

Week of 5 January 2026

- The November CPI (Wed) headlines locally.
- US payrolls (Fri) is the key release globally.
- Prelim EZ CPI (Wed), CA Unemployment (Fri), CH CPI (Fri).

The key focus in Australia is November CPI on Wednesday. We expect headline inflation at 3.6% yoy and trimmed mean at 3.3% yoy. The RBA's attention will stay on the Q4 trimmed mean outcome, released with December CPI on 28 January, ahead of the 3 February meeting, but the detail in Wednesday's data will help firm forecasts. Also on Wednesday, we see November building approvals posting a 1% mom gain after a fallback in October. The November trade surplus (Thurs) is seen widening to \$5bn.

It is **a quiet week ahead in New Zealand**, with no major data releases.

In the **US, December non-farm payrolls** will continue to clear the fog on labour market momentum following the government shutdown. The early consensus is for 55k payrolls growth and the unemployment rate at 4.5%. Ahead of payrolls are JOLTs and ADP (Wed) and jobless claims (Thurs). Other data include ISM manufacturing (Mon) and ISM services (Wed), alongside trade balance (Thurs) and University of Michigan consumer sentiment (Fri). Fed speakers include Richmond's Barkin speaking on the economic outlook on Tuesday.

Canada's December jobs report will be released on Friday, after November data showed a surprise fall in the unemployment rate to 6.5%.

Elsewhere, analysts generally expect **preliminary CPI data for the Eurozone** on Wednesday to see headline fall a tenth to 2.0% yoy, with core steady at 2.4% yoy. Industrial production for France and Germany (Nov) on Friday.

In **China**, the RatingDog services PMI (Monday) follows surprising strength in December PMI data so far. Also released are December CPI and PPI (Fri). **Japan** Labour cash earnings are Thursday.

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Key Data

| | Latest | Next |
|--------------|----------|---------------|
| GDP | 2.1% yoy | 4Q on 4 Mar |
| Unemployment | 4.3% | Dec on 22 Jan |
| Inflation | 3% yoy | 4Q on 28 Jan |
| RBA | 3.6% | 3 Feb |

Key Markets

| | | % change | |
|--------------------|--------|----------|-------|
| | Latest | Week | YTD |
| Rates | | | |
| AU BBSY 3m | 3.79 | 1.0 | 0.3 |
| AU 3y swap | 4.13 | 4.3 | 2.2 |
| AU 3yr yield | 4.20 | 7.7 | 6.0 |
| AU 10yr yield | 4.79 | 4.8 | 4.7 |
| US 10yr yield | 4.17 | 3.4 | 0.0 |
| AU-US 10yr spread | 62.1 | 1.4 | 4.7 |
| Commodities | | | |
| | | % | % |
| Iron ore | 104 | 0.3 | -0.9 |
| Coal (thermal) | 107.5 | -0.7 | -14.2 |
| Brent oil | 60.9 | -1.6 | -14.4 |
| Gold | 4347.0 | -4.1 | 0.6 |
| FX | | | |
| AUD/USD | 0.6677 | -0.6 | 0.1 |
| USD (DXY) | 98.32 | 0.4 | -9.4 |
| AUD/NZD | 1.2 | 0.8 | 0.1 |
| AUD crosses | | | |
| AUD/JPY | 104.66 | -0.5 | 0.1 |
| AUD/CNY | 4.6649 | -0.7 | 0.1 |
| AUD/EUR | 0.5683 | -0.4 | 0.0 |
| AUD/GBP | 0.5 | -0.4 | 0.0 |

Source: Bloomberg

Week Ahead Calendar

Highlighted events are previewed below.

