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*With thanks for research support from:
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Next Week's Risk Dashboard

- Canadian consumers could pose tsunami risk to the economy
- US CPI: will core services inflation be rejuvenated?
- ECB to cut, adjust policy rate bands
- BoC's Macklem to speak on trade post jobs
- Peru's central bank expected to cut again
- Russia's central bank may hike again on wartime inflation
- Harris versus Trump round 1
- Other global indicators to focus on China, UK jobs

What You Thought You Knew About Canadian Consumers is All Wrong

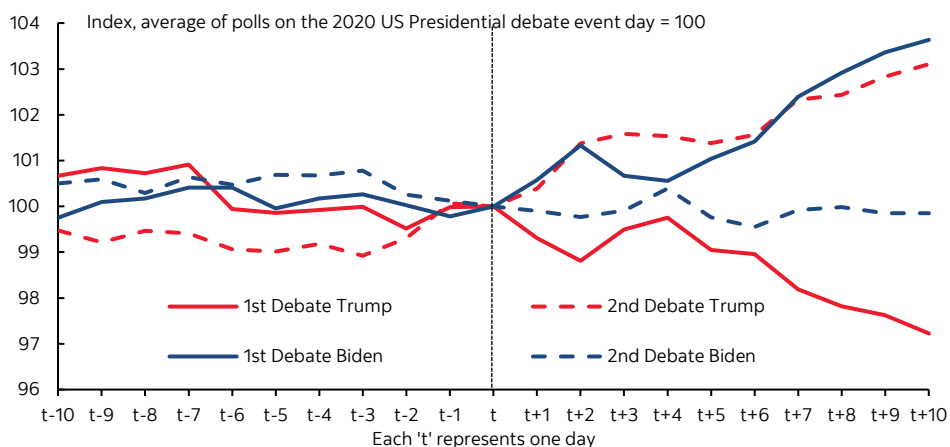
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Chart of the Week

Pre-Election Showdown: The Debate That Could Change Polls!



Sources: Scotiabank Economics, 538.com.

Chart of the Week: Prepared by: Jaykumar Parmar, Economic Analyst.

What You Thought You Knew About Canadian Consumers is All Wrong

The global week ahead’s main market focal points will include the last US inflation reading before the FOMC’s policy decision the following week, three central bank decisions (ECB, BCRP, Russia), another appearance by BoC Governor Macklem, the first Harris-Trump US Presidential debate, Apple’s new iPhone launch, and a wave of global data releases.

Before delving into this, however, I wanted to elaborate more fully upon views expressed regarding the outlook for the Canadian consumer offered in prior notes.

THE RISKS FACING CANADIAN CONSUMERS ARE NOT THE ONES YOU MIGHT THINK

Tsunamis are a much rarer phenomenon in Canada than other parts of the world. If policymakers are not careful, however, then they risk triggering a big one that hits the economy with powerful effects on inflation and markets. To understand why starts by deprogramming everything you thought you knew about the Canadian consumer from the litany of depressingly bearish voices out there in a point-counterpoint style.

Lots in the Tank

A starting assertion is that Canadian consumers have nothing left in the tank to spend. This is patently false. They are running up a 7.2% household saving rate (chart 1) by contrast to American households with a saving rate under 3% and hence close to nothing in real terms. The cumulative effects of saving more out of their disposable income has allowed Canadian households to run up their stockpile of pandemic-era excess savings each year to almost half a trillion dollars (chart 2) by routinely saving above what a trend line extended from pre-pandemic times through the whole pandemic era would have expected.

As a result, Canadian households now have almost a half billion dollars in above-trend savings socked away and it continues to grow rapidly (chart 3).

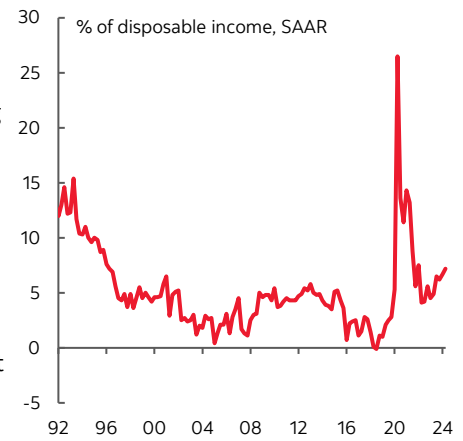
So far the approach taken to estimating savings has only considered what is not spent out of current quarterly disposable income after-taxes and transfers. It does not include changes in asset valuation for financial assets and houses net of changes in debts. For that, we need to look at household net worth in a similar exercise that considers net worth relative to a pre-pandemic trend line which is done in chart 4. Canadians have been running up net worth at a much more rapid pace than previously and the sum total of the incremental gains in net worth is pushing toward C\$2 trillion (chart 5).

It's Spread Out

Bah, who cares you might say, it’s probably just held by rich households anyway and they don’t spend as much of their incomes as lower income cohorts with higher marginal propensities such that the relatively wealthy can’t lead growth. Wrong on two counts!

Chart 1

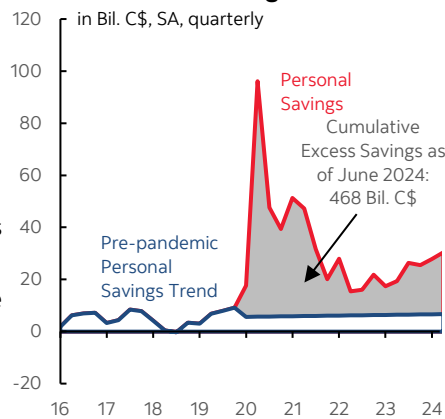
Canadian Household Savings Rate



Sources: Scotiabank Economics, Statistics Canada.

Chart 2

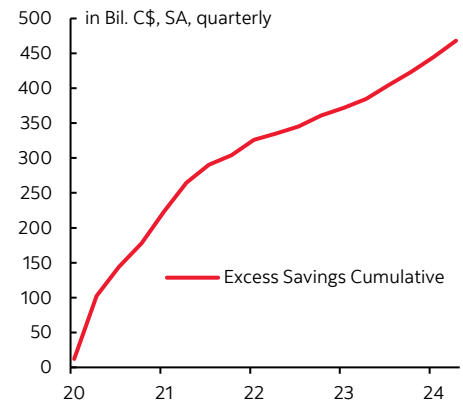
Canada Still Has Pre-Pandemic Excess Savings Left!



