WEEKLY ECONOMIC COMMENTARY

14 Sep 2026 | **Westpac Economics Team** | **westpac.co.nz/economics** | economics@westpac.co.nz

Four seasons in one day

The most recent data continues to show that the New Zealand economy has held its ground, better than we dared to hope in the early stages of the Middle East oil shock. We're expecting a modest rise in next Thursday's June quarter GDP figures, but seasonal distortions mean that this will likely understate the true pace of growth. We're far from out of the woods though, with looming risks from a resurgence in oil prices, the impending election, and the prospect of an El Niño summer.

Beating the winter blues.

We're now expecting **a 0.2% rise in GDP for the June quarter**. That's an upgrade from our previous forecast of a 0.1% fall, reflecting the final sectoral indicators that have been released over the last couple of weeks. This would see annual growth accelerate from 1.5% to 2.4%, due to an unusually weak June quarter last year (-0.7%) dropping out of the calculation.

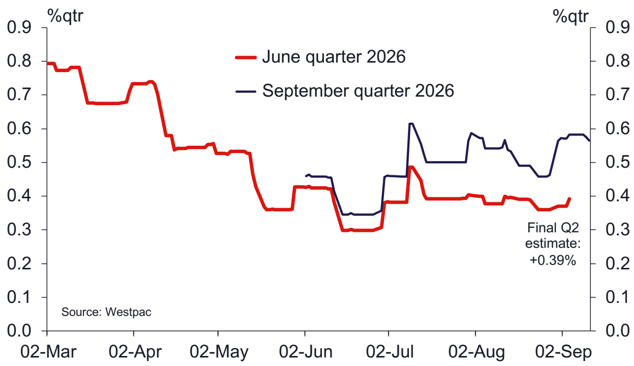
As we've noted in the past, the calculation of GDP leads to seasonal distortions, which currently have a negative impact on June quarter growth rates. We estimate that this will subtract around 0.3ppts from growth this time, implying a healthier-looking underlying rate of 0.5% for the quarter. This would follow a 0.8% rise in the March quarter that was itself probably overstated to the tune of 0.3ppts. In other words, the true picture is one of sustained moderate growth rather than a slowdown.

Our forecast is higher than the flat outturn that the RBNZ expected in its 2 September *Monetary Policy Statement* (which didn't have the benefit of the most recent sectoral data). A stronger than expected GDP result could certainly assuage some of the committee members' concerns about downside risks to growth. But on balance we suspect they will be looking more to the evidence on inflation (such as the NZIER business survey on the 6th of October and the CPI on the 22nd) to determine their next move.

Key views

	Last 3 months	Next 3 months	Next year
Global economy	→	→	→
NZ economy	→	↗	↗
Inflation	↑	→	↓
2 year swap	↑	→	↗
10 year swap	→	→	↗
NZD/USD	→	→	↗
NZD/AUD	→	→	↗

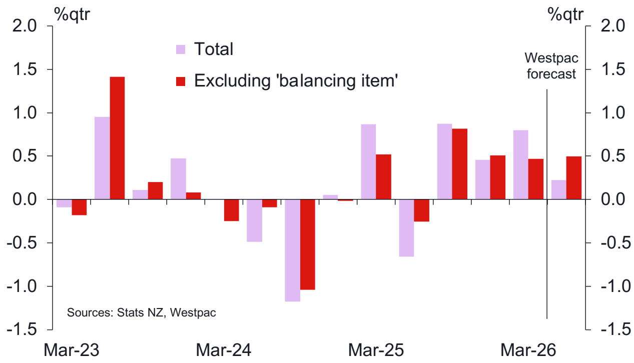
Westpac GDP nowcasts



Key data and event outlook

Date	Event
16 Sep 26	FOMC meeting (17 Sep NZT)
17 Sep 26	NZ GDP, June quarter
18 Sep 26	NZ Selected price indexes, August
29 Sep 26	NZ Govt Pre-election Economic & Fiscal Update
29 Sep 26	RBA Monetary Policy Decision
6 Oct 26	NZIER QSBO Survey, September quarter
16 Oct 26	NZ Selected price indexes, September
21 Oct 26	NZ CPI, September quarter
28 Oct 26	RBNZ OCR Review
28 Oct 26	FOMC meeting (29 Oct NZT)
3 Nov 26	RBA Monetary Policy Decision

Quarterly GDP growth



Since the *Monetary Policy Statement*, committee members have given several media interviews and reproduced their comments on the RBNZ website – part of a welcome push this year towards greater transparency. Last week featured interviews by Prasanna Gai, who has been a hawkish-leaning and seemingly quite influential member since the Middle East conflict began. On this occasion, Gai's views came across as a little more balanced, which contributed to the outperformance of New Zealand interest rates early in the week.

While Gai acknowledged that he had voted for a pre-emptive OCR increase in May, he stressed that this view had always been conditional on inflation expectations and firms' pricing behaviour. Given that these indicators have remained relatively contained, he said he now viewed the decision to leave the OCR unchanged in May as appropriate. Perhaps more surprisingly, Gai said he did not hold a strong view on whether the OCR would ultimately need to move into restrictive territory.

