

European Stock Futures Just Higher ahead of U.S key inflation data

European stock markets are expected to open marginally higher Monday, with investors wary at the start of a week that includes the release of key U.S. inflation data and comments from Federal Reserve Chairman Jerome Powell.

Global stock markets will be focusing squarely on the latest U.S. inflation data this week, with strong numbers potentially cementing an early rate hike from the Federal Reserve.

The consumer price inflation data, on Wednesday, is expected to show headline CPI breaking above 7% year-on-year, approaching a four-decade high, while producer price inflation data the following day is also expected to show a surge higher.

Additionally, Fed Chairman Jerome Powell is scheduled to testify Tuesday before a Senate panel at his nomination hearing, and his comments will be parsed carefully for clues as to the central bank's intentions.

The Fed is expected to lift interest rates well before its Eurozone counterpart, with influential investment bank Goldman Sachs now seeing the U.S. central bank raising interest rates four times this year. Even so, annual inflation in the Eurozone hit 5.0% last week, a new record high, raising the pressure on the European Central Bank to tighten its own monetary policy.

In corporate news, the banking sector is likely to be in focus this week, with fourth quarter results from several large U.S. banks, including JPMorgan Chase (NYSE:JPM), Citigroup (NYSE:C) and Wells Fargo (NYSE:WFC), starting the earnings season on Friday.

Oil prices stabilized Monday after the sharp gains of the previous week, as operator Chevron said Sunday that Kazakhstan's largest oil venture, Tengizchevroil, is gradually returning to normal production levels after recent protests limited output.

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