



WEEKLY ECONOMIC INSIGHTS

A PUBLICATION OF THE **ECONOMIC RESEARCH TEAM**

THE ECB AND THE BOJ REMAIN AT THE MANOEUVRE

EUROPEAN CENTRAL BANK:

- As we were expecting, **the ECB kept its deposit rate at -0.50% and maintained the monthly pace of its asset purchases at €20bn** at its meeting on 23 January
- While it expressed slightly more confidence with regard to the stabilisation of growth and pointed to “some signs” of an increase in core inflation...
- ... **the ECB nevertheless continues to believe that the risks for the economy remain tilted to the downside**
- **Furthermore**, its bank lending survey, published last week, not only confirms that **the trends in bank lending among the eurozone countries continue to diverge...**
- ... but it also shows that **loans to businesses slowed in the eurozone, notably as a result of weakening demand**
- These factors underpin our forecast that **the ECB might be forced to maintain its monetary policy over the long term**

EUROZONE:

- **The preliminary composite PMI for the eurozone remained at 50.9 in January, which supports our scenario** of a near-stabilisation of GDP growth at 1.0% in 2020
- **The improvement in the manufacturing index**, which offset the slower momentum of services, **underpins our forecast that this sector should stabilise over the coming months**
- **While activity in the services sector rose in Germany**, in line with our scenario, **it nevertheless deteriorated in France**, suggesting that the strikes that started in December have had an impact

BANK OF JAPAN:

- **On 21 January, the BoJ maintained its key rate at -0.10% and its target 10-year government bond (JGB) yield at 0.00%**, as we were expecting
- **Furthermore, while it took account of the fiscal stimulus plan by raising its GDP forecasts, it lowered its inflation expectations at the same time...**
- ...which shows that it is even less confident than before in its ability to raise inflation to its 2.0% target and **backs our scenario of a lasting prolongation of its policy**

THE ECB AND THE BOJ REMAIN AT THE MANOEUVRE

1. ECB

Slightly more confident, the ECB nevertheless reiterated that it intended to continue its monetary policy durably

2. Eurozone

Stabilisation of activity in the eurozone, with a negative impact of the strikes in France

3. Japan

The ultra-accommodative monetary policy should be maintained, despite the fiscal stimulus plan

1. ECB: SLIGHTLY MORE CONFIDENT, THE ECB NEVERTHELESS REITERATED THAT IT INTENDED TO CONTINUE ITS MONETARY POLICY DURABLY

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At its meeting on 23 January, the ECB unsurprisingly kept its refinancing and deposit rates unchanged at 0.00% and -0.50%, respectively. Moreover, it confirmed that it intended to continue with its net asset purchases, at a monthly pace of €20 billion.

Of course, following the signature of the trade agreement between China and the US, the ECB considers that the level of uncertainty has, to an extent, been reduced. Furthermore, it expressed more confidence with regard to economic activity, saying that recent data pointed to a stabilisation of growth and pointing to signs of a slight acceleration in core inflation. However, the central bank remains cautious, telling that, although they have become less pronounced, [the risks surrounding growth remain tilted to the downside](#).

The ECB reiterated its forward guidance for its interest rates, its asset purchase programme and its reinvestment policy, under which:

- ▶ The key ECB interest rates will “remain at their present or lower levels until we have seen the inflation outlook robustly converge to a level sufficiently close to, but below, 2% within our projection horizon, and such convergence has been consistently reflected in underlying inflation dynamics”
- ▶ The asset purchase programme will “run for as long as necessary to reinforce the accommodative impact of our policy rates” and “end shortly before we start raising the key ECB interest rates”
- ▶ Reinvestments will be continued for an extended period of time past the date when the ECB will start raising the key interest rates, and “in any case for as long as necessary to maintain favourable liquidity conditions and an ample degree of monetary accommodation”.

In addition, at this meeting [the Governing Council confirmed the launch of its strategic review](#), the aim of which will be to review the relevance of the monetary policy objective and instruments, in a broad framework that will incorporate the issues of financial stability, labour and sustainable development. In this respect, [Christine Lagarde also reiterated during her press conference that climate change would be a key part of this review, which is set to be completed by the end of 2020](#).

Analysis and implications

- ▶ As we were expecting, the ECB kept its deposit rate unchanged at -0.50% and maintained the monthly pace of its asset purchases at €20bn at its meeting on 23 January.
- ▶ While it has expressed slightly more confidence regarding the outlook for GDP growth and inflation, it nevertheless continues to believe that the risks surrounding growth remain tilted to the downside.