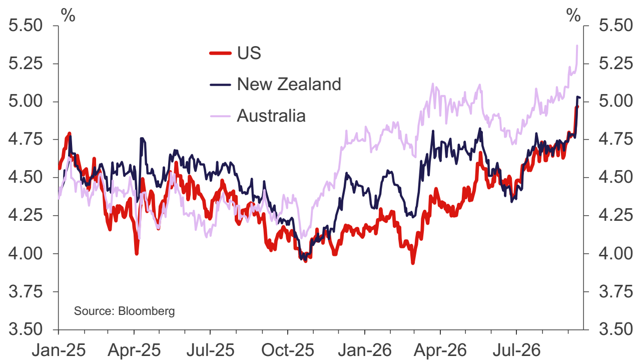
Gai also provided insight into his thinking on the neutral OCR. He argued that the neutral rate is inherently uncertain and should be viewed as a range rather than a precise estimate. While geopolitical tensions, infrastructure rebuilding, defence spending and other global investment demands could place upward pressure on the neutral interest rate, he stressed that the magnitude of any such shift is highly uncertain. For now, he said he was comfortable with the RBNZ's current estimate of neutral and added that it was plausible that the OCR is already operating within the neutral zone.

Overall, the interview suggested Gai remains alert to inflation risks but that he is not advocating an aggressive tightening path, instead placing significant weight on incoming evidence and the evolving balance between inflation and growth risks. On that score, rather than focusing on near-term inflation outcomes, Gai emphasised the importance of forward-looking indicators such as inflation expectations and survey evidence on firms' pricing intentions.

Silly season for the bond market?

The RBNZ's more moderate pivot comes at a moment when global interest rates have been coming under significant upward pressure. US long-term government bond yields have risen by around 30bps in the last month, with most of the move occurring in recent days, and yields in the major economies (excluding Japan) have been swept along with this trend to varying degrees.

10-year Government bond yields



Market sentiment has certainly not been helped by the unusual manoeuvrings of the US authorities in support of the bond market. Treasury Secretary Bessent declared last week that "the house always wins" and that "I am the house", inviting market participants to "bet against me if you want". The market promptly called his bluff (to mix our gambling metaphors), and an attempt to restrain the rise in yields by tripling the size of the Treasury's bond buybacks to $6bn failed to impress.

Setting aside this gamesmanship, there are several reasons for global interest rates to be moving higher. First, the general backdrop is that yields have been trending up for most of the post-pandemic period. The 2010s were a period of puzzlingly low interest rates, with much theorising about a 'structural' downtrend and concerns that the zero lower bound for policy rates would become an increasing challenge for central banks. With hindsight though, this period is proving to be a phase, albeit a prolonged one, rather than a structural change.

Second, Bessent's actions have merely served to draw attention to the US's fiscal ill-discipline, which was already evident a few years ago and has worsened under the current administration, with gross debt recently passing US$40 trillion. Trump's proposal to pay $5000 to every US adult if the Republicans win the mid-term elections in November would on its own add more than $1trn to this debt pile.

Third, the US Government and the 'hyperscaler' tech firms are between them making an exceptionally large call on the pool of global savings at the moment. Investors expect to be compensated for absorbing this much additional issuance.

And finally, the inflation dragon has refused to die, sending the Fed back onto a hawkish path again. Market expectations were already growing for a rate hike by the Fed at this week's meeting, and the CPI figures over the weekend were seen as sealing the deal. The headline inflation rate of 3.4% obviously reflects the jump in fuel prices since the US-Iran conflict began. But no matter how much inconvenient information is trimmed out, the 'core' measures of inflation are all stubbornly on the high side of the inflation target.

The Fed is not alone in this respect. Last week the ECB hiked its policy rate for a second time, a move that had been signalled well in advance. The Bank of Japan is also widely expected to raise rates again this week. And we're now expecting the RBA to lift its cash rate again this year – we see the November meeting as most likely, but the market is pricing a strong chance that this happens as soon as the 29 September meeting.

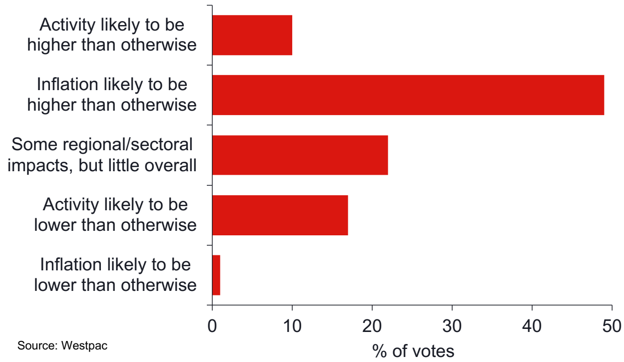
Against this backdrop, the RBNZ can take some comfort from having already put two OCR hikes under its belt, and the fact that longer-term inflation expectations have remained in check. But we think it's highly unlikely that this tightening cycle will end up being as shallow as the RBNZ's most recent projections suggest.

The election campaign springs into action.

With New Zealand's election campaign now under way, we're getting more questions from clients about how the policy platforms of the two major 'blocs' could impact on the economy. One policy in particular seems to have resonated: the opposition Labour Party has said that it would bring back employment as part of the RBNZ's mandate, presumably along the lines of what was in place between 2018 and 2023 when they were in last in government.

In our recent **RBNZ pulse survey**, half of respondents thought that the reintroduction of the 'dual mandate' would lead to a moderately (25-50bps) lower peak in the OCR for the current cycle. And an informal poll during one of our recent client functions found mixed views on what a change of Government might mean for economic activity next year – but around half thought that the main impact would be higher inflation than otherwise.

What would be the main impact of a change in Government on activity and inflation in 2027?



We're more relaxed about this prospect than the market appears to be. Central banks such as the Fed and the RBA have a long history of 'dual mandates', with no real evidence that they run policy in a different way or are less committed to inflation targeting compared to other countries. Former RBNZ Governor Orr has said that the previous dual mandate didn't make a difference to their decision-making – a claim that seems credible, as the inflation and employment parts of their mandate were generally pointing in the same direction during that time.

