

Week of 2 February 2026

- The RBA is expected to hike, alongside a new set of forecasts.
- The BoE and ECB will likely be on hold.
- Readings on the US and NZ labour market.

Domestically, the **RBA meets on Tuesday**, NAB expects a 25 bp hike. Markets are 70% priced for a hike, with 57bp priced by year-end, and 20 of 26 analysts in the BBG survey expect a hike. We think the RBA will remain concerned about capacity pressures and uncertain about the degree of policy restrictiveness. See our [RBA & SoMP Preview](#). Also on Tuesday, building approvals are released, with the trade balance on Thursday. **RBA Governor Bullock appears before the Parliament** on Friday and Assistant Governor Jones speaks Wednesday.

In NZ, Q4 labour market data on Wednesday is the main data event where employment is expected to show quarterly expansion for the first time in 18 months. Commodity price updates and December building consents data are also due. Friday is Waitangi Day, a national holiday.

In the US, the early consensus for Friday's payrolls anticipates an ~80k jobs gain and the unemployment steady at 4.4%. Preliminary UMich consumer sentiment survey is also Friday. The Manufacturing ISM is Monday, and the Services ISM is Wednesday, with final PMIs, JOLTS and ADP data also released during the week.

President Trump flagged he would announce his **Fed Chair** pick tonight (Friday 30 Jan), one day ahead of the end of Miran's term. Corporate earnings continue, with Alphabet, Amazon and UBS reporting next week.

Final Global PMIs are released. The preliminary measures indicate composite PMIs in the US and EZ remain in healthy expansion territory but have eased their pace. **China** releases its official manufacturing and non-manufacturing surveys on Sunday, ahead of the RatingDog equivalents Monday (Manufacturing) and Wednesday (Services).

The BoE and ECB both meet on Thursday. No rate changes are expected by NAB or the markets. For the BoE new forecasts are likely to nudge up economic growth modestly, while the ECB will repeat it remains in a 'good place' with inflation around target. The ECB will field questions on the exchange rate and related rate cuts. UK Prime Minister Keir Starmer is also scheduled to visit Japan.

Preliminary January inflation data for the EZ is released on Wednesday. A dip in EZ headline HICP below December's 1.9%, with core closer to 2%, would feed the nascent debate on whether the ECB will be forced to cut rates again.

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Key Data

	Latest	Next
GDP	2.1% yoy	4Q on 4 Mar
Unemployment	4.1%	Jan on 19 Feb
Trimmed Mean	3.4% yoy	1Q on 29 Apr
RBA	3.6%	3 Feb

Key Markets

	Latest	Week	YTD
Rates			
		<i>bps</i>	<i>bps</i>
AU BBSY 3m	3.89	2.8	9.9
AU 3y swap	4.26	0.2	16.1
AU 3yr yield	4.27	1.1	13.7
AU 10yr yield	4.83	0.9	8.6
US 10yr yield	4.27	4.2	10.0
AU-US 10yr spread	56.0	-3.3	-1.4
Commodities			
		%	%
Iron ore	105	-0.2	-0.2
Coal (thermal)	108.6	-0.9	1.0
Brent oil	70.0	6.2	15.0
Gold	5184.9	4.0	20.0
FX			
AUD/USD	0.7001	1.6	4.9
USD (DXY)	96.58	-1.0	-1.8
AUD/NZD	1.2	-0.2	-0.2
AUD crosses			
AUD/JPY	107.70	0.3	3.0
AUD/CNY	4.8670	1.6	4.4
AUD/EUR	0.5875	0.8	3.4
AUD/GBP	0.5	0.7	2.7

Source: Bloomberg

Week Ahead Calendar

Highlighted events are previewed below.

