

Week Ahead Economic Preview

Flash PMI data to provide New Year snapshots

17 January 2025

In a week leading up to the inauguration of Donald Trump as the new US President, we will publish the January flash PMI data to help shed light on how companies around the world are faring amid the heightened political and economic uncertainty.

Prior PMI data showed the US has widened its lead among the developed economies at the end of last year, with growth accelerating to the fastest since April 2022. In contrast, business activity contracted slightly in the eurozone and both the UK and Japan reported near-stalled growth. India meanwhile led the major emerging economies, as mainland China notably lost growth momentum.

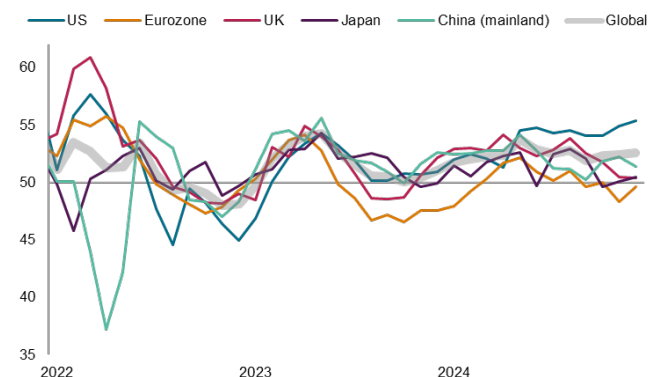
These diverging growth trends, if sustained, could have meaningful implications for monetary policy. The robust expansion evident in the US has added to speculation that the Fed could see just two rate cuts in 2025, and recent data showing reviving business confidence, or 'animal spirits', among expectations of a pro-growth agenda from the new administration and loosening financial conditions in the US add to some upside risks to business activity in January. Conversely, pressure could meanwhile mount on the Bank of England and European Central Bank to help support growth if the UK and eurozone PMIs disappoint. Forward-looking confidence indicators have been subdued for both, in part reflecting worries over the potential impact of mooted US policies on trade in particular.

Policy decisions will, however, naturally also depend on inflation trends, which the PMI surveys will also help assess. Recent official (CPI) inflation brought welcome news of downward pressure on core inflation in the US and UK, but the recent survey data have hinted that price pressures could revive again. PMI selling price gauges rose in the US, eurozone, Japan and the UK in December, the latter seeing a particularly elevated rate of inflation.

The UK also seen updated official UK labour market statistics. These follow recent survey data (and another aspect of the January flash PMIs to watch) showing a pull-back in hiring due in part to recent government policy changes, which will add to staffing costs from April.

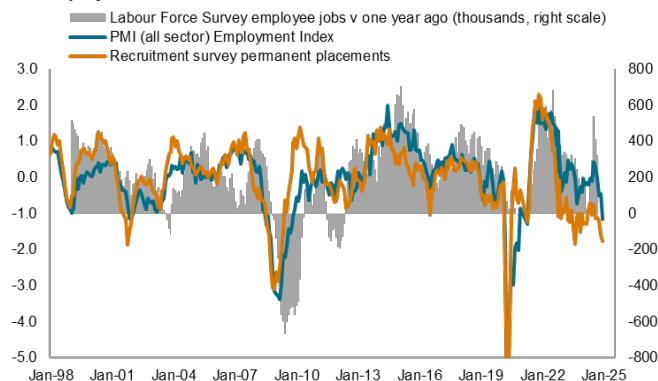
Other key events in the economic diary include the Bank of Japan's first monetary policy meeting of 2025, which follows mounting speculation that interest rates could be hiked, as well as policy meetings in Norway, Turkey and Malaysia.

PMI output index (goods & services)



Data compiled January 2025 including PMI data to December 2024.
PMI index value of 50 = no change on prior month, covers manufacturing and services.
Sources: S&P Global PMI, S&P Global Market Intelligence, HCOB, au Jibun Bank.
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UK employment indicators



Data compiled January 2025 including December 2024 survey data.
PMI and recruitment survey data rebased to standard deviations from mean.
Source: S&P Global PMI with KPMG/REC (recruitment survey).
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S&P Global Market Intelligence

Key diary events

Monday 20 Jan

United States Market Holiday

Japan Machinery Orders (Nov)

China (Mainland) Loan Prime Rate (Jan)

Malaysia Trade (Dec)

Japan Industrial Production (Nov, final)

Germany PPI (Dec)

Canada BoC Business Outlook Survey

Tuesday 21 Jan

United Kingdom Labour Market Report (Nov)

Taiwan Export Orders (Dec)

Hong Kong SAR Inflation Rate (Dec)

Germany ZEW Economic Sentiment (Jan)

Canada Inflation Rate (Dec)

Wednesday 22 Jan

New Zealand Inflation (Q4)

Malaysia Inflation Rate (Dec)

Malaysia BNM Interest Rate Decision

South Africa Inflation (Dec)

Thursday 23 Jan

South Korea Business Confidence (Jan)

South Korea GDP (Q3, advance)

Japan Trade (Dec)

Australia NAB Business Confidence (Dec)

Singapore Inflation (Dec)

France Business Confidence (Jan)

Taiwan Industrial Production (Dec)

Norway Norges Bank Interest Rate Decision

Turkey TCB Interest Rate Decision

Canada Retail Sales (Nov, final)

United States Initial Jobless Claims

Eurozone Consumer Confidence (Jan, flash)

