EXPERT VIEW

Central banks, a superficial synchronisation

Analysis by Florent Wabont

CHIEF ECONOMIST AT DNCA FINANCE. WRITTEN ON 18/09/2026. DATA AS OF 18/09/2026.



Florent Wabont

The European Central Bank (ECB) raised its key interest rates by 25 basis points on 10 September, bringing the deposit facility rate[1] to 2.50%. The US Federal Reserve (Fed) followed suit on 16 September, raising its rates to a range of 3.75% to 4.00%, the first such increase since 2023. Since the outbreak of the conflict in the Middle East and the rise in energy prices, other central banks have also raised their rates or adopted a more hawkish stance to prevent inflation expectations from becoming unanchored and second-round effects[2] from materialising. Markets are now pricing in several further rate hikes across the board, whether by the Fed, the ECB or the Bank of England (BoE). However, behind this common challenge and apparent synchronisation lie disparities that warrant closer examination.

In the euro area, headline inflation, including energy and food, rose to 3.2% year-on-year in August, up from 2.9% in July, amid renewed pressure on energy prices over the summer. The ECB therefore raised its rates for the second time, following June's increase, and continues to adopt a "meeting-by-meeting" approach. Despite an upward revision to inflation forecasts and language suggesting a more hawkish stance, several factors should nevertheless be distinguished.

Inflation excluding energy and food declined from 2.5% year-on-year in July to 2.4% in August, close to its average level over the past year. According to our calculations, most measures of so-called underlying inflation[3] also remained stable, while the gap between them narrowed.

Admittedly, spillover effects[4] from the energy shock can be observed, including higher airfares and prices for certain manufactured goods, but no second-round effects are currently apparent. Companies' expected selling prices, as reported in surveys, have not changed significantly since the beginning of the conflict either.

Moreover, current labour market conditions and leading indicators do not point to wage growth likely to fuel second-round effects. Although GDP[5] growth has proved resilient—averaging around 0.3% quarter-on-quarter over the past two years in the euro area excluding Ireland, according to our estimates—areas of weakness remain, particularly in investment. Higher sovereign bond yields, combined with rising energy prices and input costs, also threaten to curb economic activity and reduce margins. Against this backdrop, September's business surveys, including the PMI[6], will warrant close attention.

In light of these factors, a non-linear reaction function appears to be taking shape, in our view. A further increase in the deposit facility rate, from 2.50% to 2.75%, could therefore be considered in October or December, depending on developments in the conflict and energy prices. Beyond this threshold, which would bring the ECB into a more clearly restrictive phase of monetary policy, tangible evidence of second-round effects might be required to "justify" such a move. At the time of writing, markets are pricing in more than three additional rate hikes by mid-2027.

[1]Interest rate applied by the central bank to funds deposited with it by commercial banks.
[2]The lasting transmission of price increases to wages and subsequently to the broader economy.
[3]Underlying inflation reflects the medium-term inflation trend, excluding volatile short-term fluctuations such as changes in commodity prices.
[4]An indirect and temporary consequence of an economic shock on certain prices or sectors..
[5]Gross domestic product: the total value of goods and services produced within a country over a given period.
[6]Purchasing Managers' Index: an indicator measuring changes in economic activity based on surveys conducted among businesses.

Across the Atlantic, the situation is quite different. Although PCE inflation[7] rose from 2.9% year-on-year in February 2026 to 3.7% in July, driven by higher energy prices, underlying pressures were already strong before the conflict in Iran. Excluding food and energy, inflation stood at 3.3% year-on-year in July, compared with around 3% at the beginning of the year. In addition to energy-related factors, higher tariffs—which continue to feed through gradually and make a significant contribution to goods inflation—and rising prices for IT components linked to investment in artificial intelligence (AI) are also adding to inflationary pressures. Non-housing services are also showing the greatest persistence. This can be explained by wage growth remaining above pre-pandemic norms, as well as by a larger proportion of subcategories rising at an annual rate of more than 3%, indicating a broader spread of inflationary pressures.

Economic activity also remains robust, supported in particular by investment in AI. US consumers are also continuing to spend, as illustrated by the strong increase in retail sales this week. At 4.1%, the unemployment rate remains slightly below its estimated equilibrium level of around 4.2%. Job creation also remains relatively robust, particularly given the tightening of US immigration policy, which has lowered the pace of job creation required to absorb growth in the labour force.

