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#### Next Week's Risk Dashboard

- Canadian GDP might face upside risk
- Canada's confidence vote is going nowhere
- BoC's Macklem should address upsizing more clearly...
- ...after a suite of communications has been more cautious
- Fed's preferred inflation gauge likely to remain soft
- Eurozone inflation tracking to recommence
- Banxico's potential cut faces significant peso weakness
- RBA likely to want further progress on inflation
- Riksbank faces markets broadly priced for its guidance to date
- SNB to cut as it fights the franc

#### Follow the Laggard? Not So Fast, Central Banks Are Diverging

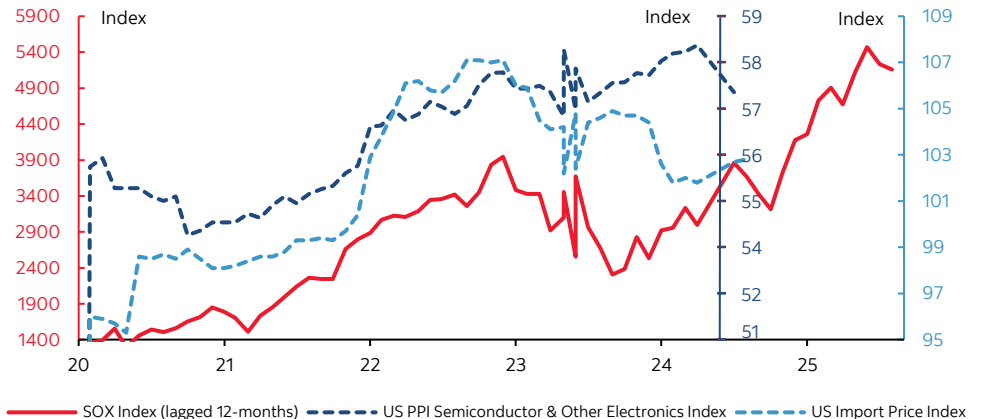
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#### Chart of the Week

##### Another Wave of Semiconductor-Driven Inflation is Coming ?



Sources: Scotiabank Economics, Bloomberg.

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

## Follow the Laggard? Not So Fast, Central Banks Are Diverging

This should be a lighter week but with several key developments still ahead. Several central banks are poised to make decisions including Banxico, the SNB, the RBA, and Riksbank or offer guidance including officials from the PBOC, Bank of Canada and Federal Reserve. Key data will include the start of tracking Eurozone CPI, another US core PCE update, and Canadian GDP. There is no special topic considered in this week's edition due to other demands including travel.

### CANADA'S ECONOMY—HOW FAR OFF IS THE BOC?

Canada's economy will be a significant focal point this week after what is sure to be a confidence vote in Parliament that won't be going anywhere given support for the government from the NDP and Bloc Québécois. GDP for July and the first estimate for August arrive on Friday and will significantly inform our Q3 growth tracking and how much the Bank of Canada may have to revise its Q3 GDP growth estimates lower.

There may be upside risk to Statcan's initial guidance for July GDP to have been "essentially unchanged" from the prior month. That guidance was issued way back on August 30<sup>th</sup> sans details other than this general comment:

"The construction, mining, quarrying, and oil and gas extraction and wholesale trade sectors recorded decreases, while finance and insurance and retail trade observed increases."

Since then, we've gotten a fair amount of new information, like the strong 1% m/m SA gain in hours worked which matters since GDP is an identity defined as hours worked times labour productivity. Unless productivity really tanked—which isn't evident in other monthly activity readings—then there could be some upside. We now also have updates on retail, manufacturing, existing home sales and wholesale sectors to add to what was known by Statcan at the time in terms of the 16% m/m SA jump in housing starts during July plus other soft readings and their internal data. Tracking of a limited amount of service sector data is also looking to be robust such as flight data for the month (chart 1).

So, while there is still high data uncertainty, I think GDP is going to come in stronger than Statcan guided for July, but we may flatten out again when they offer updated August flash guidance given the limited readings we have for that month.

If I let a simple equation that I run speak unfiltered, then it's spitting out a growth estimate of 0.5% m/m SA for July. There was a large gain in hours worked that month (+1% m/m) and strength across a variety of other readings. Retail carries a low weight in GDP, but may be indicative of the consumer's revival in the Q3 expenditure-based accounts that arrive later and given that we're tracking one of the three strongest quarters for retail sales volumes since the initial massive pandemic-related volatility settled down by early 2022 (chart 2). That GDP equation has underestimated growth in four out of six months so far this year, matched it in February, and was a little too high in April. Most of the undershooting was small except in January and to a lesser extent in March.