Sources: Scotiabank Economics, Statistics Canada.

Chart 3

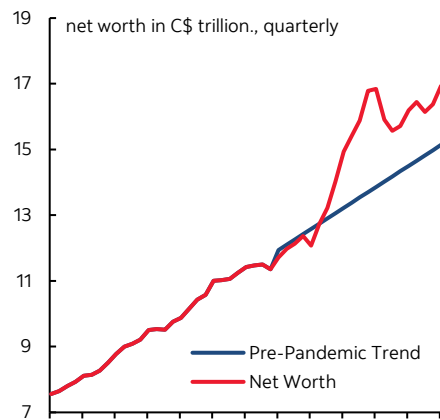
Canada's Cumulative Aggregate Pandemic-Era Excess Savings



Sources: Scotiabank Economics, Statistics Canada.

Chart 4

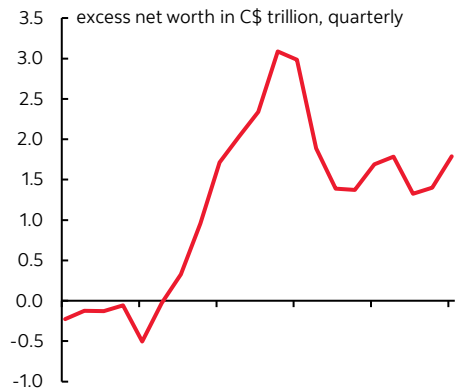
Canada Net Worth



Sources: Scotiabank Economics, Statistics Canada.

Chart 5

Canada Excess Net Worth Compared To Pre-Pandemic Era Trend



Sources: Scotiabank Economics, Statistics Canada.

Chart 6

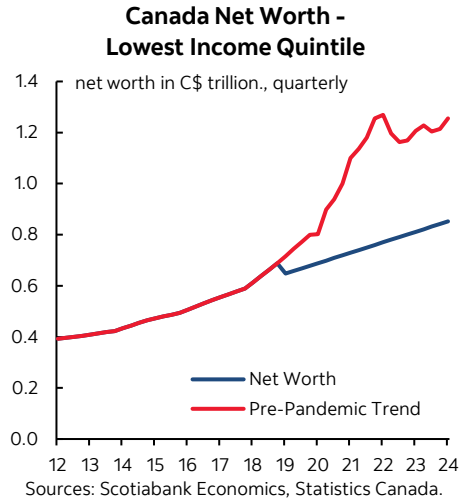


Chart 7

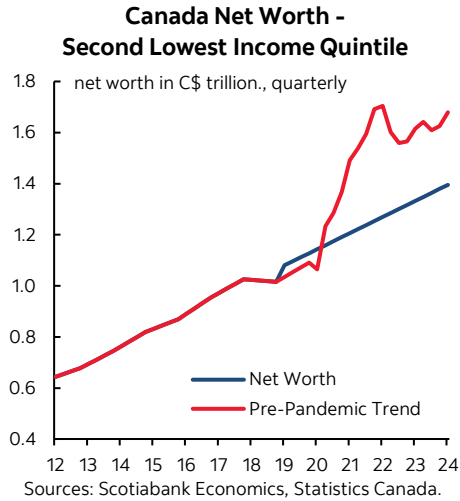


Chart 8

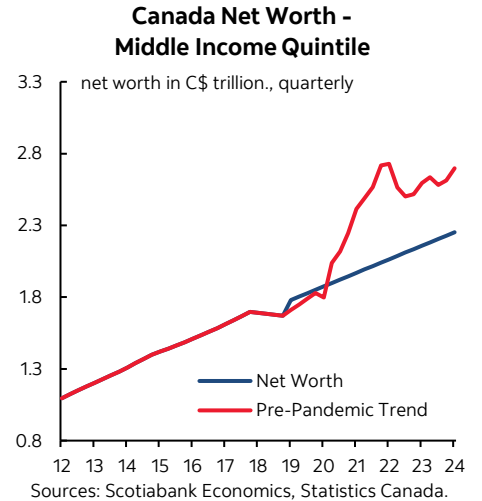


Chart 9

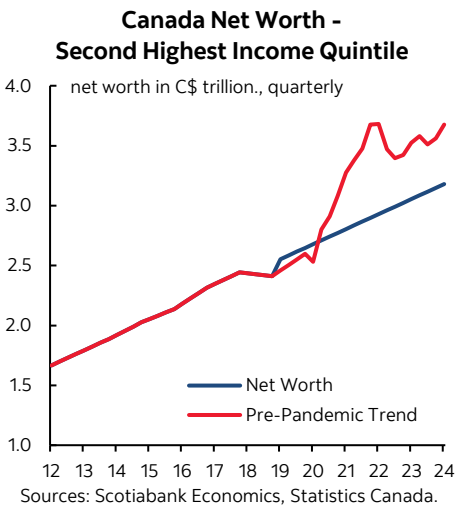


Chart 10

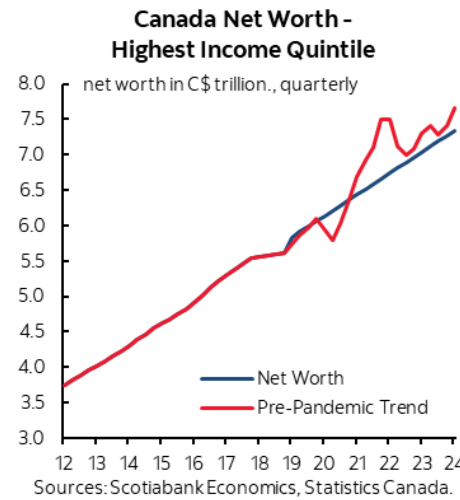
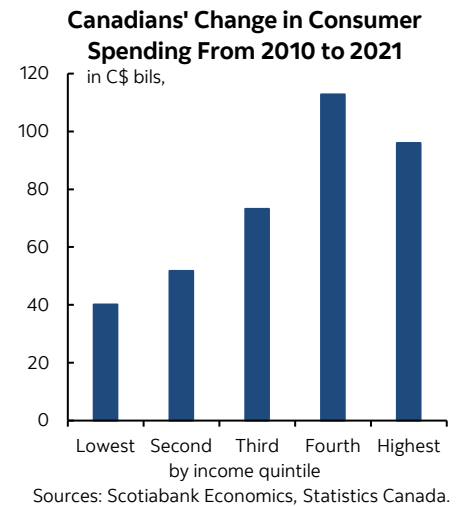