| | | Event | Period | Survey | Previous |
|---|-------|--|--------|--------|----------|
| Monday, 5 Jan | 12:45 | CH RatingDog China PMI Composite | Dec | -- | 51.2 |
| | 12:45 | CH RatingDog China PMI Services | Dec | 52.0 | 52.1 |
| | 20:30 | UK Mortgage Approvals | Nov | 64.0 | 65.0 |
| | 20:30 | UK M4 Money Supply YoY | Nov | -- | 3.5% |
| | 02:00 | US ISM Manufacturing | Dec | 48.4 | 48.2 |
| Tuesday, 6 Jan | 18:45 | FR CPI YoY | Dec P | 0.9% | 0.9% |
| | 20:00 | GE CPI Saxony MoM | Dec | -- | -0.2% |
| | 20:00 | GE CPI Saxony YoY | Dec | -- | 2.2% |
| | 20:00 | EC HCOB Eurozone Composite PMI | Dec F | 51.9 | 51.9 |
| | 00:00 | US Fed's Barkin Speaks on Economic Outlook | -- | -- | -- |
| | 00:00 | GE CPI YoY | Dec P | 2.0% | 2.3% |
| Wednesday, 7 Jan | 11:30 | AU Building Approvals MoM | Nov | 2.0% | -6.4% |
| | 11:30 | AU CPI YoY | Nov | 3.6% | 3.8% |
| | 19:55 | GE Unemployment Change (000's) | Dec | 4.0 | 1.0 |
| | 21:00 | EC CPI Estimate YoY | Dec P | 2.0% | 2.2% |
| | 00:15 | US ADP Employment Change | Dec | 47.5 | -32.0 |
| | 02:00 | US ISM Services Index | Dec | 52.3 | 52.6 |
| | 02:00 | US JOLTS Job Openings | Nov | 7726 | 7670 |
| | 02:00 | US Factory Orders | Oct | -1.0% | 0.2% |
| | 02:00 | US Durable Goods Orders | Oct F | -- | -2.2% |
| Thursday, 8 Jan | 10:30 | JN Labor Cash Earnings YoY | Nov | 2.3% | 2.5% |
| | 11:30 | AU Trade Balance | Nov | 5550 | 4385 |
| | 00:30 | US Initial Jobless Claims | Dec 27 | 218 | 214 |
| | 00:30 | US Trade Balance | Oct | -58.8 | -52.8 |
| | 02:00 | US Wholesale Inventories MoM | Oct F | 0.2% | 0.5% |
| Friday, 9 Jan | 12:30 | CH PPI YoY | Dec | -- | -2.2% |
| | 12:30 | CH CPI YoY | Dec | -- | 0.7% |
| | 18:00 | GE Industrial Production SA MoM | Nov | -0.3% | 1.8% |
| | 18:45 | FR Industrial Production MoM | Nov | -- | 0.2% |
| | 00:30 | CA Net Change in Employment | Dec | -10 | 54 |
| | 00:30 | CA Unemployment Rate | Dec | 6.7% | 6.5% |
| | 00:30 | US Change in Nonfarm Payrolls | Dec | 55 | 64 |
| | 00:30 | US Unemployment Rate | Dec | 4.5% | 4.6% |
| | 00:30 | US Housing Starts | Oct | 1325.0 | 1307.0 |
| | 02:00 | US U. of Mich. Sentiment | Jan P | 53.5 | 52.9 |
| Upcoming Central Bank Interest Rate Announcements | | | | | Current |
| | JN | BoJ | 23 Jan | | 0.75 |
| | US | Federal Reserve (Upper Bound) | 28 Jan | | 3.75 |
| | CA | BoC | 28 Jan | | 2.25 |
| | AU | RBA | 3 Feb | | 3.60 |
| | EZ | ECB | 5 Feb | | 2.00 |
| | UK | BoE | 5 Feb | | 3.75 |
| | NZ | RBNZ | 18 Feb | | 2.25 |

Sydney Time. Dates reflect 24 hours from 7am

Key Event Previews

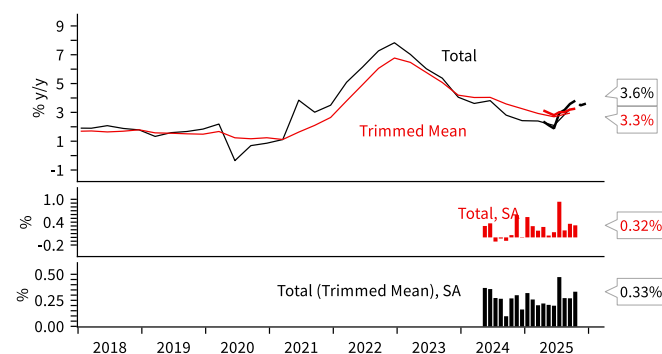
Wednesday

AU CPI (Nov)

We expect November CPI to slow to 3.6% yoy (0.3% mom), mainly due to electricity base effects. The trimmed mean forecast is 0.3% mom and 3.3% yoy.