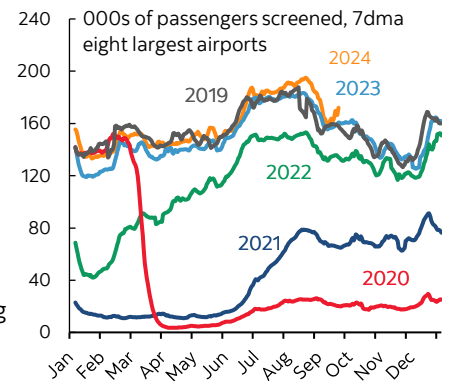
Consensus is calling for 0.1% m/m SA. I went a bit above at 0.2% which could be conservative, but I wanted to strike a middle ground between the arguments above versus the fact Statcan has much more private data at its disposal. Why not go all the way to a larger gain? For one thing, the guidance on the resource sector could knock a significant amount of growth out of the picture depending upon how it translates into GDP. In that case, we would want to pay close attention to breadth in the figures and not let interpretations of the health of the Canadian economy be overly influenced by narrow sector-based developments.

### CENTRAL BANKS—FOLLOW THE LAGGARD?

This should be a relatively light week for global central banks following last week's fireworks. The biggest one of global significance could be the People's Bank of China. Key will be testing varying appetite for easing and limited appetite for upsizing despite the Fed's -50bps cut. US-centric economists and strategists may think everything revolves around the Fed, but significant policy deviations were already in play.

Chart 1

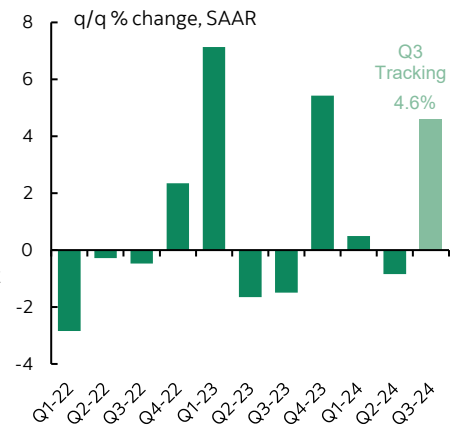
Canadians Flying A lot !



Sources: Scotiabank Economics, CATSA.

Chart 2

Canadian Real Retail Sales Growth



Sources: Scotiabank Economics, Statistics Canada.

**PBOC—Watch the Governor’s Cues**

On Tuesday, PBOC Governor Pan Gongsheng will hold a press conference with other regulators. Markets will monitor guidance on key variables like the 7-day repo rate and required reserve ratios. China is widely expected to add further stimulus over the remainder of this year especially after the Federal Reserve’s 50bps cut that enhanced policy optionality by lessening financial stability risks derived from yuan instability. It’s unclear what further stimulus may achieve. China faces structural challenges to growth. Bank lending spreads are very tight and disincentivizing lending. House prices are falling. Core consumer prices just fell at an unusually strong pace.

**Banxico—Mindful of Peso Weakness**

Our economists based in Mexico City expect the central bank to cut by 25bps on Thursday. Out of 25 within Bloomberg’s consensus, a minority of four forecasters think they could upsize to a 50bps cut. Banxico has already cut by 50bps before the Fed so there may not be a catch-up argument. The peso has been sharply depreciating since April 8<sup>th</sup> and since then has weakened by about 16% to the USD.

Furthermore, inflation is still running well above Banxico’s 2% target at 5% y/y for headline CPI and 4% for core. Political developments are influencing the currency and with that the risk of stoking imported inflation by doing anything that could unmoor the currency to a greater extent.

**BoC—A Suite of Guidance Doesn’t Sound Supportive of Upsizing**

Bank of Canada Governor Tiff Macklem will be at a fireside chat on Tuesday afternoon (1:10pmET) at the Institute of International Finance and the Canadian Bankers Association’s Canada Forum 2024. His topic is ‘Growth During Uncertainty.’ There will be advance text (12:55pmET) and audience Q&A, but no presser.