Chart 11



First, check out charts 6–10 that look at deviations from the trend in net worth of various income quintiles which breaks down the earlier chart 4 into income cohorts. Everyone has been invited to this party across all income cohorts.

Second, charts 11 and 12 show that 75–80% of growth in consumption in Canada and the US has been among the top three income cohorts and over half has been driven by the top two cohorts.

But surely all that wealth is tied up and they can't spend any. Not true, chart 13 shows that liquid cash holdings of Canadian households have exploded and keep on rising.

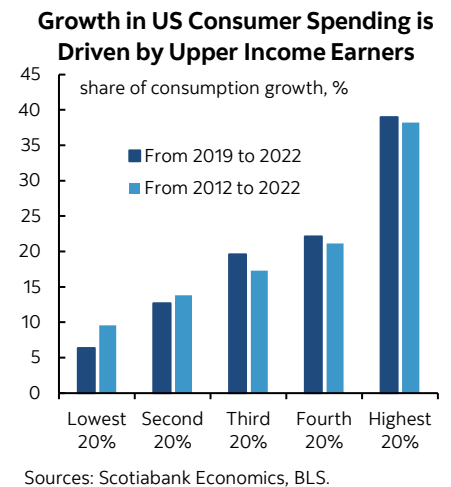
It's Not Just Being Held to Cover Mortgage Resets

Ok, but c'mon, that's because they're hoarding it all for mortgage resets. My answer to that is two-fold.

First, the Bank of Canada estimates that most of the liquidity lies in the hands of homeowners without a mortgage and they've run it up a lot (chart 14). Homeowners without a mortgage less so.

And secondly, reset schmeset. This was an overstated shock from the beginning, as evidenced by the fact that to this day, the 90-day mortgage arrears ratio remains close to a record low, so do consumer bankruptcies and banks' mortgage loan loss provisions have merely gone from nothing when rates were dirt cheap back to being in line with historical averages. There has indeed been pain among some

Chart 12



homeowners, but it has been an exaggerated macro shock. Furthermore, the 5-year Canada bond yield is a leading indicator of where the popular fixed mortgage rate is likely to eventually go and that GoC yield has dropped by about 160bps (1.6 ppts) from the peak in October 2023 to now. There are other drivers of mortgage rates and as time passes there is likely to be further pass through of falling bond yields. Furthermore, variable rate resets are over and done, and variable rates are falling again with further declines likely coming into year-end.

There is Plenty to Spend Money On

So far we can see that the financials show that Canadian households have the means to spend. Do they have the reason to do so? And by that, I mean is there evidence of pent-up demand?

Our models suggest there is some pent-up demand particularly in interest-sensitive sectors, and in my personal opinion, may be underestimating how much. Canada faces a massive structural housing deficit of homes that need to be built to merely keep pace with population and improve affordability (chart 15). We also know from soft survey data that home buying intentions are significant (chart 16). Clearly there have to be more homes to buy in an expansion of the housing stock, but if builders are true to their word about the limiting effects on construction of high hurdle rates, then falling interest rates should be expected to unleash more construction activity.

We know that population growth is very strong (chart 17) and consumption is likely to face a catch-up to this strength. Upon arriving in a strange land, newcomers need time to settle in, get a job, start a business, find a place to live, maybe trade up jobs and homes, and spend. Real per capita consumption has been trending lower if we use total population, but growing slowly if we use population excluding temporary residents that include international students, temporary foreign workers and asylum seekers (chart 18). Why exclude these people? Because their contributions to overall spending are modest, and their numbers are in the process of being curtailed.

Either way, give it time, and the recency of the out-of-sample population shock that Canada is experiencing may drive pent-up spending on housing and both interest-sensitive spending on goods and less interest-sensitive spending on services. I don't believe that the lagging effects of this out-of-sample immigration experiment on demand for housing and consumption beyond other drivers like lower interest rates is all being adequately estimated.

Chart 13
Canadian Household Cash Balances

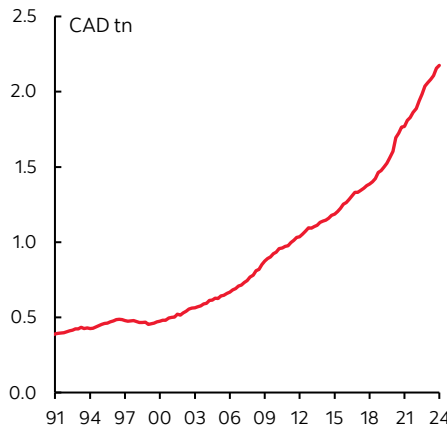


Chart 15
Estimate of Housing Supply Gap in 2030*

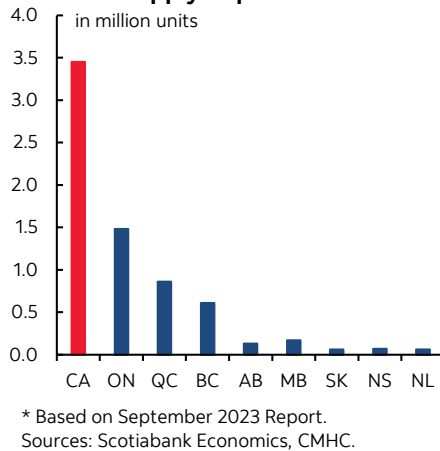


Chart 17
Canada's Soaring Population

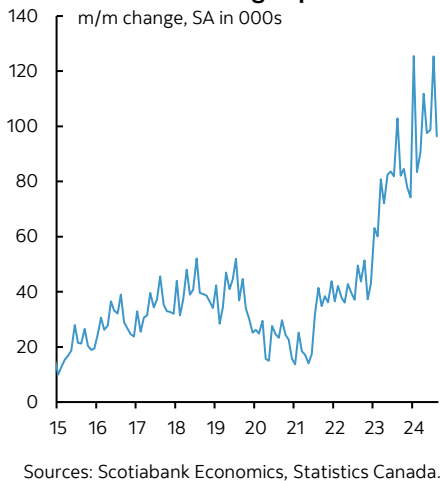


Chart 14
Canadian Households Carry Larger Holdings of Liquid Assets than before the Pandemic

