

Week Ahead Economic Preview

Global PMIs and US payrolls accompany Bank of England policy decision

31 January 2025

The coming week opens with global PMI surveys and closes with the US monthly employment report, collectively providing some key insights into central bank policy paths around the world. Also watch out for eurozone inflation numbers, due Monday. As for central bank meetings, policymakers at the Bank of England and Reserve Bank of India gather to decide on rates.

The week builds up to the US jobs report on Friday, which will add to the growing interest rate debate. To the frustration of President Trump, who has called for lower interest rates, the Fed held rates at 4.25-4.50% at its January meeting after three successive cuts. Policymakers were also considered to have tilted in a more hawkish direction amid signs of robust economic growth, a strong labour market and inflation remaining “somewhat elevated”. Headline inflation rose to a five-month high of 2.9% in December and core inflation has been largely unchanged for a couple of months. More time was needed, it said, to evaluate the likely impact of the new administration’s policies.

There’s a widely held belief that, if widely applied, tariffs and policies designed to reduce immigration will add to US inflation. At the same time, pro-business policies touted by the new administration have [lifted business optimism and encouraged a sharp increase in hiring in the US](#), likely fueling more price pressures.

Hence, the January payrolls report will be eagerly assessed to ascertain whether hiring has indeed accelerated, and whether wage growth is following suit. To recap, December’s job market conditions had been better than expected, with 256,000 jobs added (after a 212,000 rise in November) and the unemployment rate dropping to 4.1% from 4.2%. A further strong report, consistent with the current survey signals, will add to speculation that the FOMC may not even deliver two rate cuts in 2025.

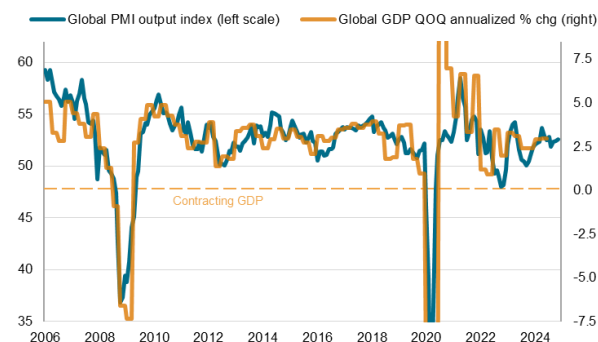
Meanwhile the Bank of England is expected to cut rates from 4.75% to 4.50% when its meeting concludes on Thursday. Two more cuts are priced in for 2025 as traders weigh up the need to boost the stalled economy, but the pace of any future cuts remains uncertain amid [rising price pressures](#), drawing focus on the meeting’s press briefing for guidance.

Global PMI data will meanwhile help guide insights into regional and sectoral economic divergences (see box).

Focus on global PMI surveys

The January PMI data will help shed light on how companies around the world are faring amid the heightened political and economic uncertainty which has dominated 2025 so far.

Global economic growth and the PMI



Data compiled January 6 including PMI data to December 2024.
PMI (Purchasing Managers' Index) value of 50 = no change on prior month.
Source: S&P Global PMI with J.P. Morgan, S&P Global Market Intelligence.
© 2025 S&P Global.

Prior PMI data showed steady global GDP growth at just below long-term trend in December, but the US has outperformed the developed economies with a robust expansion amid improved optimism. In contrast, business activity in both the UK and Eurozone has been very subdued, with the UK notably reporting a worryingly steep employment decline.

Growth also slowed late last year in mainland China as trade worries exacerbated local growth headwinds, with new weakness also evident in Brazil. India likewise reported a slowing in January, according to its flash PMI data, adding to signs of a broader emerging market slowdown.

By sector, services continue to greatly outperform manufacturing in most major economies, with financial services the stand-out performer amid looser financial conditions.

Besides revealing how these recent growth trends have developed, the updated PMIs will add detail on trade flows, supply chains and prices, all of which are coming under increased scrutiny in the light of changing geopolitical tensions.

Chris Williamson, Chief Business Economist
Jingyi Pan, Economics Associate Director
S&P Global Market Intelligence

Key diary events

Monday 3 Feb

China (Mainland) Market Holiday

Worldwide Manufacturing PMIs, incl. global PMI* (Jan)
South Korea Industrial Production (Dec)
Japan BoJ Summary of Opinions (Jan)
Australia Building Permits and Retail Sales (Dec)
Indonesia Inflation (Jan)
Turkey Inflation (Jan)
Hong Kong GDP (Q4, adv)
Eurozone Inflation (Jan, flash)
Italy Inflation (Jan, prelim)
United States ISM Manufacturing PMI (Jan)

Tuesday 4 Feb

Brazil BCB Meeting Minutes
United States JOLTs Job Openings (Dec)
United States Factory Orders (Dec)
Saudi Arabia PMI* (Dec)
Mexico Manufacturing PMI* (Dec)

Wednesday 5 Feb

Worldwide Services, Composite PMIs, inc. global PMI* (Jan)
South Korea Inflation (Jan)
Philippines Inflation (Jan)
Indonesia GDP (Q4)
Thailand Inflation (Jan)
France Industrial Production (Dec)
Brazil Industrial Production (Dec)
United States ADP Employment Change (Jan)
Canada Trade (Dec)
United States Trade (Dec)
United States ISM Services PMI (Jan)

