WELLS FARGO

Monthly — September 10, 2025

U.S. Economic Outlook: September 2025

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So Long Summer, Hello Rate Cuts

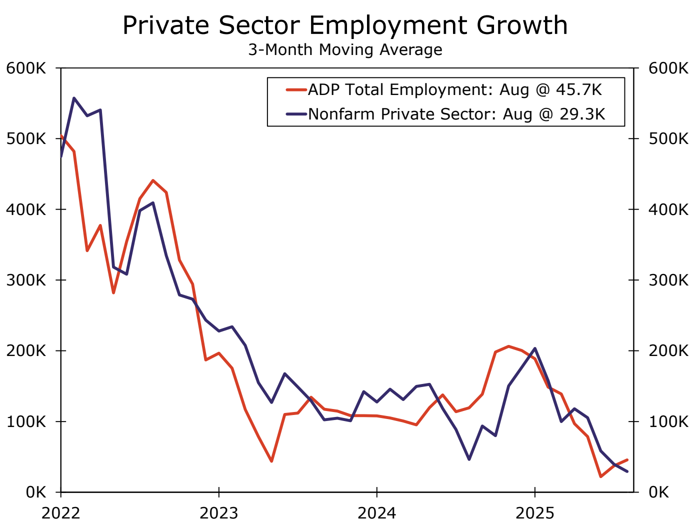
- Summer has come and gone, but the next stage of the FOMC's rate cutting cycle is just beginning. We look for the FOMC to cut the federal funds rate by 25 bps at each of its next three meetings, pushing the target range down to 3.50%-3.75% by year-end. We project two more 25 bps rate cuts at the March and June meetings next year, resulting in a terminal fed funds rate of 3.00%-3.25%.
- The U.S. labor market is in a precarious position, in our view, and this is the primary driver of our more dovish monetary policy outlook. The three-month moving average on nonfarm payroll growth was a measly 29K in August, and data from private sector sources corroborate the trend in the BLS data. Slowing labor supply growth can account for some of this deceleration, but the unemployment rate hit a fresh cycle-high of 4.3% last month, and the soft data continue to point to souring sentiment among workers about job availability.
- Admittedly, the inflation half of the Fed's dual mandate remains in tension with additional rate cuts. The core PCE deflator is up 2.9% year-over-year and at a 3.0% annualized pace in the three months ended in July. Rising prices for physical goods have kept inflation stubbornly above the central bank's 2% target despite tamer service sector inflation since the start of the year.
- Although progress has stalled on bringing inflation back to 2% this year, the rise in prices since Liberation Day largely has been in line with economist expectations. Furthermore, economic theory tells us that the supply-side inflation from higher tariffs should be transitory as long as inflation expectations remain anchored, and inflation expectations generally have been well-behaved of late.
- Continued above-target inflation will keep the FOMC from cutting *below* neutral for the foreseeable future, in our view, but with the fed funds rate still 100 bps-150 bps above our estimate of neutral, there is capacity to support the labor market without overdoing it.
- With so little forward momentum in the labor market, near-term recession risks have ticked higher. We assign a 35% probability of a recession in the United States in the next 12 months, and the next six months or so strike us as the most precarious stretch as higher tariffs and restrictive monetary policy continue to bite.
- As we look ahead to 2026, we feel more optimistic about the outlook for economic growth. Fiscal stimulus is coming next spring when households file their taxes and take advantage of the tax cuts enacted in the One Big Beautiful Bill. The lagged effect of monetary policy easing should start to be felt next year, and as long as there are no more major increases in tariff rates (we grant that is a big caveat), the hit to economic growth from higher tariffs should gradually fade as 2026 progresses. We look for an above-consensus 2.4% Q4/Q4 growth rate for real GDP next year.

So Long Summer, Hello Rate Cuts

We believe a weakening labor market will push the FOMC to resume cutting the federal funds rate at its upcoming meeting on Sept. 16-17. Coming into the year, the labor market seemed to have stabilized after a mini swoon that began last year. But the more recent data tell a less optimistic story. The three-month moving average on nonfarm payroll growth has fallen to just 29K. Private sector data generally corroborate the trend in the BLS data (Figure 1). Some of the slowdown can be attributed to much slower growth in labor supply amid significantly less immigration into the United States and an uptick in deportations out of the country.

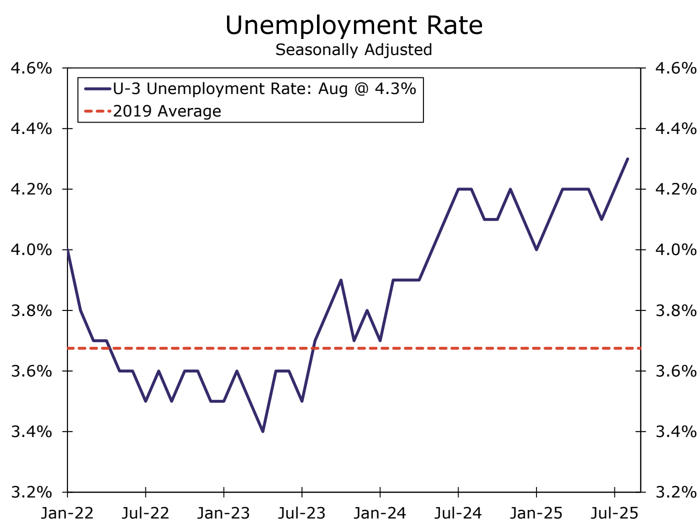
However, we are skeptical the deceleration in employment can be attributed solely to supply-side factors. The unemployment rate, which should be less affected by swings in labor supply, hit a fresh cycle-high of 4.3% in August (Figure 2). Consumer sentiment around the labor market has deteriorated further, with a greater share of consumers reporting that jobs are hard to get. Job openings per unemployed persons fell below 1.0 in July for the first time since 2021, and the net hiring that is occurring has been in less cyclically-sensitive industries such as health care and social assistance.

Figure 1



Source: U.S. Department of Labor, ADP and Wells Fargo Economics

Figure 2



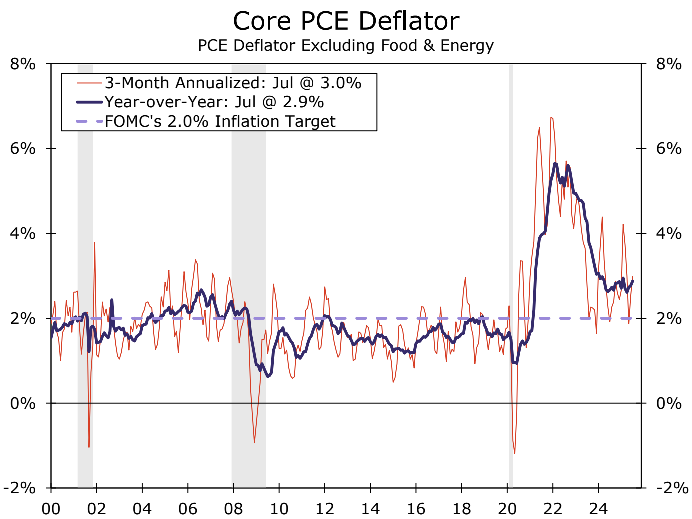
Source: U.S. Department of Labor and Wells Fargo Economics

Meanwhile, the inflation genie has not quite been put back into the bottle. The core PCE deflator is up 2.9% year-over-year and rose at a 3.0% annualized pace in the three months ended in July (Figure 3). Rising prices for physical goods have kept inflation stubbornly above the central bank's 2% target despite tamer service sector inflation since the start of the year. We expect core PCE inflation to peak at 3.1% around the turn of the year as higher costs due to tariffs slowly filter through the economy.

With the Fed's dual mandate in tension, what will the central bank do? We think the FOMC will put more weight on employment and cut the fed funds rate by 75 bps by year-end and by a total of 125 bps by next June. There are a few reasons for this view. First, the labor market is in a precarious position, with nearly stagnant job growth, deteriorating worker sentiment and an unemployment rate that has inched above many estimates of full employment. The subdued 1.4% annualized increase in real GDP through the first half of the year also does not inspire much confidence.