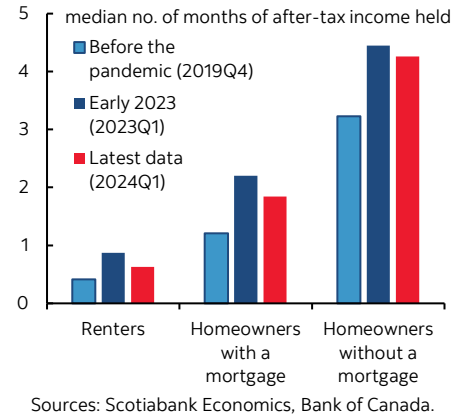


Chart 16
More People Planning to Buy A Home!

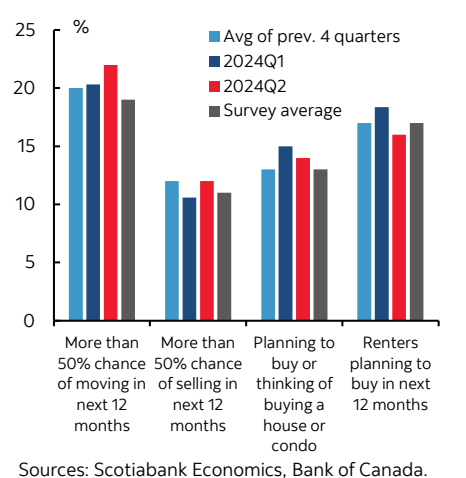
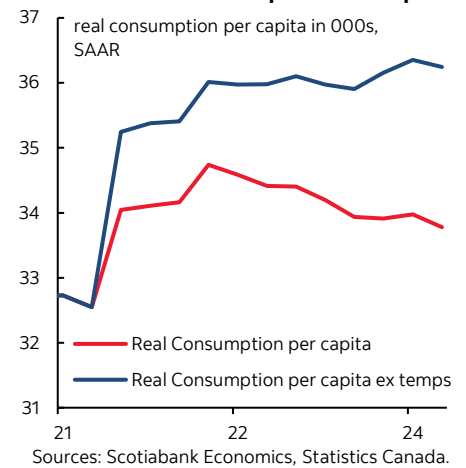


Chart 18
Canada Real Consumption Per Capita



It's difficult to time when this activity may be unleashed, but one reason why models may not sufficiently capture it is that the gradual build-up of excess savings needs a catalyst to trigger its release and that catalyst is declining borrowing costs that may magnify the interest sensitivities of housing demand and consumer spending.

Where this leaves us is on a note of caution to the Bank of Canada. Cut too much too quickly and you'll bring a tsunami of consumer and housing demand to Canadian shores that could swamp boats from Victoria to St. John's. The result could set the Bank of Canada's fight against inflation right back to square one especially in light of other upside risks to inflation. They include the likelihood of further fiscal stimulus into an election year given the poor polling of the Liberals and NDP. Real wage gains as productivity tumbles are another inflation risk and with further wage inflation likely to emanate from collective bargaining negotiations in an economy with triple the unionization rate of the 10% rate stateside.

US CPI INFLATION—UNLIKELY TO MOTIVATE UPSIZING

The US updates CPI inflation figures for the month of August on Wednesday. This will be the last major dual mandate reading before the FOMC delivers its policy decision and updated forecasts the following Wednesday September 18th. There will also be a retail sales report on September 17th and a few other lesser readings.

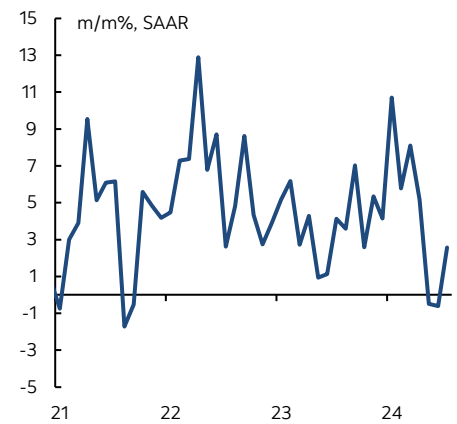
Most estimates for headline and core inflation are set at 0.2% m/m SA that would contribute toward slowing the year-over-year rates to 2.6% for headline CPI (from 2.9% prior) and with unchanged core at 3.2% y/y. The Cleveland Fed's 'nowcasts' for both measures also sit at 0.2% m/m SA.

Upside risk could come from a possible further rebound in core service price inflation (chart 19).

It is not expected that the readings will tip the balance on the FOMC's first rate cut from -25bps (our base case) to -50bps. The FOMC has largely pre-committed to a cut but the tone of Fed-speak, the lack of market dysfunction, and the overall data leans toward our expectation for a quarter-point reduction.

Chart 19

US CPI Core Services Ex-Housing



Sources: Scotiabank Economics, BLS.