- ▶ Furthermore, as we demonstrate in our Focus (p. 3), its Bank Lending Survey, published on 21 January, not only confirmed that the trends in bank lending were continuing to diverge among the eurozone countries, but also showed a slowdown in demand for loans by businesses
- ▶ These factors underpin our forecast that the ECB should maintain its policy of negative interest rates and asset purchases over the long term.
- ▶ Lastly, the Governing Council confirmed the launch of its strategic review, the aim of which will be to review the relevance of the monetary policy objective and instruments, in a broad framework that will incorporate the issues of financial stability, labour and sustainability.
- ▶ Christine Lagarde's expressed determination to make the ECB's balance sheet "greener" and factor climate risk into the analysis of financial risks is not neutral, according to our analysis, and could have significant consequences for financial markets as a whole¹.

FOCUS: Bank lending in the eurozone and the ECB's quarterly review

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Despite the further monetary easing in the eurozone in H2 2019, lending data shows that, while loans to households continued to grow, loans to businesses slowed. In addition, divergences in lending growth among the main eurozone countries remain high, which suggests that the existing fragmentation among national financial markets persists.

Loans to households (mortgages and consumer loans) in the eurozone increased again in November by 3.5% year-on-year (y-o-y), i.e. above the levels observed over the entire past decade (Chart 1 and Table 1). Growth was particularly strong in France (6.3%) and Germany (4.3%), two countries in which loans to households continue to accelerate. Conversely, the momentum of these loans is lower, and is even tending to slow, in Italy (2.3%), and, especially, in Spain (0.3%). The ECB's Bank Lending Survey (BLS) for Q4 2019 showed that the overall terms and conditions on new loans to households tightened just slightly, except in Spain, where there was a sharp tightening (Table 3). The compression of margins on loans and competition among banks led them to maintain relatively loose policies for housing loans and consumer loans. The growth outlook of the residential market and good solvency of households supported this policy. Furthermore, demand for loans to households continued to grow, except in Spain, where there was a notable contraction. The recent uncertain political situation in Spain may have had an impact on loan growth there.

Growth in loans to (non-financial) businesses in the eurozone slowed to 3.4% y-o-y in November, vs. 3.8% in October (Chart 2 and Table 2). **The disparities among countries appear even more pronounced than for loans to households.** Although they have slowed, loans to businesses remain very dynamic in France (6.6%) and Germany (5.9%), while they continue to contract in Italy (-1.8%) and Spain (-0.9%). The BLS shows that the credit terms and conditions for loans to businesses tightened just slightly in France, but tightened considerably more in Spain (Table 3), while they remained stable in Germany and Italy. **Demand for loans to businesses decreased in the eurozone.** It dropped sharply in Spain and to a lesser extent in France, while remaining stable in the other countries. Despite support from M&A activity, a decline in demand for financing for fixed investment contributed to this decline in demand for loans to businesses.

Given the outlook, the BLS highlights that the banks are anticipating:

- ▶ A rise in demand for mortgages and consumer loans in Q1 2020.
- ▶ A further slowdown in demand for loans to businesses in Q1 2020.
- ▶ Further tightening of conditions for obtaining loans over the next two quarters.

Analysis and Implications

- ▶ Despite the monetary stimulus, loans to businesses slowed due, in particular, to weaker demand, notably in Spain. According to the Bank Lending Survey, this demand could decline further in Q1 2020, which backs our scenario of a slowdown in business investment in the eurozone.
 - ▶ Conversely, consumer and housing loans should remain dynamic, buoyed by the good health of households, which are benefiting from a favourable labour market. This would contribute to supporting consumption, which according to our scenario would continue to be a major growth driver for the eurozone in 2020.
 - ▶ The persisting wide disparity among loan growth trends reflects, according to our analysis, the fragmentation of the eurozone's financial markets. This would force the ECB to maintain its accommodative monetary policy over the long term, regardless of economic trends.
 - ▶ Lastly, favourable credit conditions fuelling growth in mortgages would support residential real estate prices, which should continue to grow strongly in Germany, and to a lesser extent in France, according to our analysis. However, this trend, which could be perceived as a risk to financial stability, could lead to the implementation of macro-prudential rules, like in France.
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¹ For more in-depth analysis, please see our Flash Central Banks, "Greening" of the balance sheets: what are the impacts?, published on 21 January 2020

Chart 1: The acceleration in loans to households is should continue, but disparities among countries would persist...

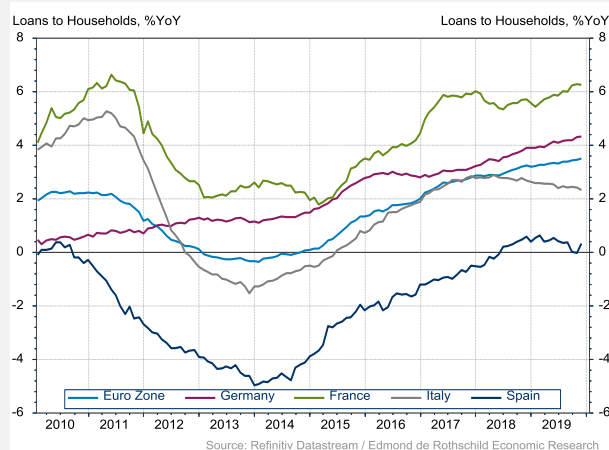


Chart 2: ... and appear even wider for loans to businesses, for which growth has slowed

