

Highlights include China Inflation and Activity Data, UK Jobs, Aussie Jobs, NZ Inflation Forecasts, BoJ SOO

- **MON:** BoJ Summary of Opinions (Oct); Norwegian CPI (Oct), EZ Sentix (Nov), Chinese M2 & New Yuan Loans (Oct)
- **TUE:** US Veterans' Day; New Zealand Inflation Forecasts (Q4), UK Unemployment Rate/Wages (Sep), EZ & German ZEW (Nov), US NFIB (Oct), ADP's new weekly "preliminary" jobs estimate
- **WED:** BoC Minutes (Oct), EIA STEO, OPEC MOMR
- **THU:** IEA OMR; UK GDP (Sep/Q3), EZ Industrial Production (Sep), US Cleveland Fed (Oct), New Zealand Manufacturing PMI (Nov)
- **FRI:** CNB Announcement; Chinese Activity Data (Oct), German WPI (Oct), Swedish Unemployment Rate (Oct), EZ Employment Flash (Q3), GDP Flash Estimate (Q3)

CHINESE INFLATION (SUN): There are currently no expectations for the Chinese inflation metrics for October. September saw consumer inflation ease further whilst factory gate prices were stable, with September CPI M/M at +0.1% (prev. +0.2%), Y/Y at -0.3% (prev. -0.2%), and PPI Y/Y at -2.3% (prev. -2.3%). That being said, September Core CPI, which excludes food and energy, rose 1% Y/Y – the highest since February 2024, according to data from Wind Information cited by CNBC. ING expects October CPI to remain negative at around -0.2% Y/Y, as lower food prices continue to offset stabilising non-food categories. Producer prices are likely to stay subdued, given overcapacity and sluggish housing and labour markets. Overall, inflation is expected to remain weak, reinforcing expectations for further targeted policy support.

US-CHINA TRADE TRUCE EXPIRY (MON): The US and China agreed to extend their existing trade truce for another year following the announcement of a new framework reached between US President Trump and Chinese President Xi in South Korea on November 1st. The agreement effectively renews the truce until November 10th, 2026. The White House described the accord as a "massive victory" in its statement. Under the deal, China will suspend all retaliatory tariffs introduced since March 2025, remove export controls on rare earths and other critical minerals, and resume large-scale purchases of US agricultural products, including at least 12mIn metric tons of soybeans by year-end. In return, Washington will roll back 10ppts of tariffs tied to fentanyl-related measures and extend Section 301 tariff exclusions through late 2026.

BOJ SOO (MON): BoJ will release the Summary of Opinion from the October 29th-30th meeting next week, where the central bank unsurprisingly kept rates unchanged at 0.50% in a 7-2 vote in which board members Takata and Tamura remained the dissenters as they proposed a 25bps hike. There wasn't anything major new in the central bank's language as it reiterated that it will continue to raise the policy rate if the economy and prices move in line with its forecast, in accordance with improvements in the economy and prices, as well as noted that it is important to scrutinise without any pre-set idea whether the BoJ's projection will be met, given high uncertainty on trade policy and its impact on the economy, while it will conduct monetary policy as appropriate from the perspective of sustainably and stably achieving the 2% inflation target. The BoJ stated in its Outlook Report that underlying consumer inflation is likely to stagnate on slowing growth but increase gradually thereafter, and that underlying consumer inflation is likely to be at a level generally consistent with the 2% target in the second half of the projection period from fiscal 2025 through 2027. In terms of the latest median forecasts, the central bank mostly kept its median forecast for Real GDP and Core CPI unchanged, aside from the mild upgrade in FY25 Real GDP. The post-meeting press conference with BoJ Governor Ueda also provided very few clues on when the central bank will resume rate normalisation, as he stated there is no pre-set idea about the timing of the next rate hike, and the reason for holding off on rate hikes is due to overall economies and trade policy uncertainties still being high. Furthermore, he noted an increased likelihood of achieving the outlook but added that they need more data before they decide to adjust the degree of monetary easing.