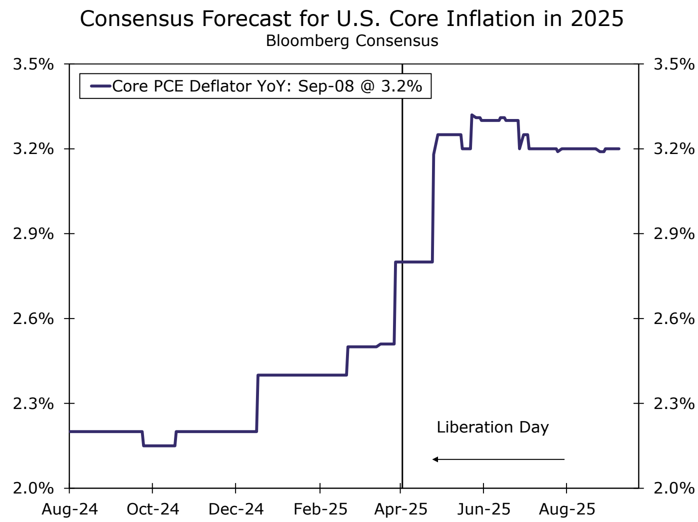
Second, although progress has stalled on bringing inflation back to 2% this year, the rise in prices since Liberation Day largely has been in line with economist expectations. Economist forecasts for U.S. inflation climbed immediately before and after Liberation Day, but since May, consensus forecasts have been fairly stable (Figure 4). That inflation is meeting elevated expectations could be viewed as a negative development, but when it comes to monetary policy implications, we think it is important to note that inflation has not run ahead of the forecasts developed at the start of summer. Third, economic theory tells us that the supply-side inflation from higher tariffs should be transitory as long as inflation expectations remain anchored, and inflation expectations generally have been well-behaved of late. Fourth, the composition of the FOMC seems to be headed in a dovish direction as President Trump reshapes the Board of Governors.

Figure 3



Source: U.S. Departmnet of Commerce and Wells Fargo Economics

Figure 4

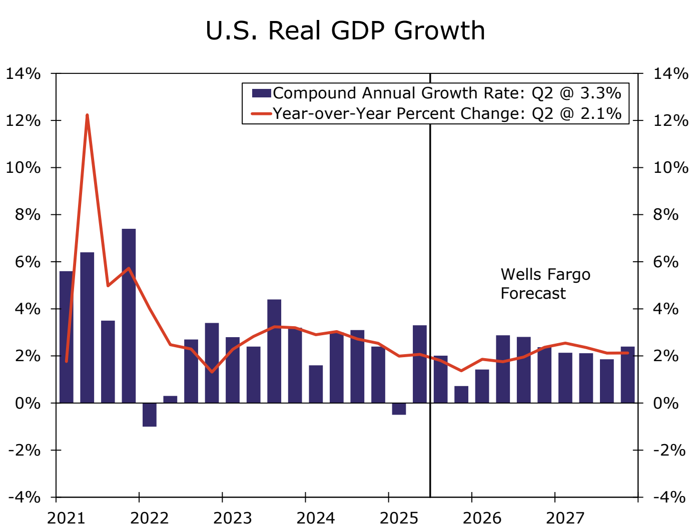


Source: Bloomberg Finance L.P. and Wells Fargo Economics

With so little positive momentum in the labor market, recession risks have ticked higher. We assign a 35% probability of a recession in the next 12 months, and the next six months or so strike us as the most precarious stretch as higher tariffs and restrictive monetary policy continue to bite. But as we look ahead, we feel more optimistic about the outlook for economic growth as next year progresses. Fiscal stimulus is coming next spring when households file their taxes and take advantage of the tax cuts enacted in the One Big Beautiful Bill. The lagged effect of monetary policy easing should start to be felt next year, and as long as there are no more major increases in tariff rates (we grant that is a big caveat), the hit to growth from higher tariffs should gradually fade. We look for an above-consensus 2.4% Q4/Q4 growth rate for real GDP next year (Figure 5).

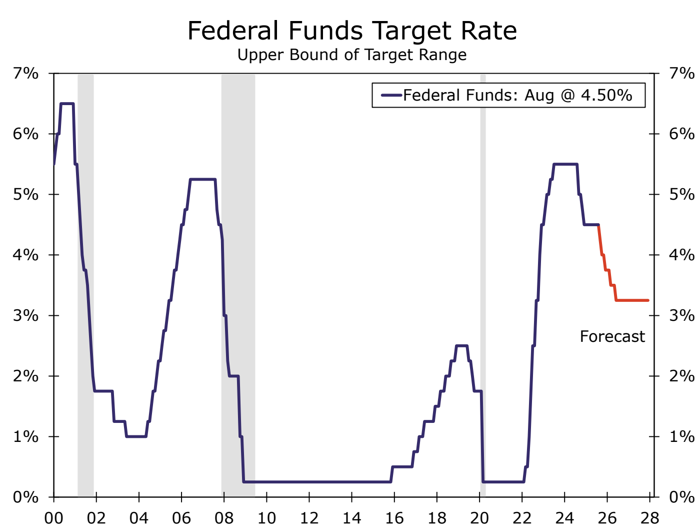
This month's update also includes our initial forecast roll-out for 2027. This far out, we have gone with a forecast that is mostly an economy in steady state: 2.1% real GDP growth, near 2% inflation and a fed funds rate near neutral at 3.00%-3.25% (Figure 6). Against this backdrop, we look for the 10-year Treasury yield to be 4.25% at year-end. Of course, when 2027 gets closer, new developments likely will shake up this tranquil outlook. But for now, we lay out the steady state equilibrium to give our readers our sense of what "normal" looks like in this brave new world.