	Event	Period	Survey	NAB	Previous
Monday, 2 Feb	09:00 AU S&P Global Australia PMI Mfg	Jan F	--		52.30
	10:50 JN BOJ Summary of Opinions (Jan. MPM)	--	--		--
	11:00 AU Melbourne Institute Inflation MoM	Jan	--		0.2%
	11:30 JN S&P Global Japan PMI Mfg	Jan F	--		51.50
	12:45 CH RatingDog China PMI Mfg	Jan	50.00		50.10
	18:00 UK Nationwide House PX MoM	Jan	0.3%		-0.4%
	20:00 EC GE/FR/EC Manufacturing PMI	Jan F	49.40		49.40
	20:30 UK S&P Global UK Manufacturing PMI	Jan F	51.6		51.6
	22:45 UK BOE's Sarah Breen speaks in London	--	--		--
	-- US (02 Feb - 11 Feb) Final Benchmark Payrolls Revision	2025	--		-598.0
	01:30 CA S&P Global Canada Manufacturing PMI	Jan	--		48.60
	01:45 US S&P Global US Manufacturing PMI	Jan F	52.0		51.9
	02:00 US ISM Manufacturing	Jan	48.50		47.9
04:30 US Fed's Bostic Speaks at the Atlanta Rotary Club	--	--		--	
Tuesday, 3 Feb	07:00 US US Treasury Quarterly Borrowing Estimates	--	--		--
	08:45 NZ Building Permits MoM	Dec	--		2.8%
	11:30 AU Building Approvals MoM	Dec	-6.4%		15.2%
	14:30 AU RBA Cash Rate Target	03 Feb	3.85	3.85	3.60
	14:30 AU RBA-Statement on Monetary Policy	--	--		--
	18:45 FR CPI YoY	Jan P	0.6%		0.8%
	20:00 EC ECB Bank Lending Survey	--	--		--
	01:40 US Fed's Bowman in Moderated Conversation	--	--		--
02:00 US JOLTS Job Openings	Dec	7250.00		7146.00	
Wednesday, 4 Feb	08:45 NZ Unemployment Rate	4Q	5.3%	5.3%	5.3%
	08:45 NZ Employment Change QoQ	4Q	0.3%	0.3%	0.0%
	08:45 NZ Pvt Wages Ex Overtime QoQ	4Q	0.5%	0.5%	0.5%
	11:30 JN S&P Global Japan PMI Composite	Jan F	--		52.8
	12:45 CH RatingDog China PMI Composite	Jan	--		51.3
	16:00 AU RBA's Jones-Fireside Chat	--	--		--
	20:00 EC EZ/FR/GE HCOB Services PMI	Jan F	51.90		51.90
	20:30 UK S&P Global UK Services PMI	Jan F	54.30		54.30
	21:00 EC CPI MoM	Jan P	-0.5%		0.2%
	23:00 US MBA Mortgage Applications	30 Jan	--		-8.5%
	00:15 US ADP Employment Change	Jan	45.00		41.00
	02:00 US ISM Services Index	Jan	53.50		53.80
	Thursday, 5 Feb	11:30 AU Trade Balance	Dec	3450.00	
18:00 GE Factory Orders MoM		Dec	-2.4%		5.6%
18:45 FR Industrial Production MoM		Dec	0.1%		-0.1%
23:00 UK Bank of England Bank Rate		05 Feb	3.75	3.75	3.75
00:15 EC ECB Deposit Facility Rate		05 Feb	2.00	2.00	2.00
00:30 US Initial Jobless Claims		31 Jan	212.00		209.00
04:40 CA Bank of Canada Governor Tiff Macklem Speaks in Tor		--	--		--
Friday, 6 Feb	09:30 AU RBA's Bullock-Parliamentary Testimony	--	--		--
	18:00 GE Industrial Production SA MoM	Dec	-0.4%		0.8%
	20:00 EC ECB's Kocher Speaks in Vienna	--	--		--
	23:00 UK BOE's Huw Pill Speaks	--	--		--
	00:30 CA Net Change in Employment	Jan	5.00		10.10
	00:30 CA Unemployment Rate	Jan	6.8%		6.8%
	00:30 US Change in Nonfarm Payrolls	Jan	68		50.0
	00:30 US Average Hourly Earnings MoM	Jan	0.3%		0.3%
	00:30 US Unemployment Rate	Jan	4.4%		4.4%
	02:00 US U. of Mich. Sentiment	Feb P	55.00		56.40
	Upcoming Central Bank Interest Rate Announcements				
	AU RBA	3 Feb			3.60
	EZ ECB	5 Feb			2.00
	UK BoE	5 Feb			3.75
	NZ RBNZ	18 Feb			2.25
	US Federal Reserve (Upper Bound)	18 Mar			3.75
	CA BoC	18 Mar			2.25
	JN BoJ	19 Mar			0.75

