

For the week beginning 25th December 2023

		Last	Market median	Westpac forecast	Risk/Comment
Mon 25					
Aus	Christmas Day	-	-	-	Public holiday; markets closed.
NZ	Christmas Day	-	-	-	Public holiday; markets closed.
Twn	Nov industrial production	-2.3%	-1.0%	-	Recovery in production taking hold.
Tue 26					
Aus	Boxing Day	-	-	-	Public holiday; markets closed.
NZ	Boxing Day	-	-	-	Public holiday; markets closed.
Jpn	Nov jobless rate	2.5%	2.6%	-	Strong demand keeping labour market tight.
	Nov job-to-applicant ratio	1.3%	1.3%	-	To remain unchanged.
Sing	Nov industrial production	9.8%	0.1%	-	Production has shown considerable volatility through '23.
US	Nov Chicago Fed activity index	-0.49	-	-	Activity falling below trend as policy tightening felt.
	Oct FHFA house prices	0.6%	-	-	Weak inventory supportive of prices...
	Oct S&P/CS home price index	0.7%	-	-	... lower rates should extend upswing.
	Dec Dallas Fed index	-	-	-	Manufacturing outlooks remains downbeat.
Wed 27					
Chn	Nov industrial profits %yr	2.7%	-	-	Profitability has recovered after weak H1 2023.
US	Dec Richmond Fed index	-5	-	-	Manufacturers under pressure.
Thu 28					
Jpn	Nov industrial production	-	-	-	Auto production a bright spot...
Kor	Nov industrial production	-3.5%	3.5%	-	... but turn down in developed-world demand a headwind.
UK	Dec Nationwide house prices	0.2%	-	-	Outlook for the economy highly uncertain.
US	Initial jobless claims	-	-	-	To remain low for foreseeable future.
	Nov wholesale inventories	-0.4%	-0.1%	-	Uncertain demand outlook encouraging light inventory.
	Nov pending home sales	-1.5%	1.0%	-	Supply and demand holding back sales.
Fri 29					
Aus	Nov private sector credit	0.5%	-	0.4%	Expected to remain subdued from elevated interest rates.
Kor	Dec CPI %yr	3.3%	3.4%	-	Resurgence in prices keeping BoK focused on risks.
Chn	Q3 current account balance US\$bn	62.6	-	-	Final estimate.
US	Dec Chicago PMI	55.8	50.0	-	Manufacturers under pressure.
Sun 31					
Chn	Dec NBS manufacturing PMI	49.4	-	-	Weak demand continues to weigh on sentiment....
	Dec NBS non-manufacturing PMI	50.2	-	-	... authorities need to allay concerns of consumers.

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For the week beginning 1st January 2024

		Last	Market median	Westpac forecast	Risk/Comment
Mon 01					
Aus	Dec CoreLogic home value index	0.6%	-	0.5%	Prices set to finish up 10% for the year.
NZ	New Year's day	-	-	-	Public holiday; markets closed.
Tues 02					
NZ	Day after New Year's Day				Public holiday; markets closed.
Kor	Dec Nikkei manufacturing PMI	50	-	-	- Sector under pressure overall despite pockets of strength.
Chn	Dec Caixin manufacturing PMI	50.7	-	-	- Focus on small and mid-sized firms helpful at this time.
Asia	Dec Nikkei manufacturing PMI	-	-	-	- IDR, MYR, TWN and INR updates due.
Eur	Nov M3 money supply %yr	-1.0%	-	-	- Credit growth weak.
	Dec Markit manufacturing PMI	-	-	-	- Final estimate.
Ger	Dec Markit manufacturing PMI	-	-	-	- Final estimate.
UK	Dec Markit manufacturing PMI	-	-	-	- Final estimate.
US	Nov construction spending	0.6%	0.5%	-	- Development focused in non-residential building.
	Dec Markit manufacturing PMI	-	-	-	- Final estimate.
Wed 03					
US	Dec ISM manufacturing	46.7	47.4	-	- Manufacturers under considerable pressure.
	Nov JOLTS job openings	8733k	-	-	- Converging to pre-pandemic levels.
	FOMC meeting minutes	-	-	-	- Balance of risks has shifted; first rate cut near.
Thu 04					
Jpn	Dec Nikkei manufacturing PMI	-	-	-	- Final estimate.
HK	Dec Nikkei PMI	50.1	-	-	- Headwinds to remain until mainland momentum improves.
Chn	Dec Caixin China PMI services	51.5	-	-	- Focus on small and mid-sized firms helpful at this time.
Sing	Dec Nikkei PMI	55.8	-	-	- Singapore manufacturing a stronger performer of late.
Inr	Dec Nikkei services PMI	56.9	-	-	- Final estimate.
Eur	Dec Markit services PMI	-	-	-	- Final estimate.
Ger	Dec Markit services PMI	-	-	-	- Final estimate.
	Dec CPI %yr	3.2%	-	-	- Weak economy aiding return to target.
UK	Nov net mortgage lending £bn	-0.1	-	-	- Housing market to remain weak in 2024.
	Dec Markit services PMI	-	-	-	- Final estimate.
US	Dec ADP employment change	103k	100k	-	- Poor indicator for payrolls.
	Initial jobless claims	-	-	-	- To remain low for foreseeable future.
	Dec Markit service PMI	-	-	-	- Final estimate.
Fri 05					
Jpn	Dec Nikkei Japan PMI Services	-	-	-	- Final estimate.
Eur	Dec CPI %yr	2.4%	-	-	- Inflation converging to target aided by weak growth.
US	Dec average hourly earnings %mth	0.4%	0.3%	-	- Wages growth slowly decelerating...
	Dec unemployment rate	3.7%	3.8%	-	- ... as supply continues to grow robustly...
	Dec non-farm payrolls	199k	158k	-	- ... while demand slows.
	Nov factory orders	-3.6%	-	-	- Underlying equipment investment trend modest.
	Dec ISM non-manufacturing	52.7	52.3	-	- Services coming under pressure