NEW ZEALAND INFLATION FORECASTS (TUE): The RBNZ's Q4 Survey of Expectations will be closely watched ahead of the 26th of November policy confab, which will be the final meeting for 2025. The prior survey saw two-year-ahead inflation expectations at 2.28%, comfortably within the Bank's 1-3% target range. The RBNZ signalled an easing bias at its October decision, but the recent rise in headline inflation to 3% has raised some doubts over the timing and extent of future rate cuts. Current pricing for the 26th of November meeting sees ~27bps of rate cuts baked in, i.e. 100% chance of a 25bps reduction and a 9% chance of a 50bps cut.

UK JOBS REPORT (TUE): September's Unemployment rate is expected to tick up to 4.9% (prev. 4.8%) while the headline earning metric is forecast to remain at 5.0% and the ex-wage figure moderating to 4.6% (prev. 4.7%). Pertinently, the three-month figure is expected by Pantheon to moderate to 4.3% (prev. 4.4%), cooler than the BoE's 4.7% forecast. The series comes after the November BoE, where the focus was placed firmly on inflation data, particularly by Governor Bailey. However, the wage data could provide some early comfort to Bailey if a moderation is seen; though, the BoE's DMP points to stubborn wages, with expected pay growth from corporates remaining elevated. Wage growth is expected to dip only marginally over the next year, while the pace of disinflation on wages is forecast to moderate. Overall, the data will add some colour to the underlying inflation picture, but we are primarily awaiting the next two CPI prints and the November Budget before the December announcement.

AUSTRALIAN JOBS DATA (WED): There are currently no market expectations for the Aussie jobs data for October. The September prints saw Employment Change at +14.9k (prev. +20.5k), Participation Rate at 67% (prev. 66.8%), and the unemployment rate at 4.5% (prev. 4.3%). Westpac expects the data to confirm gradual cooling rather than sharp deterioration. The bank forecasts

employment to increase by +15k in October and the jobless rate to ease slightly to 4.4%. Westpac notes that employment growth has moderated to 1.5% Y/Y on a three-month average, below the long-run trend of 1.9%, reflecting softer momentum in the job-intensive "care economy" and a patchy recovery in the market sector. The bank expects a minor pull-back in participation to 66.9%.

BOC MINUTES (WED): The Bank of Canada cut rates by 25bps, as expected, taking rates to 2.25%, matching the bottom end of the BoC's neutral rate estimate. The BoC maintained the view of their neutral rate despite the rate cut, suggesting that any further rate cuts would be accommodative. The BoC described current interest rates as "about the right level", implying there is little room left for more easing, or at least the BoC will observe the effects of recent easing before acting again, depending on how the economy evolves. The statement did say that if the outlook changes, they are prepared to respond. It also noted that the structural damage caused by the trade conflict reduces the capacity of the economy and adds costs, noting this limits the role that monetary policy can play to boost demand while maintaining low inflation, suggesting there is not much more monetary policy can do. Both these additions to the statement suggest a clear holding bias from the BoC. We will be looking at the minutes to see if there was a broad agreement at the BoC for the holding bias ahead.

CHINESE ACTIVITY DATA (FRI): There are currently no forecasts for the Chinese activity data for October, with the September prints seeing Industrial Production Y/Y at 6.5% (prev. 5.0%), Retail Sales at 3.0% (prev. 2.9%), and Fixed Asset Investments at -0.5% (prev. +0.1%). ING expects October data to show further moderation, with Retail Sales seen easing to 2.6% Y/Y as the impact of trade-in incentives fades. Investment activity is likely to weaken further, with FAI forecast at -0.8% Y/Y amid subdued business confidence. Industrial production is expected to remain relatively resilient but slow to 5.7% Y/Y, consistent with softer signals in recent PMI data. The data will be followed by an NBS presser.

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newsquawk.com · +44 20 3582 2778 · info@newsquawk.com