ECONOMIC PREVIEW

REGIONS

Week of October 27, 2025

Indicator/Action Economics Survey:	Last Actual:	Regions' View:
Fed Funds Rate: Target Range Midpoint *(After the October 28-29 FOMC meeting):* Target Range Mid-point: 3.875 to 3.875 percent Median Target Range Mid-point: 3.875 percent	Range: 4.00% to 4.25% Midpoint: 4.125%	Welcome to the latest edition of the week that would have been but won't actually be at least not yet but might still be at least in terms of the data ultimately being released even if we don't have any idea when that might be. We're at the point now where we're lacking a basis on which to make forecasts of most of the top-tier data releases, so other than the smattering of privately produced series for which we'll continue to make forecasts, for the duration of the shutdown our weekly *Preview* will be little more than a chronicle of what might have been. Data or not, most of the focus this week would have been, and still is, on the FOMC meeting. Though the soft September CPI prints – headline and core – are being pointed to by many as "greenlighting" a twenty-five basis point cut in the Fed funds rate at this week's meeting, our view is that such a cut was all but a given regardless of what the September CPI report said. Enough Committee members are focused on the downside risks to the labor market to warrant another "risk management" cut, particularly given the absence of much of the regular labor market data. And while many interpreted the soft September CPI prints as laying the grounds for a further cut in the funds rate at the December FOMC meeting, we'd argue that the details of the September CPI report tell a different story. The soft September print on the core CPI largely reflects payback in owners' equivalent rents after an outsized August increase, while prices for discretionary services firmed up and there was evidence of further tariff pass-through in prices for core goods excluding used vehicles, which we think gives those FOMC members still focused on the upside risks to inflation solid ground on which to stand. As such, we'd argue that nothing is set in stone for an FOMC meeting as far off as December. Back to this week's meeting, in addition to the decision on rates, it will be interesting to see if there are dissents on the vote, either votes against a cut or votes in favor of a larger cut. It is also possible that the Committee will announce the end of "quantitative tightening" at this week's meeting given concerns over tightening in funding markets and the effective Fed funds rate drifting higher. Finally, it will be interesting to see if there are any changes of the description of current economic conditions in the post-meeting policy statement. At the very least, the description in the September statement – "recent indicators suggest that growth of economic activity moderated in the first half of the year" – is clearly due for a refresh. Despite much of the regular economic data being felled by the government shutdown there is evidence, including the latest round of corporate earnings and commentary, that the economy is on firmer footing than many had thought to be the case. That said, the assessment of current conditions is likely to be somewhat tempered given that with the economic costs of the shutdown will increase as the shutdown endures.
September Durable Goods Orders Monday, 10/27 Range: N/A Median: N/A	Aug = +2.8%	N/A
Sep. Durable Goods Orders: Ex. Trnsp. Monday, 10/27 Range: N/A Median: N/A	Aug = N/A	N/A
October Consumer Confidence Tuesday, 10/28 Range: 92.0 to 95.0 Median: 93.8	Sep = 94.2	Down to 92.1, with concerns over the impacts of the government shutdown and a less constructive view of labor market conditions likely to weigh on the headline confidence number.
Sep. Advance Trade Balance: Goods Wednesday, 10/29 Range: N/A Median: N/A	Aug = -$85.5 billion	N/A
Q3 Real GDP: 1st estimate Thursday, 10/30 Range: N/A Median: N/A	Q2 = +3.8% SAAR	N/A
Q3 GDP Price Index: 1st estimate Thursday, 10/30 Range: N/A Median: N/A	Q2 = +2.1% SAAR	N/A

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Q3 Employment Cost Index Friday, 10/31 Range: N/A Median: N/A	Q2 = +0.9%	N/A
September Personal Income Friday, 10/31 Range: N/A Median: N/A	Aug = +0.4%	N/A
September Personal Income Friday, 10/31 Range: N/A Median: N/A	Aug = +0.6%	N/A
September PCE Deflator Friday, 10/31 Range: N/A Median: N/A	Aug = +0.3%	N/A

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