Figure 5



Source: U.S. Department of Commerce and Wells Fargo Economics

Figure 6



Source: Federal Reserve Board and Wells Fargo Economics

U.S. Forecast Table

Wells Fargo U.S. Economic Forecast

	Actual						Forecast										Actual	Forecast		
	2024				2025				2026				2027				2024	2025	2026	2027
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Real Gross Domestic Product (a)	1.6	3.0	3.1	2.4	-0.5	3.3	2.0	0.7	1.4	2.9	2.8	2.4	2.1	2.1	1.9	2.4	2.8	1.8	2.0	2.3
Personal Consumption	1.9	2.8	3.7	4.0	0.5	1.6	1.5	0.5	2.0	2.7	2.4	2.2	2.0	2.3	1.9	2.3	2.8	2.0	1.8	2.2
Business Fixed Investment	4.5	3.9	4.0	-2.9	10.3	5.7	3.2	-2.6	2.5	5.1	3.8	3.4	3.1	3.0	3.0	3.7	3.6	4.0	2.5	3.4
Equipment	0.3	9.8	10.8	-8.7	23.7	7.4	5.0	-6.3	2.3	6.7	5.0	3.8	1.7	1.9	2.1	2.7	3.4	7.3	2.5	3.0
Intellectual Property Products	7.5	0.7	3.1	-0.5	6.0	12.8	6.1	1.6	4.6	5.0	3.3	3.0	4.1	3.7	3.5	4.4	3.9	5.0	4.5	3.7
Structures	6.3	0.2	-5.0	2.9	-2.4	-8.9	-6.9	-4.3	-2.1	1.7	2.4	3.4	3.6	3.9	4.0	4.2	3.5	-3.5	-2.0	3.4
Residential Investment	13.7	-2.8	-4.3	5.5	-1.3	-4.7	-4.5	-3.4	-2.3	1.8	2.4	2.9	3.8	3.9	4.3	4.5	4.2	-1.7	-1.3	3.5
Government Purchases	1.8	3.1	5.1	3.1	-0.6	-0.2	1.5	0.6	1.5	1.4	1.4	1.4	1.3	1.2	1.1	1.0	3.4	1.4	1.2	1.3
Net Exports	-977.0	-1035.7	-1069.2	-1052.7	-1359.0	-1029.0	-1054.9	-1006.7	-1014.3	-1023.8	-1024.5	-1032.3	-1045.5	-1063.8	-1085.9	-1102.5	-1033.6	-1112.4	-1023.7	-1074.4
Pct. Point Contribution to GDP	-0.6	-0.9	-0.4	0.3	-4.6	5.0	-0.4	0.8	-0.1	-0.2	0.0	-0.1	-0.2	-0.3	-0.4	-0.3	-0.4	-0.3	0.4	-0.2
Inventory Change	17.7	71.7	57.9	8.9	160.5	-32.9	14.5	12.6	-11.6	-6.8	10.6	17.4	26.1	27.1	34.8	45.4	39.0	38.7	2.4	33.4
Pct. Point Contribution to GDP	-0.5	1.1	-0.2	-0.8	2.6	-3.3	0.8	0.0	-0.4	0.1	0.3	0.1	0.1	0.0	0.1	0.2	0.0	0.0	-0.2	0.1
Nominal GDP (a)	4.7	5.6	5.0	4.8	3.2	5.3	5.1	3.7	4.4	5.5	5.2	4.6	4.4	4.3	4.0	4.6	5.3	4.6	4.7	4.6
Real Final Sales	2.1	1.9	3.3	3.3	-3.1	6.8	1.2	0.8	1.8	2.8	2.5	2.3	2.0	2.1	1.7	2.2	2.7	1.9	2.2	2.2
Retail Sales (b)	1.8	2.5	2.3	3.9	4.5	4.2	3.3	0.9	1.4	1.5	1.8	3.1	2.8	2.5	2.4	2.1	2.6	3.2	1.9	2.5
Inflation Indicators (b)																				
PCE Deflator	2.7	2.6	2.3	2.5	2.5	2.4	2.8	2.9	2.7	2.9	2.7	2.5	2.3	2.2	2.2	2.2	2.5	2.6	2.7	2.2
"Core" PCE Deflator	3.0	2.7	2.7	2.8	2.8	2.7	3.0	3.1	3.0	3.0	2.8	2.5	2.4	2.3	2.3	2.2	2.8	2.9	2.8	2.3
Consumer Price Index	3.2	3.2	2.7	2.7	2.7	2.5	2.8	2.8	2.7	3.0	2.9	2.7	2.6	2.4	2.4	2.3	3.0	2.7	2.8	2.4
"Core" Consumer Price Index	3.8	3.4	3.3	3.3	3.1	2.8	3.0	3.0	2.9	3.1	2.9	2.8	2.6	2.5	2.4	2.4	3.4	3.0	2.9	2.5
Producer Price Index (Final Demand)	1.5	2.6	2.2	3.1	3.5	2.5	3.2	3.0	2.4	2.9	2.1	2.0	1.9	1.8	1.8	1.7	2.4	3.0	2.4	1.8
Employment Cost Index	4.2	4.1	3.9	3.8	3.6	3.6	3.6	3.5	3.5	3.4	3.5	3.5	3.6	3.6	3.6	3.7	4.0	3.6	3.5	3.6
Real Disposable Income (a)	5.6	1.0	0.2	2.5	2.5	3.0	-0.3	-0.2	5.2	1.6	2.1	2.2	2.3	2.1	2.3	2.2	2.7	1.7	2.1	2.2
Nominal Personal Income (a)	9.3	3.8	2.3	5.4	6.7	5.2	2.6	2.6	4.5	4.2	4.5	4.5	4.6	4.3	4.4	4.4	5.4	4.7	3.9	4.4
Industrial Production (a)	-1.8	2.4	-0.6	-1.2	4.2	1.5	-1.6	-3.5	0.1	2.2	1.9	1.4	1.5	1.0	1.1	0.5	-0.3	0.7	0.0	1.4
Capacity Utilization	77.7	78.0	77.6	77.1	77.6	77.6	77.1	76.5	76.6	77.1	77.6	78.0	78.4	78.7	79.0	79.3	77.6	77.2	77.3	78.8
Federal Budget Balance (c)	-555	-209	-559	-711	-596	-30	-413	-552	-728	-246	-475	-579	-764	-258	-499	-619	-1832	-1750	-2000	-2100
Trade Weighted Dollar Index (d)	115.8	117.3	113.3	119.9	117.7	111.4	110.5	109.3	108.8	110.0	111.8	113.8	114.8	114.8	113.8	112.8	116.4	112.2	111.1	114.0
Nonfarm Payroll Change (e)	196	133	133	209	111	55	49	14	63	80	107	113	107	97	88	82	168	57	91	93
Unemployment Rate	3.8	4.0	4.2	4.1	4.1	4.2	4.3	4.5	4.4	4.4	4.3	4.2	4.1	4.0	4.0	3.9	4.0	4.3	4.3	4.0
Housing Starts (f)	1.42	1.34	1.34	1.39	1.40	1.35	1.30	1.24	1.36	1.36	1.36	1.37	1.41	1.41	1.41	1.41	1.37	1.32	1.36	1.41
Light Vehicle Sales (g)	15.5	15.6	15.6	16.5	16.4	16.1	15.8	14.7	14.9	15.1	15.2	15.5	16.4	16.6	16.7	16.9	15.8	15.7	15.2	16.7
Crude Oil - Brent - Front Contract (h)	81.2	84.4	78.0	73.6	74.3	65.9	69.0	65.8	65.8	67.8	68.5	67.5	66.5	66.2	65.5	65.5	79.3	68.8	67.4	65.9
Quarter-End Interest Rates (i)																				
Federal Funds Target Rate (j)	5.50	5.50	5.00	4.50	4.50	4.50	4.25	3.75	3.50	3.25	3.25	3.25	3.25	3.25	3.25	3.25	5.27	4.25	3.31	3.25
Secured Overnight Financing Rate	5.34	5.33	4.96	4.49	4.41	4.45	4.15	3.65	3.40	3.15	3.15	3.15	3.15	3.15	3.15	3.15	5.15	4.17	3.21	3.15
Prime Rate	8.50	8.50	8.00	7.50	7.50	7.50	7.25	6.75	6.50	6.25	6.25	6.25	6.25	6.25	6.25	6.25	8.27	7.25	6.31	6.25
Conventional Mortgage Rate	6.82	6.92	6.18	6.72	6.65	6.82	6.40	6.30	6.20	6.20	6.25	6.25	6.25	6.30	6.30	6.35	6.72	6.54	6.23	6.30
3 Month Bill	5.46	5.48	4.73	4.37	4.32	4.41	3.90	3.60	3.35	3.15	3.15	3.15	3.15	3.15	3.15	3.15	5.18	4.06	3.20	3.15
6 Month Bill	5.38	5.33	4.38	4.24	4.23	4.29	3.80	3.50	3.30	3.20	3.20	3.20	3.20	3.20	3.20	3.25	5.00	3.96	3.23	3.21
1 Year Bill	5.03	5.09	3.98	4.16	4.03	3.96	3.60	3.40	3.30	3.25	3.25	3.25	3.25	3.25	3.30	3.35	4.69	3.75	3.26	3.29
2 Year Note	4.59	4.71	3.66	4.25	3.89	3.72	3.55	3.40	3.35	3.30	3.30	3.30	3.30	3.35	3.40	3.45	4.37	3.64	3.31	3.38
5 Year Note	4.21	4.33	3.58	4.38	3.96	3.79	3.60	3.50	3.45	3.45	3.50	3.55	3.55	3.60	3.65	3.65	4.13	3.71	3.49	3.61
10 Year Note	4.20	4.36	3.81	4.58	4.23	4.24	4.05	4.00	3.95	4.00	4.10	4.15	4.15	4.20	4.20	4.25	4.21	4.13	4.05	4.20
30 Year Bond	4.34	4.51	4.14	4.78	4.59	4.78	4.75	4.70	4.70	4.80	4.90	4.95	5.00	5.05	5.05	5.10	4.41	4.71	4.84	5.05

Forecast as of: September 10, 2025

Notes: (a) Compound Annual Growth Rate Quarter-over-Quarter
(b) Year-over-Year Percentage Change
(c) Quarterly Sum - Billions USD; Annual Data Represents FisBZl Year
(d) Federal Reserve Advanced Foreign Economies Index, 2006=100 - Quarter E
(e) Average Monthly Change
(f) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Houses Started
(g) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Vehicles Sold
(h) Quarterly Average of Daily Close
(i) Quarterly Data - Period End; Annual Data - Annual Averages
(j) Upper Bound of the Federal Funds Target Range

Source: U.S. Department of Commerce, U.S. Department of Labor, IHS Markit, Federal Reserve Board and Wells Fargo Economics