While monthly CPI now covers the full basket, the RBA will continue to focus on the quarterly trimmed mean, released alongside December data on 28 January. The November data will narrow uncertainty around Q4 inflation forecasts, where we forecast 0.9% qoq for trimmed mean, above the RBA's November forecast. See preview here: [November CPI Preview](#)

Consumer Price Index



Source: National Australia Bank, Australian Bureau of Statistics, Macrobond, Account in-house

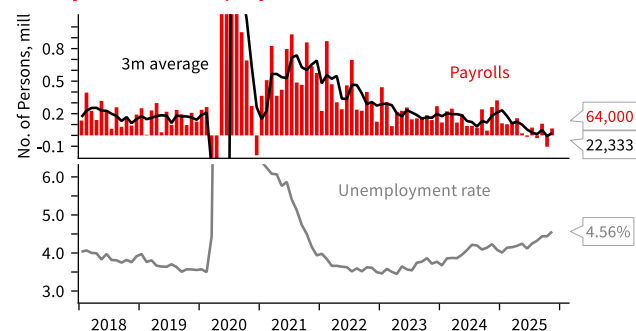
Friday

US Non-Farm Payrolls (Dec)

Unemployment rose to 4.6% in November, but only just at 4.56%. The rise was also due to an increase in those on temporary layoffs, which can likely be attributed to the government shutdown. The early consensus looks for a fallback to 4.5% on a 55k payrolls gain.

The December release will continue to clear the fog introduced by the government shutdown. However, with the unemployment rate near the FOMC's Q4 projection and some recalibration of policy in response to labour market risks already in place, a downside surprise would be needed to support any further cuts in the next few months. There are currently 4bp priced for the 28 January meeting.

US Payrolls & Unemployment



Source: National Australia Bank, U.S. Bureau of Labor Statistics (BLS), Macrobond

Forecasts Tables

See: [Australia Forward View](#)