That's not to say that a dual mandate wouldn't make a difference in the future though. Supply-side shocks – which have become more frequent in recent years – have opposing effects on inflation and employment, and a dual mandate could direct the RBNZ to weight these factors differently than under an inflation target alone.

Also, the details matter. The employment part of the previous dual mandate was fairly softly worded: the RBNZ's role was described as "supporting" maximum sustainable employment (with the Government presumably playing the lead role), and there was no specific target, numerical or otherwise. The Labour Party has not confirmed whether they are looking at restoring the previous wording, or something with more bite. It's likely that we'll be writing more about this in the near future, particularly if a more detailed policy proposal is forthcoming.

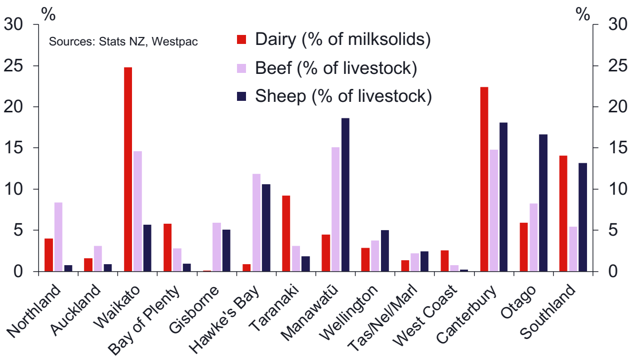
Cruel summer.

A strong El Niño pattern has been developing in the Pacific Ocean and is tracking to be one of the largest on record – we've seen references to a "Godzilla" event as far back as May. El Niño typically means a high risk of hot, dry conditions across our eastern regions and the upper North Island, which includes some of our key farming regions.

We released a report last week looking at the potential impacts of a drought this summer: where the effects may fall, the potential mitigants, and the macro implications. Past severe droughts have subtracted as much as one percentage point from GDP growth, though we'd emphasise that this represents an upper bound rather than a forecast this time around. Nevertheless, this gives us an idea of how far we might need to adjust our forecasts for 2027 as things develop.

Every event plays out differently, and the farming sector has evolved towards more resilience in the almost 30 years since the last El Niño-led drought. The way we'd sum it up is that the centre of gravity for the farming sector has shifted south over that time: towards the likes of Canterbury, Otago and Southland, where water availability is less of an issue. The Canterbury region in particular makes extensive use of irrigation, which is fed by snowmelt from the Southern Alps. (Southland is simply less prone to drought.) In contrast, farming in the North Island is heavily reliant on rainfall and storage.

Agricultural activity by region



For the RBNZ, a drought is the very definition of a temporary shock, with the impacts on output and prices expected to reverse as we enter the next growing season. Nonetheless, the RBNZ is likely to keep a watching brief on whether these short-term effects start to feed into longer-run expectations of inflation. The broader economic context will ultimately decide whether this dynamic occurs.

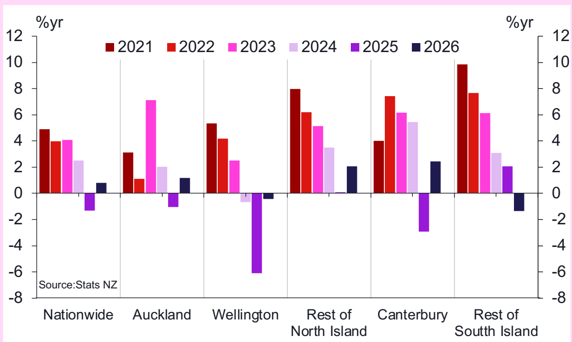
Michael Gordon, Senior Economist

Chart of the week.

Housing rent inflation has slowed sharply over the past couple of years, with properties in some regions like Wellington seeing outright falls. Underlying that change has been a significant increase in housing supply at the same time as population growth has slowed sharply. The related increase in the supply of homes has given tenants much more options. We expect rental inflation will remain subdued for the remainder of this year and next.

The softness in rents is also resulting in a more complex environment for property investors. Rental yields have already come under downward pressure from increases in borrowing costs and other operating costs like rates and insurance. Expectations for capital gains have also been wound back. Those conditions have resulted in increasing caution among investors, with system lending for rental properties easing back in recent months. There is also nervousness about pot

Housing rents (Year to July)

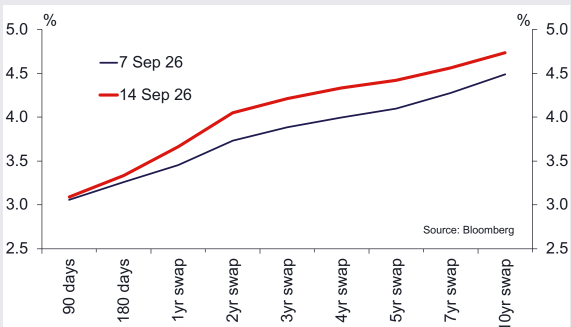


Fixed versus floating for mortgages.

The RBNZ lifted the OCR to 2.75% at its September policy meeting. While the RBNZ has signalled the likelihood of further rate hikes over the coming months, they also signalled that they want to see how the economy is shaping up in the wake of ongoing global headwinds and the 50bps of rate hikes since July. We continue to expect the RBNZ will pause in October before delivering another 25bp hike in December.

Fixed-term mortgage rates between two and five years now lie above 5%, but fixing for one of these longer periods still appears attractive as it would insulate borrowers from a trend higher in the OCR over the next couple of years.

NZ interest rates



Global wrap

Middle East.

