Weekly Macro Outlook: Resilience Amid Persistent Inflation

This Weekly Macro Outlook highlights the key economic data releases, central bank events & speeches, and macro themes shaping global markets for the week of November 9, 2026.

Key Focus This Week:

- *Central banks: US Fed speeches: Waller (Econ Outlook)*
- *Major data: US CPI & PPI*
- *Macro Backdrop: Middle East conflict developments, US midterm election implications*

Recap of Last Week

One of the defining economic drivers this year has been the prolonged energy shock stemming from the conflict with Iran. However, the resilience of the global economy has arguably been the bigger surprise. Despite the scale and duration of the disruption, economic activity has held up better than might have been expected. The latest US labour market data and October activity surveys reinforced this resilience, although PMI commentary continued to highlight the pressures facing businesses from higher energy prices, input costs and supply disruptions. At the same time, the RBA and BoE delivered expected rate hikes as persistent inflation pressures continued to constrain policymakers.

Against this backdrop, markets began digesting a potentially more significant shift in the US political landscape following the midterm elections, with the scale of the results extending beyond what had been anticipated. The implications for the broader economic and geopolitical outlook remain unclear at this early stage.

Underlying US Economic Picture: Resilience Holds

Beneath the political headlines, economic data continued to point to a resilient US and global growth backdrop.

US Labor Market: The US labour market results for October reinforce that picture of resilience, as employment conditions were stronger than expected across the board.

The stronger-than-expected growth in non-farm payrolls, alongside the continued expansion in aggregate hours and average weekly earnings, provides a solid foundation for continued labor income growth.

- Non-farm payrolls increased more than expected by 165k (expecting 63k), with monthly growth remaining volatile. Revisions to the prior two months were positive and revised higher by 80k payrolls. The payroll diffusion index also indicates further broadening in payroll growth among industries this month.
- Aggregate weekly hours increased by a further +0.1% over the month and accelerated to +1.3% over the year, cycling over the government shutdown from a year ago.
- Average hourly earnings increased by +0.4% over the month and remained at +3.1% over the year.

The household labor survey (16-years+) also reflected resilience this month:

- The unemployment rate edged down to 4.1%, as employment growth more than absorbed the increase in labour force participation.
- The employment-to-population ratio rose to 59.3%, driven by a rebound in the 16–24 demographic.
- Importantly, prime-age (24–54) conditions remained firm: the employment-to-population ratio held near peak levels at 80.7%, with the unemployment rate unchanged at 3.6%.

The JOLTS survey also showed some improvement in the recent low-hire, low-fire dynamic, with a rebound in job openings and new hires. The increase in separations was led by voluntary quits.

US PMIs: The more leading PMI survey indicators for October also point to resilience in activity. Survey indexes point to continued solid, but moderating momentum in output, orders, and employment this month. At the same time, pressure on input prices points to a stronger undercurrent of business frustration. Commentary specifically homed in on higher input price pressure, energy volatility, supply disruptions, margin compression, and policy uncertainty.

US Q4 GDP Nowcast: It's still too early in the quarter (due to limited data) to draw conclusions from the current Q4 nowcast, which currently sits at a +3.4% annualized pace of growth (Source: Atlanta Fed GDP Nowcast).

Outlook for the FFR: Following the stronger-than-expected labor market print, market pricing for a 25bps hike in December rebounded to 80% (Source: CME FedWatch).

Global PMIs – A Solid Baseline Amid Moderation

Globally, economic activity continued to expand at a steady pace through October. While output momentum moderated slightly, the past three months represent one of the strongest quarterly stretches this year. Demand indicators remain intact with steady orders, resilient employment, and stable export activity. However, higher input costs remain a headwind as firms manage margin compression. Business confidence in the outlook remained more subdued than assessments of current conditions, reflecting concerns around interest rates, inflation and geopolitical uncertainty.

Monetary policy: Inflation Driving Decisions

The RBA and BoE decisions last week completed the recent sequence of major central bank meetings. Both increased rates as expected, citing inflation concerns, led in part by higher energy prices.

- RBA: The RBA hiked its policy rate for the fifth time this year by 25 bps to 4.85%. With inflation remaining elevated and broadly based, policymakers judged that an increasing risk of higher inflation expectations becoming embedded warranted a further tightening in financial conditions to ensure a return to target over the coming year. There are, however, signs suggesting that the RBA may be approaching a pause in this cycle: softened guidance, risks now appearing more balanced on both sides of the mandate, and a shifting internal coalition with three members dissenting in favour of a hold.
- BOE: The BOE increased the Bank Rate by 25bps to 4% with a more hawkish decision than expected. While higher energy prices are raising headline inflation, and despite limited evidence of spillovers into broader underlying inflation, there were concerns over the pipeline of inflationary pressures to come. Stronger activity recently also added to the case for a hike. While all members voted for a hike, one member voted for a 50bps hike at this meeting as a risk management measure to prevent higher headline inflation from becoming embedded.

