

The Week Ahead

Group Economics | 25 July 2025

Key Macro Events 28 July – 1 August 2025

- **United States** – On Wednesday we expect the Fed to leave rates on hold. There appear to be three factions. One large group expects to hold rates for the remainder of the year, another expects two cuts, likely starting in September. The final group is composed of Waller and Bowman, who have stated that they're ready to start cutting this July, likely for political reasons. They may have a dissenting vote this Wednesday. We believe Powell to be in the second camp, with a press conference reflecting that narrative. At the same time, we expect that increasing inflation over the summer will likely grow the first camp, to ultimately be the majority.

Thursday's inflation reading will likely confirm staying on hold for at least the summer. We expect Core PCE to come in at 0.3% m/m, higher than the CPI reading. Car prices, which reduced CPI, have less influence on PCE, while PCE is expected to get a bump from health care costs and financial services. The y/y core figure will stay at 2.7%, with some upside risk to 2.8%.

On Thursday we also get the initial Q2 GDP estimate. We expect growth to rebound to 2.4%, mostly due to a drop in imports of goods after the frontloading in the first quarter. We expect consumer spending to have increased by about 1.5%, higher than the 0.5% in Q1, but still a lot lower than the pace last year. Overall, this figure would represent sharp slowdown of the economy, with the first half of the year - which averages out some of the frontloading effects - growing at about 1%, compared to almost 3% last year. Risks to our forecast are mostly tilted to the upside.

Finally, on Friday we get the July labour market report. We expect a relatively strong non-farm payrolls at 170k, well above consensus. Our high forecast is mostly related to seasonal effects and the general overstatement of NFP in recent times. We therefore still expect the unemployment rate to revert back to 4.2%.

- **Eurozone** – Q2 GDP is expected to contract on the back of an unwind in export frontloading to the US after tariffs rose in April. This is likely chiefly driven by a sharp fall in Irish GDP. Elsewhere, underlying domestic demand is likely to have continued to grow, albeit more modestly than in Q1. Inflation is expected to edge lower due to base effects in energy prices, while core inflation is expected to hold broadly steady.