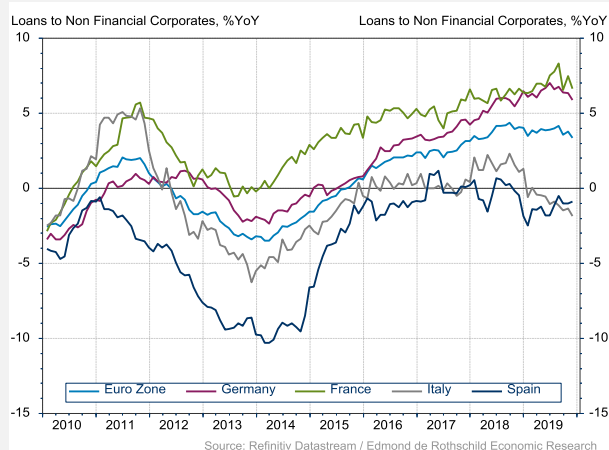


Table 1: Loans to households accelerated in Germany and France, but decelerated in Italy and Spain, where their growth remains very low after several years of contraction

	% YoY	Eurozone	Germany	France	Italy	Spain
Loans to Households	November 2019	3.5	4.3	6.3	2.3	0.3
	Jan. - Nov. 2019 (avg)	3.4	4.1	5.9	2.5	0.4
	2018 (avg)	3.0	3.6	5.6	2.8	0.1

Source: ECB, Edmond de Rothschild Economic Research

Table 2: Loans to businesses slowed overall, and contracted in Italy and Spain

	% YoY	Eurozone	Germany	France	Italy	Spain
Loans to Non-Financial Corporations	November 2019	3.4	5.9	6.6	-1.8	-0.9
	Jan. - Nov. 2019 (avg)	3.8	6.4	7.1	-0.9	-1.3
	2018 (avg)	3.8	5.6	6.2	1.6	-0.3

Source: ECB, Edmond de Rothschild Economic Research

Table 3: Credit standards tightened in Spain and eased in Italy, while loan demand generally increased, except for loans to businesses and all categories of loans in Spain

	Enterprises			House Purchases			Consumer Credit											
	Credit Standards		Credit Demand	Credit Standards		Credit Demand	Credit Standards		Credit Demand									
	Q3 2019	Q4 2019	avg. 2019	Q3 2019	Q4 2019	avg. 2019	Q3 2019	Q4 2019	avg. 2019									
Eurozone	-2	1	8	1	-8	-1	-2	1	5	15	25	5	3	3	4	8	10	2
Germany	3	0	3	9	6	5	0	0	2	28	17	9	0	0	0	6	6	9
France	3	3	6	29	-2	-9	0	2	1	28	41	8	0	0	-1	26	15	1
Italy	-10	0	13	-20	0	4	-10	-10	1	10	30	15	-10	-10	6	-10	20	14
Spain	0	10	9	-30	-40	-4	0	11	14	-33	-33	-8	20	30	7	-10	-10	-6

Note: Net % of banks reporting a tightening of credit standards or an increase in loan demand

Source: ECB, Edmond de Rothschild Economic Research

2. EUROZONE: PMI: RISE IN THE MANUFACTURING SECTOR AND A WAVERING SERVICES SECTOR IN FRANCE

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The most recent PMI data confirms that the manufacturing sector is continuing to recover in the eurozone, particularly in Germany. The services sector also grew significantly in Germany. This contrasts with the slowdown of the services sector in France, suggesting that the current strikes are having an effect, which is mainly damaging retail trade.

The preliminary PMI surveys for January for the eurozone point to a stabilisation of activity growth compared to the previous month, with the composite index remaining at 50.9. A disparity was revealed between Germany (+0.9 to 51.1), and France (-0.5 to 51.5). Furthermore, the manufacturing index, having reached levels comparable to those observed in Q2 2019, suggests that, while this sector remains low, it is firmly moving towards stabilisation, notably in Germany. Conversely, the services sector slowed slightly overall, but is still growing at a satisfactory pace (see Charts 1 to 3 and Table 1). Detailed analysis shows in particular that:

- ▶ Future expectations improved, notably thanks to a less marked decline in new manufacturing orders, which are rapidly nearing the growth phase, especially in Germany, while France has just returned to a growth phase. Both domestic and export orders reflected this trend toward stabilisation. This trend in the manufacturing sector more than offset the slight decline seen in new business inflows in the services sector.
- ▶ Employment continued to accelerate slightly overall, buoyed by the robust trend of the services sector. This contrasts with the further decline in manufacturing jobs, although at a slightly slower pace this month. Moreover, the operational capacity of companies is also increasing.
- ▶ Costs rose in the services sector, which were passed on to selling prices, which returned to H1 2019 levels. Conversely, the decline in the price of manufacturing inputs that started in Q2 2019 continued.
- ▶ The situation in Germany showed the firmest improvement. The manufacturing sector continued to improve, driven by a strong increase in future expectations of activity. Services continued the strong recovery that started in December, thanks to the acceleration in new business. The improvement in the business activity outlook in Germany, like in the eurozone, was also suggested by the ZEW index, which increased sharply in January to its highest level since August 2015 (26.7 after 10.7 and vs. 15.0 expected).
- ▶ In France, while activity in the manufacturing sector is tending to stabilise at a low level of growth, services are growing at a more moderate pace than in recent months. The reason is a drop in new business. This would suggest that the current strikes in the country are having a temporary impact, but they have eased since the government's latest concessions on pension reforms. INSEE indicators for January point to a deterioration in the situation for retail trade in particular.

Analysis and implications

- ▶ Growth in new orders and future expectations of activity in the manufacturing sector support our scenario of a stabilisation of this sector during the coming months.
- ▶ In addition to the point above, the rapid improvement in the outlook of the German services sector underpins our forecast of a re-acceleration in growth in the country.
- ▶ Overall, the trend of the January PMI surveys supports our scenario of a near-stabilisation of growth in the eurozone at 1.0% in 2020.

Chart 1: January PMIs indicate that the recovery of the manufacturing sector is continuing...

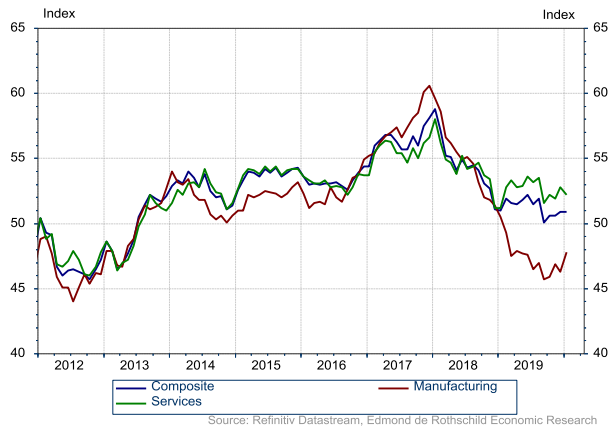


Chart 2: ... particularly in Germany, where the services sector has also recovered sharply

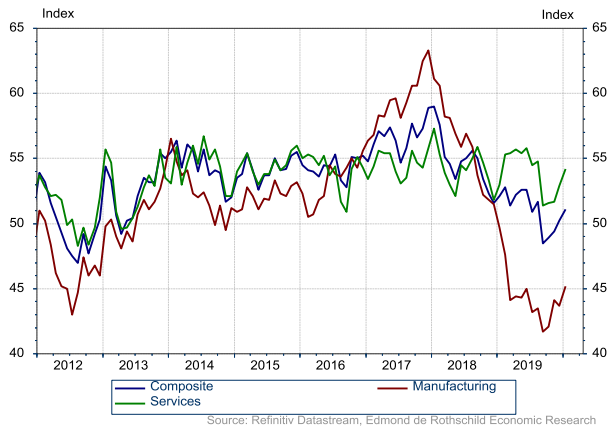


Chart 3: In France, the services sector is wavering in the wake of the strikes

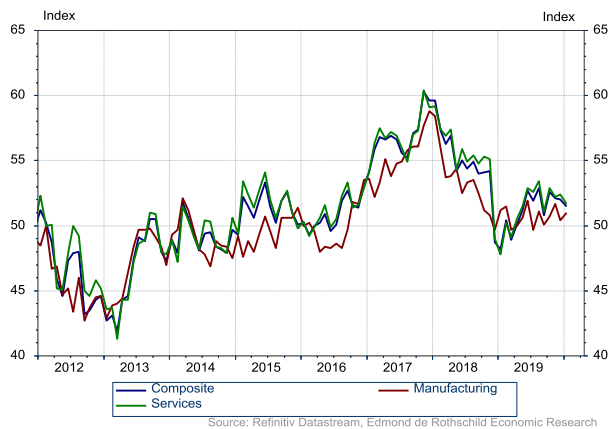


Chart 4: New manufacturing orders are moving closer to stabilisation

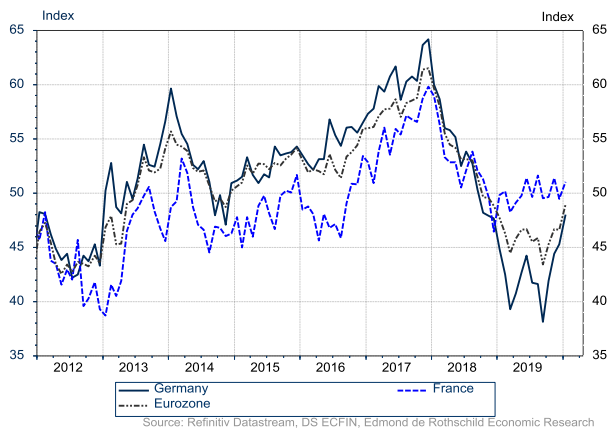


Table 1: The apparent stability of the eurozone composite index masks growth in the manufacturing sector, notably in Germany, and downwards pressure on French services in an environment marked by the strikes