Ongoing tit-for-tat military exchanges between the US and Iran, the seizure of a Yemeni port by Houthi rebels, and attacks on the Saudi East-West pipeline pushed Brent crude as high as $110/bbl last week – the highest since May. Prices eased slightly Friday on news that Iran and Oman would announce a temporary shipping lane through the Strait of Hormuz, but the planned meeting today with Gulf nations has been postponed. With refining spreads also widening, benchmark prices in Asia suggest that average local retail prices for petrol and diesel could rise by at least 30c a litre over coming weeks.

North America.

In the US, the core CPI rose a solid 0.3% in August while some components of the core PPI also pointed to a firm core PCE outcome later this month. In addition, the University of Michigan reported a sharp lift in consumer inflation expectations. This week economists are split on the outcome of Wednesday's Fed policy meeting - Westpac expects a 25bp hike, whereas market pricing suggests a 90% chance of policy tightening. Markets will also pay close attention to the revised forecasts and Chair Warsh's press conference to see what if anything can be gleaned about the likely future path of policy. Other notable diary entries this week include the August retail sales report and the release of housing and factory production data.

Europe.

As widely expected, the ECB hiked the Deposit Rate by 25bps to 2.5% last week. ECB President Lagarde warned of upside risks to inflation and downside risk to economic growth and was non-committal on future policy settings given the high degree of uncertainty about the outlook. The BoE will review its policy settings on Thursday. Ahead of this week's CPI data, markets see little chance of a rate hike this week, but a 25bp hike is fully priced by the end of this year.

Asia-Pacific.

Australia's key measures of consumer and business sentiment took a step lower last week. Even so, given evidence of a more resilient household sector, and a larger-than-expected impetus from the AI-related investment boom, our Australian colleagues now expect a further 25bp rate hike from the RBA (likely delivered at the November policy meeting). This week the focus will be on Tuesday's release of China's key domestic activity indicators for August and Friday's BoJ policy meeting (a 25bp hike to 1.25% is fully priced).

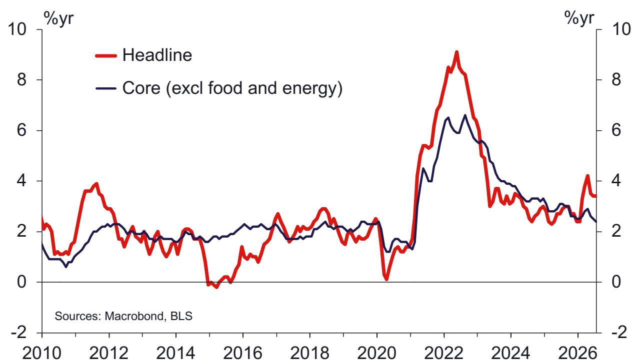
Trading partner real GDP (calendar years)

	Annual average % change			
	2025	**2026**	**2027**	**2028**
Australia	2.0	2.1	1.7	2.2
China	5.0	4.7	4.6	4.4
United States	2.1	2.1	1.8	1.9
Japan	1.1	0.7	0.8	0.9
East Asia ex China	4.7	5.2	4.3	4.2
India	7.6	7.1	7.0	6.6
Euro Zone	1.3	0.9	1.2	1.5
United Kingdom	1.3	1.2	1.0	1.5
NZ trading partners	3.2	3.1	2.8	2.9
World	3.4	3.3	3.3	3.3

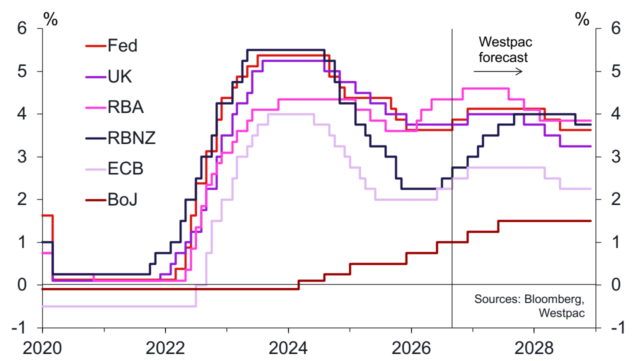
Australian & US interest rate outlook

	11-Sep	Dec-26	Dec-27	Dec-28
Australia				
Cash	4.35	4.60	4.10	3.85
90 Day BBSW	4.67	4.70	4.05	3.95
3 Year Swap	5.01	4.65	4.30	4.10
3 Year Bond	5.03	4.65	4.30	4.10
10 Year Bond	5.38	5.20	4.85	4.80
10 Year Spread to US (bps)	42	40	15	-10
US				
Fed Funds	3.625	4.125	4.125	3.625
US 10 Year Bond	4.96	4.80	4.70	4.90

US CPI inflation



Global central bank policy rates



Financial markets wrap

Foreign exchange.

The week-ahead bias remains bearish. A retest of support at 0.5800 (a 50% retracement of the July-August rally) is possible, as is a test of 0.5760 (62% retracement). The main risk event this week will be the Federal Reserve's decision on Wednesday, with markets assigning a 90% chance of a hike. If it does hike, and if guidance signals more to come, then the US dollar will probably strengthen and NZD/USD will fall, probably below 0.5800. There's also local event risk from the NZ Q2 GDP data on Thursday. Looking further ahead to year end, if we start to see evidence of an increase in the pace of NZ's economic recovery, then higher swap rates should result, in turn supporting the NZD. In that scenario, a NZD/USD recovery to 0.5900-0.6000 is plausible.