Forecast Delta Table

Changes to the Wells Fargo U.S. Economic Forecast	Actual				Forecast												Actual	Forecast		
	2024				2025				2026				2027							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2024	2025	2026	2027
Real Gross Domestic Product (a)	0.00	0.00	0.00	0.00	0.00	0.32	0.78	-0.01	-0.02	-0.05	-0.20	-0.48					0.00	0.16	0.04	
Personal Consumption	0.00	0.00	0.00	0.00	0.00	0.13	0.85	0.02	0.10	0.00	-0.25	-0.42					0.00	0.13	0.08	
Business Fixed Investment	0.00	0.00	0.00	0.00	0.00	3.76	6.66	-0.75	-0.51	-0.01	-0.01	-0.72					0.00	1.51	0.76	
Equipment	0.00	0.00	0.00	0.00	0.00	2.60	15.66	-1.45	-1.20	-0.02	0.03	-1.38					0.00	2.52	1.54	
Intellectual Property Products	0.00	0.00	0.00	0.00	0.00	6.42	2.33	-0.01	0.00	0.01	0.01	-0.40					0.00	1.45	0.63	
Structures	0.00	0.00	0.00	0.00	0.00	1.34	-3.10	-0.80	-0.40	-0.20	-0.20	-0.10					0.00	-0.17	-0.64	
Residential Investment	0.00	0.00	0.00	0.00	0.00	-0.13	-1.10	0.00	-0.30	-0.10	-0.10	-0.70					0.00	-0.16	-0.30	
Government Purchases	0.00	0.00	0.00	0.00	0.00	-0.64	0.00	-0.57	-0.09	-0.19	-0.19	-0.28					0.00	-0.16	-0.25	
Net Exports	0.00	0.00	0.00	0.00	0.00	-2.68	-56.45	-44.50	-44.13	-45.90	-46.07	-47.46					0.00	-25.91	-45.89	
Pct. Point Contribution to GDP	0.00	0.00	0.00	0.00	0.00	-0.04	-0.91	0.20	0.01	-0.03	0.00	-0.02					0.00	-0.11	-0.08	
Inventory Change	0.00	0.00	0.00	0.00	0.00	-6.81	0.08	0.07	-0.06	-0.04	0.06	0.09					0.00	-1.67	0.01	
Pct. Point Contribution to GDP	0.00	0.00	0.00	0.00	0.00	-0.12	0.12	0.00	0.00	0.00	0.00	0.00					0.00	-0.01	0.01	
Nominal GDP	0.00	0.00	0.00	0.00	0.00	0.32	0.69	0.03	-0.05	0.02	-0.05	-0.29					0.00	0.15	0.08	
Real Final Sales	0.00	0.00	0.00	0.00	0.00	0.46	0.66	-0.01	-0.02	-0.05	-0.20	-0.48					0.00	0.17	0.04	
Retail Sales (b)	0.00	-0.02	-0.01	0.00	0.00	0.17	0.89	0.86	0.86	0.72	0.00	0.00					-0.01	0.48	0.40	
Inflation Indicators (b)																				
PCE Deflator	0.00	0.00	0.00	0.00	0.00	-0.02	-0.05	-0.04	-0.04	-0.01	0.06	0.10					0.00	-0.02	0.03	
"Core" PCE Deflator	0.00	0.00	0.00	0.00	0.00	-0.02	-0.04	-0.04	-0.03	0.00	0.06	0.09					0.00	-0.02	0.03	
Consumer Price Index	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.02	-0.02	-0.02	-0.01	0.06					0.00	0.01	0.00	
"Core" Consumer Price Index	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.02	-0.01	-0.02	-0.04	0.03					0.00	0.01	-0.01	
Producer Price Index (Final Demand)	0.00	0.00	0.00	0.00	-0.02	-0.01	0.79	0.78	0.80	0.80	0.00	0.00					0.00	0.39	0.40	
Employment Cost Index	0.00	0.00	0.00	0.00	0.00	0.00	-0.02	-0.05	-0.09	-0.09	-0.07	-0.04					0.00	-0.02	-0.07	
Real Disposable Income (a)	0.00	0.00	0.00	0.00	0.00	0.00	0.81	-0.08	0.05	-0.02	0.07	-0.50					0.00	0.10	0.07	
Nominal Personal Income (a)	0.00	0.00	0.00	0.00	0.00	-0.06	0.77	-0.10	0.02	0.05	0.22	-0.31					0.00	0.08	0.10	
Industrial Production (a)	0.00	0.00	0.00	0.00	-0.13	0.36	1.66	-3.27	-2.17	-0.65	-1.23	-1.88					0.00	0.04	-1.32	
Capacity Utilization	0.00	0.00	0.00	0.00	-0.03	0.04	1.29	0.64	0.12	-0.11	-0.46	-0.93					0.00	0.48	-0.34	
Federal Budget Balance (c)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00					0.00	0.00	0.00	
Trade Weighted Dollar Index (d)	0.00	0.00	0.00	0.00	0.00	0.00	0.75	0.25	-1.25	-1.25	-1.25	-1.25					0.00	0.25	-1.25	
Nonfarm Payroll Change (e)	0.00	0.00	0.00	0.00	0.00	-9.00	-17.33	-14.17	0.00	-6.67	-8.33	-6.67					0.00	-10.13	-5.42	
Unemployment Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.06	0.07	0.08	0.09	0.07					0.00	0.02	0.08	
Housing Starts (f)	0.00	0.00	0.00	0.00	0.00	0.02	0.01	-0.06	-0.02	-0.02	-0.02	-0.02					0.00	-0.01	-0.02	
Light Vehicle Sales (g)	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00					0.00	0.13	0.00	
Crude Oil - Brent - Front Contract (h)	0.00	0.00	0.00	0.00	0.00	0.00	-1.17	0.00	0.00	-0.67	-1.00	-1.00					0.00	-0.29	-0.67	
Quarter-End Interest Rates (i)																				
Federal Funds Target Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.50	-0.50	-0.50					0.00	0.00	-0.44	
Secured Overnight Financing Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.50	-0.50	-0.50					0.00	0.00	-0.44	
Prime Rate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.50	-0.50	-0.50					0.00	0.00	-0.44	
Conventional Mortgage Rate	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.30	-0.30	-0.25	-0.30					0.00	-0.13	-0.29	
3 Month Bill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.05	-0.30	-0.50	-0.50	-0.50					0.00	-0.01	-0.45	
6 Month Bill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.15	-0.35	-0.45	-0.45	-0.45					0.00	-0.04	-0.43	
1 Year Bill	0.00	0.00	0.00	0.00	0.00	0.00	-0.15	-0.25	-0.35	-0.40	-0.40	-0.45					0.00	-0.10	-0.40	
2 Year Note	0.00	0.00	0.00	0.00	0.00	0.00	-0.20	-0.30	-0.35	-0.40	-0.45	-0.50					0.00	-0.13	-0.43	
5 Year Note	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.30	-0.35	-0.40	-0.40	-0.40					0.00	-0.14	-0.39	
10 Year Note	0.00	0.00	0.00	0.00	0.00	0.00	-0.25	-0.25	-0.30	-0.30	-0.25	-0.25					0.00	-0.13	-0.27	
30 Year Bond	0.00	0.00	0.00	0.00	0.00	0.00	-0.05	-0.05	-0.10	-0.10	-0.05	-0.05					0.00	-0.03	-0.07	

Forecast as of: September 10, 2025

Notes: (a) Compound Annual Growth Rate Quarter-over-Quarter
(b) Year-over-Year Percentage Change
(c) Quarterly Sum - Billions USD; Annual Data Represents FisBZl Year
(d) Federal Reserve Advanced Foreign Economies Index, 2006=100 - Quarte
(e) Average Monthly Change
(f) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Houses Started
(g) Quarterly Data - Average Monthly SAAR; Annual Data - Actual Total Vehicles Sold
(h) Quarterly Average of Daily Close
(i) Quarterly Data - Period End; Annual Data - Annual Averages
(j) Upper Bound of the Federal Funds Target Range

Source: U.S. Department of Commerce, U.S. Department of Labor, IHS Markit, Federal Reserve Board and Wells Fargo Economics

Personal Consumption Expenditures

- Consumer spending continues to prove resilient. Solid spending in July suggests consumption growth will be stronger in the third quarter, though we still anticipate some slowing before the year is out.

Consumer spending has held up and rose a solid 0.3% month-over-month in July in inflation-adjusted real terms. That was better than we were anticipating and has led us to upwardly revise our near-term expectations for spending. We now look for real personal consumption expenditures to advance at around a 1.5% annualized pace. The better-than-expected outturn was also driven by spending on durable goods, particularly on autos, which may alleviate fears of a consumer going into hiding amid concern over tariffs. The weaker trend in discretionary services, however, remains. A consumer that is cutting back on going out to eat and not booking as many hotel stays may not signal disaster, but it does point to the sort of budgeting decisions that households make when under pressure. Households still generally have the means to spend today, but growing concern over job prospects combined with the steady moderation in the jobs market suggest we'll see a pullback in spending in the remaining months of the year. Further out, we look for spending to receive a jolt next year amid more favorable household tax policies and for spending to run around a 2.2% annualized pace in 2027, which is a touch below its average pace registered over the prior cycle.