	Eurozone			Germany			France		
	Composite	Manufacturing	Services	Composite	Manufacturing	Services	Composite	Manufacturing	Services
2016 (avg)	56.4	57.4	55.6	56.6	59.4	54.6	56.8	55.2	57.0
2017 (avg)	54.6	55.0	54.5	54.8	56.1	54.2	55.0	53.3	55.5
2018 (avg)	51.3	47.4	52.7	51.1	44.5	54.0	51.2	50.7	51.4
Q4 2018 (avg)	52.3	51.7	52.8	52.4	51.8	53.3	52.3	50.6	53.1
Q1 2019 (avg)	51.5	49.1	52.4	52.1	47.1	54.6	49.2	50.8	49.0
Q2 2019 (avg)	51.8	47.7	53.1	52.5	44.6	55.6	51.3	50.8	51.6
Q3 2019 (avg)	51.2	46.4	52.8	50.4	42.8	53.6	51.9	50.3	52.4
Q4 2019 (avg)	50.7	46.4	52.3	49.5	43.3	52.1	52.2	50.9	52.5
10.2019	50.6	45.9	52.2	48.9	42.1	51.6	52.6	50.7	52.9
11.2019	50.6	46.9	51.9	49.4	44.1	51.7	52.1	51.7	52.2
12.2019	50.9	46.3	52.8	50.2	43.7	52.9	52.0	50.4	52.4
01.2020	50.9	47.8	52.2	51.1	45.2	54.2	51.5	51.0	51.7

Source: Refinitiv Datastream, Markit, Edmond de Rothschild Economic Research

3. JAPAN: THE ULTRA-ACCOMMODATIVE MONETARY POLICY WOULD BE MAINTAINED, DESPITE THE FISCAL STIMULUS PAN

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At its monetary policy meeting on 21 January, the Bank of Japan (BoJ) opted to maintain the monetary status quo. It thus maintained its short-term key rate at -0.10% and kept its target for the 10-year government JGB rate at 0.00%.

In its new quarterly forecasts, the BoJ took account, of course, of the stimulus plan adopted by the Japanese government at the beginning of December 2019. This plan, which will be fully deployed over the 2020 fiscal year, involves a budget of JPY26,000bn (approximately €210bn) including JPY13,200bn in public spending, the rest corresponding to the estimated rise in private demand that should result from the new government support measures. For Prime Minister Shinzō Abe, these new measures are necessary to counter the downwards risks to growth resulting from the increase in the rate of VAT from 8% to 10% in October 2019 as well as the possible deceleration in demand in H2 2020 when the Tokyo Olympic Games are over.

These new fiscal measures have led the Bank of Japan to revise up its GDP growth forecasts by +0.2 point for the 2019 and 2020 fiscal years and by +0.1 point for the 2021 fiscal year (see table below).

However, despite this, the BoJ has also once again revised down its inflation forecasts (lowering them by -0.1 point for all of those years), on the basis that recent price trends and inflation expectations were more moderate than it had anticipated.

Moreover, the Japanese central banks continue to believe that the risks for growth and prices both remain tilted to the downside, leading it to reiterate its forward guidance, under which:

- ▶ It intends to maintain its key rate at -0.1% or below “for as long as necessary”
- ▶ It also plans to continue its quantitative easing and yield curve control policies “for as long as is necessary” to sustainably maintain its 2.0% inflation target
- ▶ It stated that it is ready to implement new monetary easing measures if the return of inflation towards its 2.0% target appears compromised

Analysis and implications

- ▶ While the announcement of the fiscal stimulus plan at the end of 2019 led the BoJ to revise up its GDP growth forecasts, notably for fiscal years 2020 and 2021, the extent of this revision was nevertheless limited.
- ▶ Furthermore, the simultaneous revision of its inflation forecasts for those years shows that the BoJ is less confident than before of its ability to raise inflation to its 2.0% target in the coming two years.
- ▶ The maintenance of the downwards bias of its monetary policy in its forward guidance underpins our scenario under which, despite the fiscal stimulus plan, the ultra-accommodative fiscal policy of the BoJ might be extended over the long term.

