Week Ahead: 24-28th November 2025

Highlights include US Retail Sales, RBNZ, UK Budget, Australian CPI, Tokyo CPI

- **MON**: Bank of Israel Announcement; German Ifo (Nov), US National Activity Index (Oct), Dallas Fed Manufacturing Index (Nov)
- **TUE**: PBoC MLF; US Consumer Confidence (Nov), Richmond Fed (Nov), US Retail Sales (Oct)
- **WED**: RBNZ Announcement, UK Autumn Budget; Australian CPI (Oct), US Dallas Fed (Oct)
- **THU**: US Thanksgiving, ECB Minutes (Oct), BoK Announcement; Chinese Industrial Profit (Oct), German GfK (Dec), EZ M3 (Oct), Consumer Confidence Final (Nov), Japanese Tokyo CPI (Nov), Industrial Profit (Oct), Retail Sales (Oct)
- **FRI**: German Import Prices (Oct), Retail Sales (Oct), Spanish Flash HICP (Nov), German Prelim. HICP (Nov), Italian Prelim. HICP (Nov), Swiss KOF (Nov), German Unemployment (Nov), Indian GDP (Q3), Canadian GDP (Q3), US Chicago PMI (Nov)

US RETAIL SALES (TUE): The delayed US September retail sales have been rescheduled for 13:30GMT/08:30EST on Tuesday, 25th November. The headline M/M is expected to rise 0.4% (prev. 0.6%, range -0.1% to +0.6%), Ex-Autos 0.3% (prev. 0.7%, range -0.1% to 0.6%), with retail control anticipated at 0.3% (prev. 0.7%). Ex-Gas and Autos last time out came in at 0.7%. In the monthly Bank of America Consumer Checkpoint data, said total credit and debit card spending per household increased 2% Y/Y in September, vs. 1.7% Y/Y in August. Seasonally adjusted spending growth per household rose 0.2% M/M, which was the fourth consecutive monthly gain. The checkpoint survey adds lower-income households showed some spending recovery, but growth remains muted compared to middle- and higher-income groups, likely due to softer wage gains. Middle- and higher-income households have stronger wage growth, but higher-income spending is likely also benefiting from wealth effects. Once again, the retail sales data will be viewed to gauge the strength, and health, of the consumer, but is it worth remembering it is September data which has been delayed due to the US government shutdown.

PBOC MLF (TUE): The PBoC stood pat on its 1-year LPR at 3.0% and 5-year at 3.5% for a sixth straight month, as expected. The decision reflects a reduced urgency for fresh easing following the US–China trade truce, despite continued signs of economic slowdown. October data showed weaker exports, retail sales, and loan growth, while the PBoC reintroduced its "cross-cyclical adjustment" (less dovish) stance in its Q3 monetary policy report. Goldman Sachs said the bank is tolerating slower credit growth and now sees a policy rate and RRR cut in Q1 2026 rather than this quarter.

RBNZ ANNOUNCEMENT (WED): The RBNZ is expected to reduce its Official Cash Rate (OCR) by 25bps to 2.25% at its final meeting this year, according to 33 out of 36 analysts polled by Reuters, with the other three expecting a hold at 2.50%. Meanwhile, money markets assign a 98% chance of a 25bps cut and a 2% chance of a 50bps reduction. Westpac also expects a 25bps cut and a downward revision to the projected OCR track by roughly 30–35bps, implying a low of 2.20% in early 2026 and a mild easing bias for next year. The bank anticipates potential division within the committee between a 25bps and 50bps cut, while signalling more transparency in communication. Westpac said a 25bps move is justified, adding that "if a 2.25% OCR can't do the job, neither will 2.0%," with the weak NZD helping to rebalance demand and inflation. Westpac is also told that Governor-elect Breman will not be involved in the policy discussions.

UK BUDGET (WED): The main goal for Chancellor Reeves is to assure markets that this really is a "one and done" budget, plugging the black hole and providing herself with headroom that is sufficient and judged as credible. However, she must balance that with not going so far on taxation that she knocks the growth narrative. Reeves needs to plug a fiscal hole that is thought to be in the GBP 20-35bln range. She can't feasibly do this via simply cutting spending, therefore the primary avenue available to her is taxation. Within this, she has two options, either breaking the manifesto by increasing the Income Tax rate. Or, increasing a number of smaller taxes in order to plug the gap. Recent reports indicate that, following a better set of OBR forecasts re. wages, the latter option is the base case. The exact amount Reeves needs to generate is different to determine, but she will need to provide a larger buffer than the GBP 9.9bln she had last time. Market reaction will likely hinge on the following points: fiscal rules (likely to be adhered to); degree of headroom (15-20bln exp.); how contractionary the budget is; confidence in the revenue generation of the smaller tax measures; DMO remit (FY25/26 remit will tick up, FY26/27 should be c. GBP 40bln lower); OBR forecasts (growth & inflation rate they judge the budget equates to). For the BoE, the bar for the Budget to significantly change the outlook for December, c. 80% chance of a cut, is relatively high as the MPC, and particularly Governor Bailey, are focussed on inflation prints. Specifically, the path of least resistance for Gilts is likely higher; though, any political fallout from the budget could spark a reassessment in the near term or as we approach the May local elections.