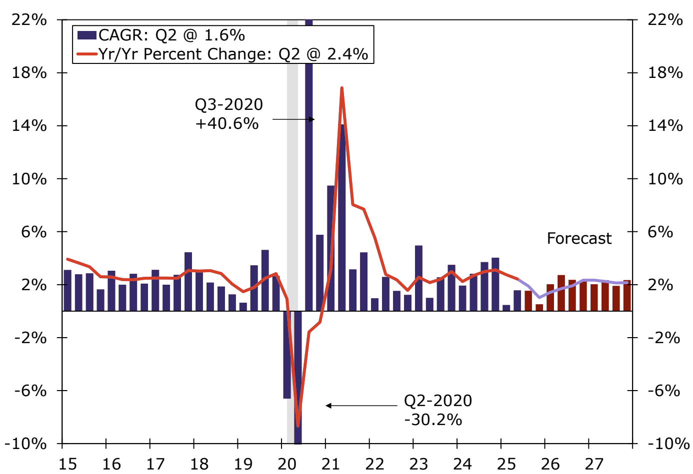
Investment: Equipment, Intellectual Property Products and Inventories

- Business spending activity is being driven by just a few sectors as continued policy uncertainty limits demand for large capital expenditures. The bright spot today continues to be in computers and software, which will aid in the high-tech future. Stronger near-term shipments data suggest another positive annualized growth rate for equipment in Q3.

Demand for equipment remains limited even as underlying business investment spending continues to grow. While non-defense capital goods shipments data (which feed into the BEA's measure of equipment in the GDP accounts) have been volatile, they jumped 3.3% at the start of Q3 for July, which suggest a stronger quarter for equipment investment than we had penciled in previously. We've lifted the near-term trend as a result and now look for equipment to be positive again in Q3. The recent trend has been heavily driven by spending on information processing equipment and software, both of which are aiding in the high-tech transition, and will eventually be met with payback.

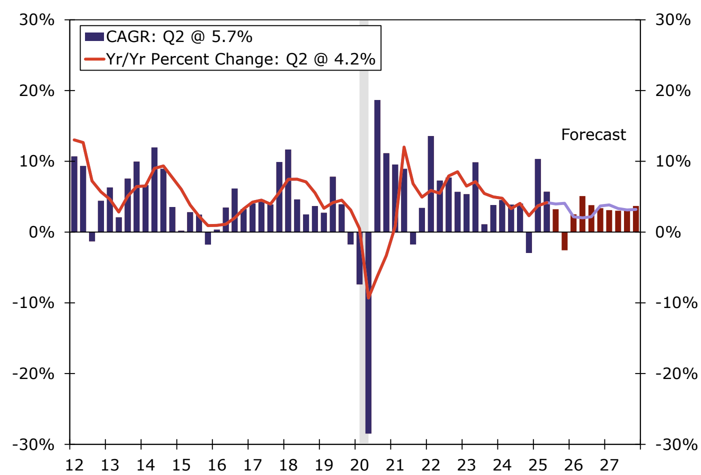
We still anticipate some catch-up spending to be spurred in 2026 by a supportive tax structure taking effect at the start of the year and now look for a more moderate pace of capex spending in 2027 after a pull-forward the prior two years. Inventories remain a wild card, having the capacity to lead to whipsaw effects across the headline.

Real Personal Consumption Expenditures



Source: U.S. Department of Commerce and Wells Fargo Economics

Real Business Fixed Investment



Source: U.S. Department of Commerce and Wells Fargo Economics

Investment: Residential

- We have not made material changes to our forecast for residential investment. We expect residential outlays to remain under pressure this year, while affordability challenges persist.

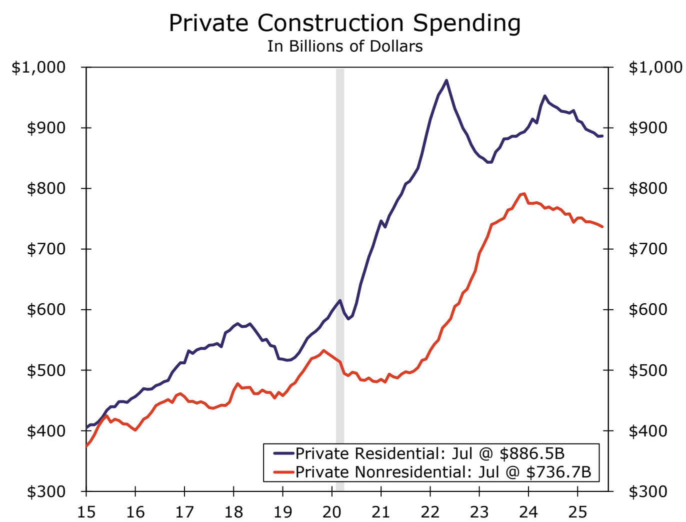
Elevated economic uncertainty and high interest rates are suppressing residential construction. Residential construction outlays have fallen every month of 2025 aside from July, when they eked out a 0.1% gain. Zooming out, private residential construction spending has receded by 5.3% on a year-over-year basis. High mortgage rates and stalling new home sales are the largest drags on single-family construction, weighing on builder confidence and prompting a downturn in single-family construction starts. Although no longer deteriorating rapidly, multifamily construction spending has also trended lower so far this year as developers contend with elevated vacancy rates, prohibitive financing costs and reduced credit access. Home improvement spending may have scope for improvement as high rates keep homeowners locked in their current mortgages. But affordability challenges are likely to prevent a full residential rebound this year. Although mortgage rates have softened somewhat in recent weeks, they still remain more than double the 3.0% average in 2021.

Investment: Nonresidential Structures

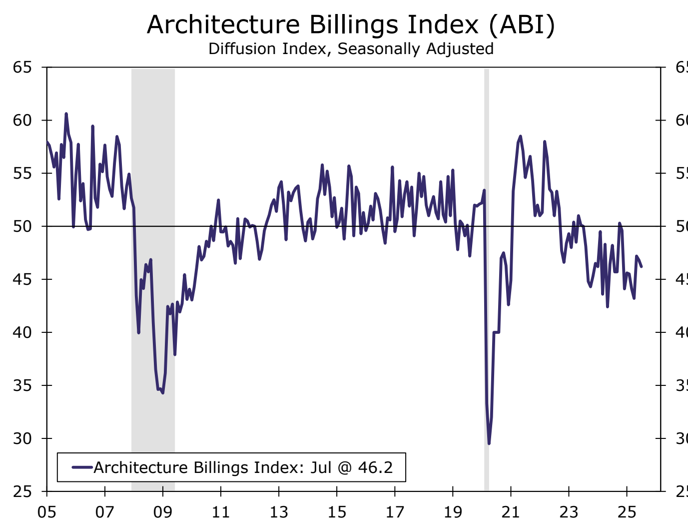
- An ongoing downtrend in nonresidential construction spending and sluggish pace of new commercial starts suggests that structures investment will remain a drag on GDP this year. Lower interest rates and a more robust growth environment should encourage a return to positive growth next year.

Structures investment is stumbling under high interest rates. Private nonresidential construction spending has been on a downtrend since the start of this year, most recently hitting its lowest mark since March 2023 in July. As a result, structures investment declined by an 8.9% quarterly annualized rate in Q2, the steepest contraction in 14 quarters. Most of this pullback is concentrated in commercial sectors like office, warehousing and manufacturing, where the pipeline of new projects has dwindled in response to elevated financing costs and rising vacancy rates. Although vacancy rates have slowed their ascent, the tepid pace of new project starts and ongoing weakness in demand as demonstrated by the Architectural Billings Index likely preclude a turnaround in structures investment this year.

Looking ahead, our expectation for 75 bps of Federal Reserve easing this fall and another 50 bps by next June would help to alleviate some pressure on nonresidential construction. But as demonstrated during the Fed's tightening cycle, it takes time for monetary policy changes to filter through the economy. We expect structures investment to resume growth in 2026 but not return to trend until 2027.



