Week Ahead

28th September - 2nd October 2026

A stronger dollar backdrop

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INTRODUCTION

Rising yields have led the dollar higher in the past week, fueled by higher oil prices, building rate hike expectations, and limited Treasury appetite. The net result is a DXY index trading over half a percent stronger as of writing late on Friday, albeit struggling to hold the 101 level. Against this backdrop, rate decisions from the SNB, Riksbank and Norges Bank were left to play a secondary role, as were flash September PMIs, aside from adding to the sense that upside inflation pressures continue to rise as Middle East hostilities remain top of mind.

The week ahead should see similar themes continue to dominate, with only one G10 central bank delivering a policy announcement. The RBA looks likely to hike rates on Tuesday – a decision we expect to be overshadowed. Instead, a raft of Fedspeak should focus on US rates, and on growing price pressures. The major data releases for the week ahead are set to add to this narrative as well, culminating in Friday's US jobs report. If the data matches our expectations, it should help clear the way for a follow-up Fed rate hike later in October, matching our updated house call.

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ECONOMIC CALENDAR

All times in BST

Monday 28/09

Time	Country	Event	Period	Estimate	Prior
9:00	Switzerland	Total Sight Deposits CHF	25-Sep		454.0b
11:00	United Kingdom	BOE's Ramsden Speaks on QT in London			
15:00	Eurozone	ECB's Lagarde Speaks in Brussels			

Tuesday 29/09

Time	Country	Event	Period	Estimate	Prior
5:30	Australia	RBA Cash Rate Target	29-Sep	4.60%	4.35%
8:00	Switzerland	KOF Leading Indicator	Sep	106	106.7
	Spain	CPI MoM	Sep P		0.70%
		CPI YoY	Sep P	4.60%	4.30%
		CPI Core YoY	Sep P		2.90%
9:00	Eurozone	ECB's Kazimir Speaks in Bratislava			
11:00	Eurozone	ECB's Nagel Speaks in Frankfurt			
12:30	Eurozone	ECB's Escriva Speaks in Madrid			
13:30	Canada	GDP MoM	Jul	0.00%	0.30%
		GDP YoY	Jul	1.30%	2.00%
14:15	Eurozone	ECB's Cipollone Speaks in Frankfurt			
15:00	United States	JOLTS Job Openings	Aug	7225k	7271k
		JOLTS Job Openings Rate	Aug		4.40%
16:30	United Kingdom	BOE's Taylor Speaks in London			
18:00	United States	Fed's Goolsbee Speaks in Moderated Discussion			
19:00	United States	Fed's Williams Gives Keynote Remarks			

Wednesday 30/09

Time	Country	Event	Period	Estimate	Prior
2:30	Australia	CPI YoY	Aug	4.10%	3.50%
		CPI Trimmed Mean YoY	Aug	3.60%	3.60%
	China	Manufacturing PMI	Sep	50.1	49.8
		Non-manufacturing PMI	Sep	49.3	49
		Composite PMI	Sep		49.5
2:45	China	RatingDog China PMI Composite	Sep		52.1
		RatingDog China PMI Services	Sep	51.1	51.4
		RatingDog China PMI Mfg	Sep	51.6	51.5
7:00	Sweden	Wages Non-Manual Workers YoY	Jul		3.40%