BoJ Policy Board Members' median forecast (central values)

	Real GDP	CPI (all items less fresh food)	CPI - Reference - Excl. the effects of the VAT hike and policies concerning the provision of free education
Fiscal 2019			
Jan. 2020 forecast	0.8%	0.6%	0.4%
Oct. 2019 forecast	0.6%	0.7%	0.5%
Fiscal 2020			
Jan. 2020 forecast	0.9%	1.0%	0.9%
Oct. 2019 forecast	0.7%	1.1%	1.0%
Fiscal 2021			
Jan. 2020 forecast	1.1%	1.4%	
Oct. 2019 forecast	1.0%	1.5%	

Source: Bank of Japan, Edmond de Rothschild Economic Research

APPENDIX 1 - LATEST CHANGES ON FINANCIAL MARKETS

PERFORMANCE IN LOCAL CURRENCY 24.01.2020	LAST PRICE	WEEKLY CHANGE	MONTHLY CHANGE	YEAR-TO-DATE CHANGE	1-YEAR CHANGE
Equities					
World (MSCI)	2'395	-0.8%	1.3%	1.6%	19.7%
United States (S&P 500)	3'295	-0.6%	1.7%	2.0%	23.7%
Eurozone (Euro Stoxx 50)	3'779	-0.8%	-0.1%	0.9%	19.5%
Germany (DAX)	13'577	0.4%	1.8%	2.5%	20.3%
France (CAC 40)	6'024	-1.3%	-0.2%	0.8%	22.3%
Spain (IBEX 35)	9'562	-1.2%	-1.4%	0.1%	4.1%
Italy (FTSE MIB)	23'969	-0.7%	0.9%	2.0%	21.0%
Portugal (PSI 20)	5'286	-0.4%	0.3%	1.4%	2.6%
United Kingdom (FTSE 100)	7'586	-1.2%	-0.8%	0.6%	11.4%
Switzerland (SMI)	10'850	0.1%	1.1%	2.2%	21.6%
Japan (Nikkei)	23'827	-0.9%	0.0%	0.7%	14.7%
Emerging Markets (MSCI)	1'119	-2.4%	0.1%	0.4%	8.4%
Sovereign Bonds, 10Y (change in basis point)					
United States	1.68%	-13.8	-19.1	-19.5	-107.5
Eurozone					
Germany	-0.34%	-12.0	-7.9	-15.0	-52.8
France	-0.07%	-11.7	-12.2	-19.1	-67.1
Spain	0.35%	-11.5	-6.1	-12.0	-88.3
Italy	1.23%	-14.4	-14.1	-18.0	-141.7
Portugal	0.38%	-12.0	-0.8	-6.3	-127.0
United Kingdom	0.56%	-6.9	-19.2	-30.4	-74.2
Switzerland	-0.67%	-12.8	-15.0	-20.3	-49.2
Japan	-0.02%	-2.3	-2.0	-0.9	-1.7
Emerging Markets (local currency)	3.62%	-5.5	-12.7	-124.0	-121.6
Corporate Bonds (change in basis point)					
United States (IG Corp.)	2.66%	-11.7	-23.0	-64.4	-138.6
Eurozone (IG Corp.)	0.40%	-7.7	-7.5	-41.0	-83.4
Emerging Markets (USD)	4.46%	5.5	-20.7	-5.5	-150.8
High-Yield Bonds (change in basis point)					
United States (HY Corp.)	5.29%	28.5	19.9	-42.0	-188.1
Eurozone (HY Corp.)	3.07%	0.1	-14.2	12.2	-155.4
Convertible Bonds					
United States (Convert. Barclays)	58	0.2%	3.7%	3.9%	16.1%
Eurozone (Convert. Exane)	8'373	0.6%	1.6%	2.2%	11.6%
Commodities					
Commodities	411	-1.7%	-2.4%	-2.4%	1.7%
Gold	1'572	1.4%	3.8%	3.2%	21.1%
Crude Oil (Brent)	60	-7.9%	-11.1%	-9.7%	-1.9%
Currencies					
Dollar Index	97.8	0.2%	1.0%	1.5%	2.1%
EURUSD	1.10	-0.6%	-1.4%	-1.7%	-3.5%
GBPUSD	1.31	0.6%	0.1%	-1.3%	-0.6%
EURCHF	1.07	0.5%	1.9%	1.6%	6.1%
USDCHF	1.03	0.1%	-0.6%	0.2%	-2.3%
USDJPY	108.85	-1.2%	-0.6%	0.2%	-0.5%

