

Week Ahead Economic Preview

US rates outlook under scrutiny amid mixed signals for policy path

3 October 2025

The outlook for US interest rates comes under the radar with the publication of the minutes from the last FOMC meeting and a speech by Jerome Powell. UK and eurozone economic prospects will also be eyed via jobs data and retail sales, and a new head at New Zealand's central bank takes the helm amid growing concerns over the economy.

Polymakers' views on the health of the US economy and the inflation outlook will come under increased scrutiny as the coming week not only brings the minutes from the last FOMC meeting but also a speech by Fed Chair Jerome Powell.

The FOMC cut the fed funds rate for the first time this year at its September meeting, but policymakers are clearly split on the rates path going forward. While nine policymakers pencilled in two more rate cuts in 2025 in the so-called 'dot plot' projections, one (new voter Stephen Miran) sees even more cuts, two see just one cut and seven see either no rate cuts or even higher rates. The central bank is juggling a weakening jobs market against the possibility of sticky tariff-related inflation. Powell himself has warned against counting on more rate cuts in the coming months. As far as data goes, trade, inventories and consumer confidence data will be adding to the picture of an economy which appears to be [showing resilience but with caution dominating the outlook](#), and dampening jobs growth amid policy uncertainty.

In Europe, construction PMIs for the UK and Eurozone are accompanied by Halifax house price data and recruitment industry survey in the former, while the eurozone also sees retail sales and German trade data published. The UK government will be eager to see some better economic news, especially on the labour market, after [early PMI data](#) showed the economy losing momentum amid further steep job losses. Eurozone policymakers will meanwhile be hoping for further signs of domestic demand reviving, notably via the retail sales data, to confirm the [tentative indications of economic recovery](#) seen in the PMI data.

In APAC, central bank decisions are due in New Zealand, Thailand and the Philippines. The former is especially interesting as the Reserve Bank of New Zealand has a new head, Anna Breman, who takes the helm as the country faces a double-dip recession risk after GDP fell on a year ago in the second quarter. The central bank cut rates to 3.0% at its last meeting.

Low business optimism so far this year has led to subdued US jobs growth, in turn persuading policymakers to cut interest rates for the first time this year in September. According to the flash PMI survey, however, the loosening of policy has helped revive spirits, albeit not sufficiently enough to restore confidence to levels seen at the end of last year.

US PMI future output expectations



Data compiled September 23, 2025

PMI 50 = no expected change over next 12 months, covers manufacturing and services.

Source: S&P Global PMI.

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Key diary events

Monday 6 Oct	Tuesday 7 Oct	Wednesday 8 Oct	Thursday 9 Oct	Friday 10 Oct
Americas - Mexico Consumer Confidence (Sep) - Brazil Balance of Trade (Sep) EMEA - Switzerland Unemployment Rate (Sep) - Eurozone, France, Germany, Italy HCOB Construction PMI* (Sep) - UK S&P Global Construction PMI* (Sep) - Eurozone Retail Sales (Aug) APAC <i>China (Mainland), South Korea, Taiwan Market Holiday</i> - Hong Kong SAR S&P Global PMI* (Sep) - Thailand Inflation (Sep) - India HSBC Services PMI* (Sep)	Americas - Canada Trade (Aug) - US Trade (Aug) EMEA - Germany Factory Orders (Aug) - UK Halifax House Price Index* (Sep) - France Trade (Aug) APAC <i>China (Mainland), Hong Kong SAR, South Korea Market Holiday</i> - Japan Household Spending (Aug) - Philippines Inflation (Sep)	Americas - US EIA Crude Oil Stock Change - US Fed FOMC Minutes (Sep) EMEA - Germany Industrial Production (Aug) - Sweden Inflation (Sep, prelim) APAC <i>China (Mainland), South Korea Market Holiday</i> - Japan Current Account (Aug) - Philippines Unemployment Rate (Aug) - New Zealand RBNZ Interest Rate Decision - Thailand BoT Interest Rate Decision - Taiwan Inflation (Sep)	Americas - Brazil Inflation (Sep) - Mexico Inflation (Sep) - US Fed Powell Speech - US initial Jobless Claims - US Wholesale Inventories (Aug) EMEA - UK RICS House Price Balance (Sep) - Germany Trade (Aug) - Türkiye Industrial Production (Aug) APAC <i>South Korea Market Holiday</i> - Philippines BSP Interest Rate Decision - Taiwan Trade (Sep)	Global GEP Supply Chain Volatility Index* (Sep) Americas - Mexico Industrial Production (Aug) - Canada Unemployment Rate and Employment Change (Sep) - US University of Michigan Consumer Sentiment (Oct, prelim) EMEA - UK & English Regions KPMG/REC Report on Jobs* (Sep) - Norway Inflation (Sep) - Sweden GDP (Aug) - Switzerland Consumer Confidence (Sep) - Italy Industrial Production (Aug) APAC <i>Taiwan Market Holiday</i> - Malaysia Industrial Production (Aug)