NZD/AUD's decline since August results from a combination of stronger AU economic data, which caused markets to upgrade the chances of an RBA rate hike in September or November, as well as the early September RBNZ MPS, which caused markets to downgrade the pace and extent of OCR hikes. Last week's 0.8080 low was last seen in 2013. That said, the speed of decline has left it "stretched" and in need of consolidation. Further, by year end, if NZ's economic recovery looks more compelling, then a rebound to the 0.8300-0.8400 area is plausible.

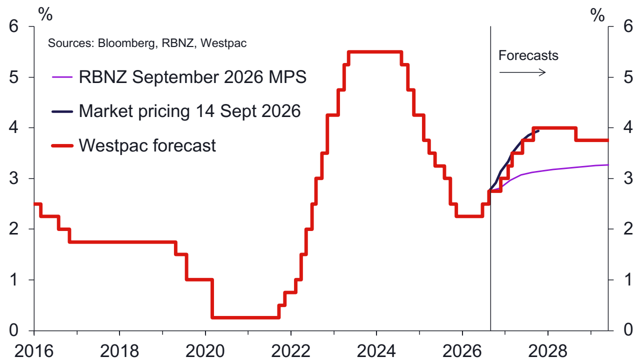
Interest rates.

The 2yr swap rate last week broke above its two-month old range of 3.60%-3.80%, driven by gains in other countries' bond yields, and accelerated by limited NZ market liquidity, and reached 4.06% - the highest since August 2024. Into year end, we expect a 3.80%-4.10% range, absent international surprises. We expect the nascent economic recovery to continue, which should result in higher swap rates during the next few quarters.

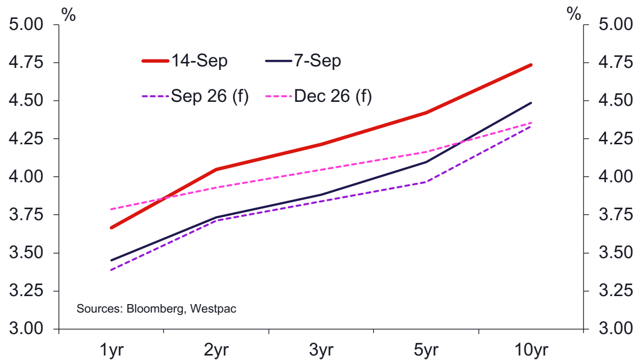
The near-term path of the OCR, according to the RBNZ's OCR forecast, is a hold in October and a hike in December (conditional on the RBNZ's other forecasts proving correct). The evolution of NZ economic data over the next few months will be important in determining whether this path eventuates. In that regard, major data releases ahead of the 28 October meeting include GDP (this week), CPI inflation, and the quarterly business survey. Currently, OIS pricing implies a 65% chance of a hike in October, over a 100% chance by December, and a peak OCR of around 3.75%.

The yield curve's flattening trend since the peak in late December has resumed, helped by the rise in short-maturity interest rates offshore. The 2-10yr swap curve, which had steepened over the past month from 70bp to 80bp, is currently at 69bp. By year end, we expect the flattening trend to extend due to the RBNZ's tightening cycle, taking the 2-10yr curve to around 60bp.

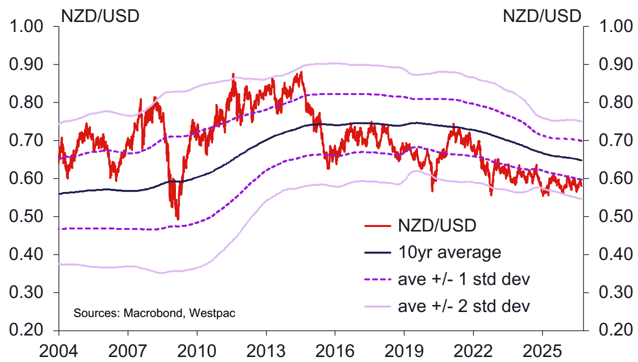
Official Cash Rate forecasts



Swap rates



NZD/USD vs rolling 10yr average



FX recent developments

	Historical data				F'cast
	Spot	3mth range	5yr range	5yr avg	Dec-26
USD	0.581	0.563-0.597	0.553-0.720	0.611	0.59
AUD	0.812	0.810-0.837	0.810-0.971	0.905	0.82
EUR	0.501	0.495-0.513	0.484-0.637	0.556	0.5
GBP	0.43	0.425-0.438	0.425-0.531	0.477	0.43
JPY	89.7	89.7-95.3	75.5-98.6	87.4	90.7

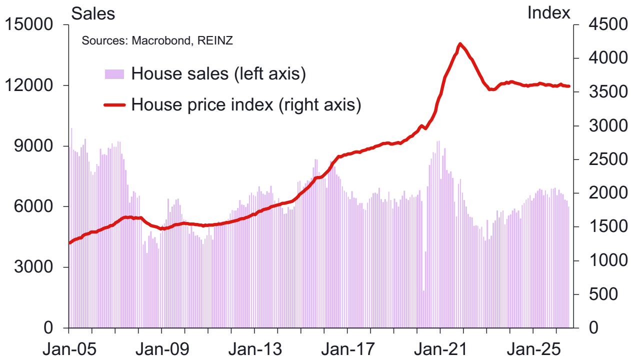
The week ahead

Aug REINZ House Sales and Prices.

Sep 15, Sales last: -10.0%yr, Prices last: -0.4%yr

The housing market remained soft in July, with sales falling to their lowest level in two years and prices remaining broadly flat. Conditions remain stronger in the south, with prices up on last year in Canterbury, Otago and Southland, while Auckland and Wellington remain the weakest markets. Fixed-term mortgage rates rose further in August in anticipation of RBNZ tightening, and a growing supply of unsold homes on the market means that buyers are under no pressure to bid prices higher.