Friday 24 Jan

Australia S&P Global Flash PMI, Manufacturing & Services*

Japan au Jibun Bank Flash PMI, Manufacturing & Services*

India HSBC Flash PMI, Manufacturing & Services*

UK S&P Global Flash PMI, Manufacturing & Services*

Germany HCOB Flash PMI, Manufacturing & Services*

France HCOB Flash PMI, Manufacturing & Services*

Eurozone HCOB Flash PMI, Manufacturing & Services*

US S&P Global Flash PMI, Manufacturing & Services*

Japan Inflation (Dec)

United Kingdom Gfk Consumer Confidence (Jan)

Japan BoJ Interest Rate Decision

Singapore Industrial Production (Dec)

Taiwan GDP (Q4, advance)

Canada New Housing Price Index (Dec)

United States Existing Home Sales (Dec)

United States UoM Sentiment (Jan, final)

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

What to watch in the coming week

Flash PMI for January

The first set of flash PMI data for 2025 will be released on Friday, January 24, for insights into economic conditions across major developed economies such as the US, UK, eurozone, Japan and Australia, as well as India, which has led emerging market growth through 2024. The flash data perfectly captures economic conditions just prior the change of US government, and will be assessed for [growth, price and sentiment trends](#) at the start of 2025.

Americas: US home sales; Canada inflation, retail sales

Key US releases in the new week include existing home sales figures and final January University of Michigan sentiment releases.

Meanwhile Canada updates inflation and retail sales figures for December. According to the latest [S&P Global Canada PMI](#) data, price pressures intensified slightly at the end of the year, attributed mainly to higher services inflation (selling price inflation in the goods producing sector eased). This was while services activity declined for the first time in three months, hinting at softening retail demand.

EMEA: UK labour market report; German ZEW survey, PPI data; Norway, Turkey central bank meetings

Labour market data will be anticipated from the UK, with the latest [KPMG / REC UK Report on Jobs](#) having indicated that permanent placements and vacancies declined at accelerated rates in December amidst employment cost concerns following the November Budget. The earlier [S&P Global UK PMI](#) release also showed UK employment falling at the sharpest pace since January 2021 in December.

Additionally, the German ZEW economic sentiment index will be published on Tuesday for insights into investor confidence. January's [S&P Global Investment Manager Index \(IMI\)](#) has already shown that money managers are much less optimistic regarding European as compared to the US and Asia-ex China equities at the start of 2025.

APAC: BoJ meeting, Japan inflation and trade data; China Loan Prime Rate; New Zealand, Singapore, Malaysia inflation data, South Korea, Taiwan GDP

The Bank of Japan (BoJ) convenes for their first meeting of 2025 with central bankers having hinted at the potential for interest rates to be lifted. Additionally, key inflation and trade data will also be due in the week, and the [au Jibun Bank Japan PMI](#) data earlier showed that December's selling price inflation remained elevated above the 2024 average, supporting the BoJ in shifting rates.

Besides Japanese data, tier-1 releases will also be anticipated from the APAC region including inflation numbers out of New Zealand, Singapore and Malaysia. South Korea and Taiwan also update fourth quarter GDP.

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	Monthly PMI Bulletin: January 2025	14-Jan	Jingyi Pan
	Worldwide PMI survey data signal stubborn services sector price pressures	8-Jan	Chris Williamson
	Global trade contraction accelerates at the end of 2024 amid falling goods export orders	8-Jan	Jingyi Pan
	Global economic growth closes 2024 on four-month high but future optimism wanes	7-Jan	Chris Williamson
	Top five economic takeaways from December's manufacturing PMI data as factory conditions worsen	3-Jan	Chris Williamson
	Flash PMI data shows US economic outperformance widening in December	17-Dec	Chris Williamson
	How to interpret and use the PMI Orders to Inventories ratio	11-Dec	Eleanor Dennison
EMEA	Flash eurozone PMI top five takeaways: Economy contracts for second successive month	16-Dec	Chris Williamson
	Flash UK PMI signals heightened economic downturn risk amid falling employment and rising inflation	16-Dec	Chris Williamson
Americas	US economy ends 2024 on a high as output growth accelerates	7-Jan	Chris Williamson
Asia-Pacific	Singapore economic activity expands at softest pace for 17 months into end 2024	16-Jan	Jingyi Pan
<i>Upcoming Webinar</i>	<i>Join economic experts behind the world's most market-moving economic indicators to get immediate analysis into the newly released Purchasing Managers' Index (PMI) data — on release day.</i>	<u>Sign up for the next webinar</u>	

S&P Global Market Intelligence highlights

Power plays: Themes for 2025



The interplay of geopolitical rivalries, economic shifts and evolving trade dynamics will define a conflicted global landscape over 2025. We see four key themes shaping this environment: economic angst, domestic discontent, elusive alliances, and trade troubles. These capture the fragility of global economic growth, the rise of unstable coalitions, the evolving nature of external alliances, and the intricacies of trade barriers and tariffs.

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

The Decisive | PMI in Focus: Global Economic Trends and Consumer Sentiment



Join economists Paul Smith, Andrew Harker, and Maryam Baluch in this episode of The Decisive podcast as they delve into the latest trends in the global economy. They discuss the upcoming Flash PMI data releases for key countries, including the U.S., Eurozone, and India, and analyze the current performance of various sectors, particularly manufacturing and services.

[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
- [PMI podcasts](#)
- [How to subscribe](#) to PMI data
- [Join our monthly webinar](#)

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