Australian Economic Forecasts

| | | 2024 | | | | 2025 | | | | 2026 | | | | 2027 | | | |
|----------------------------|---------|------|------|------|------|------|------|-----|-----|------|-----|-----|-----|------|------|------|------|
| | | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| GDP | (% yoy) | | | | | | | | | | | | | | | | |
| Household Consumption | | 0.9 | 0.2 | 0.5 | 0.9 | 0.8 | 2.1 | 2.5 | 2.6 | 2.5 | 2.0 | 1.9 | 1.8 | 1.8 | 1.9 | 1.9 | 1.9 |
| Dwelling Investment | | -1.0 | -0.9 | 0.0 | 5.3 | 6.7 | 5.6 | 6.5 | 5.3 | 3.3 | 3.5 | 2.2 | 2.0 | 2.1 | 2.1 | 2.1 | 2.2 |
| Underlying Bus. Investment | | 3.6 | 1.2 | -0.4 | -2.3 | -0.7 | -2.0 | 3.0 | 3.5 | 3.6 | 4.8 | 1.5 | 1.4 | 1.8 | 2.1 | 2.2 | 2.3 |
| Public Final Demand | | 4.3 | 3.7 | 4.8 | 5.6 | 4.2 | 2.8 | 1.4 | 1.3 | 2.1 | 2.5 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 | 1.6 |
| Domestic Final Demand | (% qoq) | 0.5 | 0.4 | 0.7 | 0.6 | 0.3 | 0.5 | 1.2 | 0.6 | 0.5 | 0.5 | 0.5 | 0.5 | 0.6 | 0.5 | 0.5 | 0.6 |
| | (% yoy) | 2.2 | 1.4 | 1.8 | 2.2 | 2.0 | 2.1 | 2.6 | 2.6 | 2.8 | 2.8 | 2.1 | 2.0 | 2.1 | 2.2 | 2.2 | 2.2 |
| Gross Domestic Product | (% qoq) | 0.3 | 0.2 | 0.3 | 0.5 | 0.4 | 0.7 | 0.4 | 0.6 | 0.5 | 0.5 | 0.5 | 0.5 | 0.6 | 0.5 | 0.6 | 0.6 |
| | (% yoy) | 1.1 | 0.9 | 0.8 | 1.3 | 1.4 | 2.0 | 2.1 | 2.2 | 2.3 | 2.0 | 2.2 | 2.0 | 2.1 | 2.2 | 2.2 | 2.3 |
| Labour Market | | | | | | | | | | | | | | | | | |
| Employment | (% qoq) | 0.3 | 0.6 | 0.8 | 0.5 | 0.3 | 0.6 | 0.2 | 0.5 | 0.4 | 0.4 | 0.3 | 0.3 | 0.4 | 0.4 | 0.4 | 0.4 |
| Unemployment Rate | (%) | 3.9 | 4.1 | 4.1 | 4.0 | 4.1 | 4.2 | 4.3 | 4.3 | 4.4 | 4.5 | 4.5 | 4.6 | 4.6 | 4.6 | 4.6 | 4.6 |
| WPI Wages | (% qoq) | 0.7 | 0.9 | 0.8 | 0.8 | 1.0 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| | (% yoy) | 4.0 | 4.1 | 3.5 | 3.2 | 3.5 | 3.4 | 3.4 | 3.5 | 3.3 | 3.3 | 3.3 | 3.2 | 3.2 | 3.2 | 3.2 | 3.2 |
| Inflation | | | | | | | | | | | | | | | | | |
| CPI Trimmed Mean | (% qoq) | 1.0 | 0.9 | 0.8 | 0.6 | 0.7 | 0.7 | 1.0 | 0.9 | 0.8 | 0.7 | 0.6 | 0.6 | 0.62 | 0.62 | 0.62 | 0.62 |
| | (% yoy) | 4.0 | 4.0 | 3.6 | 3.3 | 2.9 | 2.7 | 3.0 | 3.3 | 3.4 | 3.5 | 3.1 | 2.8 | 2.6 | 2.5 | 2.5 | 2.5 |
| CPI Headline | (% qoq) | 1.0 | 1.0 | 0.2 | 0.2 | 0.9 | 0.8 | 1.2 | 0.7 | 1.2 | 0.7 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 | 0.6 |
| | (% yoy) | 3.6 | 3.8 | 2.8 | 2.4 | 2.4 | 2.2 | 3.1 | 3.7 | 3.9 | 3.8 | 3.3 | 3.2 | 2.6 | 2.5 | 2.5 | 2.5 |

Source: ABS, NAB Economics. Quarterly percent change unless specified

See: [Global FX Strategist](#)

Exchange Rate Forecasts

| | 1-Jan | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 |
|-------------------------------|-------|--------|--------|--------|--------|--------|
| Majors | | | | | | |
| AUD/USD | 0.668 | 0.69 | 0.71 | 0.72 | 0.71 | 0.70 |
| NZD/USD | 0.58 | 0.60 | 0.62 | 0.63 | 0.63 | 0.63 |
| USD/JPY | 156.7 | 144 | 140 | 135 | 135 | 135 |
| EUR/USD | 1.18 | 1.20 | 1.21 | 1.23 | 1.22 | 1.21 |
| GBP/USD | 1.35 | 1.35 | 1.36 | 1.38 | 1.37 | 1.36 |
| USD/CNY | 6.99 | 7.05 | 6.95 | 6.90 | 6.85 | 6.85 |
| USD/CAD | 1.37 | 1.36 | 1.32 | 1.28 | 1.30 | 1.29 |
| USD/CHF | 0.79 | 0.77 | 0.76 | 0.75 | 0.76 | 0.76 |
| Australian Cross Rates | | | | | | |
| AUD/NZD | 1.16 | 1.15 | 1.15 | 1.14 | 1.13 | 1.11 |
| AUD/JPY | 104.7 | 99 | 99 | 97 | 96 | 95 |
| AUD/EUR | 0.57 | 0.58 | 0.59 | 0.59 | 0.58 | 0.58 |
| AUD/GBP | 0.50 | 0.51 | 0.52 | 0.52 | 0.52 | 0.51 |
| AUD/CNY | 4.67 | 4.86 | 4.93 | 4.97 | 4.86 | 4.80 |
| AUD/CAD | 0.92 | 0.94 | 0.94 | 0.92 | 0.92 | 0.90 |
| AUD/CHF | 0.53 | 0.53 | 0.54 | 0.54 | 0.54 | 0.53 |