Driven by higher energy prices and robust economic activity, the Fed therefore raised its rates in a unanimous decision. On 16 September, Kevin Warsh[8] spoke at greater length than usual and delivered an assessment of the situation suggesting that further tightening could follow. The dots—anonymous projections of the policy rate submitted by each Fed member, including non-voting members—became more closely clustered and converged in the same direction. They now indicate one additional rate hike in 2026, followed by rates remaining unchanged in 2027. Despite this convergence, several members are also considering larger moves. The longer-term dots, which provide an approximation of the estimated neutral rate, were also raised slightly to 3.2%, continuing a trend that began several quarters ago.

Inflation projections for 2026 and 2027 remained relatively unchanged and continue to depend on a methodological change that will affect the inflation data released at the end of the month. This change will also have implications for the unusual gap between CPI[9] and PCE inflation. Nevertheless, the return to 2% inflation has once again been pushed back, as these same projections now point to headline inflation of 2.1% and inflation excluding food and energy of 2.2% in 2028.

The challenge is therefore not limited, as it is in the euro area, to preventing the energy shock from spreading. It also involves bringing inflation sustainably back towards the 2% target. An initial "recalibration" phase could therefore lead the Fed to reverse all or part of the three rate cuts implemented last year. The question remains whether a second phase of more restrictive monetary policy—also dependent on the estimated equilibrium rate—will be necessary if the first phase "fails". Although it is too early to envisage such a scenario, it cannot be ruled out entirely.

Elsewhere, the BoE, which kept its rates unchanged at 3.75% this week, and the BoJ (Bank of Japan), which raised its rates to 1.25% as part of its efforts to move closer to a neutral stance, are also facing challenges of their own beyond the common energy factor.

A quasi-coordinated phase of monetary tightening has begun, but beneath the surface, increasingly divergent trajectories are emerging.

This document does not constitute an offer to subscribe or investment advice. The opinions expressed reflect those of the investment management team and may change over time.

Further information is available at dnca-investments.com.

[7]Personal Consumption Expenditures, also known as the personal consumption expenditure deflator.
[8]Chair of the Fed (US Federal Reserve).
[9]The CPI (Consumer Price Index) and PCE indices differ in their construction methods and the weights assigned to certain categories. Currently, CPI inflation excluding energy and food—2.4% year-on-year in August—is below its PCE equivalent, notably due to methodological choices made during the government shutdown and the suspension of certain economic data releases. Under normal circumstances, annual CPI inflation is around 0.5 percentage points higher than PCE inflation on average.

DISCLAIMER

This document reflects the views of DNCA Finance, which must not be construed as recommendations to buy or sell. This document does not constitute financial analysis or an investment recommendation by DNCA Finance. The analyses presented herein have not been prepared in accordance with legal requirements designed to promote the independence of investment research and are not subject to any prohibition on dealing ahead of the dissemination of this document. A conflict of interest may therefore arise as a result of investments or divestments made by portfolios or funds managed by DNCA Finance in the security covered by the financial analyses.

The positions referred to are those of the investment management team and may change over time.

Document finalised on 18.09.2026.

DNCA FINANCE
19 PLACE VENDÔME | 75001 PARIS | +33 (0)1 58 62 55 00 | DNCA-INVESTMENTS.COM

Management company authorised by the AMF under no. GP 00-030 on 18 August 2000. Non-independent financial investment adviser within the meaning of MiFID II. DNCA Investments is a trade name of DNCA Finance.

DNCA Finance Luxembourg | 1 place d'Armes, L-1136 Luxembourg | +352 28 48 01 55 23

DNCA Finance Italy | Via Dante, 9, 20123 Milano | +39 02 00 62 281

DNCA Finance Spain | Paseo de Recoletos 37-41 5a Madrid 28004 |

DNCA Finance Belgium | Rue Montoyer 14, 1000 Bruxelles |

INVESTING IN FINANCIAL MARKETS INVOLVES RISKS, INCLUDING THE FOLLOWING:

- Risk of **capital loss,**
- **Equity risk: if equity markets decline, the value of a financial instrument may fall,**
- **Interest-rate risk: changes in interest rates may cause the value of a financial instrument to fall,**
- **Credit risk: the risk that the issuer may be unable to meet its obligations,**
- **Currency risk: this arises from** exposure to a currency other than the financial instrument's reference currency.

DNCA INVESTMENTS

Additional Notes

This material has been provided for information purposes only to investment service providers or other Professional Clients, Qualified or Institutional Investors and, when required by local regulation, only at their written request. This material must not be used with Retail Investors. It is the responsibility of each investment service provider to ensure that the offering or sale of fund shares or third party investment services to its clients complies with the relevant national law.

Please read the Prospectus and Key Information Document carefully before investing. If the fund is registered in your jurisdiction, these documents are also available free of charge and in the official language of the country of registration at the Natixis Investment Managers website (im.natixis.com/intl/intl-fund-documents).