Time	Country	Event	Period	Estimate	Prior
7:45	France	CPI MoM	Sep P	-0.60%	0.70%
		CPI YoY	Sep P	2.80%	2.40%
8:00	Switzerland	Foreign exchange transactions	2Q		3940m
8:30	Poland	CPI MoM	Sep P	0.80%	0.30%
		CPI YoY	Sep P	4.10%	3.40%
	Sweden	Riksbank's Jansson Speaks in London			
8:55	Germany	Unemployment Change (000's)	Sep	2.0k	4.0k
		Unemployment Claims Rate SA	Sep	6.40%	6.40%
10:00	Italy	CPI NIC incl. tobacco YoY	Sep P	3.50%	3.30%
		CPI NIC incl. tobacco MoM	Sep P		0.50%
13:00	Germany	CPI MoM	Sep P	0.50%	0.20%
		CPI YoY	Sep P	3.10%	2.90%
13:15	United States	ADP Employment Change	Sep	70k	38k
13:30	United States	Personal Income	Aug	0.50%	0.40%
		Personal Spending	Aug	0.90%	0.20%
		PCE Price Index MoM	Aug	0.40%	0.20%
		PCE Price Index YoY	Aug	3.70%	3.70%
		Core PCE Price Index MoM	Aug	0.30%	0.20%
		Core PCE Price Index YoY	Aug	3.30%	3.30%
		GDP Annualized QoQ	2Q T	1.50%	1.50%
		Personal Consumption	2Q T	3.40%	3.40%
		Core PCE Price Index QoQ	2Q T	3.60%	3.60%
16:45	Eurozone	ECB's Schnabel Speaks in Luxembourg			
22:10	United States	Fed's Goolsbee Gives Keynote Address			
23:00	United States	Fed's Kashkari Speaks in Fireside Chat			

Thursday 01/10

Time	Country	Event	Period	Estimate	Prior
0:50	Japan	BOJ Summary of Opinions (Sept. MPM)			
2:30	Australia	RBA-Financial Stability Review			
		Job Vacancies QoQ	Aug	--	-2.10%
7:30	Switzerland	CPI YoY	Sep	1.00%	0.80%
		CPI MoM	Sep	0.00%	0.40%
		CPI Core YoY	Sep	0.50%	0.40%
9:00	United Kingdom	BOE Governor Delivers Opening Remarks at London			
9:20	Eurozone	ECB's Cipollone Speaks in Brussels			
10:00	Eurozone	Unemployment Rate	Aug	6.40%	6.40%

Time	Country	Event	Period	Estimate	Prior
10:30	United States	Challenger Job Cuts YoY	Sep		-38.50%
11:35	Eurozone	Bundesbank Chief Nagel Speaks in London			
13:00	United Kingdom	BOE's Mann Speaks in London			
13:30	United States	Initial Jobless Claims	26-Sep		197k
14:05	United States	Fed's Barkin, Collins, Schmid on Panel About Rural America			
14:30	Eurozone	ECB's Lagarde Speaks in Frankfurt			
15:00	Eurozone	ECB's Sleijpen Speaks			
	United States	ISM Manufacturing	Sep	55	54.6
		ISM Prices Paid	Sep	72	71.1
		ISM New Orders	Sep		53.7
		ISM Employment	Sep		51.2
16:30	Switzerland	SNB's Schlegel Gives Introductory Remarks			
	Eurozone	ECB's Schnabel Speaks in London			
20:30	United States	Fed's Cook and NY Fed's Williams at Panel			
23:45	United States	Fed's Logan Speaks At Eleventh District Appreciation Event			

Friday 02/10

Time	Country	Event	Period	Estimate	Prior
0:30	Japan	Jobless Rate	Aug	2.40%	2.40%
		Job-To-Applicant Ratio	Aug	1.18	1.18
7:00	Norway	Unemployment Rate SA	Sep		2.10%
8:00	Eurozone	ECB's Moulin Speaks in Paris			
8:30	Eurozone	ECB's Cipollone Speaks in Roda de Bará, Spain			
9:30	United Kingdom	DMP 1 Year CPI Expectations	Sep	3.30%	3.10%
		DMP 3M Output Price Expectations	Sep		3.80%
10:00	Eurozone	CPI Estimate YoY	Sep P	3.60%	3.20%
		CPI YoY	Sep P	3.60%	3.20%
		CPI MoM	Sep P	0.50%	0.40%
		CPI Core YoY	Sep P	2.50%	2.40%
12:30	Eurozone	ECB's Vujcic Speaks in Frankfurt			
13:30	United States	Change in Nonfarm Payrolls	Sep	100k	162k
		Two-Month Payroll Net Revision	Sep		55k
		Average Hourly Earnings MoM	Sep	0.30%	0.30%
		Average Hourly Earnings YoY	Sep	3.20%	3.10%
		Average Weekly Hours All Employees	Sep	34.3	34.4
		Unemployment Rate	Sep	4.10%	4.10%
20:35	Eurozone	ECB's Nagel Speaks in Rostock, Germany			

DATA PREVIEWS

RBA preview: What next?