Interest Rate Forecasts

| | 1-Jan | Mar-26 | Jun-26 | Sep-26 | Dec-26 | Mar-27 |
|------------------------------|-------|--------|--------|--------|--------|--------|
| Australian Rates | | | | | | |
| RBA cash rate | 3.60 | 3.85 | 4.10 | 4.10 | 4.10 | 4.10 |
| 3 month bill rate | 3.74 | 4.12 | 4.22 | 4.22 | 4.22 | 4.22 |
| 3 Year Swap Rate | 4.13 | 4.35 | 4.45 | 4.45 | 4.35 | 4.25 |
| 10 Year Swap Rate | 4.80 | 4.95 | 5.00 | 5.10 | 5.00 | 4.90 |
| Offshore Policy Rates | | | | | | |
| US Fed funds | 3.75 | 3.75 | 3.50 | 3.25 | 3.25 | 3.25 |
| RBNZ OCR | 2.25 | 2.25 | 2.25 | 2.25 | 2.25 | 2.50 |
| 10-year Bond Yields | | | | | | |
| Australia | 4.79 | 4.95 | 5.00 | 5.10 | 5.00 | 4.90 |
| United States | 4.17 | 4.25 | 4.35 | 4.50 | 4.50 | 4.50 |
| New Zealand | 4.40 | 4.55 | 4.65 | 4.80 | 4.80 | 4.80 |

See: [Global Forward View](#)

Global GDP

| | 2024 | 2025 | 2026 | 2027 |
|----------------|------|------|------|------|
| United States | 2.8 | 2.0 | 2.1 | 1.9 |
| Eurozone | 0.8 | 1.5 | 1.4 | 1.5 |
| United Kingdom | 1.1 | 1.4 | 0.9 | 1.0 |
| Japan | -0.2 | 1.2 | 0.8 | 1.7 |
| China | 5.0 | 4.9 | 4.2 | 3.9 |
| India | 6.7 | 7.7 | 6.3 | 6.2 |
| New Zealand | -0.6 | 0.4 | 2.7 | 2.5 |
| World | 3.3 | 3.4 | 3.1 | 3.0 |

Month Ahead Calendar

This calendar focuses on Australian domestic releases only.

| Monday | Tuesday | Wednesday | Thursday | Friday |
|---|--|--|--|---|
| 29 | 30 | 31 | 01 | 02 Cotality Home Value MoM Dec |
| 05 | 06 | 07 Building Approvals MoM CPI MoM Nov Nov | 08 Trade Balance Nov | 09 |
| 12 ANZ-Indeed Job Advertisements MoM Household Spending MoM Dec Nov | 13 Westpac Consumer Conf Index Jan | 14 Job Vacancies QoQ Nov | 15 | 16 Overseas Arrivals and Depatures Nov |
| 19 | 20 NAB Spend Trend Dec | 21 Building Activity MoM Engineering Construction Activity Sep Sep | 22 Unemployment Rate Dec | 23 |
| 26 Public Holiday | 27 NAB Business Conditions Dec | 28 CPI QoQ CPI MoM 4Q Dec | 29 Export Price Index QoQ Import Price Index QoQ 4Q 4Q | 30 PPI QoQ Private Sector Credit MoM 4Q Dec |

Source: National Australia Bank, Bloomberg

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