My reading of recent BoC speak has attempted to dial back some of the optimism toward what markets are pricing and the views of some other shops. Last Tuesday evening, for instance, we heard from Senior Deputy Governor Rogers who indicated “there’s still a bit of work to do,” on inflation and “We want to see a sustainable return to 2 per-cent inflation. So that’s still to come.”

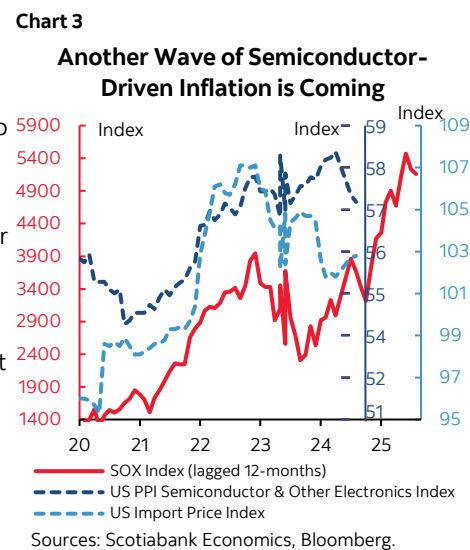
On Wednesday of last week, the BoC’s Summary of Deliberations indicated that Governing Council is split on the balance of inflation risks with some still worried about upside risks and some worried about downside risks.

On Thursday of last week, External Deputy Governor Vincent clarified to the strongest degree yet that many folks misinterpreted the BoC’s references to being more concerned about downside risk. He said “Some people interpreted this to mean that we believed downside risks had strengthened. What we intended to communicate, however, was that with the 2% target in sight, we gave increased consideration to the risk that inflation could fall below the target.” I have offered this interpretation right from the first time that Governor Macklem referenced downside risks. As you go from a high inflation environment well above the 2% target to something closer, by definition you are less obsessed with being above the target and just mathematically more balanced in evaluating upside and downside risks.

Then on Friday after a bullish retail sales report, Governor Macklem doused market talk that the AI push would be broadly disinflationary by stating “AI could boost demand more than it adds to supply through faster productivity growth. And if that happens, AI adoption may add to inflationary pressures in the near term.” I have been leaning that way for some time by pointing to the lagging pass through risk of soaring market semiconductor prices into semiconductor price measures within producer prices and the broad import price index (chart 3). My bias is also that waves of technological innovation tend to expand economic output and create jobs on net, rather than destroying them.

What I would like to hear Macklem address in his fireside chat is the BoC’s appetite for upsize, meaning the possibility of larger rate cuts than just 25bps at a time. His views on pace defined not just in terms of size but also frequency of cuts is also important. The BoC’s forward guidance is to be taken with a lot of salt, but for my two cents, I don’t find the argument for upsize at the BoC to be compelling in some follow-the-leader way after the Fed cut 50bps.

What we’re seeing now is greater differentiation across global central banks as the ECB and BoE opt for a slower pace than the Fed. The BoJ is reconsidering further tightening this year until it more fully examines the health of the US economy and the Fed’s path. The PBOC appears to be leaning toward adding stimulus and so may other Asian central banks. Some outliers like Brazil’s central bank are back in tightening mode.



Where should the BoC stand? On its own path distinct from others. The BoC started 50bps below the Fed with a similar neutral policy rate estimate and so it was arguably less restrictive going into each other's easing cycle. The BoC started cutting before the Fed and has cut by a cumulative 75bps to date versus 50bps at the Fed. The policy differential has already widened to -75bps with the BoC below the Fed. The entire Canada curve is beneath the US. Whereas perhaps the FOMC felt it had to jolt the bond curve into pricing more easing, the Canadian curve was more generously priced for easing.

What's true is that Canada's economy has modest slack versus the US economy that remains in excess aggregate demand. This observation questions why the Fed up-sized. The BoC could argue it wishes to quickly close off spare capacity by stimulating faster growth as rapidly as possible. That would imply a much faster pace of easing in the near-term. The BoC should be very careful in so doing.

Canada's economy has underperformed including its consumer sector relative to the US for some time. Massive pent-up demand for housing and consumer spending is supported by massive pent-up savings in narrow and broader terms more fully linked to balance sheet gains. These points are starkly in contrast to the US household sector. Mortgage resets have been an exaggerated shock to the Canadian economy that is more micro than macro and rapidly diminishing given where bond markets are going. The lagging effects of immigration stimulus could combine with such forces to unleash a torrent of household sector activity and the BoC should be very careful toward being too aggressive and pushing the economy back into excess demand that reignites inflation risk in the medium-term.

