**The Week Ahead** Global Economy

# Apple product launch, EU State of the Nation, BoE MPC meeting

Your FT guide to this week's big events

YESTERDAY

## Monday

UK DATA

The Office for National Statistics releases its monthly estimate of construction industry output in both private and public sectors for July and new orders April to June. Also out is its UK trade report for July, which shows the latest monthly statistics on trade in goods and services, as well as its monthly index of production figures for July, including the volume of production at base year prices for the manufacturing, mining and quarrying, and energy supply industries.

## Tuesday

9/11 ANNIVERSARY

The US marks the anniversary of the attacks on September 11 2001 in which nearly 3,000 people were killed when terrorists flew hijacked planes into New York's World Trade Center, the Pentagon and a field in Pennsylvania. US president Donald Trump and his wife, Melania, will attend a ceremony in Shanksville, Pennsylvania to remember those killed when hijacked Flight 93 crashed. It is thought the passengers and crew thwarted a strike on the US Capitol. New Yorkers will commemorate the anniversary with a ceremony at Ground Zero, featuring the reading of the names of the dead.

RUSSIA-CHINA WAR GAMES

Russia has touted its Vostok-2018 (East-2018) military exercises, which will take place from today until Saturday in central and eastern Russia, as its biggest drills in nearly four decades. Taking part will be 300,000 Russian troops, 1,000 aircraft, 36,000 tanks and armoured vehicles, 3,200 Chinese troops and 900 tanks and armoured vehicles, as well as troops from Mongolia.

- China and Russia's dangerous liaison

CORPORATE EARNINGS

British equipment rental company **Ashstead** is expected to post higher first-quarter revenues, helped by a rise in rental revenue from its largest unit, Sunbelt US. The company has reported a sequential fall in rental revenue in the past two quarters and investors will look closely at comments on demand as well as forecast for the year. Britain's largest sportswear retailer **JD Sports** is expected to post a higher first-half profit led by strong demand for its sport shoes and clothes despite a weak UK retail environment. Analysts will watch for comments from the retailer on overseas performance, especially Finish Line, which was bought by JD in March.

- How JD Sports won the UK 'athleisure' race

WEF ON ASEAN

The World Economic Forum about the Association of Southeast Asian Nations starts today in Hanoi, Vietnam, continuing until Thursday. The conference brings together 1,000 delegates from 43 countries and covers topics including regional integration, governance issues, infrastructure and innovation. Among the delegates are the prime ministers of Cambodia, Laos, Malaysia, Singapore, Vietnam and Sri Lanka, presidents of Indonesia and the Philippines, and Myanmar's de facto leader, Aung San Suu Kyi.

- South-east Asia faces trade war fallout

Feedback

## Wednesday

APPLE LAUNCH

**Apple** is expected to unveil a trio of phones, including the iPhone XS and a fourth-generation version of its Watch, in a launch event at its new Apple Park headquarters. New iPads and Macs could also be on show. Apple is expected to sell more than 200m iPhones in the next year, as it battles renewed competition from Chinese smartphone makers in a slowing market. Chief executive Tim Cook has pointed to artificial intelligence and augmented reality as pillars of its strategy, so expect the new devices to be joined by software upgrades in iOS 12.

- Apple needs to win on software, not shiny devices

EU STATE OF THE NATION

Jean-Claude Juncker, European Commission president, delivers his final State of the Union speech at the European Parliament in Strasbourg. He is expected to lay out the commission's policy priorities until European Parliament elections in May. Officials say the speech will focus on migration, security and foreign policy. Mr Juncker will formally announce plans allowing EU governments to decide their own timezone by abolishing clock changes, and regulations forcing internet giants such as YouTube and Facebook to remove terrorist content within an hour of detection. Observers expect him to warn against voters succumbing to foreign interference that threatens to stoke populist and anti-EU sentiment ahead of May's vote.