To obtain a summary of investor rights in the official language of your jurisdiction, please select the appropriate country/your location and then consult the legal documentation section of the website (im.natixis.com/intl/intl-fund-documents).

In the E.U.: Provided by Natixis Investment Managers International or one of its Branch offices listed below. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and a simplified joint-stock company (société par actions simplifiée - SAS) registered in the Paris Trade and Companies Register under no. 329 450 738, Registered office: 43 avenue Pierre Mendès France, 75013 Paris. Germany: Natixis Investment Managers International, Zweigniederlassung Deutschland (Registration number: HRB 129507). Registered office: Senckenberganlage 21, 60325 Frankfurt am Main. Italy: Natixis Investment Managers International Succursale Italiana (Registration number: MI-2637562). Registered office: Via Adalberto Catena, 4, 20121 Milan, Italy. Netherlands: Natixis Investment Managers International, Dutch Branch (Registration number: 000050438298), Registered office: Amsterdam WTC, Zuidplein 36,WTC, Tower 1, 4th Floor, 1077XV Amsterdam, The Netherlands. Spain: Natixis Investment Managers International S.A., Sucursal en España (Registration number: NIF W0232616C), Registered office: Serrano n°90, 6th Floor, 28006 Madrid, Spain. Luxembourg: Natixis Investment Managers International, Luxembourg Branch (Registration number: B283713), Registered office: 2, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. Belgium: Natixis Investment Managers International, Belgian Branch (Registration number: 1006.931.462), Gare Maritime, Rue Picard 7, Bte 100, 1000 Bruxelles, Belgium.

In Switzerland: Provided for information purposes only by Natixis Investment Managers, Switzerland Sàrl (Registration number: CHE-114.271.882), Rue du Vieux Collège 10, 1204 Geneva, Switzerland or its representative office in Zurich, Schweizergasse 6, 8001 Zürich.

In the British Isles: Provided by Natixis Investment Managers UK Limited which is authorised and regulated by the UK Financial Conduct Authority (FCA firm reference no. 190258) - registered office: Natixis Investment Managers UK Limited, Level 4, Cannon Bridge House, 25 Dowgate Hill, London, EC4R 2YA. When permitted, the distribution of this material is intended to be made to persons as described as follows: in the United Kingdom: this material is intended to be communicated to and/or directed at investment professionals and professional investors only; in Ireland: this material is intended to be communicated to and/or directed at professional investors only; in Guernsey: this material is intended to be communicated to and/or directed at only financial services providers which hold a license from the Guernsey Financial Services Commission; in Jersey: this material is intended to be communicated to and/or directed at professional investors only; in the Isle of Man: this material is intended to be communicated to and/or directed at only

financial services providers which hold a license from the Isle of Man Financial Services Authority or insurers authorised under section 8 of the Insurance Act 2008.

In the DIFC: Provided in and from the DIFC financial district by Natixis Investment Managers Middle East (DIFC Branch) which is regulated by the DFSA. Related financial products or services are only available to persons who have sufficient financial experience and understanding to participate in financial markets within the DIFC, and qualify as Professional Clients or Market Counterparties as defined by the DFSA. No other Person should act upon this material. Registered office: Unit L10-02, Level 10 ,ICD Brookfield Place, DIFC, PO Box 506752, Dubai, United Arab Emirates

In Taiwan: Provided by Natixis Investment Managers Securities Investment Consulting (Taipei) Co., Ltd., a Securities Investment Consulting Enterprise regulated by the Financial Supervisory Commission of the R.O.C. Registered address: 34F., No. 68, Sec. 5, Zhongxiao East Road, Xinyi Dist., Taipei City 11065, Taiwan (R.O.C.), license number 2020 FSC SICE No. 025, Tel. +886 2 8789 2788.

In Singapore: Provided by Natixis Investment Managers Singapore Limited (NIM Singapore) having office at 5 Shenton Way, #22-05/06, UIC Building, Singapore 068808 (Company Registration No. 199801044D) to distributors and qualified investors for information purpose only. NIM Singapore is regulated by the Monetary Authority of Singapore under a Capital Markets Services Licence to conduct fund management activities and is an exempt financial adviser. Mirova Division (Business Name Registration No.: 53431077W) and Ostrum Division (Business Name Registration No.: 53463468X) are part of NIM Singapore and are not separate legal entities. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

In Hong Kong: Provided by Natixis Investment Managers Hong Kong Limited to professional investors for information purpose only.

In Australia: Provided by Natixis Investment Managers Australia Pty Limited (ABN 60 088 786 289) (AFSL No. 246830) and is intended for the general information of financial advisers and wholesale clients only.