CENTRAL BANKS—THREE DECISIONS

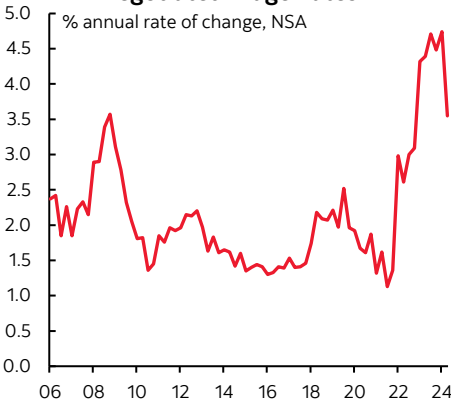
Three central banks will deliver policy decisions this week including the ECB, Peru's central bank, and the Central Bank of Russia. BoC Governor Macklem will also speak.

ECB to Cut, Adjust Spreads

The European Central Bank is expected to deliver the second rate cut of this cycle on Thursday along with changes to their operational framework that were announced in March of this year. As a result, the deposit facility rate will be cut by 25bps from 3.75% to 3.50%. Accordingly, the main refinancing rate will be reduced to 3.65% while the marginal lending facility rate will reduce to 3.90%. Negotiated

Chart 20

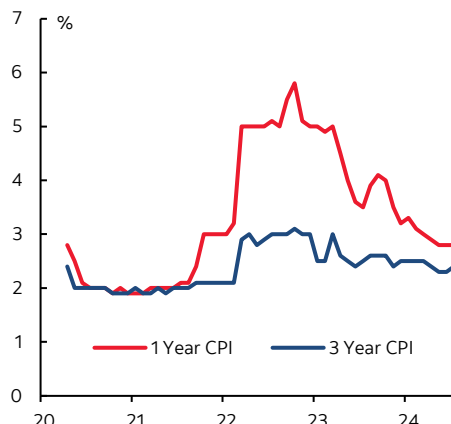
ECB's Indicator of Negotiated Wage Rates



Sources: Scotiabank Economics, European Central Bank (ECB).

Chart 21

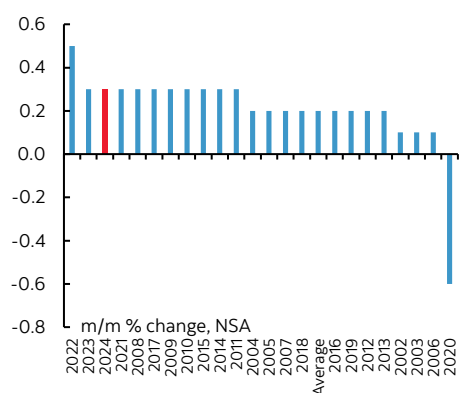
ECB Measure of Inflation Expectations



Sources: Scotiabank Economics, ECB.

Chart 22

Comparing Eurozone Core CPI for All Months of August



Sources: Scotiabank Economics, Eurostat.

swage growth has softened since the first rate cut (chart 20), inflation expectations have fallen and recently stabilized (chart 21), and core inflation has fallen to 2.8% y/y. Still, August's core inflation at the margin was among the hottest months of August on record which is used because the data is not seasonally adjusted (chart 22) and services inflation remains sticky (chart 23). This suggests that the ECB's forward guidance is likely to remain cautious and data dependent.

Central Bank of Russia—Another Hike?

Consensus is split (3–5) between a 100bps hike versus a hold at the Central Bank of Russia's next monetary policy meeting on Friday. Russia's central bank had communicated that the monetary policy needs to be tightened further after raising the policy rate by 200bps at its July meeting. Furthermore, inflation has continued on an upward trend and the ruble has depreciated by about 5% to the USD since the July 26th decision.

Banco Central de Reserva del Peru—Hopefully No Surprises

After a surprise 25 bps rate cut at its last meeting, our LatAm based economist expects Banco Central de Reserva del Peru to hold its reference rate at 5.50% on Thursday. A small minority within consensus thinks it may hold at 5.5%. Both headline and core inflation slowed down in August and were just within the inflation target range of 1–3% while economic activity ended 2Q with 0.2% y/y growth. The PEN exchange rate has, however, depreciated by about 2% to the dollar since the last decision on August 8th.

BoC's Macklem to Speak on Trade

BoC Governor Macklem will speak on Tuesday in London before the Canada-UK Chamber of Commerce. His topic will be "Global trade from a Canadian perspective." His speech will land at 8:10amET and there will be a full press conference starting at 9:30amET or so. I don't expect significantly different core messages on macro and monetary policy topics than what he shared in his recent press conference recapped [here](#). He may be asked if the ensuing jobs report changed his mind (recap [here](#)) but I'd be surprised if he doesn't sound somewhat constructive.

OTHER GLOBAL MACRO

Other developments this week will include waves of global economic indicators summarized in the accompanying table and that I'll write more about over the course of the week. The first Harris-versus-Trump Presidential debate will be held on Tuesday night as Harris widens her polling lead (chart 24). Jay Parmar's chart of the week reminds us of what happened in the 2020 first and second debates and chart 25 shows that Apple's new iPhone launch faces some tough competition early in the week amid speculation surrounding its price (chart 26). The main focal points for global markets will be data out of China and the UK.