- Europe fires the starting gun in race for top jobs

FED BEIGE BOOK

The Federal Reserve issues its so-called Beige Book, a compendium of anecdotes on the health of the economy drawn from the central bank's sources across the nation. The July edition said US manufacturers "reported higher prices and supply disruptions that they attributed to the new trade policies". The ongoing tariff war is expected to result in a further impact in August's report.

CORPORATE EARNINGS

British furniture retailer **Dunelm** is expected to post lower than expected annual pre-tax profit, as it takes a charge and incurs trading loss related to website businesses it bought in 2016. Investors will look at the company's plan to offset pressure from the integration of Worldstores, the UK online retailer of products for the home and garden, and comments on high street conditions.

- DFS and Dunelm suffer as summer heat prompts warnings on profits

## Thursday

BANK OF ENGLAND

After the Bank of England raised interest rates to more than 0.5 per cent last month for the first time since the financial crisis, expectations of another increase at this week's meeting of the Monetary Policy Committee — or any time before the UK leaves the EU — are very low. The minutes of the meeting, published today alongside the decision, will reveal some details on whether the economy has developed along the lines that the central bank forecast in its August inflation report.

- A false step by the Bank of England

CORPORATE EARNINGS

**Adobe Systems** is to publish its third-quarter financial results. The US software company reported record revenue of $2.2bn in its second quarter, with particularly quick sales growth in its cloud business. The market will be watching for updates on the integration of Magento Commerce, which Adobe acquired for $1.7bn in June. US supermarket chain **Kroger Co** is to publish its second-quarter financial results. The Zacks consensus estimate for earnings is pegged at $0.38 per

Feedback

share, reflecting a change of minus 2.6% year on year. **Wm Morrison** is to release its interim results. The UK supermarket chain is expected to report a 0.6% rise in earnings for the first half (H1), to 13.1p per share, while revenue rises 2.6% to £17.7bn, according to IG Bank. **GVC** is expected to report higher second-quarter revenue on the back of better than expected sequential online revenue growth, helped by better "win" margins in sports betting during the football World Cup, Reuters reports. Analysts expect GVC to further raise its synergy target after the takeover of Ladbrokes Coral and a more-detailed indication about full-year expectations.

GERMAN CPI

The Statistisches Bundesamt in Germany is to release the consumer price index for August 2018. The preliminary CPI report on August 30, measuring the average price change for all goods and services purchased by households for consumption purposes, gave a provisional inflation figure of 2 per cent. The inflation figures from Europe's largest economy are closely watched because of its impact on the eurozone.

- German inflation rate holds steady in July at 2.1%

US CPI

The US Bureau of Labor Statistics releases the consumer price index for August. The report, which gives monthly data on changes in the prices paid by consumers for a representative basket of goods and services, is expected to show a marginal easing in annual inflation from 2.9 per cent to 2.8 per cent. Core inflation, which strips out volatile energy and food prices and is closely followed by the Fed, rose 2.4 per cent year on year in July. It is expected to remain unchanged in August.

- US core inflation rises at fastest pace in 10 years

## Friday

US DATA

The US Federal Reserve releases industrial output figures for August, covering manufacturing, mining, and electric and gas utilities, and the US Bureau of Labor Statistics publishes the Import and Export Price indices for August, which includes changes in the prices of non-military goods and services traded between the US and the rest of the world.

## Saturday

LIBERAL DEMOCRAT CONFERENCE

The Liberal Democrats' party conference begins in Brighton today and ends on September 18 with the leader's speech from Vince Cable. Issues under discussions are proposed reforms to membership to allow registered non-paying supporters to vote in leadership elections, to let non-MPs stand for the leadership, and to replace the UK's £30bn business rates system with a land value tax. The fiercely anti-Brexit party is positioning itself as a mass movement for moderates.

- Vince Cable to step down as Liberal Democrat leader next year

Copyright The Financial Times Limited 2018. All rights reserved.

Feedback

**Latest on Global Economy**