Sydney Time. Dates reflect 24 hours from 7am

Key Event Previews

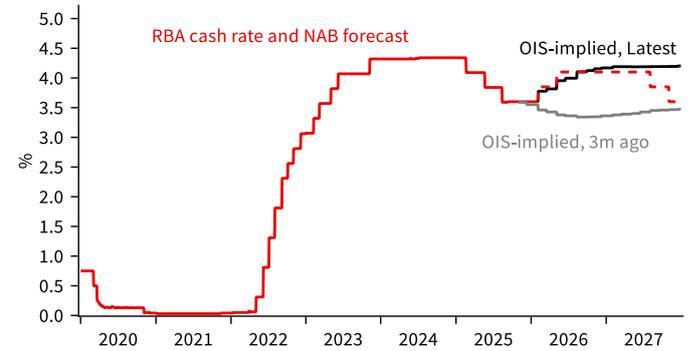
Tuesday

AU RBA Policy Decision

NAB expects the RBA to raise the cash rate by 25bp on Tuesday, followed by another increase in May, which would reflect a modest recalibration of policy. The RBA is likely to remain concerned about capacity pressures and uncertain about how restrictive current settings are. We don't expect the Board will seek to shape firm expectations of the forward path, leaving the door open to some further adjustment while remaining data dependent.

The RBA will also publish updated forecasts, for more detail, see: [RBA & SoMP Preview](#)

RBA Cash Rate, NAB forecasts, & Market Expectations



Source: National Australia Bank, Bloomberg

Wednesday

NZ Employment/Unemployment/Wages (Q4)

BNZ expects the Q4 labour market data to show some signs of improvement or at least halting deterioration. BNZ looks for quarterly employment up 0.3% qoq, the first expansion in 18 months, and the unemployment rate steady at 5.3% assuming the labour force participation rate is little changed. HLFs hours worked and Quarterly Employment Survey (QES) filled jobs and paid hours will also give some guidance to activity in the quarter. On wages, BNZ see 0.5% q/q and 2.0% yoy for the private-sector LCI.

Those outcomes would be broadly in line with the RBNZ's expectation.

NZ Unemployment Rate



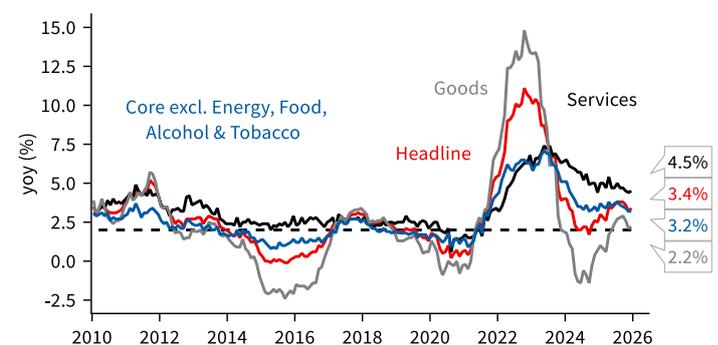
Source: National Australia Bank, Statistics New Zealand, Macrobond

Thursday

UK BoE Policy Decision

Markets price almost no chance of a rate cut and NAB agrees, having just cut at the December meeting to 3.75%. Still, we see the nine-member MPC voting 6:3 to hold rates. Inflation remains too high at a 3.4% headline, even though some good progress has been made in wage price moderation. Base effects and government changes from the Budget to freeze rail fares, cut energy prices will see headline inflation drop sharply in the print for April to at least 2.5%. While we think the chances of a BoE cut in March are higher than market pricing a late April cut is more likely.