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For the week beginning 8th January 2024

		Last	Market median	Westpac forecast	Risk/Comment
Sun 07					
Chn	Dec foreign reserves \$bn	3171.8	-	-	Weakness has been against USD; TWI relatively stable.
Mon 08					
Sing	Q4 GDP %yr	1.1%	-	-	Production upswing and tourism promising.
Eur	Jan Sentix investor confidence	-16.8	-	-	Likely to remain weak for an extended period.
	Nov retail sales	0.1%	-	-	Momentum to remain absent until inflation cools.
	Dec consumer confidence	-	-	-	Labour market an anchor for medium-term expectations.
Tue 09					
Aus	Nov retail sales	-0.2%	-	flat	Real and per capita spend falling.
	Nov dwelling approvals	7.5%	-	-3%	High rise spike to unwind.
Jpn	Dec Tokyo CPI %yr	2.6%	-	-	Ex fresh food core near target in November, 2.3%yr.
	Nov household spending	-2.5%	-	-	Households still very concerned over cost of living.
Chn	Dec M2 money supply %yr	10%	-	-	Policy support has strengthened credit growth...
	Dec new loans, CNYbn	1090.0	-	-	... through its pace is still modest versus history.
Eur	Nov unemployment rate	6.5%	-	-	Little risk of marked deterioration in conditions.
Ger	Nov industrial production	-0.4%	-	-	Downtrend continuing.
US	Nov consumer credit	-	-	-	Sentiment and rates lasting headwinds.
	Nov trade balance US\$bn	-64.3	-63.3	-	Deficit holding at wide level.
Wed 10					
Aus	Nov monthly CPI indicator, headline	4.9%	-	4.5%	Annual inflation finally dropping through 5%.
NZ	Nov employment indicators	0.5%	-	-0.2%	Set to fall as earlier hiring of election workers reverses.
	Dec ANZ commodity prices	-1.3%	-	-	Dairy prices have been pushing higher.
US	Nov wholesale inventories	-	-	-	Final estimate.
Thu 11					
Aus	Nov trade balance \$bn	7.1	-	-	Surplus narrowed recent months, export vols & prices mixed.
NZ	Nov building permits	8.7%	-	-5.0%	Annual consent issuance continuing to drop back.
Kor	Bank of Korea policy decision	3.5%	-	-	Wary of inflation risks; but activity outlook also uncertain.
US	Dec CPI	0.1%	-	-	Energy prices helpful again; waiting on shelter.
	Initial jobless claims	-	-	-	To remain low.
	Dec monthly budget statement	-	-	-	Deficit precariously positioned.
Fri 12					
Aus	Nov housing finance	5.4%	-	1.5%	Upturn to continue but at a slower pace ...
	Nov owner occupier finance	5.6%	-	1.3%	... as turnover volumes soften, and price gains moderate ...
	Nov investor finance	5.0%	-	2.0%	... investor lending likely outperforming slightly.
Jpn	Nov current account balance, ¥bn	2621.7	-	-	X'pts and M'pts volatile of late given price movements.
Inr	Nov industrial production %yr	11.7%	-	-	Growth very healthy, thanks to domestic demand.
	Dec CPI %yr	5.55%	-	-	Inflation pressures contained.
UK	Nov trade balance £bn	-4.48	-	-	Energy prices to provide relief on M'pts.
US	Dec PPI	-	-	-	Upstream price pressures have faded.

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