Source: U.S. Department of Commerce and Wells Fargo Economics



Source: American Institute of Architects and Wells Fargo Economics

Labor Market

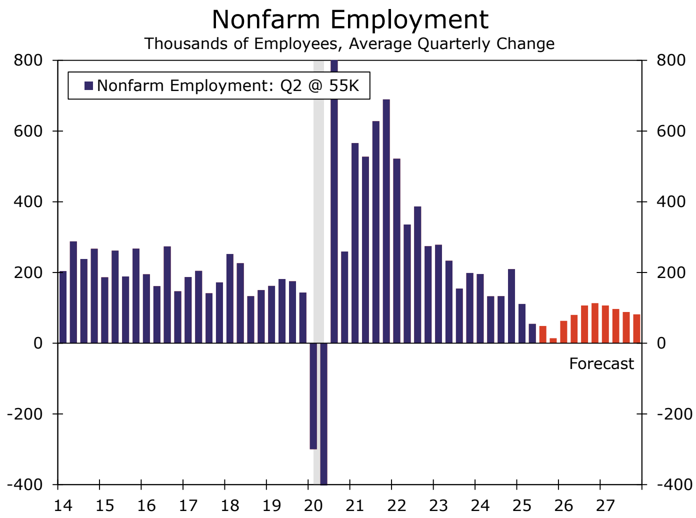
- Job growth has slowed to a crawl. We expect payrolls to continue to sputter through the remainder of the year and increase by an average monthly pace of just 22K. The deceleration in job creation is likely to lead the unemployment rate up to 4.5% by year-end.
- Stimulative tax policy and looser monetary policy should help spur a rebound in hiring in 2026. We look for nonfarm payroll growth to average a 91K monthly pace and forecast the unemployment rate to recede to 4.2% by the end of 2026.

The labor market is showing clear signs of weakness. Job growth has decelerated to a meager 29K pace over the past three months. The breadth of employment growth is dangerously narrow, evident in the diffusion index showing that more industries have shed jobs than added jobs in each of the past five months. Labor demand is likely to remain sluggish as firms contend with tariff-related price pressures and a slower growth environment. We forecast nonfarm payroll growth to average 22K per month through the remainder of the year, weighed down in part by deferred resignations among federal workers being logged in October. The broad slowdown will put upward pressure on the unemployment rate, which we expect to peak at 4.5% by the end of this year. As economic activity strengthens in 2026 amid stimulative fiscal policy and less restrictive monetary policy, we look for job growth to gradually gather momentum and average 91K per month through the year. Further out, we forecast payrolls to rise at a similar pace in 2027 (~93K per month) as overall economic growth normalizes.

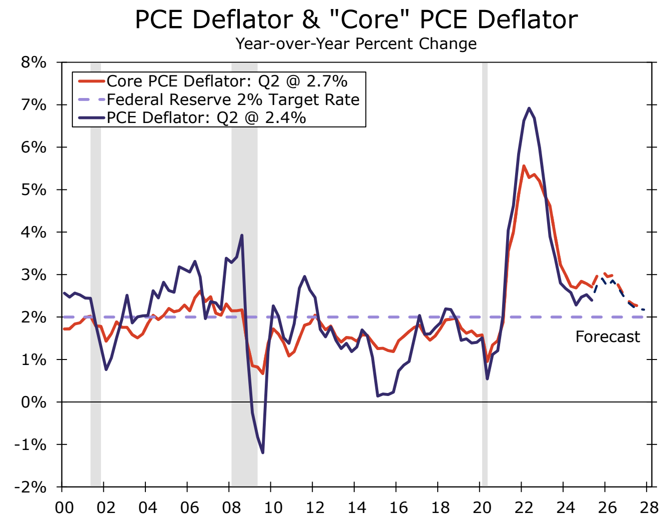
Inflation

- We have not made material changes to our near-term inflation forecast. As expected, core inflation has picked up as tariffs drive goods prices higher, while disinflation in the service sector remains painfully slow.
- We continue to look for the core PCE deflator to peak at 3.1% year-over-year in Q4-2025. As the rise in goods prices this year sets up favorable base effects next year, we forecast core PCE inflation to recede to 2.5% in Q4-2026.

Inflation is unlikely to reach the FOMC's 2% target in the near term. Higher tariffs are underpinning a rebound in goods inflation at a time when services inflation appears to be leveling out. While the weaker labor market is helping to slow labor cost growth and ease some price pressures on service providers, consumers continue to spend with the support of real personal income growth. The steady demand impulse is poised to keep further disinflation in the service sector incremental. With goods inflation headed higher and services inflation remaining sticky, we continue to look for the core PCE deflator to run around a 3% annualized pace over the next six months before resuming its downward trend in the spring of 2026. As economic growth downshifts closer to its long-run trend in 2027, we anticipate inflation will continue to gradually recede throughout the year and look for the core PCE deflator to subside to 2.2% year-over-year by Q4-2027.



Source: U.S. Department of Labor and Wells Fargo Economics



Source: U.S. Department of Commerce and Wells Fargo Economics

Fiscal Policy

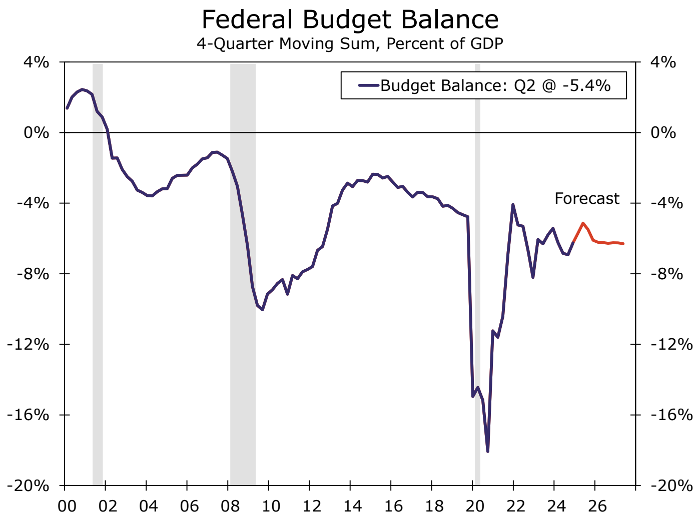
- We project a federal budget deficit of $1.75 trillion in FY 2025, $2.00 trillion in FY 2026 and $2.10 trillion in FY 2027.
- The odds of a government shutdown starting on Oct. 1 are on the rise, in our view.

Congress has yet to pass any of the 12 appropriation bills that are needed to fund the federal government when fiscal year 2026 begins on Oct. 1. If Congress does not act before then, a government shutdown will ensue, and nonessential federal government operations will cease functioning. In the past, this has included economic data releases from key government agencies such as the Bureau of Labor Statistics. Thus, it is possible that a government shutdown beginning on Oct. 1 could indefinitely delay the release of the September employment report scheduled to be released on Oct. 3, among other key data that could be postponed. From an economic impact standpoint, government shutdowns typically impart a relatively small and largely transitory hit to the U.S. economy. That said, the increase in uncertainty and dent in consumer, business and financial market confidence could be more substantial and long-lasting, especially if the shutdown were to last longer than a week or two. Critically, the debt ceiling was increased in July, and it will not be a factor in the upcoming shutdown showdown. A shutdown, should one occur, would not affect Treasury issuance or auctions. We suspect a short-term continuing resolution (CR) lasting a few months will be needed to prevent a shutdown at month-end.

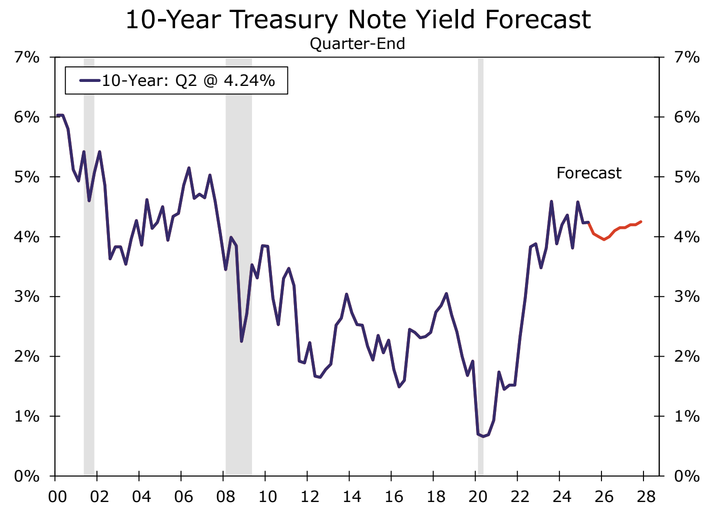
Monetary Policy & Interest Rates

- We now look for the FOMC to cut 125 bps by the end of 2026, 50 bps more than previously forecast. Specifically, we expect the FOMC to lower the target range of the federal funds rate by 25 bps at its next three meetings in September, October and December, followed by two additional cuts in March and June 2026.
- We have lowered our forecast for the 10-year Treasury yield to 4.00% at year-end 2025 and 4.15% at year-end 2026. We look for 4.25% at the end of 2027.