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	Date	Time	Country	Market indicator	Period	Latest outcome	Expectation consensus	ABN AMRO
	19/7-31/7		US	Fed's External Communications Blackout				
Monday	28/07/2025	12:00:00	GB	CBI retail sales - balance (%)	Jul	-46.0		
Tuesday	29/07/2025	10:30:00	GB	BoE mortgage approvals - thousands	Jun	63.0		
Tuesday	29/07/2025	11:00:00	BE	GDP - % qoq	2Q P	0.4		
Tuesday	29/07/2025	15:00:00	US	FHFA house price index - % mom	May	-0.4		
Tuesday	29/07/2025	15:00:00	US	S&P/Case Shiller house price index	May	-0.3		
Tuesday	29/07/2025	16:00:00	US	Conference Board cons. confidence - index	Jul	93.0		
Tuesday	29/07/2025	16:00:00	US	US Job Openings by Industry	Jun	7,769.0		
Wednesday	30/07/2025	06:30:00	NL	Producer confidence manufacturing - index	Jul	-5.0		
Wednesday	30/07/2025	07:30:00	FR	Consumer spending - % mom	Jun	0.2		
Wednesday	30/07/2025	07:30:00	FR	GDP - % qoq	2Q P	0.1		
Wednesday	30/07/2025	09:30:00	NL	GDP - % qoq	2Q P	0.4		
Wednesday	30/07/2025	10:00:00	DE	GDP - % qoq	2Q P	-0.2		
Wednesday	30/07/2025	11:00:00	EZ	Economic sentiment monitor - index	Jul	94.0		
Wednesday	30/07/2025	11:00:00	EZ	GDP - % qoq	2Q A	0.6	-0.1	-0.2
Wednesday	30/07/2025	14:15:00	US	ADP nat. employment report - thousands	Jul	-33.0		
Wednesday	30/07/2025	14:30:00	US	GDP - % qoq annualised	2Q A	-0.5	2.5	2.4
		14:30:00	US	Personal Consumption - %qoq annualised	2Q A	0.5		1.5
Wednesday	30/07/2025	15:45:00	CA	Policy rate - %	Jul 30	2.8	2.6	
Wednesday	30/07/2025	16:00:00	US	Pending home sales - % mom	Jun	1.8		
Wednesday	30/07/2025	20:00:00	EC	FOMC Rate decision upper bound - %	Jul 30	4.50	4.50	4.5
Wednesday	30/07/2025	23:30:00	BR	Policy rate - %	Jul 30	15.0		
Wednesday	30/07/2025		BE	CPI - % yoy	Jul	2.2		
Wednesday	30/07/2025		GB	Nationwide house prices - % mom	Jul	-0.8		
Thursday	31/07/2025	01:50:00	JP	Industrial production - % mom	Jun P	-0.1		
Thursday	31/07/2025	03:30:00	CN	PMI manufacturing - index (official)	Jul	49.7		
Thursday	31/07/2025	03:30:00	CN	PMI services - index (official)	Jul	50.5		
Thursday	31/07/2025	08:45:00	FR	CPI - % yoy	Jul P	1.0		
Thursday	31/07/2025	09:55:00	DE	Unemployment - %	Jul	6.3		
Thursday	31/07/2025	09:55:00	DE	Unemployment change - thousands	Jul	11.0		
Thursday	31/07/2025	11:00:00	EZ	Unemployment - %	Jun	6.3		
Thursday	31/07/2025	14:00:00	DE	CPI - % yoy	Jul P	2.0	2.0	
Thursday	31/07/2025	14:30:00	US	Employment Cost Index	2Q	0.9		
Thursday	31/07/2025	14:30:00	US	Consumer spending - % mom	Jun	-0.1	0.4	
Thursday	31/07/2025	14:30:00	US	PCE inflation - % mom	Jun	0.1	0.3	0.3
Thursday	31/07/2025	14:30:00	US	PCE inflation - % yoy	Jun	2.3	2.5	2.5
Thursday	31/07/2025	14:30:00	US	Core PCE inflation - % mom	Jun	0.2	0.3	0.3
Thursday	31/07/2025	14:30:00	US	Core PCE inflation - % yoy	Jun	2.7	2.7	2.7
Thursday	31/07/2025	15:00:00	ZA	Policy rate - %	Jul 31	7.3		
Thursday	31/07/2025	15:45:00	US	Chicago PMI - index	Jul	40.4		
Thursday	31/07/2025		JP	Policy rate - %	Jul 31	0.5		
Friday	01/08/2025	01:30:00	JP	Unemployment - %	Jun	2.5		
Friday	01/08/2025	03:45:00	CN	PMI manufacturing - index	Jul	50.4		
Friday	01/08/2025	06:30:00	NL	CPI - % yoy	Jul P	3.1		
Friday	01/08/2025	11:00:00	EZ	HICP - % yoy	Jul P	2.0	1.9	1.9
Friday	01/08/2025	11:00:00	EZ	HICP core - % yoy	Jul P	2.3	2.3	2.3
Friday	01/08/2025	14:30:00	US	Change in employment total - thousands	Jul	147.0	101.0	170.0
Friday	01/08/2025	14:30:00	US	Unemployment - %	Jul	4.1	4.2	4.2
Friday	01/08/2025	14:30:00	US	Hourly earnings - % mom	Jul	0.2		
Friday	01/08/2025	14:30:00	US	Labour Force participation rate	Jul	62.3		
Friday	01/08/2025	16:00:00	US	Construction spending - % mom	Jun	-0.3		
Friday	01/08/2025	16:00:00	US	ISM manufacturing - index	Jul	49.0		
Friday	01/08/2025		US	Auto sales total - millions annualised	Jul	15.3		

Source: Bloomberg, ABN AMRO Group Economics (we provide own forecasts only for selected key variables and events)

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