

Week Ahead Economic Preview

US election week, global PMIs, plus US and UK monetary policy meets

1 November 2024

Markets in the coming week will be dominated by Tuesday's US Presidential Election, though there are plenty of other economic events to note. These include worldwide PMI survey data and a slew of monetary policy meetings, notably in the US and the UK.

Polling for the US Presidential Election closes on Tuesday 5 November, but the tightness of the race suggests that we may have to wait some time until a winner emerges. It took four days for the 2020 election to be declared. With the two candidates offering markedly different policy programs, notably in relation to trade and protectionism, the markets could see some considerable volatility amid speculation on the outcome as the result is awaited.

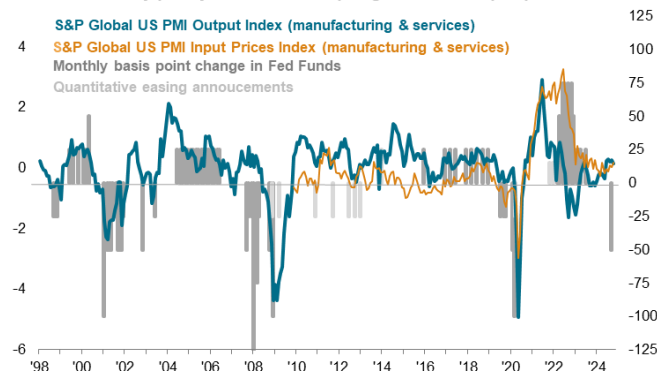
Meanwhile, Thursday sees monetary policy announcements from both the Federal Open Market Committee in the US and the Bank of England's Monetary Policy Committee in the UK. Markets are pricing in 25 basis point cuts from both.

The FOMC cut, almost fully priced in by the markets, would take the fed funds rate to a range of 4.50-4.75%, adding to the policy loosening which commenced with September's 50 basis point cut. A further 25 basis point cut is also likely in December with further cuts through 2025 as inflation pressures continue to recede, albeit caveated by any possible changes to the Fed's outlook following the election.

A widely anticipated quarter point cut by the Bank of England will take UK Bank Rate to 4.75% following a similar sized initial policy loosening back in August. However, markets have started to further pare back the UK central bank's scope to cut rates further over the coming year relative to other major economies following the new government policies announced in the Autumn Budget. The government's independent forecaster now sees inflation averaging 2.6% in 2025, up from a pre-Budget forecast of 1.5%.

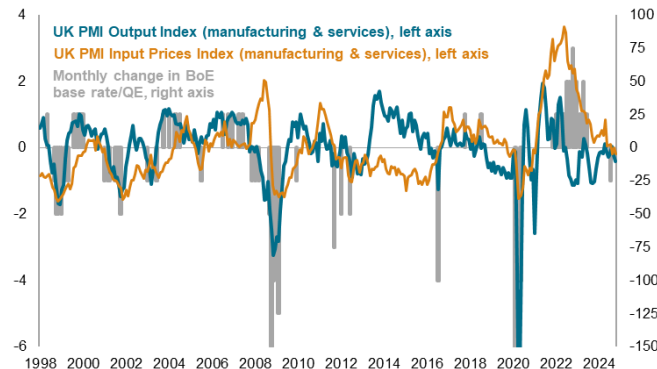
From an economic data perspective, S&P Global's worldwide PMI surveys and the ISM's US polls will provide updated insights into manufacturing and service sector business conditions. Read our overview of September's PMI data [here](#) and a wrap-up of the early October flash PMIs [here](#).

FOMC monetary policy vs. US PMI output growth and input prices



Data compiled October 24, 2024 using flash PMI numbers.
PMI rebased to standard deviations from mean, uses S&P Global data post-2007 and ISM pre-2007.
Source: S&P Global PMI, S&P Global Market Intelligence, ISM, FOMC.
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UK monetary policy vs. PMI output growth and input prices



Data compiled October 24, 2024 using flash PMI numbers.
PMI rebased to standard deviations from mean. Bank of England £25bn QE shown as equal to 25 basis points.
Source: S&P Global PMI, S&P Global Market Intelligence, Bank of England.
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S&P Global Market Intelligence

Key diary events

Monday 4 Nov

Japan Market Holiday

Worldwide Manufacturing PMIs, incl. global PMI* (1-4 Nov)
 Turkey Inflation (Oct)
 United States Factory Orders (Sep)

Tuesday 5 Nov

United States Presidential Election
 Worldwide Services, Composite PMIs and Detailed Sector PMI inc. global PMI* (5-6 Nov)
 South Korea Inflation (Oct)
 Australia RBA Interest Rate Decision
 Indonesia GDP (Q3)
 Thailand Inflation (Oct)
 Switzerland Unemployment Rate (Oct)
 France Industrial Production (Sep)
 Spain Unemployment Change (Oct)
 Canada Trade (Sep)
 United States Trade (Sep)
 United States ISM Services PMI (Oct)

Wednesday 6 Nov

New Zealand Unemployment (Q3)
 Japan BoJ Meeting Minutes (Sep)
 Germany Factory Orders (Sep)
 Malaysia BNM Interest Rate Decision
 Taiwan Inflation (Oct)
 United Kingdom Construction PMI* (Oct)
 Brazil Trade (Oct)
 Canada BoC Summary of Deliberations (Oct)
 Brazil Banxico Interest Rate Decision