UK Inflation*

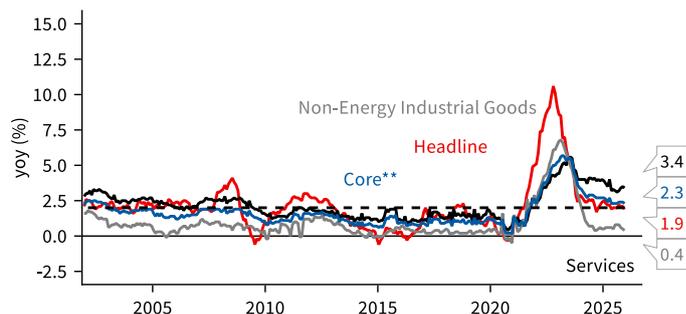


Source: National Australia Bank, U.K. Office for National Statistics (ONS), Macrobond
* Dashed line represents the BOE's 2% inflation target.

EZ ECB Policy Decision

With inflation more or less at target the ECB will keep rates on hold and continue to talk of being in a ‘good place.’ The downside miss in the December release to a 1.9% headline HICP could be pushed a little lower in January’s preliminary reading, aided by temporary soft German prices. The ECB will need more than this to be persuaded HICP will remain sustainably below its 1.9% 2026 forecast. Exchange rate strength will add further pressure and be the subject of many ECB press conference questions. The rule of thumb of a 10% EUR appreciation cutting 0.3% or so off HICP, but where the EUR TWI has risen a more modest 6.5%, suggests the ECB can sit tight for now. Chinese export re-routing into Europe remains a further deflationary threat.

Euro Area Inflation*



Source: National Australia Bank, Eurostat, Macrobond
 Notes: * HICP, dashed line represents the ECB's 2% inflation target; ** Excluding energy, food, alcohol and tobacco.

Friday

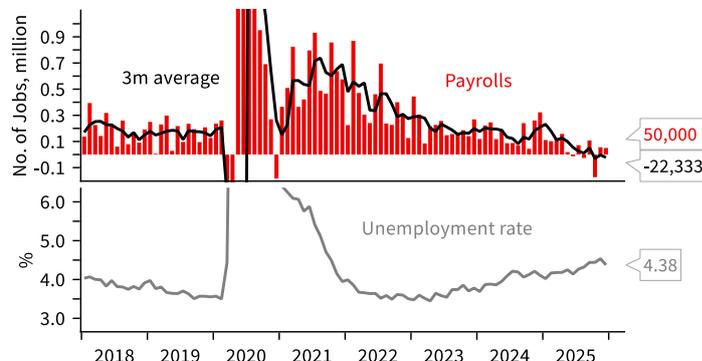
US Non-farm Payrolls (Jan)

The early consensus is for the unemployment rate to remain at 4.4%, and a ~80k payroll gain. That would be broadly in line with the FOMC’s assessment. In holding rates this week, the post meeting statement said “the unemployment rate has shown some signs of stabilization”.

January’s release will also incorporate annual benchmark revisions to payrolls. In addition, the birth-death model will be refreshed to incorporate the latest sample information each month, which should help reduce the recent pattern of downward benchmark revisions going forward.

Usually, the household survey incorporates annual population control adjustments in the January data, but this year those changes will be delayed to the February release in March.

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	0.5	0.1	0.3	0.4	0.4	0.3	0.3	0.4	0.4	0.4	0.4
Unemployment Rate	(%)	3.9	4.0	4.1	4.0	4.1	4.2	4.3	4.2	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	0.5	0.7	0.6	1.0	0.9	0.8	0.76	0.70	0.67	0.6	0.6	0.6	0.6
	(% yoy)	4.1	4.1	3.6	3.3	3.0	2.7	3.0	3.4	3.4	3.52	3.19	2.96	2.8	2.6	2.6	2.5
CPI Headline	(% qoq)	0.9	1.0	0.2	0.2	0.9	0.7	1.3	0.6	1.2	0.7	0.8	0.6	0.6	0.6	0.6	0.6
	(% yoy)	3.6	3.8	2.9	2.4	2.4	2.1	3.2	3.6	3.9	3.9	3.3	3.4	2.8	2.7	2.5	2.5