Source : Bloomberg

APPENDIX 2 - MAIN ECONOMIC INDICATORS

Main Economic Indicators - Released (20 - 27 January) and to be released (27 - 31 January)						
US						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
22/01	Existing Home Sales, month	Dec	5.43m	5.54m	5.35m	--
27/01	New Home Sales, month	Dec	730k	--	719k	--
28/01	Durable Goods Orders, MoM	Dec P	0.4%	--	-2.1%	--
28/01	Case-Shiller 20-City Home Price index, YoY	Nov	2.4%	--	2.2%	--
29/01	Advance Goods Trade Balance, month	Dec	-\$65.0b	--	-\$63.2b	--
29/01	FOMC Rate Decision (Upper Bound)	Jan	1.8%	--	1.8%	--
29/01	FOMC Rate Decision (Lower Bound)	Jan	1.5%	--	1.5%	--
30/01	GDP, QoQ annualized	4Q A	2.1%	--	2.1%	--
31/01	Personal Income, MoM	Dec	0.3%	--	0.5%	--
31/01	Personal Spending, MoM	Dec	0.3%	--	0.4%	--
31/01	PCE index, YoY	Dec	1.6%	--	1.5%	--
Euro zone						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
23/01	ECB - Refinancing rate	Jan	0.00%	0.00%	0.00%	--
23/01	ECB - Deposit rate	Jan	-0.50%	-0.50%	-0.50%	--
24/01	Manufacturing PMI, month	Jan P	46.8	47.8	46.3	--
24/01	Services PMI, month	Jan P	52.8	52.2	52.8	--
24/01	Composite PMI, month	Jan P	51.2	50.9	50.9	--
29/01	M3 Money Supply, YoY	Dec	5.5%	--	5.6%	--
30/01	Economic Confidence, month	Jan	101.8	--	101.5	--
30/01	Business Climate Indicator, month	Jan	-0.20	--	-0.25	--
30/01	Unemployment Rate, month	Dec	7.5%	--	7.5%	--
31/01	GDP, QoQ	4Q A	0.2%	--	0.2%	--
31/01	GDP, YoY	4Q A	1.1%	--	1.2%	--
31/01	HICP, YoY	Jan	1.4%	--	1.3%	--
31/01	Core HICP, YoY	Jan P	1.2%	--	1.3%	--
Germany						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
21/01	ZEW Survey Current Situation, month	Jan	-13.5	-9.5	-19.9	--
21/01	ZEW Survey Expectations, month	Jan	15.0	26.7	10.7	--
24/01	Manufacturing PMI, month	Jan P	44.5	45.2	43.7	--
24/01	Services PMI, month	Jan P	53.0	54.2	52.9	--
24/01	Composite PMI, month	Jan P	50.5	51.1	50.2	--
27/01	IFO Business Climate, month	Jan	97.0	95.9	96.3	--
30/01	HICP, YoY	Jan P	1.7%	--	1.5%	--
France						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
22/01	INSEE Business Confidence, month	Jan	105.0	104.0	106.0	105.0
24/01	Manufacturing PMI, month	Jan P	50.6	-	50.4	--
24/01	Services PMI, month	Jan P	52.2	51.7	52.4	--
24/01	Composite PMI, month	Jan P	52.0	51.5	52.0	--
31/01	GDP, QoQ	4Q P	0.2%	--	0.3%	--
31/01	GDP, YoY	4Q P	1.2%	--	1.4%	--
31/01	Consumer Spending, MoM	Dec	0.0%	--	0.1%	--
31/01	HICP, YoY	Jan P	1.7%	--	1.6%	--
Switzerland						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
21/01	M3 Money Supply, YoY	Dec	--	0.7%	1.3%	1.5%
28/01	Exportations réelles, GM	Dec	--	-	-0.8%	--
28/01	Importations réelles, GM	Dec	--	-	0.5%	--
30/01	KOF Leading Indicator, month	Jan	97.0	-	96.4	-
31/01	Ventes au détail réelle, GA	Dec	--	-	0.0%	-
UK						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
20/01	Rightmove House Price Index, MoM	Jan	--	2.3%	-0.9%	--
20/01	Rightmove House Price Index, YoY	Jan	--	2.7%	0.8%	--
21/01	ILO Unemployment Rate, month	Nov	3.8%	3.8%	3.8%	--
22/01	CBI Trends Total Orders, month	Jan	-25.0	-22.0	-28.0	--
24/01	Manufacturing PMI, month	Jan P	48.8	49.8	47.5	--
24/01	Services PMI, month	Jan P	51.1	52.9	50.0	--
24/01	Composite PMI, month	Jan P	50.7	52.4	49.3	--
29/01	Nationwide House Price Index, MoM	Jan	0.2%	--	0.1%	--
29/01	Nationwide House Price Index, YoY	Jan	1.5%	--	1.4%	--
30/01	Bank of England Bank Rate	Jan	0.8%	--	0.8%	--
30/01	BOE Asset Purchase Target	Jan	435b	--	435b	--
31/01	GfK Consumer Confidence, month	Jan	-9.0	--	-11.0	--
Japan						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
20/01	Industrial Production, MoM	Nov F	--	-1.0%	-0.9%	--
21/01	BOJ Short-Term Policy Rate	Jan	-0.1%	-0.1%	-0.1%	--
21/01	BOJ Long-Term Policy Rate	Jan	0.0%	0.0%	0.0%	--
24/01	CPI, YoY	Dec	0.7%	0.8%	0.5%	--
31/01	Industrial Production, MoM	Dec P	0.7%	--	-1.0%	--
China						
Date	Indicator	Period	Consensus	Actual	Prior	Revised
31/01	Composite PMI, month	Jan	--	--	53.4	--
31/01	Manufacturing PMI, month	Jan	50.0	--	50.2	--
31/01	Non-manufacturing PMI, month	Jan	53.0	--	53.5	--