Thursday 7 Nov

Australia Trade (Sep)
 China (Mainland) Trade (Oct)
 Germany Trade (Sep)
 Germany Industrial Production (Sep)
 United Kingdom Halifax House Price Index* (Oct)
 Eurozone Construction PMI* (Oct)
 Sweden Riksbank Rate Decision
 Norway Norges Bank Interest Rate Decision
 Eurozone Retail Sales (Sep)
 Mexico Inflation (Oct)
 United Kingdom BOE Interest Rate Decision
 United States FOMC Interest Rate Decision

Friday 8 Nov

France Trade (Sep)
 Taiwan Trade (Oct)
 China (Mainland) Current Account (Q3, prelim)
 Italy Industrial Production, Retail Sales (Sep)
 Brazil Inflation (Oct)
 Canada Unemployment (Oct)
 United States UoM Sentiment (Nov, prelim)

Saturday 9 Nov

China (Mainland) Inflation (Oct)

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

What to watch in the coming week

Worldwide services, composite and detailed sector PMI

The release of Global Manufacturing PMI numbers on Monday will be followed by worldwide services and composite PMI numbers across November 5-6. Services performances will eagerly awaited after [flash PMI showed growth for the world's major developed economies, the 'G4' economies, softening on the back of deteriorating manufacturing sector conditions, though holding up well for the US](#). Detailed sector data will also be released in the week for insights into the key areas of growth and weakness.

Americas: US election, FOMC meeting, ISM services PMI, Canada trade and employment data

The US Presidential Election will dominate the week in light of the economic implications attached to the outcome, especially pertaining to the outlook for fiscal and trade policies. We also have the November Federal Open Market Committee (FOMC) meeting unfolding in the week and a 25-basis point rate cut widely expected, though that has been fully priced in by the market ahead of the meeting according to the CME FedWatch tool. The rhetoric on the future rate path remains a key area of focus, albeit likely to be overshadowed by the election.

Additionally, ISM services PMI will be due on Tuesday ahead of the preliminary University of Michigan consumer sentiment reading on Friday.

EMEA: BOE meeting, Eurozone Construction PMI, retail sales, Germany trade, UK House Price Index, Turkey inflation

The Bank of England (BOE) convenes for their November meeting and is widely expected to resume lowering interest rates after keeping the Bank Rate unchanged at 5% earlier in September. The latest [October Flash UK PMI showed the cooling of input cost inflation](#), providing further room for the BOE to further lower interest rates, with the following rate cut likely in January 2025 according to the markets.

On the data front, besides PMI data releases, eurozone retail sales and Germany trade data will be in focus.

APAC: RBA, BNM meetings, mainland China trade and inflation data, Australia trade, South Korea, Philippines, Thailand inflation figures

Central bank meetings in Australia and Malaysia take place in the week but no changes in monetary policy settings are expected according to consensus. Meanwhile key data releases include trade and inflation figures due out of mainland China. Australia's trade numbers will also be updated in addition to a series of CPI data from the region.

Email us

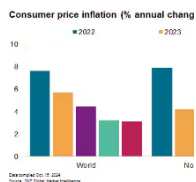
Have a PMI related question or want to receive this in your inbox weekly? Send us an email at PMI@spgobal.com.

Recent PMI and economic analysis from S&P Global

Global	Developed economy growth slips to six-month low, prices rise at slowest rate for four years	24-Oct	Chris Williamson
	Emerging market economies expand at slowest pace in nearly a year	14-Oct	Jingyi Pan
	Monthly PMI Bulletin: October 2024	11-Oct	Jingyi Pan
	Trade conditions deteriorate for fourth straight month in September	11-Oct	Jingyi Pan
	Global PMI selling price inflation holds close to four-year low in September	7-Oct	Chris Williamson
	PMI signals slowest global expansion since January and optimism hits near two-year low	4-Oct	Chris Williamson
	Top five economic takeaways from September's PMI as global manufacturing deteriorates	2-Oct	Chris Williamson
EMEA	Flash eurozone PMI top five takeaways: Economy stalls as price pressures ease	24-Oct	Chris Williamson
	Flash UK October PMI signals slower economic growth and smallest rise in costs for nearly four years	24-Oct	Chris Williamson
Americas	US manufacturing PMI sends warning signals on economic conditions	3-Sep	Chris Williamson
Asia-Pacific	Japan's business activity declines while selling price inflation rises in October	24-Oct	Jingyi Pan
	Typhoon Yagi causes steep drop in Vietnamese manufacturing production in September	1-Oct	Andrew Harker

S&P Global Market Intelligence highlights

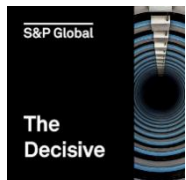
Global economic outlook: October 2024



Our global economic outlook continues to be centered on gradually moderating inflation, more widespread monetary policy easing and, consequently, a soft landing. This assessment is vulnerable to a multitude of risks, including geopolitical developments such as conflict escalation in the Middle East and potential policy shifts following the US elections in early November.

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

The Decisive | Ep. 15 - PMI in Focus: Trade trends and political uncertainty



In this episode of The Decisive Podcast, host Paul Smith is joined by senior economists Andrew Harker and Tim Moore to explore the latest trends in global trade and the impact of recent geopolitical events. They discuss the fragility of export order volumes and the significance of Purchasing Managers Indices (PMIs) as early indicators of economic health. The conversation also delves into the effects of political uncertainty on PMI surveys, particularly in the context of the recent election in U.K. and the upcoming election in the U.S.

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

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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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