Thursday 6 Feb

Australia Trade (Dec)
Germany Factory Orders (Dec)
Eurozone HCOB Construction PMI* (Jan)
United Kingdom Construction PMI* (Jan)
Eurozone Retail Sales (Dec)
Europe Sector PMI* (Jan)
United Kingdom BoE Interest Rate Decision
Mexico Banxico Interest Rate Decision

Friday 7 Feb

New Zealand Market Holiday

Japan Household Spending (Dec)
India RBI Interest Rate Decision
Germany Trade (Dec)
United Kingdom Halifax House Price Index* (Jan)
France Trade (Dec)
Taiwan Trade and Inflation (Jan)
Brazil Inflation (Jan)
Canada Employment (Jan)
United States Non-Farm Payrolls, Unemployment Rate, Average Hourly Earnings (Jan)
United States UoM Sentiment (Feb, prelim)

Sunday 9 Feb

China (Mainland) CPI, PPI (Jan)

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

What to watch in the coming week

Worldwide PMI data for January

Global PMI data for January, including manufacturing and services, will be released over the course of the new week. Early flash release revealed the [US economy's recent outperformance relative to other major developed economies narrowed in January](#). Meanwhile [India also saw 2025 commence with a softening of growth pace](#). Detailed global and sector PMI data will offer the first comprehensive overviews of key growth, inflation and business confidence trends at the start of the new year.

Americas: US labour market report, Fed comments, ISM PMI and trade data; Canada trade and employment data; Mexico and Brazil inflation data

The key release of the week will be US employment report including non-farm payrolls data. The latest [S&P Global Flash US PMI indicating that hiring had been on the upturn at the start of the year](#) as firms commence the year in an upbeat mood regarding growth. Wage data will also be firmly in focus following PMI survey indications of rising price pressure amid growth in labour costs. Additionally, ISM and US trade data will be tracked alongside Fed officials' appearances through the week for insights into the outlook for interest rates.

Over in Canada, where the central bank cut rates for the sixth successive meeting to 3.0% in January, trade and employment data will be watched ahead of rising uncertainties pertaining trade with the US. Inflation data from Brazil and Mexico will also be highlights.

EMEA: BoE meeting; Eurozone inflation; Germany trade

The Bank of England convenes for their first meeting of the year with mixed signals observed from recent data, including the [latest flash UK PMI](#). On the one hand, a stalled economy and steep job provide impetus for the BoE to lower rates, on the other hand, rising price pressures call for greater caution, altogether adding to the event risk.

Eurozone inflation will also be released after early [HCOB Flash Eurozone PMI revealed that the rate of inflation quickened to a five-month high](#) in January.

APAC: RBI meeting, BoJ Summary of Opinions; China inflation; Australia trade

Besides detailed PMI data, highlights for APAC in the week include the Reserve Bank of India (RBI) meeting, summary of opinions from the January Bank of Japan meeting (where interest rates were lifted), in addition to inflation data out of mainland China and Australian trade numbers. The latest [HSBC Flash India PMI](#) data outlined softening growth in January, supporting the RBI's dovish bias, though recent rupee fluctuations add uncertainty to whether the RBI will move as early as February.

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	Flash PMI data underscore sustained US outperformance among developed economies	27-Jan	Chris Williamson
	PMI output and prices indices provide insights into 10-year benchmark bond yields	22-Jan	Chris Williamson, Jingyi Pan
	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
EMEA	Flash UK PMI signals stalled economy and steep job cuts amid further loss of confidence, while price pressures spike higher	24-Jan	Chris Williamson
	Flash eurozone PMI top five takeaways: Economy steadies at start of 2025 as confidence revives in manufacturing	24-Jan	Chris Williamson
Americas	Flash PMI signals buoyant US business optimism at start of 2025	24-Jan	Chris Williamson
Asia-Pacific	Japan's private sector growth accelerates amid deepening sector divergence	24-Jan	Jingyi Pan
Upcoming Webinar	<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>	<i>Sign up for the next webinar</i>	

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](#)

For further information:

For more information on our products, including economic forecasting and industry research, please visit <https://www.spglobal.com/>. For more information on our PMI business surveys, please visit [here](#).

The intellectual property rights to the data provided herein are owned by or licensed to S&P Global and/or its affiliates. Any unauthorised use, including but not limited to copying, distributing, transmitting or otherwise of any data appearing is not permitted without S&P Global's prior consent. S&P Global shall not have any liability, duty or obligation for or relating to the content or information ("Data") contained herein, any errors, inaccuracies, omissions or delays in the Data, or for any actions taken in reliance thereon. In no event shall S&P Global be liable for any special, incidental, or consequential damages, arising out of the use of the Data. Purchasing Managers' Index™ and PMI® are either trade marks or registered trade marks of S&P Global Inc or licensed to S&P Global Inc and/or its affiliates.

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](#)

CONTACT US

Chris Williamson

Chief Business Economist
S&P Global Market Intelligence
London

T: +44 779 5555 061
chris.williamson@spglobal.com

Jingyi Pan

Economics Associate Director
S&P Global Market Intelligence
Singapore

T : +65 6439 6022
jingyi.pan@spglobal.com

The Americas

+1-877-863-1306

EMEA

+44-20-7176-1234

Asia-Pacific

+852-2533-3565

spglobal.com/marketintelligence/en/mi/products/pmi.html