APPENDIX 3 - KEY EVENTS IN 2020

Key events in 2020

Date	Geographical area	Event
29.01.20	United-States	Fed Monetary Policy Decision
30.01.20	United-Kingdom	BoE Monetary Policy Decision
30.01.20	United-States	Q4 19 GDP first estimate
31.01.20	United-Kingdom / European Union	Default date for the UK to leave the EU
31.01.20	Euro zone	Q4 19 GDP first estimate
01.02.19	European Union	European Commission New Economic Forecasts
Février-Mars	United-States	J. Powell Testimony before the congress
15.02.20	United-States / China	Last day to implement "phase 1" deal if it was to be sign on 15 January
03.03.20	United-States	Super Tuesday Democratic Party (14 primaries)
05.03.20	China	National People's Congress
12.03.20	Euro zone	ECB Monetary Policy Decision
15.03.20	France	French municipal elections
18.03.20	United-States	Fed Monetary Policy Decision
19.03.20	Switzerland	SNB Monetary Policy Decision
19.03.20	Japan	BoJ Monetary Policy Decision
26-27/03/20	European Union	European Council
26.03.20	United-Kingdom	BoE Monetary Policy Decision
T1 20	Espagne	First decisions of the new Spanish coalition
T1 20	Euro zone	Implementation of new macro-prudential rules on the granting of mortgage credit
Avril - Mai	United-States	US Treasury Report on Foreign Exchange Policies of Major Trading Partners of the US
17.04.20	China	Q1 20 GDP
28.04.20	Japan	BoJ Monetary Policy Decision
29.04.20	United-States	Fed Monetary Policy Decision
29.04.20	United-States	Q1 20 GDP first estimate
30.04.20	Euro zone	ECB Monetary Policy Decision
30.04.20	Euro zone	Q1 20 GDP first estimate
Mai	European Union	European Commission New Economic Forecasts
07.05.20	United-Kingdom	BoE Monetary Policy Decision
17.05.20	Switzerland / European Union	Possible resumption of negotiations on the institutional agreement between Switzerland and the EU
Juin - Juillet	Euro zone	ECB annual Forum in Sintra
Juin-Juillet	United-States	J. Powell Testimony before the congress
04.06.20	Euro zone	ECB Monetary Policy Decision
10.06.20	United-States	Fed Monetary Policy Decision
16.06.20	Japan	BoJ Monetary Policy Decision
18-19/06/20	European Union	European Council
18.06.20	United-Kingdom	BoE Monetary Policy Decision
18.06.20	Switzerland	SNB Monetary Policy Decision
13-16/07/20	United-States	Democratic National Convention
15.07.20	Japan	BoJ Monetary Policy Decision
16.07.20	Euro zone	ECB Monetary Policy Decision
16.07.20	China	Q2 20 GDP
29.07.20	United-States	Fed Monetary Policy Decision
30.07.20	United-States	Q2 20 GDP first estimate
31.07.20	Euro zone	Q2 20 GDP first estimate
01.08.20	United-States	Jackson Hole Symposium
06.08.20	United-Kingdom	BoE Monetary Policy Decision
24-27/08/20	United-States	Republican National Convention
10.09.20	Euro zone	ECB Monetary Policy Decision
16.09.20	United-States	Fed Monetary Policy Decision
17.09.20	United-Kingdom	BoE Monetary Policy Decision
17.09.20	Japan	BoJ Monetary Policy Decision
24.09.20	Switzerland	SNB Monetary Policy Decision
29.09.20	United-States	First Presidential Debate
15-16/10/20	European Union	European Council
16.10.20	United-States	Second Presidential Debate
19.10.20	China	Q3 20 GDP
22.10.20	United-States	Third Presidential Debate
29.10.20	Euro zone	ECB Monetary Policy Decision
29.10.20	Japan	BoJ Monetary Policy Decision
29.10.20	United-States	Q3 20 GDP first estimate
30.10.20	Euro zone	Q3 20 GDP first estimate
03.11.20	United-States	Presidential Election
05.11.20	United-States	Fed Monetary Policy Decision
05.11.20	United-Kingdom	BoE Monetary Policy Decision
10.12.20	Euro zone	ECB Monetary Policy Decision
16.12.20	United-States	Fed Monetary Policy Decision
17.12.20	United-Kingdom	BoE Monetary Policy Decision
17.12.20	Switzerland	SNB Monetary Policy Decision
18.12.20	Japan	BoJ Monetary Policy Decision
Over the year	United-States / China	Trade negotiations
Over the year	United-States / Euro zone	Risk of US tax hike on European vehicles
Over the year	Switzerland / United-States	Negotiations on the Swiss-United States Free Trade Agreement
Over the year	Germany, Spain	Possible implementation of rental framework rules in some German cities and in Spain.
Over the year	Moyen-Orient, Libye	Geopolitical risks in the Middle East and Libya

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