Chart 23

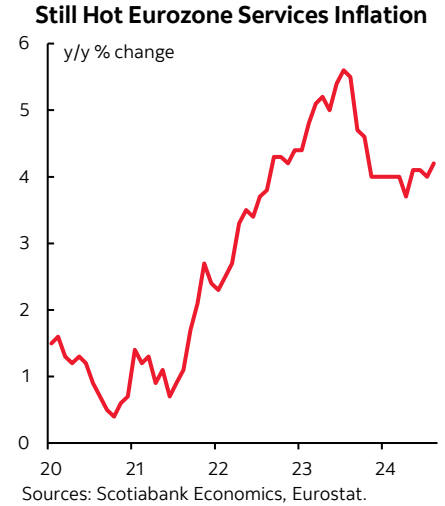


Chart 24

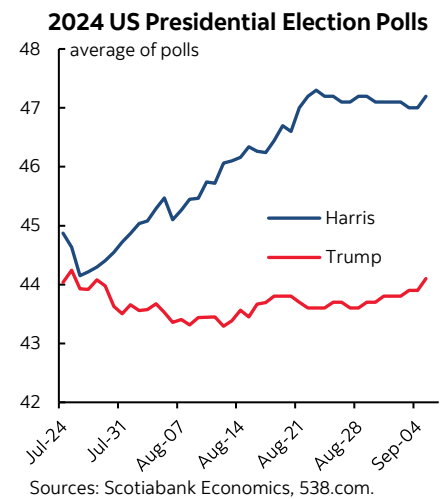


Chart 25

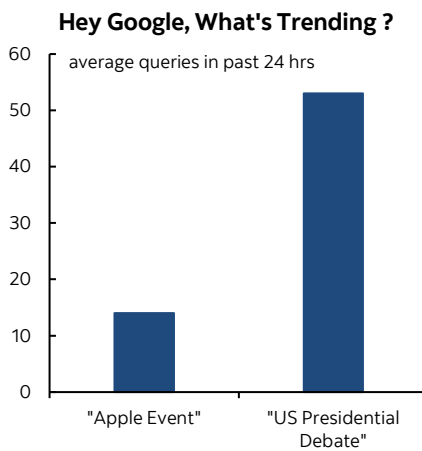
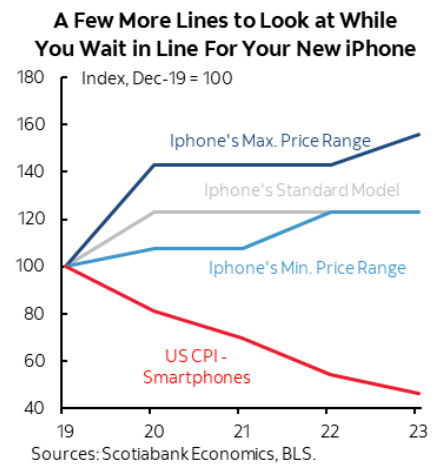


Chart 26



Other Global Macro Indicators (September 9th - September 13th)			
US	CA	CPI	Other Macro
<i>Monday</i>			
MX			
<i>Tuesday</i>			
	NO	UK	Wages, Jobs, Payrolls
<i>Wednesday</i>			
UK GDP, IP, Services Index, Trade			
MX Industrial Production			
CH Trade			
<i>Thursday</i>			
PPI		SW	BZ Retail Sales
<i>Friday</i>			
UofM		BZ	Economic Activity Index New & Resale Home Prices, IP,
		CH	Retail Sales, Jobless Rate, Financing
		EZ	IP
Sources: Scotiabank Economics, Bloomberg.			

Key Indicators for the week of September 9 – 13

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	09-09	08:00	Bi-Weekly Core CPI (% change)	Aug 31	--	0.1	0.1
MX	09-09	08:00	Bi-Weekly CPI (% change)	Aug 31	--	0.0	0.0
MX	09-09	08:00	Consumer Prices (m/m)	Aug	--	0.1	1.1
MX	09-09	08:00	Consumer Prices (y/y)	Aug	--	5.1	5.6
MX	09-09	08:00	Consumer Prices Core (m/m)	Aug	--	0.2	0.3
US	09-09	10:00	Wholesale Inventories (m/m)	Jul F	--	0.3	0.3
US	09-09	15:00	Consumer Credit (US\$ bn m/m)	Jul	--	11.2	8.9
US	09-11	07:00	MBA Mortgage Applications (w/w)	Sep 06	--	--	1.6
MX	09-11	08:00	Industrial Production (m/m)	Jul	--	--	0.4
MX	09-11	08:00	Industrial Production (y/y)	Jul	--	--	-0.7
US	09-11	08:30	CPI (m/m)	Aug	0.2	0.2	0.2
US	09-11	08:30	CPI (y/y)	Aug	2.6	2.6	2.9
US	09-11	08:30	CPI (index)	Aug	--	315.0	314.5
US	09-11	08:30	CPI ex. Food & Energy (m/m)	Aug	0.2	0.2	0.2
US	09-11	08:30	CPI ex. Food & Energy (y/y)	Aug	3.2	3.2	3.2
CA	09-12	08:30	Building Permits (m/m)	Jul	--	--	-13.9
US	09-12	08:30	Initial Jobless Claims (000s)	Sep 07	230	--	227.0
US	09-12	08:30	Continuing Claims (000s)	Aug 31	1840	--	1838.0
US	09-12	08:30	PPI (m/m)	Aug	0.2	0.2	0.1
US	09-12	08:30	PPI ex. Food & Energy (m/m)	Aug	0.2	0.2	0.0
US	09-12	14:00	Treasury Budget (US\$ bn)	Aug	--	--	-243.7
CA	09-13	08:30	Capacity Utilization (%)	2Q	--	--	78.5
CA	09-13	08:30	Wholesale Trade (m/m)	Jul	--	--	-0.6
US	09-13	08:30	Export Prices (m/m)	Aug	--	-0.2	0.7
US	09-13	08:30	Import Prices (m/m)	Aug	--	-0.3	0.1
US	09-13	10:00	U. of Michigan Consumer Sentiment	Sep P	68.0	68.5	67.9

