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3rd-7th August 2026

Highlights include: OPEC JMMC, Chinese PMIs, US QRA, US ISM PMIs, Chinese Trade, and US Jobs Report

- **SUN**: OPEC JMMC Meeting
- **MON**: Chinese RatingDog Manufacturing PMI (Jul), EZ/UK/US Final Manufacturing PMI (Jul), US ISM Manufacturing PMI (Jul)
- **TUE**: South Korean Inflation (Jul), US JOLTS Job Openings, US Factory Orders
- **WED**: US Treasury Refunding Announcement, RBI Announcement, BCB Announcement, Japanese Average Cash Earnings (Jun), Chinese RatingDog Services and Composite PMIs, EZ/UK/US Final Services and Composite PMIs (Jul), US ISM Manufacturing PMI (Jul)
- **THU**: Banxico Announcement
- **FRI**: Chinese Trade Data (Jul), German Industrial Production and Trade Balance (Jul), Canadian Jobs Report (Jul), US Jobs Report (Jul)

WEEK AHEAD

OPEC JMMC MEETING (SUN): The alliance is widely expected to endorse a planned 188k bpd increase in its September production target, continuing the phased output rises implemented since June. No broader policy shift is expected, although ministers are likely to review market conditions and compliance. Recent sources said attention remained on whether OPEC+ would pause further output increases after September, with several delegates indicating the group could keep production steady through year-end amid softer demand. OPEC recently lowered its 2026 global oil demand growth forecast for a third consecutive month, while talks on 2027 production baselines are also expected to remain in focus.

CHINESE RATINGDOG PMIS (MON/WED): China's private RatingDog PMI surveys are due next week, with the Manufacturing PMI scheduled for release on Monday and the Services and Composite PMIs on Wednesday. The data will be closely watched for signs that weakness in the official PMIs is spreading to the broader private sector, particularly after the Politburo signalled it would continue implementing existing support measures rather than announce significant new stimulus

QUARTERLY REFUNDING ANNOUNCEMENT (WED): The US Treasury will release its Q3 financing estimates on Monday at 20:00 BST/15:00 EDT, followed by the Quarterly Refunding Announcement on Wednesday at 13:30 BST/08:30 EDT. In Q2, the Treasury assumed a USD 900bln cash balance at the end of June. However, based on current projections for the upcoming refunding quarter, the Treasury estimates that the Treasury General Account could peak at USD 1tln, plus or minus USD 50bln, in late July. JPMorgan said the USD 3.7tln funding gap it expects to emerge over the next four fiscal years means officials should adjust the wording of their long-standing guidance on auction sizes to meet the Treasury's objective of "prudent debt management". Specifically, it said the words "at least" should be removed from the line stating that auction sizes are expected to remain steady for "at least the next several quarters". However, JPMorgan said political considerations were likely to drive the decision. It added that changing the guidance next week could unsettle the bond market ahead of November's midterm elections, pushing long-maturity borrowing costs higher when they are already near their highest levels since President Trump took office. Treasury Secretary Bessent last year explicitly linked issuance plans to yield levels. JPMorgan therefore believes the US Treasury will avoid unsettling bond markets ahead of the crucial midterm elections and defer changes that would raise the prospect of larger bond sales in its QRA statement. In addition, new Fed Chair Warsh is at the helm and has just led his second meeting.

RBI ANNOUNCEMENT (WED): The RBI is widely expected to keep rates unchanged when it concludes its three-day meeting next week, with a recent Reuters poll showing 68 of 72 economists forecasting the Repurchase Rate will remain at 5.25% and the remaining four expecting a 25bps hike. The central bank is also likely to maintain a neutral policy stance. The MPC unanimously kept rates unchanged at its previous meeting in June, while Governor Malhotra said monetary policy had turned more cautious and that the global economy had been shaped by uncertainty in recent months, with India facing global turbulence. He also acknowledged considerable risks to inflation and growth and said domestic demand remained resilient, although elevated energy prices and supply constraints were weighing on economic activity. Malhotra added that the impact of the supply shock would weigh on the economy from Q4 onwards, the food price outlook remained uncertain and it was prudent to await greater clarity, with upside inflation risks having increased. The language points to a cautious approach, with risks likely to prompt the central bank to remain on hold, while the data also suggest little urgency to adjust policy. Indian GDP growth in the previous quarter exceeded forecasts at 7.8%, compared with expectations of 7.2% and an earlier reading of 7.8%, while CPI inflation exceeded the central bank's target for the first time in 17 months in June at 4.38%, above the 4.3% forecast, but remained comfortably within the 2%-6% tolerance range.

