

# Week Ahead Economic Preview

## Tariff impact on inflation and growth under scrutiny

11 July 2025

**A raft of top tier economic data plus the start of the earnings season will provide important indications of the health of the US economy in the week ahead. GDP data will also give a timely update on the resilience of the mainland Chinese economy while UK inflation numbers will be assessed for policy implications.**

Markets are expecting US inflation to have accelerated in June on the back of tariff-related price rises. Headline and core consumer price inflation rose just 0.1% in May, but these rates are anticipated to have lifted to 0.3% in June according to Reuters consensus. Producer prices are likewise expected to show a pick up, reflecting rising cost trends evident in the [business survey data](#) over the past two months. Higher inflation will encourage FOMC policymakers to hold off cutting interest rates, though two rate cuts are widely anticipated by the end of the year as the initial uplift in inflation from tariffs fades and the economy slows. However, lower than expected readings will pile pressure on the FOMC to deliver earlier rate cuts.

The health of the US economy will also be gauged via retail sales, industrial production and inventory data. Sales are likely to have risen after a sharp (0.9%) fall in May, and industrial output to have steadied after having also fallen 0.3% in May. Inventories meanwhile likely rose as firms stockpiled goods ahead of tariff-related price concerns.

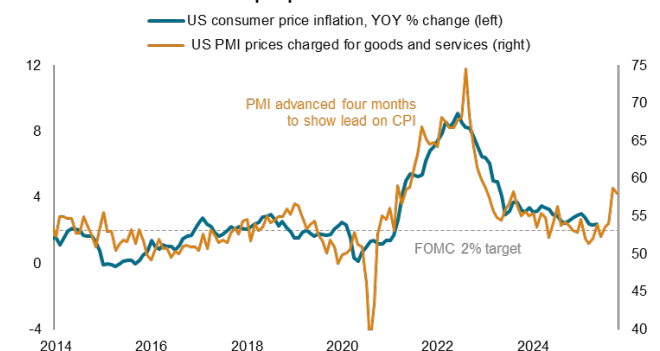
The pace of economic growth in mainland China over the second quarter, a period typified by heightened tariff uncertainty, will meanwhile come under scrutiny. Markets are expecting GDP growth to have slowed from an annual pace of 5.4% to 5.2%. Higher frequency monthly industrial production and retail sales data will also be released to give a more detailed insight into how growth drivers in the economy are evolving after government stimulus measures were implemented during June.

Similarly, the impact of recent tariff changes will be sought from eurozone industrial production numbers.

Clues as to the next policy move from the Bank of England will meanwhile be sought from the latest inflation numbers. Consumer price inflation was running at an above target 3.5% in May, with policymakers keen to see if recent hikes in the minimum wage and National Insurance contributions could feed through to stickier inflation. The policy impact on the jobs market will also be highlighted by the latest monthly recruitment survey data in the UK.

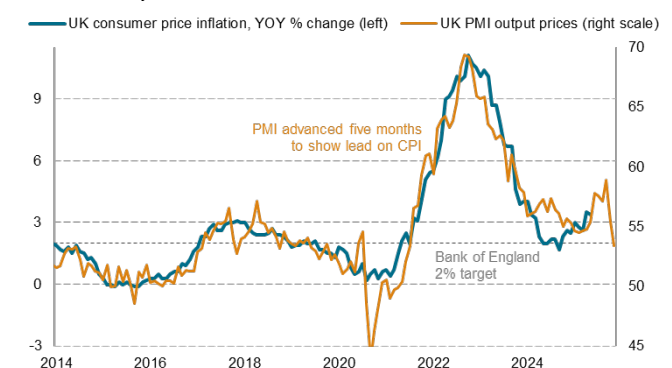
Consumer price data are updated for the US and UK in the coming week. Tariff-related price increases mean that inflation pressures have intensified in the US, according to PMI survey data, but moderated in the UK.

### US inflation and the PMI output prices index



Data compiled July 4, 2025.  
PMI covers manufacturing only prior to 2009 but manufacturing & services thereafter.  
Source: S&P Global PMI, BEA via S&P Global Market Intelligence.  
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### UK consumer price inflation



Data compiled July 4, 2025.  
PMI based on 50 = no change on prior month, covers manufacturing and services.  
Source: S&P Global PMI, ONS via S&P Global Market Intelligence.  
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**S&P Global Market Intelligence**

## Key diary events

### Monday 14 July

Japan Machinery Orders (May)  
Singapore GDP (Q2, adv)  
China (Mainland) New Yuan Loans, M2, Loan Growth (Jun)  
Japan Industrial Production (May, final)  
India Inflation (Jun)  
United Kingdom KPMG/REC Report on Jobs\* (Jun)

### Tuesday 15 July

Australia Westpac Consumer Confidence (Jul)  
China (Mainland) GDP (Q2)  
China (Mainland) Industrial Production, Retail Sales, Fixed Asset Investment (Jun)  
China (Mainland) Unemployment Rate (Jun)  
China (Mainland) House Price Index (Jun)  
Indonesia Trade (Jun)  
India Trade (Jun)  
Spain Inflation (Jun, final)  
Eurozone Industrial Production (May)  
Eurozone ZEW Economic Sentiment Index (Jul)  
Germany ZEW Economic Sentiment Index (Jul)  
Canada Inflation (Jun)  
United States CPI (Jun)  
United States NY Empire State Manufacturing Index (Jul)

### Wednesday 16 July

United Kingdom Inflation (Jun)  
United Kingdom Bellwether Report\* (Jun)  
Indonesia BI Interest Rate Decision  
Italy Inflation (Jun, final)  
Eurozone Balance of Trade (May)  
United States PPI (Jun)  
United States Industrial Production (Jun)