REINZ house prices and sales

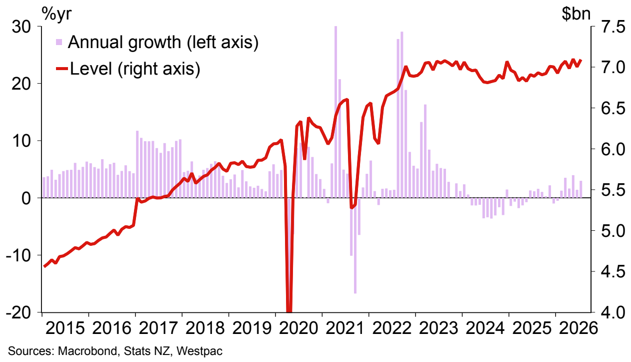


Aug Retail Card Spending.

Sep 15, Last: 1.3%, Westpac f/c: -0.2%

Retail spending rose 1.3% in July. That was in part due to large increases in discretionary spending categories, including household durables (e.g. household furnishings). Spending in such areas can be lumpy on a month-to-month basis, and a reversal is likely this month. As a result, we're forecasting a small fall in spending in August. Adding to the downward pressure on spending has been the continued high level of fuel prices, which pushed higher over the month. Retail spending has been very volatile in the wake of the fuel price shock. Stepping back and looking at the longer-term trend, spending growth has been relatively modest in recent months.

Monthly retail card spending

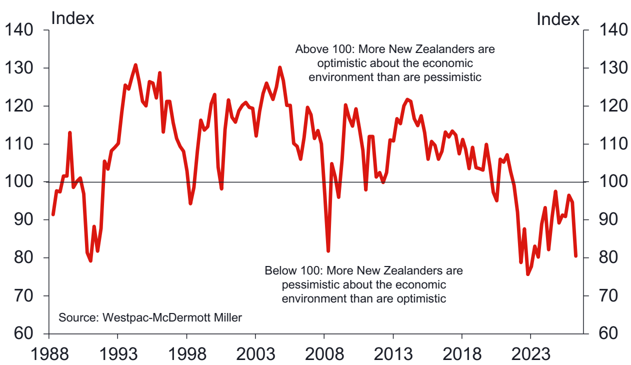


Q3 Westpac-McDermott Miller Consumer Confidence.

Sep 16, Last: 80.4

Our latest consumer confidence survey was in the field in the first two weeks of September. In the previous survey, consumer confidence fell sharply as the impacts from the war in the Middle East rippled across the global economy through to wallets here in New Zealand. Since that time, fuel prices have dropped back, but they remain high. We've also had the RBNZ starting to lift the Official Cash Rate. At the same time, we seen continued strength in commodity export prices, which is helping to boost incomes in many regions.

Consumer Confidence Index

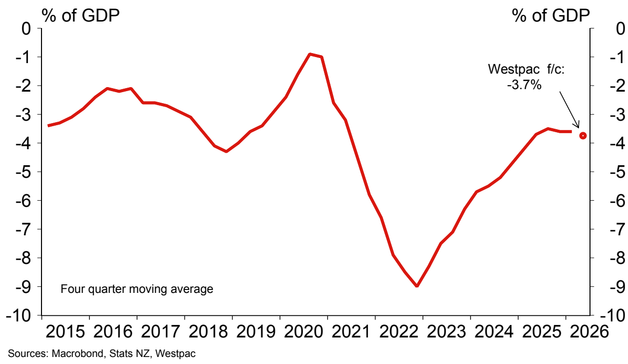


Q2 Current Account Balance, % of GDP.

Sep 16, Last: -3.6%, Westpac f/c: -3.7%, Market f/c: -3.9%

As usual, the release of the June quarter Balance of Payments will see Stats NZ incorporate revisions based on annual benchmarks. Revisions to goods and services trade data, already released earlier this month, point to a slightly smaller current account deficit in the year to March. However, this impact could be offset or amplified by yet to be published revisions to investment income flows. On the assumption that the latter revisions are small, we expect the annual current account deficit will widen in the June quarter to 3.7% of GDP, with higher energy prices contributing to strong growth in imports.

Annual current account balance

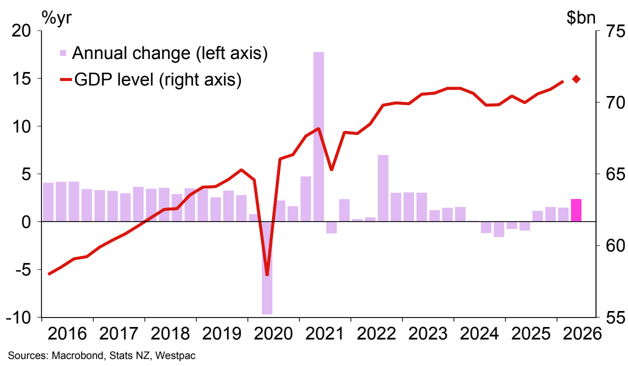


Q2 GDP.

Sep 17, Last: 0.8%, Westpac f/c: 0.2%, Market f/c: 0.1%

We expect a 0.2% rise in GDP for the June quarter. That's an improvement on our earlier forecasts of a small decline, with the New Zealand economy weathering the Middle East oil shock better than we hoped. Retail spending, and particularly hospitality, was the most visible casualty of the conflict, as higher fuel prices squeezed household budgets. But other sectors such as construction, wholesaling and agriculture continued to benefit from the growth-supportive factors that were already in place: the low level of interest rates and strong demand for our key exports.