The increasingly fragile position of the labor market has raised the risks around the FOMC's "maximum employment" mandate. Meanwhile, inflation has remained persistent and is likely headed further away from the Committee's target in the coming months. We suspect the FOMC will look through the lost progress on inflation and focus on the weakening labor market. We look for 25 bps cuts at each of the Committee's next three meetings in September, October and December. Come 2026, we anticipate the FOMC will cut two more times in the first half of the year to move policy to a more neutral stance. A lower federal funds rate will reduce rates at the front-end and steepen the yield curve somewhat. We expect the 10-year Treasury yield to end 2025 near 4.00% and rise to 4.15% by the end of 2026 and 4.25% by the end of 2027. Faster economic growth next year and steadily rising budget deficits will keep long-term yields from falling much further, in our view.



Source: U.S. Department of the Treasury, U.S. Department of Commerce and Wells Fargo Economics



Source: U.S. Department of the Treasury and Wells Fargo Economics

Net Exports

- Stronger-than-expected imports in July suggest net exports are tracking to subtract a few tenths off headline GDP growth in Q3.

While we now expect net exports to produce a modest drag rather than a modest boost to headline growth in Q3, the contribution from net exports is set to be a more neutral force than in the first half of the year. Stronger-than-expected import growth in July is behind our revision this month, which looks to be partially a result of continued pull-forward in demand ahead of higher tariff rates, as well as a surge in non-monetary gold, which will have less of an effect on net exports in the GDP calculations. We have not made many changes further out and look for the trade deficit to level out at these levels on trend.

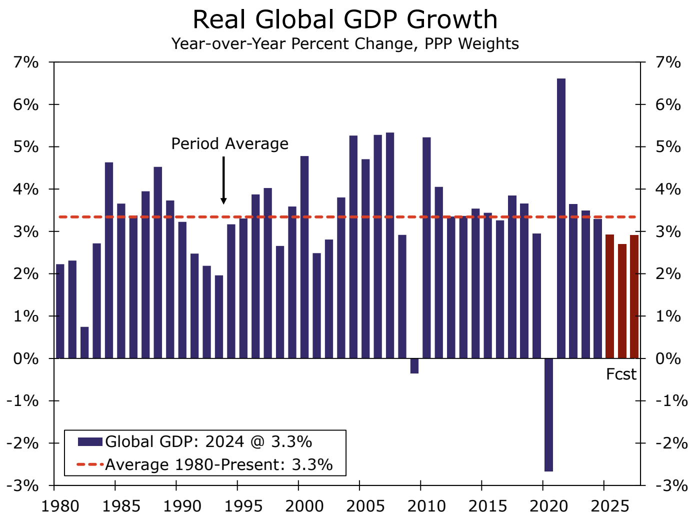
International Developments & the U.S. Dollar

- We have revised our global GDP growth forecasts higher, reflecting economic resilience demonstrated earlier this year. We continue to expect global activity to slow in a gradual and orderly manner, even in the face of higher tariffs. We now expect global GDP growth of 2.9% in 2025, 2.7% in 2026 and 2.9% in 2027.
- We have nudged our monetary policy outlook in a modestly dovish direction. In addition to more Fed monetary easing than previously expected, we also forecast more rate cuts than previously anticipated from the Bank of England and Reserve Bank of New Zealand. In Japan, we expect the next rate hike to be delayed until January next year amid an uptick in political uncertainty.
- We expect the U.S. dollar to soften a bit more and for a bit longer than we anticipated a month ago, with soft U.S. growth and Fed easing weighing on the greenback into early 2027. We expect the U.S. dollar to rebound in 2026 as the U.S. economy recovers, but then see renewed U.S. dollar weakness in 2027.

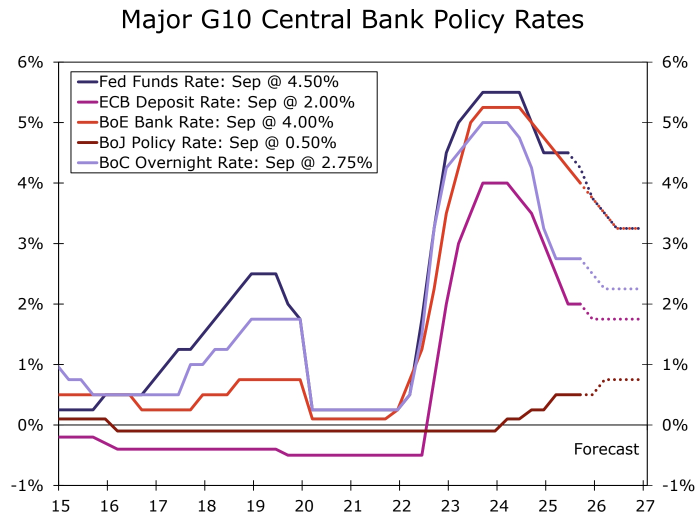
Our outlook for global economic activity continues to move in a more sanguine direction, in that we continue to see a more gradual and orderly slowdown in global growth. We now see global growth of 2.9% in 2025 and 2.7% in 2026, both stronger rates of expansion than we forecast a month ago. For 2027, we see a slight improvement from 2026, with growth expected to tick up to 2.9%. Among the advanced economies, select countries continued to show resilience, at least through the first half of 2025. Sweden and Norway in particular showed improvement in economic momentum, contributing to growth upgrades for these countries, while we have also lifted our growth outlook for the United States and Japan. In the emerging markets, India's Q2 GDP showed solid domestic demand, while higher tariffs are proving to be only a modest headwind given limited trade exposures. We now see Indian GDP growth of 7.1% in 2025 and 6.1% in calendar 2026. Finally, Brazil and Mexico showed encouraging signs in Q2. Given modestly stronger prospects for the U.S., we have upgraded our outlook for Mexico. Finally, looking out over the longer term, our initial assessment is for some ongoing improvement in the pace of global GDP growth in 2027. While we expect U.S. economic performance to be relatively steady in 2027, for foreign economies which have already eased monetary policy substantially and are likely to deliver more growth-supportive fiscal policy, we could see a faster pace of GDP growth. China is, however, one notable example where we anticipate a further easing in GDP growth to 4.4% in 2027.

While we have nudged our growth forecasts in a stronger direction, we have nudged our monetary policy outlook in a dovish direction, albeit only modestly. As we highlighted earlier in this report, we now see more Federal Reserve policy rate cuts as the labor market begins to soften more noticeably, and anticipate 125 bps of rate cuts by the middle of 2026. We also see a dovish shift for some foreign central banks, though by less than the Fed, and also for reasons not fully related to U.S. developments. Most notably, we see a more gradual path of monetary policy normalization in Japan, with the next 25 bps rate hike now not expected until January, compared to our previous call for an October increase. After Prime Minister Ishiba stepped down, a LDP party leadership contest is now scheduled for early October, creating a period of political and perhaps market uncertainty. Indeed, one uncertainty is the longer-term path for Japanese monetary policy, which could depend on whether a new leader adopts and/or negotiates more expansive fiscal policy plans. For the time being, however, until there is clarity on LDP leadership and the government's fiscal policy, we expect the Bank of Japan to remain on hold before delivering another rate hike early next year. In New Zealand, we expect the central bank to ease monetary policy more than previously expected to a policy rate low of 2.50%, largely a reflection of dovish central bank commentary and still soft economic growth. We also expect the Bank of England to eventually lower its policy rate to 3.25%, slightly lower than previously expected. Finally, while we haven't adjusted our Bank of Canada outlook at this time, we view the risks as tilted toward earlier, and/or more, Bank of Canada monetary easing. Similarly, we currently forecast one final rate cut from Mexico's central bank this month, but see the risks as tilted toward further easing.