BCB ANNOUNCEMENT (WED): Brazil's central bank meets on Wednesday after the country's 12-month inflation rate undershot forecasts and moved closer to the central bank's target range in the mid-July reading, with desks saying the data paved the way for a fourth consecutive interest rate cut next week. At its previous meeting, the BCB cut rates by 25bps to 14.25% and left its next steps open while acknowledging a more challenging inflation outlook. Ahead of the meeting, Capital Economics said: "The drop in mid-month inflation in July is likely to provide scope for the central bank to deliver another 25bps interest rate cut at next week's meeting." BCB Governor Galipolo said last week that concerns about unanchored inflation expectations supported keeping monetary policy restrictive for longer, with the country's labour market and economic activity remaining resilient.

US ISM MANUFACTURING PMI (WED): As a proxy, S&P Global's flash manufacturing PMI edged down to 53.8 in July (from 53.9 in June), a four-month low, with the output index also cooling to 53.6 (from 56.2), the weakest since March. Under the bonnet, the picture was one of fading momentum: new orders rose at the slowest pace in four months, with domestic demand remaining the sole growth driver as goods exports continued to fall. S&P noted that precautionary stock-building, driven by concerns over prices and supply availability linked to the ongoing Middle East conflict, had been a key demand driver in prior months, and fewer such reports in July helped explain the pullback in manufacturing growth. A slower rise in inventories following the strong gains in May/June also weighed. Supply chains deteriorated, with supplier delivery times getting longer as shipping disruption in the Strait of Hormuz and demand for safety stocks exacerbated existing tariff-related constraints. Input cost inflation rose to the highest since May 2025, with firms citing elevated energy and shipping prices, tariffs and broader supplier price rises, while selling price inflation picked-up to the steepest since August 2022, as higher costs were passed on to customers. On the labour front, the manufacturing employment sub-index posted a modest rise, though high costs and an uncertain trading environment continued to restrain hiring broadly, S&P said. Manufacturer sentiment also slipped to the most pessimistic since October 2025, weighed down by weaker demand growth, global trade worries, geopolitical uncertainty, tariffs and elevated costs.

BANXICO ANNOUNCEMENT (THU): At its previous meeting, Banxico unanimously left rates unchanged at 6.5%, as expected. Looking ahead, the Governing Board said it considered it appropriate to maintain the reference rate at its current level. Banxico added that the monetary policy stance was well suited to address challenges posed by the macroeconomic environment, including those linked to the international backdrop. In recent comments, Banxico Governor Cuadra said the inflation outlook remained delicate.

CHINESE TRADE DATA (FRI): Markets are expected to focus on whether export momentum continued after June's surge, driven by strong AI-related demand and tariff front-loading. Economists expect export growth to moderate as inventory stockpiling fades and shipments to the US weaken following a rush to beat higher tariffs. Import growth is also expected to slow, reflecting subdued domestic demand and disruption caused by severe summer typhoons. The data will be closely watched for signs of how higher US tariffs and weaker domestic activity are affecting the economy.

CANADIAN JOBS REPORT (FRI): In its July communications, the BoC has framed labour market conditions as soft, with the unemployment rate standing at 6.5% in June, and been hovering in a range of 6.2-7.0% since the end of 2024. the Governing Council views this softness as indicative of ongoing economic slack, which is exerting downward pressure on prices, particularly in services ex-shelter, and is helping to offset the inflationary effects of higher energy costs, and the slow growth in unit labour costs reinforces this disinflationary dynamic. In its July meeting minutes, the central bank noted that jobs growth has resumed, however, with May and June Labour Force Survey data also showing a decline in youth unemployment. The BoC looks for slack to be gradually absorbed as economic growth strengthens, and flags that if hiring fails to pick up, consumer spending resilience could deteriorate, undermining the broader recovery.