The US Political Shift: Potential Implications

The US election results introduce the potential for a shift in policy direction, with implications extending across trade, fiscal priorities and investment. Most notably, the changing political landscape raises the possibility of a de-escalation in the Iran conflict. Given the prolonged disruption to energy markets, any progress towards de-escalation could help ease an important source of inflation pressure and growth risks.

The Week Ahead: What We Are Watching

The focus this week turns to US CPI and PPI data for October, providing the next update on inflation. While the economy and labor market has remained resilient despite the energy price shock, the key question is how much progress is being made towards price stability, and whether this can be achieved without undermining economic growth.

Inflation is expected to moderate on a monthly basis, however, the absence of a base-year CPI reading due to last year's government shutdown complicates the interpretation of the data this month. Fed commentary will also be in focus, particularly for further insight into how policymakers are assessing the persistence of inflation pressures and the implications for policy. Meanwhile, markets continue to assess the potential implications of the US midterm election results for the broader economic and geopolitical outlook.

US CPI & PPI – October

While the monthly CPI change is expected to moderate, the absence of an October 2025 observation, due to last year's government shutdown, means a year-on-year comparison will not be available. Greater attention will therefore fall on the monthly change, the PPI, and underlying measures of inflation. The combination of the CPI and PPI will provide a read-through to the Fed's preferred PCE inflation measure, which may also offer insight into the trajectory of inflation this month.

- Headline CPI is expected to increase by +0.2% over the month in October, down from +0.6% in September.
- Core CPI is expected to increase by +0.2% over the month in October, down from +0.3% in September.

- Headline PPI is expected to ease to +0.4% over the month in October, from +1.3% in September. Annual PPI is expected to accelerate to +6.6% in October, up from +6.3% in September.
- Core PPI is also expected to ease to +0.3% in October, from +0.7% in September. Annual core PPI is expected to remain unchanged at +5% in October.

US Fed Speeches

There will be a number of Fed speeches this week, and several worth highlighting in the context of the outlook for monetary policy. While Chair Warsh prefers to avoid forward guidance, speeches during the intermeeting period have provided some guidance on the policy outlook – and the view has been focused on a gradual removal of policy accommodation.

- Fed Governor Waller will speak on the Economic Outlook this week – again, an important topic that may provide some insight into the decision to hold in October and the view of conditions that led to the decision.
- Vice Chair (Supervision) Bowman will also give a speech on the Economic Outlook this week.
- Fed Vice Chair Jefferson will speak on technology and productivity this week – understanding the role of technology for productivity has been a key theme for the new Fed Chair.
- NY Fed President Williams will take part as a panellist in a Q&A session.

US Growth – Data Inputs

There will be limited data released this week:

- Existing Home Sales are expected to slow to 3.86m annualized in October.
- The latest NY Fed Inflation Expectations for October will also be released.

US Treasury Issuance: 9-13 November 2026

This week, the US Treasury will auction and settle approx. $577bn in T-Bills, raising approx. $57bn in new money. The US Treasury will also auction the 30-year Bond and the 3-year and 10-year Notes – to settle next week. Approx. $40bn in T-Bills will mature on the Fed balance sheet and will be reinvested.

WEEK	Auction Date	Settlement Date	Marketable Securities	Auction Amount $B	Amount Maturing $B	New Money or (Paydown) $B	Actual	Prior Auction High Rate %
11 Nov - Veterans Day								
9-13 Nov	05-Nov	10-Nov	4-week Bill	115			Actual 3.890%	3.910%
	05-Nov	10-Nov	8-week Bill	110			Actual 3.975%	4.020%
	04-Nov	10-Nov	17-week Bill	75			Actual 4.090%	4.140%
				300	266	34		
	09-Nov	12-Nov	13-week Bill	95			Announced	4.040%
	09-Nov	12-Nov	26-week Bill	82			Announced	4.150%
	09-Nov	12-Nov	6-week Bill	100			Announced	3.940%
				277	254	23		
		Total - securities settling this week		577	520	57		
		Net New Cash Raised Qtr to Date		***4123***	***3720***	***403***		
		Estimated Net Cash to be Raised Q4				*618*		
	Face value of US Federal Reserve SOMA securities maturing			**$B**				
		Maturing & reinvestment						
		10-Nov	T-Bills	22				
		12-Nov	T-Bills	19				
				40				
	Upcoming Auctions			**$B**				
	09-Nov	16-Nov	3yr Note	58				
	10-Nov	16-Nov	10yr Note	42				
	12-Nov	16-Nov	30yr Bond	25				
				125				

SOMA Reinvestment & Reserve Management Purchase (RMP) Operations

Quantitative Tightening (QT), or balance sheet roll-off, ended as of 1 December 2025. See note here. All principal payments from the Fed's holdings of Treasury securities will be rolled over, and all principal payments from the Fed's holdings of agency securities will be reinvested into Treasury Bills through secondary market purchases. Reserve Management Purchase Operations began on 12 Dec 2025. See announcement here. See operation details and announcements here and here.