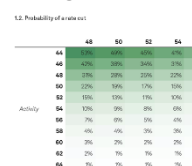
* Access press releases of indices produced by S&P Global and relevant sponsors [here](#).

Recent PMI and economic analysis from S&P Global

Global	Global manufacturing PMI signals slower global factory expansion in September	2-Oct	Chris Williamson
	Flash PMIs show US still leading developed world upturn, but manufacturing trends worsen across the board	24-Sep	Chris Williamson
	Brazil bucks EM manufacturing trends as regional neighbours show resilience	11-Sep	Pollyanna De Lima, Cassandra Pagan
	Monthly PMI Bulletin: September 2025	11-Sep	Jingyi Pan
	Global trade downturn persists into August	10-Sep	Jingyi Pan
	Global PMI growth driven by surging demand for financial services and technology	5-Sep	Chris Williamson
	Global PMI at 14-month high in August, but future growth expectations fall further	4-Sep	Chris Williamson
EMEA	Eurozone's sluggish recovery continues as flash PMI edges up to 16-month high in September	23-Sep	Chris Williamson
	UK flash PMI points to sharp growth slowdown amid ongoing job cuts in September	23-Sep	Chris Williamson
Americas	US manufacturing PMI: five key takeaways as production growth slows amid tariff disruptions	2-Oct	Chris Williamson
	Flash US PMI: Business growth slows in September, but selling price inflation also cools	23-Sep	Chris Williamson
Asia-Pacific	Japan's business activity growth slows in September as manufacturing downturn deepens	24-Sep	Jingyi Pan

S&P Global Market Intelligence highlights

Using PMI data to better understand monetary policy decisions



In this paper, we use Purchasing Managers' Index™ (PMI®) data from S&P Global to calculate the likelihood of changes in monetary policy at the world's major central banks. PMI data are advantageous as a tool for central banks, providing timely sets of macroeconomic information that are released monthly and not revised. This contrasts with official data, such as GDP, employment or the Consumer Price Index (CPI), which have a longer publication lead times and are often subject to revision.

[Click here to access our research and analysis](#)

The Decisive | PMI in Focus: Economic Signals in the Middle East and Asia



In this episode of The Decisive Podcast from S&P Global Market Intelligence, host Andrew Harker, alongside economists David Owen and Usamah Bhatti, parses the latest findings from the Purchasing Managers' Indices (PMIs) across various regions. The discussion highlights a positive trend in global business activity for August 2025, with strong growth in both the services and manufacturing sectors.

[Click here to listen to this podcast by S&P Global Market Intelligence](#)

For further information:

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Links to more resources

- [Sign up to receive updated commentary in your inbox here.](#)
- [Calendar of upcoming PMI releases](#)
- [Running commentary on the PMI survey findings](#)
- [PMI Frequently Asked Questions](#)
- [Background to the PMIs \(video\)](#)
- [Understanding the headline PMI and its various subindices](#)
- [PMI data use-case illustrations](#), from nowcasting to investment strategy
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