GDP

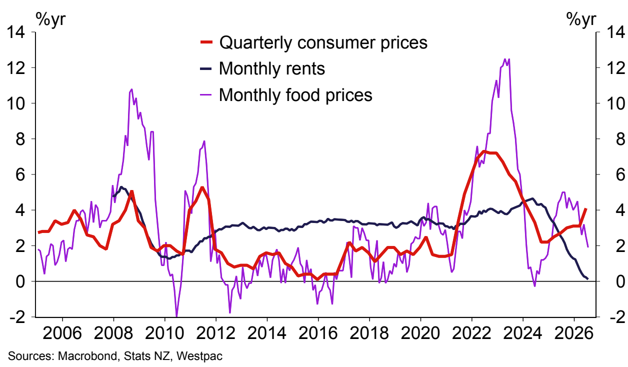


Aug Selected Consumer Prices.

Sep 18

Stats NZ's monthly prices update is expected to leave us with a picture of annual headline inflation tracking in the high-3's through the second half of the year, with core inflation at firm levels. Looking at some of the big groups, we expect a 2% rise in petrol prices and a 0.4% rise in food prices. On the downside, further softness in housing rents is likely. A key area to watch will be the volatile travel categories. Last month saw large increases in the cost of services like airfares. While those increases are likely seasonal, given elevated fuel costs those prices could remain high for some time. That would reinforce a firm picture for underlying inflation.

Selected consumer prices

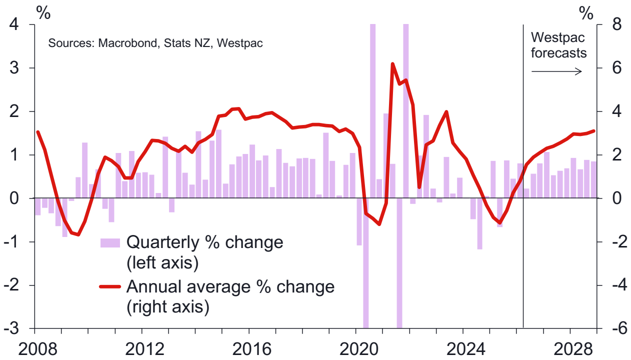


Economic and financial forecasts

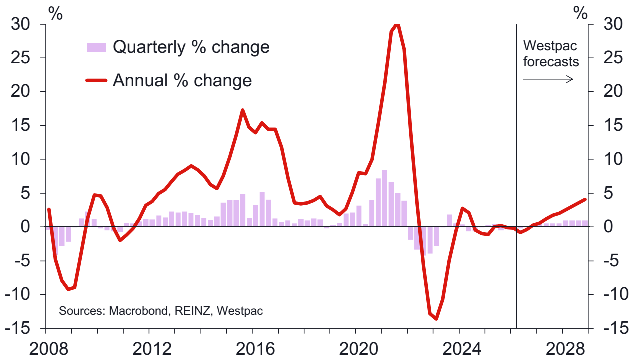
Economic indicators	Quarterly % change				Annual % change			
	Jun-26	Sep-26	Dec-26	Mar-27	2025	2026	2027	2028
GDP (production)	0.2	0.6	0.8	1.1	1.5	2.4	3.0	3.4
Consumer price index	1.5	0.7	0.6	0.4	3.1	3.7	1.7	2.1
Employment change	0.5	0.5	0.7	0.7	0.2	1.8	2.6	2.3
Unemployment rate	5.6	5.5	5.4	5.3	5.4	5.4	4.9	4.4
Labour cost index (all sectors)	0.6	0.6	0.6	0.5	2.0	2.3	2.3	2.3
Current account balance (% of GDP)	-3.7	-4.1	-4.4	-4.5	-3.6	-4.4	-4.4	-4.2
Terms of trade	-1.8	-0.2	2.2	2.4	3.4	-1.4	5.7	1.6
House price index	-0.2	0.0	0.2	0.5	-0.1	0.2	2.0	4.1

Financial forecasts	End of quarter				End of year			
	Jun-26	Sep-26	Dec-26	Mar-27	2025	2026	2027	2028
OCR	2.25	2.75	3.00	3.50	2.25	3.00	4.00	3.75
90 day bank bill	2.63	3.00	3.40	3.75	2.52	3.40	4.20	3.95
2 year swap	3.47	3.70	3.95	4.10	2.71	3.95	4.20	4.10
5 year swap	3.88	3.95	4.20	4.30	3.27	4.20	4.40	4.35
10 year bond	4.61	4.65	4.75	4.90	4.27	4.75	5.05	5.05
TWI	66.5	65.8	65.7	67.4	66.4	65.7	71.1	70.5
NZD/USD	0.58	0.58	0.59	0.61	0.57	0.59	0.65	0.65
NZD/AUD	0.82	0.82	0.82	0.84	0.87	0.82	0.89	0.90
NZD/EUR	0.50	0.50	0.50	0.51	0.49	0.50	0.54	0.54
NZD/GBP	0.44	0.43	0.43	0.44	0.43	0.43	0.47	0.46