US JOBS REPORT (FRI): According to Bloomberg, headline payrolls are expected to print 88k in July (prev. 57k), with the unemployment rate seen unchanged at 4.2%. Average hourly earnings are seen rising by 0.3% M/M, marching the prior rate, and the annual rate is also seen unchanged at 3.5% Y/Y. Analysts at Barclays are slightly above consensus, forecasting nonfarm payrolls at 100K, though says that there is uncertainty around their call; the bank's standard monthly models (which factor in weekly claims and broader employment indicators) are all pointing to a stronger print, though alternative indicator models suggests a more modest reading. Elsewhere, Barclays notes that the June data had a low response rate (of 54.4%), which raises the possibility of large revisions to the prior data, though it adds that the direction is unclear. In terms of the policy implications, its analysts say that their call/consensus is consistent with the FOMC remaining on hold as officials consider whether further tightening is needed.

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WEEK IN REVIEW

CHINA POLITBURO MEETING REVIEW: China's Politburo held its mid-year meeting on Thursday, reviewing first-half economic performance and setting the policy direction for the remainder of 2026. The meeting signalled that Beijing would continue implementing existing support measures rather than introduce large-scale stimulus, while pledging to accelerate the issuance of local government special bonds and ultra-long treasury bonds. The readout also emphasised tackling "involutionary" competition, supporting employment and domestic demand, advancing the "AI+" initiative and bolstering confidence in capital markets. In a notable change from April, leaders dropped the description of the economy as performing "better than expected" and confirmed that the Fifth Plenum of the 20th Central Committee would be held in October.

FOMC REVIEW: The FOMC left rates unchanged between 3.50-3.75%, as expected, though the decision drew three dissents, with regional Presidents Logan, Hammack and Kashkari each calling for a 25bps hike (the three in April voted against the Committee retaining an easing bias in the policy statement; that bias has since been removed under Chair Warsh). The statement was largely unchanged from June, offering no explicit forward guidance, and the Committee reiterated its commitment to delivering on price stability. The Fed continues to describe activity as expanding at a solid pace, noting that strong productivity growth and capital investment, steady job gains in line with workforce growth, and an unemployment rate that are little changed. It is worth noting that under Chair Warsh, the absence of forward guidance means each meeting is effectively live. Markets reacted dovishly to the announcement, with participants unwinding much of the hawkish positioning that had built-up ahead of the meeting; prior to the announcement, money markets were pricing around one-third probability of a hike. Ahead, markets now assigning around two-thirds probability of a hike at the September meeting, picking up from the prior weeks' 50/50-ish pricing. The reaction also saw a widening of the Treasury yield curve, with the short-end seeing lower yields and the long-end seeing higher yields; some analysts explained this as a function of the Fed being more prepared to use more active balance sheet policy ahead, making it one of the primary policy tools (rather than operating in the background, as in current policy); some have suggested that this places less of a need to use the FFR target as the main policy tool, potentially allowing the Fed to tighten conditions without the need for aggressive rate hikes. Fed's Kashkari said he dissented in favour of a 25bps rate hike, arguing that successive supply shocks and data-centre investment risk entrenching inflation. He prefers incremental tightening, which would allow the Fed to pause if inflation fades while avoiding the need for bolder action if price pressures persist. Fed's Hammack said policy is not restrictive enough and that the Fed should act now to lower inflation, with the stable labour market allowing policymakers to focus on price pressures. No statement was seen from Fed's Logan at the time of writing.

BOC MINUTES REVIEW: The BoC meeting minutes from the July meeting, where the central bank held rates at 2.25%, showed officials judged that the trade-off between supporting growth and containing inflation had eased, but uncertainty remains high. Policymakers agreed that GDP had rebounded in Q2, but they differed over whether the recovery would last. The minutes said risks included weaker business adaptation to US tariffs, stalled housing markets in Toronto and Vancouver, softer consumer demand, and flat exports and investment. The BoC saw limited evidence that higher oil prices were feeding into broader inflation, though any prolonged increases could raise that risk. Some noted the higher medium-term inflation expectations, though longer-term expectations still remained anchored. Analysts at TD Securities framed the minutes as relatively balanced, and believe they keep policy attention on upside inflation risks and downside growth risks.

