

January 23, 2025

Investor Signposts: Week beginning January 26, 2025

Upcoming economic and financial market events

Australia

Monday January 27	◆ Financial markets closed	<i>Australia Day public holiday</i>
Tuesday January 28	◆ CommSec State of the States (January)	<i>Economic report card across states & territories</i>
Tuesday January 28	◆ NAB business survey (December)	<i>Confidence index could lift from -3 to +3</i>
Wednesday January 29	◆ Consumer price indexes (CPI, December quarter)	<i>Core or trimmed mean CPI could lift 0.5%</i>
Thursday January 30	◆ Reserve Bank (RBA) official Brad Jones speaks	<i>At Conexus 2025 Superannuation Chair Forum</i>
Thursday January 30	◆ International trade price indexes (December quarter)	<i>Import prices could lift 0.6%</i>
Friday January 31	◆ Producer price indexes (PPI, December quarter)	<i>Producer prices could rise 0.6%</i>
Friday January 31	◆ Private sector credit (December)	<i>Housing credit growth of 0.4% is expected</i>

Overseas

Monday January 27	◆ China purchasing managers' indexes (PMIs, January)	<i>Steady factory and services PMIs are forecast</i>
Monday January 27	◆ China 1-year medium-term lending facility (MLF)	<i>No change in the 2.00% MLF rate is expected</i>
Monday January 27	◆ US new home sales (December)	<i>Sales could jump 6.6%</i>
Monday January 27	◆ US Dallas Fed manufacturing activity index (January)	<i>First positive reading since April 2022</i>
Tuesday January 28	◆ US durable goods orders (December)	<i>Tipped to increase 0.5%</i>
Tuesday January 28	◆ US home prices (November)	<i>From the FHFA and S&P CoreLogic Case-Shiller</i>
Tuesday January 28	◆ US Consumer confidence index (January)	<i>Conference Board gauge could lift to 106.0</i>
Wednesday January 29	◆ US Federal Reserve (FOMC) interest rate decision	<i>No change in rates is expected</i>
Wednesday January 29	◆ Bank of Canada (BOC) interest rate decision	<i>A quarter point rate cut is expected</i>
Thursday January 30	◆ European Central Bank (ECB) interest rate decision	<i>Another 25-basis point rate cut is expected</i>
Thursday January 30	◆ US economic (GDP) growth (December quarter)	<i>Annual growth rate could ease to 2.6%</i>
Thursday January 30	◆ US pending home sales (December)	<i>Tipped to lift 0.3%</i>
Friday January 31	◆ US employment cost index (ECI, December quarter)	<i>ECI growth of 0.9% is expected</i>
Friday January 31	◆ US personal income & spending (December)	<i>Income could lift 0.4% with spending up 0.5%</i>
Friday January 31	◆ US core PCE price index (December)	<i>Tipped to increase 0.2%</i>

Please note that forecasts are from Bloomberg and Refinitiv unless otherwise stated.

Aussie inflation report in focus alongside central bank meetings and "Magnificent Seven" earnings

- In **Australia**, a trifecta of inflation updates for the December quarter are scheduled in the coming week. On **Wednesday**, Commonwealth Bank (CBA) Group economists expect the Reserve Bank's (RBA) preferred measure of core inflation – the trimmed mean consumer price index (CPI) – to increase by 0.5% in the quarter with the annual growth rate easing to 3.2%. Such an outcome could be a catalyst for the RBA to cut interest rates in February.
- The **US** Federal Reserve Open Market Committee (FOMC) is expected to hold its benchmark interest rate steady in the current 4.25%–4.50% range on **Wednesday**, after reducing it by a full percentage point in the last three meetings of 2024. The Bank of **Canada** will likely cut interest rates by a quarter point to 3.00% also on **Wednesday**.
- On **Thursday**, the European Central Bank (ECB) is expected to reduce its deposit rate by 25 basis points to 2.75%.
- The **Australian** corporate profit reporting season kicks-off on **Thursday** with Credit Corp issuing earnings results.
- In the **US**, the fourth quarter earnings season continues on Wall Street: AT&T (**Monday**); Boeing, General Motors and Starbucks (**Tuesday**); IBM, Meta Platforms, Microsoft and Tesla (**Wednesday**); Caterpillar, Mastercard, Apple, Intel and Visa (**Thursday**); and Aon, Chevron and Exxon Mobil (**Friday**). *Ryan Felsman, Chief CommSec Economist*

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