The Week Ahead World

Bankers meet at Jackson Hole, China-US tariffs, Pope visits Ireland

Your FT guide to this week's big events

YESTERDAY

Monday

GREECE BAILOUT ENDS

Greece is set to leave its international financial bailout agreement and return to the international capital markets after eight years of relying on loans from EU governments and the International Monetary Fund. The IMF last month warned eurozone governments that they need to give Greece more long-term debt relief to stop the country from being locked out of financial markets.

- Greece brain drain hampers recovery from economic crisis

VENEZUELAN BOLÍVAR

Venezuela, which is suffering one of the worst economic meltdowns in Latin American history, is set to remove five zeroes from its currency, the bolívar, amid hyperinflation. Inflation in Venezuela is expected to reach 1,000,000 per cent this year. The country's economy has halved in size over five years and the IMF expects it to shrink by a further 18 per cent this year. Banks and merchants fear the government is not prepared for the five zeroes measure and that it will disrupt daily commerce severely.

- Venezuela to lop five zeros off its currency

Tuesday

CORPORATE EARNINGS

An upbeat outlook on the iron ore price should help Anglo-Australian miner **BHP Billiton** to remain optimistic when it posts full-year results. Analysts expect it to report a 37 per cent rise in earnings per share for the year, to $1.73, while revenue is expected to rise 19 per cent to $45.55bn. the group's capital return is also likely to benefit from the sale of US onshore oil and gas assets.

Recommended

Norway's $1tn oil fund reports second-quarter results. Volatile equity markets helped the fund to its first negative return in two years last quarter, leading some analysts to question the benefits of the fund's increased exposure to equities and investors will watch closely for developments on this. **Persimmon**, the UK's second-largest housebuilder, will be hoping investors keep their focus on its profits when it reports its half-year results — it spent much of the first half of the year battling with angry shareholders over its lucrative executive bonus scheme. The company has already revealed revenues of £1.74bn for the half year, a 5 per cent rise on the same period last year, but investors will be keeping tabs on pre-tax profits.

Wednesday

RUSSIA SANCTIONS

Washington is set to impose a new set of sanctions against Russia. These will relate to the exports of sensitive electronic components and other technologies. The sanctions come after the US determined Moscow used a nerve agent against a former Russian double agent living in the UK. According to the US state department "more draconian" sanctions will follow within 90 days if Russia fails to give reliable assurances it will no longer use chemical weapons and allow on-site inspections by the UN.

Feedback

- US to impose sanctions on Russia over Skripal poisoning

FED MINUTES

The Federal Reserve is due to release the minutes of its August monetary policy meeting, when it left rates unchanged and signalled it was on course for a further increase in short-term interest rates as soon as September. Investors will study the minutes for tweaks to its assessment of the economy and inflation or trade talk. "The FOMC minutes should bring little new information in terms of the pulse of the economic backdrop or the pace of Fed rate hikes," said strategists at RBC Capital Markets. "Unfortunately, recent speeches by FOMC members suggest that there is not yet a strong consensus, so we think that at most we will see the various options being laid out."

- Fed hails strong economy with rate rises ahead

CORPORATE EARNINGS

Royal Bank of Canada, the country's biggest lender, posts third-quarter earnings. Investors will be looking for details on the impact of tougher new mortgage lending rules. **Ping An**, China's largest insurer by market value, posts first-half results with the focus on how the company has fared amid Beijing's crackdown on cross-border investment. Minneapolis-based retailer **Target** is expected to post a strong rise in second-quarter sales and profit as consumers continue to visit and spend at its stores in a strong US economy. It is expected to see seasonal merchandise sales rebound after a delayed spring. Investors will be on the lookout for the company's sales so far during the back-to-school season and spending plans for the upcoming holiday season.

Thursday

CHINA-US TARIFFS

The US is expected to impose 25 per cent tariffs on an additional $16bn of Chinese imports, including motorcycles and steam turbines. China's commerce ministry is set to impose its own 25 per cent import duties on $16bn worth of US goods in retaliation, including coal, oil, chemicals and some medical equipment. The US says its tariffs are being deployed to penalise China for "unfair" trade practices, such as rules compelling companies in certain sectors to take on local partners if they want to operate in China.

- US-China trade dispute

CENTRAL BANKERS MEET AT JACKSON HOLE

Central bankers are due to gather at Jackson Hole, Wyoming, for one of the big events of the central banking calendar. The symposium, which runs until Saturday, attracts intense attention from activist groups as well as the media and financial markets. On Friday, Jay Powell is scheduled to make his first address to the event as chairman of the US Federal Reserve in a discussion on monetary policy in a changing economy.

Recommended

The debate this year will centre on the increasing market power of massive corporations, as well as the impact of increased online activity. The meetings will examine the drivers behind shifting productivity, growth and inflation that have puzzled central bankers in recent years. In particular, they are likely to home in on the conundrum of low wages and weak inflation that have complicated rate-setting policy in recent years.

CORPORATE EARNINGS

Alibaba reports first-quarter results. The Chinese tech giant has posted strong revenue growth in all areas over recent years and its latest acquisitions are set to drive this even higher. Analysts forecast earnings per share of $0.82 for the quarter. **HP Inc**, which was spun out of Hewlett-Packard in 2015, is expected to report a rise in third-quarter revenue due to strong growth in its personal systems business that includes notebooks and desktops. Higher sales of Old Navy and Banana Republic clothing is expected to boost second-quarter sales and profit for apparel retailer

Feedback

Gap. Investors will keep an eye on the performance of the company's namesake brand, which has reported declining sales for much of the past two years.

Friday

GERMAN GDP

German statisticians are due to provide a second-release breakdown of what happened to growth between the first and second quarters of this year. After a 0.4 per cent rise in the previous three months, the hope is that the expansion remains on track. With almost a third of all eurozone economic output coming from Germany, weaker growth here would raise concerns of a broader regional slowdown. Investors will also watch the effects US-China trade tensions have had on business confidence as German industry is heavily reliant on export sales.

- Eurozone GDP growth upgraded after stronger German figures

Saturday

POPE VISITS IRELAND

Pope Francis is scheduled to arrive in Ireland for a two-day visit, the first papal visit to the predominately Catholic country in nearly 40 years. He will attend a number of meetings, visits and official engagements, including an appearance at Dublin's Croke Park for the Feast of Families festival on Saturday. He will also hold a Holy Mass in the capital city's Phoenix Park on Sunday, where organisers expect a total of 500,000 people to turn out. After the Mass the pontiff will meet bishops in the Convent of the Dominican Sisters before flying back to Rome.

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