Recommended US Treasury Financing: Q4 2026 & Q1 2027

The latest update on US Treasury borrowing requirements for Q4 (final) and Q1 2027 (estimate) was announced last week. Details can be found on the US Treasury website here.

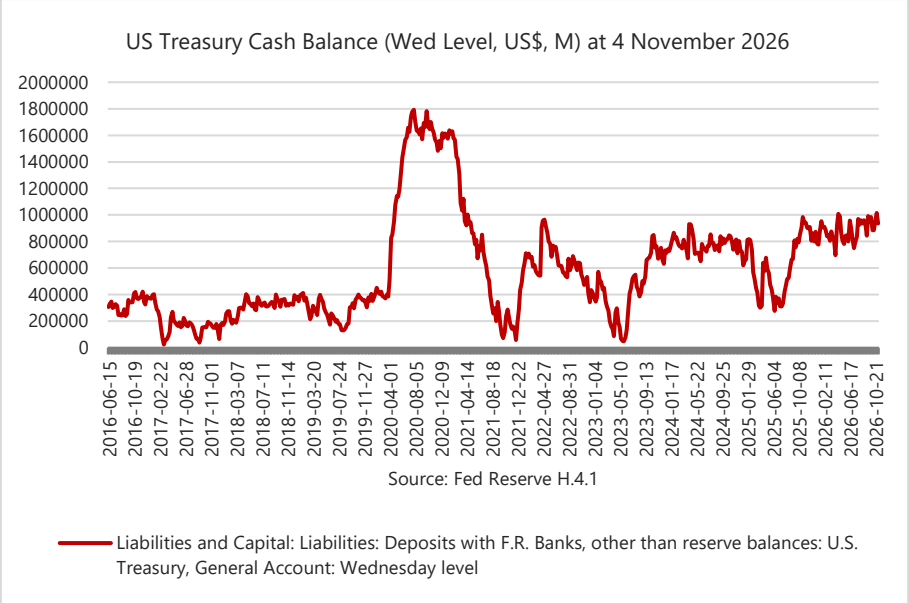
The prior quarterly refunding announcement showed:

Q4 2026 borrowing requirement (final): The US Treasury expects to borrow $618 billion in privately-held net marketable debt, assuming an end-of-December cash balance of $850 billion. The borrowing estimate for Q4 is $10 billion lower than announced in August 2026, primarily due to the higher-than-assumed beginning-of-quarter cash balance, partially offset by lower projected net cash flows.

Estimated Q1 2027: Treasury expects to borrow $800 billion in privately-held net marketable debt, assuming an end-of-March cash balance of $1.000 trillion.

US Treasury Cash Levels (TGA)

As of Wed 4 November 2026, the level of the TGA decreased to $936bn (-$79bn compared to the week prior). The TGA balance is now approx. $6bn *lower* than the same week a year ago. (Source: US Fed)


US Treasury Cash Balance (Wed Level, US$, M) at 4 November 2026
2000000
1800000
1600000
1400000
1200000
1000000
800000
600000
400000
200000
0
2016-06-15
2016-10-19
2017-02-22
2017-06-28
2017-11-01
2018-03-07
2018-07-11
2018-11-14
2019-03-20
2019-07-24
2019-11-27
2020-04-01
2020-08-05
2020-12-09
2021-04-14
2021-08-18
2021-12-22
2022-04-27
2022-08-31
2023-01-04
2023-05-10
2023-09-13
2024-01-17
2024-05-22
2024-09-25
2025-01-29
2025-06-04
2025-10-08
2026-02-11
2026-06-17
2026-10-21
Source: Fed Reserve H.4.1
Liabilities and Capital: Liabilities: Deposits with F.R. Banks, other than reserve balances: U.S. Treasury, General Account: Wednesday level

CALENDAR W/C 9 November 2026

MONDAY 9 NOVEMBER (US Eastern Time, unless stated otherwise)	
China	CPI & PPI (Oct)
US	CB Employment Trends Index (Oct), NY Fed Inflation Expectations (Oct), Fed speeches: Bowman, Goolsbee, Barkin
Australia	NAB Business Confidence & Conditions (Oct)

TUESDAY 10 NOVEMBER	
US	**CPI (Oct),** NFIB Small Business Optimism Index (Oct), Fed speeches: **Waller (Econ Outlook)**, Logan, Schmid, Bowman (Econ Outlook).

WEDNESDAY 11 NOVEMBER	
US	Veterans Day, MBA Mortgage Applications wk ending 7 Nov
Japan	PPI (Oct)

THURSDAY 12 NOVEMBER	
UK	GDP Q3
US	Initial Jobless Claims wk ending 7 Nov, Existing Home Sales (Oct), Fed speeches: Goolsbee, Daly, Schmid, Williams (panellist Q&A)

FRIDAY 13 NOVEMBER	
Europe	Euro area GDP & Employment Q3 (final)
US	**PPI (Oct),** Fed speeches: Collins, Bowman, Daly, Vice Chair Jefferson (technology & productivity)