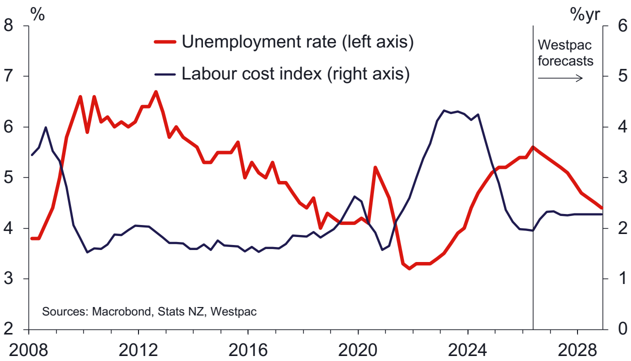
GDP growth



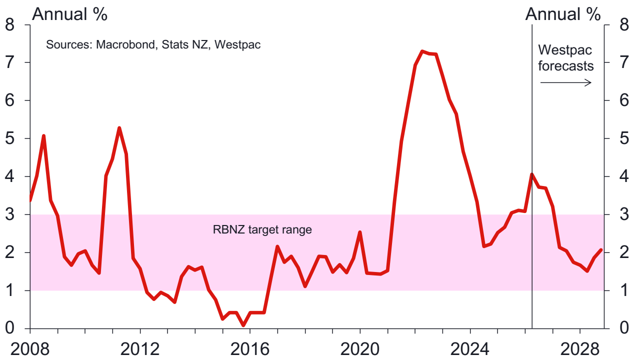
House prices



Unemployment and wage growth



Consumer price inflation



Data calendar

		Last	Market median	Westpac forecast	Risk/Comment
Mon 14					
NZ	Aug Performance of Services, index	50.6	–	–	Improving in recent months, but still relatively soft.
	Jul Net Migration, no.	1610	–	–	Balance has turned more positive as NZ departures slow.
Aus	RBA Assist' Governor (Economic)	–	–	–	Hunter fireside chat at 12:30pm AEST.
Tue 15					
NZ	Aug REINZ House Prices, %yr	–0.4	–	–	Buyer enthusiasm dampened by rising mortgage rates…
	Aug REINZ House Sales, %yr	–10.0	–	–	…and an ample supply of homes on the market.
	Aug Retail Card Spending, %mth	1.3	–	–0.2	Modest reversal of last month's large gain.
Chn	Aug Retail Sales, ytd %yr	1.2	–	–	Consumers lack confidence and are incredibly cautious…
	Aug Industrial Production, ytd %yr	5.3	–	–	…manufacturing output has proved more resilient, but…
	Aug Fixed Asset Investment, ytd %yr	–6.7	–7.1	–	…yet to translate to a sustained uptrend for investment.
Eur	Sep ZEW Survey Of Expectations, index	31.4	–	–	Consistent with a rebound; will official data follow?
	Jul Trade Balance, €bn	1.8	–	–	Back into surplus after tariff-related disruption.
UK	Jul ILO Unemployment Rate, %	4.9	5.0	–	Spare capacity in labour market a disinflationary force.
US	Sep Fed Empire State Manufacturing, index	20.6	14.1	–	Business conditions have improved over the past year.
Wed 16					
NZ	Q3 Westpac-MM Consumer Confidence	80.4	–	–	Surveyed in the first two weeks of September.
	Q2 Current Account Balance, % of GDP	–3.6	–3.9	–3.7	Revisions add uncertainty, but Q2 to be wider than Q1.
Aus	Aug Westpac–MI Leading Index, %ann'd	–0.2	–	–	Growth momentum is a little less sluggish.
Jpn	Jul Core Machinery Orders, %mth	9.7	–5.1	–	A volatile gauge of investment, especially recently.
Eur	Jul Industrial Production, %mth	0.0	–0.9	–	Temporary shutdown of German car manufacturing.
UK	Aug CPI, %ann	2.9	3.0	–	Energy bills jump, but core inflation otherwise stable.
US	Aug Import Price Index, %mth	–0.4	–	–	Consumers paying the price for ~6% import inflation.
	Aug Retail Sales, %mth	–0.6	0.9	–	July fall may unwind following mid-year sales distortions.
	Sep NAHB Housing Market, index	35	34	–	Housing sentiment remains near all-time lows.
	FOMC Policy Decision	3.625	3.625	3.875	Urgent reset of market expectations is necessary.
Thu 17					
NZ	Q2 GDP, %qtr	0.8	0.1	0.2	Underlying pace of growth steady despite Iran conflict.
Eur	Aug CPI, %ann	3.3	–	–	Final estimate to give more colour on component mix.
UK	Sep BoE Policy Decision, %	3.75	3.75	3.75	Policy is above neutral, sufficient to curb inflation risks.
US	Sep Phily Fed Manufacturing, index	47.4	28.6	–	August delivered the strongest reading since 2021.
	Initial Jobless Claims	206	–	–	Continue to signal limited labour market stress.
	Aug Housing Starts, %mth	–12.4	6.9	–	Housing starts remains volatile…
	Aug Building Permits, %mth	4.3	–0.9	–	…while permits point to steadier activity…
	Aug Pending Home Sales, %mth	–2.3	–	–	…with affordability pressures weighing on demand.
Fri 18					
NZ	Aug Selected Price Indices - Food, %mth	0.1	–	0.4	Increases in meat and grocery prices.
	Aug Selected Price Indices - Rents, %mth	–0.1	–	0.0	Ample supply continues to weigh on rents.
	Aug Trade Balance , $mn	–1949	–	–2410	Seasonal export lull, while fuel prices boost imports.
Aus	RBA Testimony	–	–	–	Gov Bullock, with top brass, before House of Reps.
Jpn	Aug CPI, %ann	1.9	2.0	–	Inflation has re-accelerated in recent months…
	Sep BoJ Policy Decision, %	1.00	1.25	1.25	…strengthening the case for further BoJ tightening.
UK	Sep GfK Consumer Sentiment, index	–14	–	–	Confidence has recovered to a two-year high…
	Aug Retail Sales, %mth	–0.5	–	–	…but growth still appears to be running below trend.
US	Aug Industrial Production, %mth	0.2	0.3	–	Output growth has remained positive.
	Aug Leading Index, pts	0.2	0.2	–	Points to modest growth in coming months.

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