From a currency perspective, we continue to see a softer U.S. dollar through the rest of 2025 and now also through the early part of 2026, before showing periods of both strength and weakness over the remainder of our forecast horizon. While both U.S. and international monetary policy have shifted in a dovish direction compared to a month ago, the shift has been more marked for Federal Reserve policy. Indeed, the 125 bps of further rate cuts we anticipate from the Fed exceeds that of most foreign central banks, which, combined with slower U.S. economic growth during the second half of 2025, should see the greenback soften by a bit more and for a bit longer than previously forecast, into the early part of 2026. We then see the U.S. dollar rebounding through most of 2026 and perhaps early 2027, as expansive U.S. fiscal policy leads to a rebound in U.S. economic growth and an end to Fed easing. In 2027, we see the potential for renewed softening in the dollar. We expect U.S. growth and interest rates to remain broadly steady through the end of our forecast horizon. In contrast, we see somewhat stronger growth from many foreign economies over the medium term, with some foreign central banks perhaps even contemplating rate hikes toward the latter part of our forecast horizon. The swing in growth and interest rate trends in 2027 should, in our view, favor foreign currencies and weigh on the U.S. dollar.



Source: International Monetary Fund and Wells Fargo Economics



Source: Bloomberg Finance L.P. and Wells Fargo Economics

Wells Fargo International Economic Forecast

	GDP				CPI			
	2024	2025	2026	2027	2024	2025	2026	2027
Global (PPP Weights)	3.3%	2.9%	2.7%	2.9%	5.6%	3.7%	3.7%	3.6%
Advanced Economies[1]	1.8%	1.7%	1.8%	2.1%	2.6%	2.7%	2.5%	2.3%
United States	2.8%	1.8%	2.0%	2.3%	3.0%	2.7%	2.8%	2.4%
Eurozone	0.9%	1.1%	1.2%	1.8%	2.4%	2.2%	2.0%	2.2%
United Kingdom	1.1%	1.3%	1.2%	1.6%	2.5%	3.4%	2.5%	2.1%
Japan	0.2%	1.4%	1.0%	0.8%	2.7%	3.1%	2.0%	2.0%
Canada	1.6%	1.1%	1.3%	2.0%	2.4%	2.2%	2.1%	2.0%
Switzerland	1.3%	1.1%	1.3%	1.6%	1.1%	0.2%	0.6%	1.0%
Australia	1.0%	1.7%	2.2%	2.4%	3.2%	2.6%	2.7%	2.5%
New Zealand	-0.5%	1.1%	2.2%	2.5%	2.9%	2.5%	2.1%	2.1%
Sweden	1.0%	1.1%	2.0%	2.2%	2.0%	2.4%	1.9%	2.1%
Norway	0.6%	1.9%	1.4%	1.8%	3.1%	2.8%	2.2%	2.3%
Developing Economies[1]	4.3%	3.8%	3.3%	3.4%	7.7%	4.4%	4.5%	4.4%
China	5.0%	4.8%	4.5%	4.4%	0.2%	0.1%	0.8%	1.0%
India	6.7%	7.1%	6.1%	6.6%	4.7%	3.5%	4.0%	3.7%
Mexico	1.4%	0.8%	1.4%	1.6%	4.7%	3.8%	3.8%	3.5%
Brazil	3.4%	2.4%	1.4%	2.0%	4.4%	5.3%	4.3%	4.0%
Russia	4.3%	1.5%	1.5%	1.5%	8.4%	9.0%	5.5%	4.5%

Forecast as of: September 10, 2025

[1]Aggregated Using PPP Weights

Source: International Monetary Fund and Wells Fargo Economics

Wells Fargo International Interest Rate Forecast

(End of Quarter Rates)

	Central Bank Key Policy Rate						
	2025			2026			
	Current	Q3	Q4	Q1	Q2	Q3	Q4
United States	4.50%	4.25%	3.75%	3.50%	3.25%	3.25%	3.25%
Eurozone[1]	2.00%	2.00%	1.75%	1.75%	1.75%	1.75%	1.75%
United Kingdom	4.00%	4.00%	3.75%	3.50%	3.25%	3.25%	3.25%
Japan	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%	0.75%
Canada	2.75%	2.75%	2.50%	2.25%	2.25%	2.25%	2.25%
Switzerland	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Australia	3.60%	3.60%	3.35%	3.10%	3.10%	3.10%	3.10%
New Zealand	3.00%	3.00%	2.75%	2.50%	2.50%	2.50%	2.50%
Sweden	2.00%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
Norway	4.25%	4.00%	3.75%	3.50%	3.25%	3.25%	3.25%
China[3]	9.00%	9.00%	8.50%	8.50%	8.00%	8.00%	7.50%
India	5.50%	5.50%	5.25%	5.25%	5.25%	5.25%	5.25%
Mexico	7.75%	7.50%	7.50%	7.50%	7.50%	7.50%	7.50%
Brazil	15.00%	15.00%	15.00%	14.50%	14.00%	13.50%	13.00%
Chile	4.75%	4.50%	4.25%	4.25%	4.25%	4.25%	4.25%
Colombia	9.25%	9.25%	9.25%	9.00%	8.50%	8.50%	8.50%
Russia	18.00%	17.00%	15.00%	13.50%	12.50%	12.00%	11.50%

	2-Year Note						
	2025			2026			
	Current	Q3	Q4	Q1	Q2	Q3	Q4
United States	3.56%	3.55%	3.40%	3.35%	3.30%	3.30%	3.30%
Eurozone[2]	1.94%	1.95%	1.85%	1.85%	1.90%	1.90%	1.95%
United Kingdom	3.91%	3.90%	3.80%	3.65%	3.50%	3.50%	3.50%
Japan	0.84%	0.85%	0.85%	0.85%	0.90%	0.90%	0.90%
Canada	2.53%	2.50%	2.40%	2.25%	2.25%	2.30%	2.30%

	10-Year Note						
	2025			2026			
	Current	Q3	Q4	Q1	Q2	Q3	Q4
United States	4.09%	4.05%	4.00%	3.95%	4.00%	4.10%	4.15%
Eurozone[2]	2.66%	2.65%	2.60%	2.60%	2.65%	2.70%	2.75%
United Kingdom	4.62%	4.60%	4.55%	4.50%	4.45%	4.45%	4.50%
Japan	1.57%	1.60%	1.65%	1.70%	1.70%	1.65%	1.65%
Canada	3.23%	3.25%	3.15%	3.05%	3.10%	3.15%	3.20%

Forecast as of: September 10, 2025

[1] ECB Deposit Rate [2] German Government Bond Yield [3] Reserve Requirement Ratio Major Banks

Source: Bloomberg Finance L.P. and Wells Fargo Economics

This Month's Economic Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
September 8	**9**	**10**	**11**	**12**
	Mexico CPI (MoM) July 0.27% **China CPI (YoY)** July -3.6%	**PPI Final Demand (MoM)** July 0.9%	**CPI (MoM)** July 0.2% **European Central Bank Rate Decision** Prior 2.15%	
15	**16**	**17**	**18**	**19**
	Retail Sales (MoM) July 0.5% **Import Price Index (MoM)** July 0.4% **Industrial Production (MoM)** July -0.1% **Canada CPI (YoY)** July 1.7%	**FOMC Rate Decision** Prior 4.50% **Housing Starts** July 1428K **Bank of Canada Rate Decision** Prior 2.75% **Central Bank of Brazil Rate Decision** Prior 15.00%	**Bank of England Rate Decision** Prior 4.00% **Japan CPI (YoY)** July 3.1%	**Bank of Japan Rate Decision** Prior 0.50%
22	**23**	**24**	**25**	**26**
Hammack Speaks ***Musalem* Speaks***	**Existing Home Sales** July 4.01M	**New Home Sales** July 652K ***Daly Speaks***	**Durable Goods Orders (MoM)** July -2.8% **Bank of Mexico Rate Decision** Prior 7.75% ***Daly Speaks*** ***Goolsbee* Speaks***	**Personal Income and Spending (MoM)** July 0.4%, 0.5% **Canada GDP (YoY)** June 0.9% ***Bowman* Speaks***
29	**30**	**October 1**	**2**	**3**
Hammack Speaks	**JOLTS Job Openings** July 7181K **Consumer Confidence** August 97.4 **Reserve Bank of Australia Rate Decision** Prior 3.60% ***Jefferson* Speaks***	**ISM Manufacturing** August 48.7 **Eurozone CPI (MoM)** August 0.2% **Reserve Bank of India Rate Decision** Prior 5.50% ***Federal Government Shutdown Deadline***		**Nonfarm Payrolls** August 22K **ISM Services** August 52.0

Note: * = voting FOMC member in 2025, Purple = Market Moving Releases

Source: Bloomberg Finance L.P., Federal Reserve System, U.S. Department of Labor, U.S. Department of Commerce, Institute for Supply Management, Conference Board and Wells Fargo Economics

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