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

See: [Global FX Strategist](#)

See: [Global Forward View](#)

Exchange Rate Forecasts						
	29-Jan	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27
Majors						
AUD/USD	0.70	0.70	0.72	0.73	0.73	0.72
NZD/USD	0.60	0.60	0.62	0.63	0.63	0.63
USD/JPY	153.9	154	152	150	148	146
EUR/USD	1.19	1.20	1.22	1.20	1.23	1.23
GBP/USD	1.38	1.37	1.38	1.38	1.38	1.36
USD/CNY	6.95	6.93	6.90	6.85	6.80	6.80
USD/CAD	1.35	1.36	1.34	1.33	1.33	1.35
USD/CHF	0.77	0.77	0.76	0.75	0.75	0.75
Australian Cross Rates						
AUD/NZD	1.16	1.17	1.16	1.16	1.15	1.15
AUD/JPY	107.7	108	109	110	108	105
AUD/EUR	0.59	0.58	0.59	0.61	0.59	0.59
AUD/GBP	0.51	0.51	0.52	0.53	0.53	0.53
AUD/CNY	4.87	4.85	4.97	5.00	4.96	4.90
AUD/CAD	0.95	0.95	0.96	0.97	0.97	0.97
AUD/CHF	0.54	0.54	0.55	0.55	0.55	0.54

Global GDP				
	2024	2025	2026	2027
US	2.8	2.0	2.1	1.9
Euro-zone	0.8	1.5	1.4	1.5
Japan	-0.2	1.2	0.8	0.7
UK	1.1	1.4	0.9	1.0
Canada	2.0	1.7	1.1	1.7
China	5.0	4.9	4.2	3.9
India	6.7	7.7	6.3	6.2
Australia	1.0	1.9	2.1	2.2
NZ	-0.6	0.3	2.5	2.3
Global	3.3	3.4	3.1	3.0

Interest Rate Forecasts						
	29-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	3.84	4.12	4.22	4.22	4.22	4.22
3 Year Swap Rate	4.26	4.35	4.45	4.45	4.35	4.25
10 Year Swap Rate	4.88	4.95	5.00	5.10	5.00	4.95
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	2.50	2.75	3.00
10-year Bond Yields						
Australia	4.82	4.95	5.00	5.10	5.00	4.90
United States	4.27	4.25	4.35	4.50	4.50	4.50
New Zealand	4.61	4.60	4.75	4.90	4.90	4.90

Month Ahead Calendar

This calendar focuses on Australian domestic releases only.

Monday	Tuesday	Wednesday	Thursday	Friday
<p>02</p> <p>Cotality Home Value MoM Jan Melbourne Institute Inflation MoM Jan ANZ-Indeed Job Advertisements MoM Jan</p>	<p>03</p> <p>Building Approvals MoM Dec RBA Cash Rate Target RBA-Statement on Monetary Policy</p>	<p>04</p>	<p>05</p> <p>Trade Balance Dec</p>	<p>06</p>
<p>09</p> <p>Household Spending MoM Dec</p>	<p>10</p> <p>Westpac Consumer Conf Index Feb NAB Business Conditions Jan</p>	<p>11</p>	<p>12</p>	<p>13</p>
<p>16</p>	<p>17</p> <p>RBA Minutes of Feb. Policy Meeting Jan NAB Spend Trend</p>	<p>18</p> <p>Wage Price Index QoQ 4Q</p>	<p>19</p> <p>Unemployment Rate Jan NAB Forward View</p>	<p>20</p>
<p>23</p>	<p>24</p>	<p>25</p> <p>CPI MoM Jan CPI Trimmed Mean MoM Jan Construction Work Done 4Q</p>	<p>26</p> <p>Private Capital Expenditure 4Q</p>	<p>27</p>
<p>02</p>	<p>03</p>	<p>04</p>	<p>05</p>	<p>06</p>

Source: National Australia Bank, Bloomberg

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