We expect the RBA to raise the cash rate by 25bp to 4.60% on Tuesday, September 29th, but with markets already treating the move as close to certain, the Aussie's reaction will depend on the guidance and the vote rather than the decision itself. A degree of caution looks likely to us, which should help contain any AUD upside.

Looking at the data, July's monthly CPI eased to 3.5%YoY, but trimmed mean inflation held at 3.6%, while Q2 GDP also beat expectations with 0.4% QoQ growth. The labour market, however, remains a counterweight to an otherwise solid domestic backdrop. Granted, August employment rose by 39.5k, double consensus, but the ABS showed unemployment climbing to 4.6%, the highest since late 2021, with full-time jobs down 6,300, part-time up 45,800 and participation rising to 67.1%. In assessing conditions, Governor Bullock told parliament on September 18th that the key question was whether tightening to date "will be sufficient" to return inflation to target. Still, Assistant Governor Sarah Hunter offered a more hawkish assessment on the 22nd, warning that inflation "has stayed too high for too long and risks becoming embedded in price-setting behaviour".

> "On that score, six months into the US-Iran conflict, flows through the Strait of Hormuz remain heavily restricted, with Brent crude having again risen above $100 per barrel."

For a board already worried about entrenched inflation, that is a fresh fuel-price shock arriving just as August CPI (due Wednesday) is expected to rebound. We expect elevated energy costs will tip the balance toward further tightening on Tuesday. But a note of caution also seems likely too, given signs of labour market softening. All told, we doubt such an outcome will offer much impetus for the aussie, but may fall short of market pricing, which currently projects between one and two additional rate hikes. That leaves risks tilted modestly in favour of AUDUSD downside post-announcement, dependent on the strength of any dovish guidance.

US jobs preview: Unlikely to derail further tightening

Friday's September employment report (13:30 BST) is the last payrolls release ahead of the FOMC's October meeting. Having recently shifted our house baseline to expect a second consecutive 25bp rate increase next month, this release, alongside CPI, is key to either cementing or unsettling that call. As background, the Fed lifted the funds rate to 3.75–4.00% on September 16th in a unanimous 12–0 vote, with 16 of 19 officials pencilling in at least one further increase this year, while futures have since moved to price in a close to 70% chance of an October move. That hawkish repricing, alongside renewed Middle East tensions, has kept the dollar pinned near seven-week highs in the past week. We do not anticipate that support being removed, though we anticipate a headline number marginally below consensus.

> "Economists look for headline payrolls to cool to 100k from 162k last month, after August's print crushed expectations of around 55k, and came with a 55k upward net revision to the prior two months."

The unemployment rate is expected to hold at 4.1%, with average hourly earnings seen rising 0.3% MoM for a second month in a row, lifting the annual rate to 3.2% from 3.1%. That looks about right to us, adjusting for some distortions to last month's figures. August's surge was concentrated in restaurants and local government education, where seasonal quirks around the school year flattered the count, so some payback is likely. We anticipate a print of around 60-80k, though even a sub-100k headline would not signal slack if unemployment stays at 4.1%, and we expect the Fed to weigh the jobless rate and wages above the headline.

For the FOMC, a print in line with our expectations, with unemployment at 4.1% and earnings at 0.3% MoM or higher, should reinforce our October hike call, without pushing markets to fully price such a move. That said, a headline below 50k alongside a rise in unemployment to 4.2% is the key risk in our eyes, handing ammunition to those arguing the Fed can wait a meeting, particularly with the midterm elections on November 3rd. Even so, with September CPI still to come on October 14th, we think only a clear deterioration in labour conditions would unwind October pricing entirely, meaning that any dollar pullback is likely to prove shallow. Our base case, however, is for a stable dollar, with Fedspeak and Middle East conditions set to dictate direction in the week ahead, with a focus squarely on inflation.

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