### Thursday 17 July

Japan Balance of Trade (Jun)  
Singapore Non-Oil Domestic Exports (Jun)  
Australia Employment (Jun)  
United Kingdom Labour Market Report (May)  
Eurozone Inflation (Jun, final)  
United States Retail Sales (Jun)  
United States Business Inventories (May)  
United States NAHB Housing Market Index (Jul)

### Friday 18 July

Japan Inflation (Jun)  
Malaysia GDP (Q2, prelim)  
Germany PPI (Jun)  
Spain Balance of Trade (May)  
United States Building Permits (Jun, prelim)  
United States UoM Sentiment (Jul, prelim)

### Sunday 20 July

China (Mainland) Loan Prime Rate (Jul)

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

## What to watch in the coming week

### Americas: US inflation, retail sales, industrial production, building permits and UoM sentiment figures, Fed comments; Canada inflation

The data highlight going into mid-July will be inflation numbers out of the US, with the focus remaining on the impact of tariffs. Latest [S&P Global US PMI data revealed that selling price inflation had been especially elevated in May and June](#), hinting at a higher CPI trend. Additionally, retail sales and industrial production figures will be released for June. The former is expected to reflect a positive reading with a solid rise in services activity, according to PMI data, while the latter may indicate a renewed improvement following a rebound in the [S&P Global US Manufacturing PMI](#) output index to signal the highest growth in four months. US building permits and the University of Michigan sentiment data will also be published in a week filled with appearances by Fed members to watch.

Separately, Canada publishes June inflation data. According to [S&P Global Canada PMI](#) price data, which preludes the trend for CPI, inflationary pressures heightened at the end of the second quarter to the greatest degree in over a year.

### EMEA: UK inflation and labour market report; Germany ZEW index

The UK releases inflation data for June, coming after the latest [June S&P Global UK PMI](#) signalled softening price pressures. Average charges, taking into account both manufacturing and service sectors, increased at the softest pace since February 2021 to hint at easing inflationary pressures in the months ahead for the UK. Meanwhile UK labour market data will be published on Thursday via the KPMG/REC Report on Jobs, compiled by S&P Global Market Intelligence and published on Monday. Broad indications from the PMI survey so far indicated a still-subdued labour market situation, with further job shedding observed.

### APAC: Mainland China GDP and activity; Japan inflation and trade data; Australia jobs report; BI meeting

In APAC, mainland China's Q2 GDP and June industrial production and retail sales data will be in focus for a check on economic conditions at the end of the quarter. Average growth in the second quarter softened compared to Q1, according to the Caixin China PMI Output data.

Additionally, Japan's inflation and trade numbers plus Australia's employment data will be key updates to track. A central bank meeting also takes place in Indonesia with further rate cuts on the table going into the second half of 2025.

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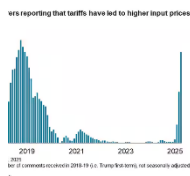
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## Recent PMI and economic analysis from S&P Global

Global	<a href="#">Monthly PMI Bulletin: July 2025</a>	11-Jul	Jingyi Pan
	<a href="#">Emerging market confidence wanes despite a faster rise in output</a>	10-Jul	Jingyi Pan
	<a href="#">Global trade deterioration eases in June</a>	9-Jul	Jingyi Pan
	<a href="#">PMI surveys indicate elevated US price growth as tariffs drive inflation differential with rest of world</a>	4-Jul	Chris Williamson
	<a href="#">Global PMI signals subdued growth as confidence and hiring sentiment slide lower</a>	4-Jul	Chris Williamson
	<a href="#">Global manufacturing PMI pulls back into expansion in June, but concerns persist over outlook while price trends diverge</a>	1-Jul	Chris Williamson
	<a href="#">Flash PMIs signals further subdued developed world growth in June, but also diverging inflation trends</a>	24-Jun	Chris Williamson
EMEA	<a href="#">UK companies expect significant impacts on prices and employment over next 12 months from NI and minimum wage policy changes</a>	10-Jul	David Owen
	<a href="#">Flash eurozone PMI signals ongoing malaise despite brighter manufacturing news</a>	23-Jun	Chris Williamson
	<a href="#">UK flash PMI signals lacklustre June as employment falls amid weak confidence, but inflation pressures also moderate sharply</a>	23-Jun	Chris Williamson
Americas	<a href="#">US growth slips lower as goods prices jump higher, but job gains accelerate</a>	23-Jun	Chris Williamson
Asia-Pacific	<a href="#">Japan flash PMI reveal mixed picture as accelerating output growth contrasts with falling optimism levels and export orders</a>	23-Jun	Jingyi Pan

## S&P Global Market Intelligence highlights

### New tariff trackers reveal hit to global exports and inflationary pressures in April



New data demonstrate how the additional US tariffs announced on April 2 have had a sizeable impact on global economic conditions, with exports weakening, inflationary pressures rising, and sentiment slumping. These signals are derived from new tariff indicators added to the S&P Global PMI™ Comment Trackers, a dataset that harnesses the qualitative evidence provided by PMI survey contributors around the world.

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

### The Decisive | PMI in Focus: Tariff Impact in Asia, UK Labor Market Trends



In this episode of The Decisive Podcast, S&P Global Market Intelligence's Paul Smith is joined by fellow economists Andrew Harker and Annabel Fiddes to explore the latest findings from the Purchasing Managers' Index (PMI) data. The discussion focuses on the significant impact of recent tariff announcements on the global economy, with a particular emphasis on Asia.

[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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