AUSTRALIAN CPI REVIEW: Australia's inflation cooled by more than expected in Q2, with headline CPI rising 0.6% Q/Q, below the 0.7% forecast, while the annual rate eased to 3.8% Y/Y from 4.1%. The RBA's preferred trimmed mean CPI rose 0.9% Q/Q, as expected, but the annual rate held at 3.6%, below both the market forecast of 3.7% and the RBA's 3.8% projection. The ABS said lower automotive fuel prices were the largest contributor to the softer headline reading, while housing costs remained elevated. Desks, including Westpac, noted that the weaker-than-expected inflation data prompted markets to sharply scale back expectations of an RBA rate hike in August. "There is still a risk of a hike in November if inflation picks up again in Q3. But that is not our base case. Meanwhile the timing of the eventual unwind of the recent hikes (August 2027 start) has not been shifted by the latest data, but we will continue to assess new information", Westpac said.

BOE POLICY REVIEW: In short, an extended hold remains the base case for the BoE, and while the risks remain hawkish, the dovish points dominated. The Bank Rate was maintained at 3.75%, though the decision itself was subject to a 6-3 split with Mann joining Pill and Greene in dissenting. The repeat dissenters had familiar arguments, while Mann's was essentially due to the MoU breaking down. Pertinently, the statement showed "little evidence of second round effects thus far". The initial hawkish move to Mann quickly retraced on the lack of second round effects and the dovish optionality several members highlighted in their paragraphs; Ramsden's perhaps the most balanced, and useful, of all. Thereafter, the presser had two key points. Firstly, Lombardelli said her decision to hold was not a close call; pertinent as, given her historic hawkish-leaning remarks (e.g. 9th Dec. 2025), she would have been the next member on watch for a hawkish shift. Secondly, Bailey said it would be wrong to conclude that the BoE is edging towards a hike. The latter point sparked a notable dovish reaction.

EZ GDP REVIEW: Growth in the period was seemingly propped up by exports, potentially as the bloc fared better than some peers amid the Middle East disruption to trade, and thus served as an alternative/increased supplier. Note, the data is potentially subject to some distortion from the Irish estimate. EZ Q/Q GDP printed at 0.4% (exp. 0.2%, prev. -0.2%), with notable strength also seen in Germany's release beforehand, coming in at 0.2% Q/Q (exp. 0.1%, rev. 0.4%, prev. 0.3%) and Q1 subject to an upward revision. Germany's strength came from an increase in exports. However, the usual caveats to the data apply, particularly in relation to stockbuilding activity, a point that has been a theme of releases such as PMIs during the Middle East conflict. Overall, the 1st Q2 read will be welcomed by both fiscal and monetary policymakers. For the latter, the series lessens the odds of any objection from the dovish camp to the increasingly likely September hike, following President Lagarde's 'framework' July guidance and commentary/sources since.

US PCE REVIEW: Core PCE rose 0.1% M/M (exp. 0.2%), below what econometricians were forecasting after the CPI and PPI data (the models were looking for 0.2% M/M rounded); the annual rate fell to 3.3% Y/Y (exp. 3.3%, prev. 3.4%). Core PCE Y/Y rose 3.3% (exp. 3.3%, prev. 3.4%). Headline PCE prices declined by -0.1% M/M (exp. -0.1%, prev. 0.4%), leaving the annual rate at 3.7% Y/Y (exp. 3.7%, prev. 4.1%). "June's very subdued increase in prices for core services ex-housing is a sign of what's to come, given the ongoing cooling in wage growth," Pantheon Macroeconomics said "We expect this to reassure the Fed that disinflation is likely to resume soon."