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	09-09	03:00	Retail Sales (m/m)	May	0.1	-0.2
GE	09-10	02:00	CPI (m/m)	Aug F	-0.1	-0.1
GE	09-10	02:00	CPI (y/y)	Aug F	1.9	1.9
GE	09-10	02:00	CPI - EU Harmonized (m/m)	Aug F	-0.2	-0.2
GE	09-10	02:00	CPI - EU Harmonized (y/y)	Aug F	2.0	2.0
UK	09-10	02:00	Average Weekly Earnings (3-month, y/y)	Jul	4.1	4.5
UK	09-10	02:00	Employment Change (3M/3M, 000s)	Jul	135.0	97.0
UK	09-10	02:00	Jobless Claims Change (000s)	Aug	--	135.0
UK	09-10	02:00	ILO Unemployment Rate (%)	Jul	4.1	4.2
SP	09-10	03:00	Industrial Output NSA (y/y)	Jul	--	-4.1
IT	09-10	04:00	Industrial Production (m/m)	Jul	-0.2	0.5
UK	09-11	02:00	Index of Services (m/m)	Jul	0.2	-0.1
UK	09-11	02:00	Industrial Production (m/m)	Jul	0.3	0.8
UK	09-11	02:00	Manufacturing Production (m/m)	Jul	0.2	1.1
UK	09-11	02:00	Visible Trade Balance (£ mn)	Jul	-17900.0	-18894.0
SP	09-12	03:00	CPI (m/m)	Aug F	0.0	0.0
SP	09-12	03:00	CPI (y/y)	Aug F	2.2	2.2
SP	09-12	03:00	CPI - EU Harmonized (m/m)	Aug F	0.0	0.0
SP	09-12	03:00	CPI - EU Harmonized (y/y)	Aug F	2.4	2.4
IT	09-12	04:00	Unemployment Rate (%)	2Q	--	7.2
EC	09-12	08:15	ECB Main Refinancing Rate (%)	Sep 12	3.65	4.25
GE	09-12	03:00	Current Account (€ bn)	Jul	--	23.2
FR	09-13	02:45	CPI (m/m)	Aug F	0.6	0.6
FR	09-13	02:45	CPI (y/y)	Aug F	1.9	1.9
FR	09-13	02:45	CPI - EU Harmonized (m/m)	Aug F	0.6	0.6
FR	09-13	02:45	CPI - EU Harmonized (y/y)	Aug F	2.2	2.2
EC	09-13	05:00	Industrial Production (m/m)	Jul	0.1	-0.1
EC	09-13	05:00	Industrial Production (y/y)	Jul	-2.5	-3.9
RU	09-13	06:30	One-Week Auction Rate (%)	Sep 13	19.00	18.00
RU	09-13	12:00	Real GDP (y/y)	2Q P	4.00	4.00

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 9 – 13

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	09-08	19:50	Bank Lending (y/y)	Aug	--	3.2
JN	09-08	19:50	Current Account (¥ bn)	Jul	2496.0	1533.5
JN	09-08	19:50	GDP (q/q)	2Q F	0.8	0.8
JN	09-08	19:50	GDP Deflator (y/y)	2Q F	3.0	3.0
JN	09-08	19:50	Trade Balance - BOP Basis (¥ bn)	Jul	-427.6	556.3
CH	09-08	21:30	CPI (y/y)	Aug	0.7	0.5
CH	09-08	21:30	PPI (y/y)	Aug	-1.5	-0.8
TA	09-09	04:00	Exports (y/y)	Aug	8.4	3.1
TA	09-09	04:00	Imports (y/y)	Aug	22.2	16.2
TA	09-09	04:00	Trade Balance (US\$ bn)	Aug	5.4	4.8
SI	09-09	05:00	Foreign Reserves (US\$ mn)	Aug	--	378619.0
NZ	09-09	18:45	Manufacturing Activity	2Q	--	0.7
JN	09-09	19:50	Japan Money Stock M2 (y/y)	Aug	--	1.4
JN	09-09	19:50	Japan Money Stock M3 (y/y)	Aug	--	0.9
PH	09-09	21:00	Exports (y/y)	Jul	-3.4	-17.3
PH	09-09	21:00	Imports (y/y)	Jul	2.3	-7.5
PH	09-09	21:00	Trade Balance (US\$ mn)	Jul	-4122.0	-4304.0
ID	09-08	22:00	Consumer Confidence Index	Aug	--	123.4
TH	09-11	23:30	Consumer Confidence Economic	Aug	--	51.3
MA	09-10	00:00	Industrial Production (y/y)	Jul	5.3	5.0
JN	09-10	02:00	Machine Tool Orders (y/y)	Aug P	--	8.4
SK	09-10	19:00	Unemployment Rate (%)	Aug	2.7	2.5
CH	09-09	21:00	Exports (y/y)	Aug	6.5	7.0
CH	09-09	21:00	Imports (y/y)	Aug	2.5	7.2
CH	09-09	21:00	Trade Balance (USD bn)	Aug	81.5	84.6
HK	09-12	04:30	Industrial Production (y/y)	2Q	--	1.8
IN	09-12	08:00	CPI (y/y)	Aug	3.50	3.54
IN	09-12	08:00	Industrial Production (y/y)	Jul	4.60	4.20
NZ	09-12	18:30	Business NZ PMI	Aug	--	44.0
IN	09-12	23:30	Exports (y/y)	Aug	--	-1.5
IN	09-12	23:30	Imports (y/y)	Aug	--	7.5
JN	09-13	00:30	Capacity Utilization (m/m)	Jul	--	-3.1
JN	09-13	00:30	Industrial Production (m/m)	Jul F	--	2.8
JN	09-13	00:30	Industrial Production (y/y)	Jul F	--	2.7
CH	09-13	22:00	Fixed Asset Investment YTD (y/y)	Aug	3.5	3.6
CH	09-13	22:00	Industrial Production (y/y)	Aug	4.6	5.1
CH	09-13	22:00	Retail Sales (y/y)	Aug	2.5	2.7

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	09-10	08:00	IBGE Inflation IPCA (m/m)	Aug	--	0.0	0.4
BZ	09-10	08:00	IBGE Inflation IPCA (y/y)	Aug	--	4.3	4.5
BZ	09-12	08:00	Retail Sales (m/m)	Jul	--	--	-1.0
BZ	09-12	08:00	Retail Sales (y/y)	Jul	--	--	4.0
PE	09-12	19:00	Reference Rate (%)	Sep 12	5.50	--	5.50
BZ	09-13	08:00	Economic Activity Index SA (m/m)	Jul	--	--	1.4
BZ	09-13	08:00	Economic Activity Index NSA (y/y)	Jul	--	--	3.2

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of September 9 – 13

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-10	13:00	U.S. To Sell USD58 Bln 3-Year Notes
CA	09-11	12:00	Canada to Sell C\$5 Billion of 3.5% 2029 Bonds
US	09-11	13:00	U.S. To Sell USD39 Bln 10-Year Notes Reopening
US	09-12	13:00	U.S. To Sell USD22 Bln 30-Year Bond Reopening