In New Zealand: This document is intended for the general information of New Zealand wholesale investors only and does not constitute financial advice. This is not a regulated offer for the purposes of the Financial Markets Conduct Act 2013 (FMCA) and is only available to New Zealand investors who have certified that they meet the requirements in the FMCA for wholesale investors. Natixis Investment Managers Australia Pty Limited is not a registered financial service provider in New Zealand.

In Korea: Provided by Natixis Investment Managers Korea Limited (Registered with Financial Services Commission for General Private Collective Investment Business) to distributors and qualified investors for information purpose only.

In Colombia: Provided by Natixis Investment Managers International Oficina de Representación (Colombia) to professional clients for informational purposes only as permitted under Decree 2555 of 2010. Any products, services or investments referred to herein are rendered exclusively outside of Colombia. This material does not constitute a public offering in Colombia and is addressed to less than 100 specifically identified investors.

In Latin America: Provided by Natixis Investment Managers International.

In Chile: Esta oferta privada se inicia el día de la fecha de la presente comunicación. La presente oferta se acoge a la Norma de Carácter General N°336 de la Superintendencia de Valores y Seguros de Chile. La presente oferta versa sobre valores no inscritos en el Registro de Valores o en el Registro de Valores Extranjeros que lleva la Superintendencia de Valores y Seguros, por lo que los valores sobre los cuales ésta versa, no están sujetos a su fiscalización. Que por tratarse de valores no inscritos, no existe la obligación por parte del emisor de entregar en Chile información pública respecto de estos valores. Estos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el Registro de Valores correspondiente.

In Mexico: Provided by Natixis IM Mexico, S. de R.L. de C.V., which is not a regulated financial entity, securities intermediary, or an investment manager in terms of the Mexican Securities Market Law (Ley del Mercado de Valores) and is not registered with the Comisión Nacional Bancaria y de Valores (CNBV) or any other Mexican authority. Any products, services or investments referred to herein that require authorization or license are rendered exclusively outside of Mexico. While shares of certain ETFs may be listed in the Sistema Internacional de Cotizaciones (SIC), such listing does not represent a public offering of securities in Mexico, and therefore the accuracy of this information has not been confirmed by the CNBV. Natixis Investment Managers is an entity organized under the laws of France and is not authorized by or registered with the CNBV or any other Mexican authority. Any reference contained herein to “Investment Managers” is made to Natixis Investment Managers and/or any of its investment management subsidiaries, which are also not authorized by or registered with the CNBV or any other Mexican authority.

In Uruguay: Provided by Natixis IM Uruguay S.A. Office: San Lucar 1491, Montevideo, Uruguay, CP 11500. The sale or offer of any units of a fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627.

In Brazil: Provided to a specific identified investment professional for information purposes only by Natixis Investment Managers International. This communication cannot be distributed other than to the identified addressee. Further, this communication should not be construed as a public offer of any securities or any related financial instruments. Natixis Investment Managers International is a portfolio management company authorized by the Autorité des Marchés Financiers (French Financial Markets Authority - AMF) under no. GP 90-009, and simplified joint-stock company (société par actions simplifiée – SAS) registered in the Paris Trade and Companies Register under no. 329 450 738. Registered office: 43 avenue Pierre Mendès France, 75013 Paris.

The above referenced entities are business development units of Natixis Investment Managers, the holding company of a diverse line-up of specialised investment management and distribution entities worldwide. The investment management subsidiaries of Natixis Investment Managers conduct any regulated activities only in and from the jurisdictions in which they are licensed or authorised. Their services and the products they manage are not available to all investors in all jurisdictions.

Although Natixis Investment Managers believes the information provided in this material to be reliable, including that from third party sources, it does not guarantee the accuracy, adequacy, or completeness of such information.

The provision of this material and/or reference to specific securities, sectors, or markets within this material does not constitute investment advice, or a recommendation or an offer to buy or to sell any security, or an offer of any regulated financial activity. Investors should consider the investment objectives, risks and expenses of any investment carefully before investing. The analyses, opinions, and certain of the investment themes and processes referenced herein represent the views of the individual(s) as of the date indicated.

These, as well as the portfolio holdings and characteristics shown, are subject to change and cannot be construed as having any contractual value. There can be no assurance that developments will transpire as may be forecasted in this material. The analyses and opinions expressed by external third parties are independent and does not necessarily reflect those of Natixis Investment Managers. Any past performance information presented is not indicative of future performance.

This material may not be redistributed, published, or reproduced, in whole or in part.

All amounts shown are expressed in USD unless otherwise indicated.

Natixis Investment Managers may decide to terminate its marketing arrangements for this fund in accordance with the relevant legislation.