US GDP ADVANCE REVIEW: The advanced US GDP data for Q2 printed 1.5% Q/Q (exp. 2.1%, prev. 2.1%), missing consensus expectations, but was in line with the Atlanta Fed's GDPnow tracking model. Real consumer spending rose by 3.2% Q/Q (exp. 0.4%, prev. 0.5%); core PCE in Q2 rose by 3.4% Q/Q (exp. 3.5%, prev. 4.4%), the price index rose by 6.3% Q/Q (exp. 3.6%, prev. 3.6%), sales rose by 2.2% (exp. 1.4%, prev. 1.9%). While the headline missed expectations, analysts at ING noted that the details highlighted a resilient consumer and ongoing strength in investment, adding that the inflation metrics softened and resulted in a cooling in Fed hike expectations. “We expect cooling housing costs and weak wage growth to help keep inflation in check, with tariff refunds being a major boost to corporate cash flow that mitigates cost pressures elsewhere,” ING wrote, “a de-escalation in the Middle East that yields lower energy prices would also amplify disinflationary trends through the second half of the year,” and as such, the bank thinks that the Fed’s next course of action is a prolonged pause.

BOJ REVIEW: The BoJ kept rates unchanged at 1.00%, as widely expected after the central bank raised rates at its previous meeting in June. The decision was made by an 8-1 vote, with board member Takata dissenting and proposing a 25bps rate hike, which was rejected by a majority. There was little change in the central bank's language. It said it would consider the timing and pace of rate hikes while assessing the likelihood of risks to its baseline scenario materialising, with an eye on developments in the Middle East. It also said it would continue to raise interest rates in response to economic and price developments, as well as financial conditions. The BoJ reiterated that it would conduct monetary policy appropriately to achieve its inflation target sustainably and stably, and said underlying inflation was likely to reach a level consistent with the target between the second half of fiscal 2026 and fiscal 2027. In its Outlook Report, the BoJ slightly raised its real GDP forecasts for FY26 and FY27, while lowering its core CPI estimate for FY26 and raising it for FY27. Governor Ueda's press conference prompted modest moves in the JPY, although the currency pair returned to pre-conference levels towards the end. The JPY briefly strengthened after Ueda said the next meeting would take into account the risk of inflation overshooting by more than in the past, and again after he said the BoJ did not need to wait for data showing inflation had fully stabilised at 2% before making policy decisions.

JAPAN TOKYO CPI REVIEW: Tokyo inflation accelerated more than expected in July, with headline CPI rising to 2.0% Y/Y from 1.7%, while core CPI, which excludes fresh food, increased to 1.9% from 1.6%, above the consensus forecast of 1.7%. The BoJ's preferred core-core measure, which excludes both fresh food and energy, edged up to 2.0% from 1.9%, signalling persistent underlying price pressures. Higher energy and food costs drove the stronger inflation, reinforcing expectations that the BoJ will continue to normalise monetary policy gradually after leaving rates unchanged at its latest meeting.

CHINESE NBS PMI REVIEW: China's official PMIs unexpectedly fell into contractionary territory in July, with the Manufacturing PMI declining to 49.2 from 50.3, below the 49.9 forecast, the Non-Manufacturing PMI dropping to 49.0 from 50.2, below the 50.0 forecast, and the Composite PMI falling to 49.3 from 50.6. The NBS attributed the weakness partly to adverse weather and flooding, while analysts also cited subdued domestic demand and persistent pricing pressures. The weaker-than-expected data reinforced concerns about the pace of China's economic recovery following the Politburo meeting.

EZ CPI REVIEW: July’s inflation printed in-line on the headline, ticking up to 2.9% as expected from 2.8%. The core measures were mixed, ex-Food & Energy came in cooler than expected, but did tick up from the prior, while ex-Food, Energy, Alcohol & Tobacco unexpectedly increased. Additionally, the all-important Services lifted to 3.3% (prev. 3.2%). Overall, the series fits with the narrative of the ECB moving towards a September hike, with focus now more on the forward-looking/survey prints, for insight into inflation in the period ahead and wage formation, i.e. for any early signs of second-round effects.

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newsquawk.com · 020 4545 5000 · info@newsquawk.com