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NE	09-10	04:00	Netherlands to Sell Up to EU2 Billion of 0% 2052 Bonds
GE	09-10	05:30	Germany to Sell Bonds
SZ	09-11	05:00	Switzerland to Sell Bonds
UK	09-11	05:00	U.K. to Sell GBP3.75 Billion of 4.25% 2034 Bonds
SW	09-11	05:00	Sweden to Sell SEK250 Million of 0.5% 2045 Bonds
NO	09-11	05:00	Norway to Sell Bonds
SW	09-11	05:00	Sweden to Sell SEK3.75 Billion of 1% 2026 Bonds
GE	09-11	05:30	Germany to Sell EU4.5 Billion of 2.6% 2034 Bonds
IT	09-12	05:00	Italy to Sell Bonds
IR	09-12	05:00	Ireland to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	09-09	21:00	Australia to Sell A\$100M 0.75% 2027 Inflation-Linked Bonds
JN	09-09	23:35	Japan to Sell 5-Year Bonds
AU	09-10	21:00	Australia to Sell A\$1 Billion 2.75% 2027 Bonds
CH	09-10	22:35	China to Sell Bonds
JN	09-11	23:35	Japan to Sell 20-Year Bonds
SK	09-12	22:30	South Korea to Sell 500 Billion Won 50-Year Bonds
CH	09-12	22:35	China to Sell 129 Billion Yuan 2031 Bonds

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
No Scheduled Auctions			

Events for the week of September 9 – 13

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	09-10	07:00	BoC's Macklem will speak in London about shifts in global trade and investment from a Canadian perspective.

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-12	08:15	ECB Deposit Facility Rate
EC	09-12	08:15	ECB Main Refinancing Rate
EC	09-12	08:15	ECB Marginal Lending Facility
EC	09-12	08:45	ECB President Christine Lagarde Holds Press Conference
EC	09-12		ECB to Reduce Spread Between Main and Deposit Rates to 15bps
FI	09-12	00:00	Bank of Finland, CEPR Joint Monetary Policy Conference
EC	09-13	04:30	ECB's Rehn Speaks in Helsinki
EC	09-13		ECB President Christine Lagarde Speaks in Budapest

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NZ	09-10	17:05	RBNZ Assistant Governor Karen Silk Speaks
AU	09-10	20:20	RBA's Hunter-Speech
JN	09-10	21:30	BOJ Board Nakagawa Speech in Akita
JN	09-11	21:00	BOJ Board Tamura Speech in Okayama
UZ	09-12		Key Rate
PK	09-12		SBP Rate Decision (Target)

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PE	09-12	19:00	Reference Rate

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	4.25	October 23, 2024	4.00	4.00
Federal Reserve – Federal Funds Target Rate	5.50	September 18, 2024	5.25	5.25
Banco de México – Overnight Rate	10.75	September 26, 2024	10.75	10.75

Bank of Canada: Governor Macklem will be speaking in London on Tuesday at 7am EST about shifts in global trade and investment from a Canadian perspective.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	4.25	September 12, 2024	3.65	3.65
European Central Bank – Marginal Lending Facility Rate	4.50	September 12, 2024	3.90	3.90
European Central Bank – Deposit Facility Rate	3.75	September 12, 2024	3.50	3.50
Bank of England – Bank Rate	5.00	September 19, 2024	5.00	5.00
Swiss National Bank – Sight Deposit Rate	1.25	September 26, 2024	1.00	1.00
Central Bank of Russia – One-Week Auction Rate	18.00	September 13, 2024	18.00	18.00
Sweden Riksbank – Repo Rate	3.50	September 25, 2024	3.50	3.50
Norges Bank – Deposit Rate	4.50	September 19, 2024	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	50.00	September 19, 2024	50.00	50.00

European Central Bank (ECB): The European Central Bank is expected to resume rate cuts on Thursday along with changes to their operational framework which were announced in March of this year. As a result, the deposit facility rate will be cut by 25bps from 3.75% to 3.50%. Accordingly, the main refinancing rate will be reduced to 3.65% while the marginal lending facility rate will be reduced to 3.90%. **Central Bank of Russia:** Consensus is split (3-5) between a 100 bps hike versus a hold at the Central Bank of Russia's next monetary policy meeting on Friday. Russia's central bank had communicated that the monetary policy needs to be tightened further after raising the policy rate by 200bps at its July meeting. Furthermore, inflation has continued on an upward trend.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	0.25	September 20, 2024	0.25	0.25
Reserve Bank of Australia – Cash Rate Target	4.35	September 24, 2024	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	5.25	October 8, 2024	5.00	5.25
People's Bank of China – 1-Year Medium-Term Lending Facility Rate	2.30	September 17, 2024	2.30	2.30
Reserve Bank of India – Repo Rate	6.50	October 9, 2024	6.50	6.50
Bank of Korea – Base Rate	3.50	October 11, 2024	3.25	3.50
Bank of Thailand – Repo Rate	2.50	October 16, 2024	2.50	2.50
Bank Negara Malaysia – Overnight Policy Rate	3.00	November 6, 2024	3.00	3.00
Bank Indonesia – BI-Rate	6.25	September 18, 2024	6.25	6.25
Central Bank of Philippines – Overnight Borrowing Rate	6.25	October 17, 2024	6.25	6.25

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	10.50	September 18, 2024	10.50	10.50
Banco Central de Chile – Overnight Rate	5.50	October 17, 2024	5.50	5.50
Banco de la República de Colombia – Lending Rate	10.75	September 30, 2024	10.00	10.00
Banco Central de Reserva del Perú – Reference Rate	5.50	September 12, 2024	5.50	5.25

Banco Central de Reserva del Peru: After a surprise 25 bps rate cut at its last meeting, our latam based economist expects the Banco Central de Reserva del Peru to hold its reference rate at 5.50% on Thursday. Both headline and core inflation slowed down in August and were just within the inflation target range of 1-3% while economic activity ended the 2Q with 0.2% y/y growth.

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	8.25	September 19, 2024	8.25	8.25

Sources: Bloomberg, Scotiabank Economics.

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