AUSTRALIAN CPI (WED): There are currently no expectations for Australia's CPI release. Market pricing at this point stands at a 92% chance of a hold at the December 9th meeting, with no 25bps full cuts priced in throughout the horizon. The data will also follow the RBA's November minutes, which highlighted a cautious, data-dependent stance amid persistent inflation pressures and a still-tight labour market. While inflation has fallen sharply since 2022, the RBA noted that both headline and underlying measures were "significantly higher than forecast in August," partly flagged by monthly indicators. The cash rate was left unchanged at 3.60%, with the board judging policy remains "lightly restrictive" and that it could "afford to be patient" ahead of key data. According to CBA, the minutes reaffirm that the next move will depend on inflation's persistence, while ANZ described the tone as "slightly more hawkish" than the post-meeting statement. ANZ still sees one final 25bps cut in H1 2026, whereas Westpac expects two cuts (May and August 2026) if inflation continues to moderate.

ECB MINUTES (THU): October's ECB saw the ECB hold the Deposit Rate at 2.00%. The decision to do so was based on the lack of incremental shifts in data since the September meeting and confidence that indicators of underlying inflation are consistent with the ECB's target. Additionally, the ECB retained its meeting-by-meeting and data-dependent approach. At the press conference, President Lagarde reaffirmed that policy is in a "good place" but it is not a fixed point, and the GC will do whatever is necessary to stay in a good place. With regards to the decision itself, the President stated that it was a unanimous one. In terms of the economic assessment, Lagarde stated that some of the downside risks to growth have abated. However, the same cannot be said for inflation. Overall, despite some of the risks surrounding the Eurozone outlook (US trade policies, appreciation in the EUR, French politics), the ECB remains confident in the bloc's growth outlook, whilst cautious of potential upside inflation risks. The minutes will be scoured for any early insight around December; however, it remains to be seen what insight will be provided with the board awaiting the December forecasts, particularly re. 2028, to update their assessment on the policy trajectory. As it stands, the bar for a cut in the near-term remains high with markets increasingly of the view that the ECB is likely at terminal, pricing in less than 1bp of easing in December.

BOK ANNOUNCEMENT (THU): The Bank of Korea is expected to keep its Base Rate unchanged at 2.5%, maintaining its pause since May as policymakers continue to balance household debt risks against the need to support growth. At the prior meeting, the BoK cited stable inflation and an improving growth outlook but noted rising uncertainty from US trade tensions and housing market imbalances. Bank of America economists, however, pencilled in a rate cut in November to bolster growth, contingent on progress made in trade talks and housing policy. According to Bank of America, housing inflation remains the key constraint on further easing, though a rate cut in the months ahead could still be considered if trade progress and housing measures stabilise conditions.

CHINESE INDUSTRIAL PROFIT (THU): There are currently no expectations for the Chinese Industrial Profits YTD, which rose 3.2% Y/Y in September. The prior release showed profits at large industrial firms returning to growth after months of contraction, with August profits up 20.4% Y/Y - the first monthly rise since April, driven by falling costs and a low base effect, according to the National Bureau of Statistics. Despite the improvement, the NBS cautioned that economic conditions remain “severe and complex,” with weak domestic demand and pressure on margins.

TOKYO CPI (THU): In October, Tokyo CPI rose 2.8% Y/Y (prev. 2.5%, exp. 2.4%), marking a stronger-than-expected print as firms raised prices during the key annual adjustment period, with the nationwide metric accelerating, but as expected. Following last month’s Tokyo CPI release, ING expects core CPI to hover near 2.5% by year-end, sustained by solid wage growth, though headline inflation may ease early next year as the Takaichi government implements temporary fuel tax cuts and energy bill subsidies.

CANADIAN GDP (FRI): Canada is due to release Q3 and September GDP data on Friday, Nov. 28. Statistics Canada is also expected to publish a preliminary estimate for October. For September, the agency has estimated real GDP rose 0.1%. Its advance reading implies real GDP also inched up 0.1% in Q3 2025. With the Bank of Canada holding rates at the lower end of its neutral range and signalling that current settings are appropriate, policymakers would need to see a significant surprise to resume cutting. Minutes show the bank is prepared to adjust rates if required and that it's guidance depends on the economy tracking its forecast. The BoC’s Monetary Policy Report projects weak growth in the second half of 2025, averaging about 0.75%. Exports and business investment are expected to fall further, while household and government spending continue to support activity. GDP growth is forecast to pick up gradually thereafter, with annual growth averaging 1.4% over 2026 and 2027. The Monetary Policy Report noted that the trade conflict has pushed the economy onto a weaker trajectory, noting both potential output and demand have been hit, and GDP is now projected to be about 1.5% lower by the end of 2026 than what was forecast in January.