policy Balance Rate	oct-31	--	-0.100%
11/01/2019	China	Caixin China PMI Mfg	Oct	--	51.4
11/01/2019	United States	Change in Nonfarm Payrolls	Oct	130000	136000
11/01/2019	United States	Unemployment Rate	Oct	3.6%	3.5%
11/01/2019	United States	ISM Manufacturing	Oct	--	47.8

Source: Bloomberg, BNP Paribas