**Federal Reserve—So Many Questions**

This will be a heavy week for Fed-speak and we've already heard from a few officials. Governor Bowman speaks on Tuesday after her published dissenting opinion ([here](#)). Governor Kugler speaks Wednesday. Multiple Fed-speakers line-up on Thursday including Chair Powell's pre-recorded remarks. Friday wraps it up with light Fed-speak.

I wouldn't pay much attention to the Committee's forward guidance as we seem to have transitioned to a different era in which Powell & Co will no longer be holding hands into decisions in a marked departure from the earlier playbook.

I would like to hear them explain how you can revise up projected easing this year and next, yet leave growth projections unchanged and revise up unemployment rate forecasts with no explanation offered about what the Fed thinks to be competing downside risks as argued [here](#).

**RBA—A Calendar Placeholder**

The Reserve Bank of Australia is universally expected to stay on hold at a cash rate target of 4.35% on Tuesday. Markets are priced for no change. This one should be a somewhat hawkish sounding placeholder on the calendar pending further key data on inflation, wages and growth. The policy bias is likely to continue to guide that potential easing remains some distance away while furthering the downplaying of additional tightening that we heard in prior communications.

Australian core inflation measures are continuing to run well above the RBA's headline target range of 2–3% but Q3 data won't arrive until October 29<sup>th</sup> which seems agonizingly slow for a complete set of figures compared to other countries (chart 4). Monthly trimmed mean CPI to August remains at 3.8% y/y. The job market remains on fire with just shy of 50,000 jobs created in each of the most recent three months. 310,000 jobs have been created so far this year. Wages excluding bonuses are rising by over 4% y/y. GDP growth has cooled, but the IMF's starting point for the output gap remains in excess demand.

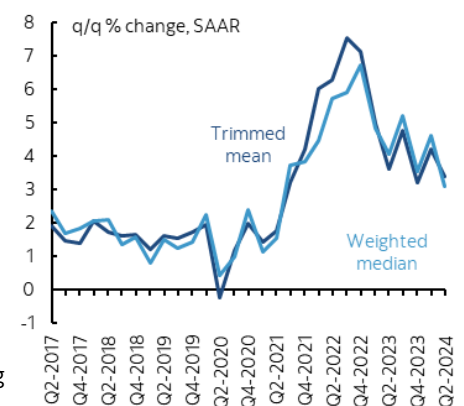
**Riksbank—Policy Guidance and Markets Are Broadly Aligned**

Sweden's Riksbank is universally expected to cut its policy rate by 25bps on Wednesday. Consensus is unanimous, and while markets are priced for a quarter-point move, they are slightly leaning toward the prospect of a larger cut.

At its last decision in August when it cut by 25bps, the Riksbank's statement said that "If the inflation outlook remains the same, the policy rate can be cut two or three more times this year." Markets are broadly priced for such an outcome with a little over 75bps of cuts priced by year-end. The central bank will refresh its forecasts and guidance at this meeting (chart 5).

Chart 4

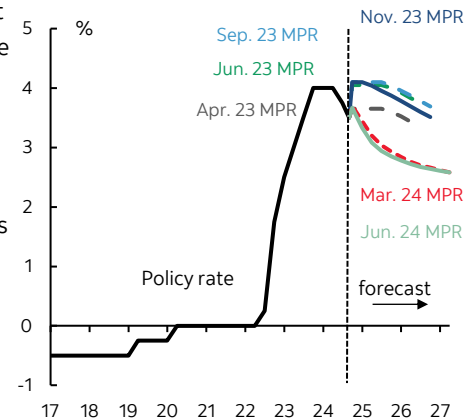
**Australian Core Inflation**



Sources: Scotiabank Economics, Australian Bureau of Statistics.

Chart 5

**Riksbank's Forward Guidance**



Sources: Scotiabank Economics, Riksbank.

If delivered, then the policy rate will have declined from a peak of 4% up to early May to 2.75% by year-end.

**Swiss National Bank—There’s Something About Franc**

The Swiss National Bank is widely expected by economists to cut its policy rate by another 25bps to 1% on Thursday. That would mean a cumulative 75bps of cutting since March when it led other major market central banks in easing. Markets are thinking it could cut by more as pricing is on the fence between -25bps and -50bps.

Why is the SNB cutting so aggressively if its policy rate is already so low? They are fighting currency strength as the Swiss franc has appreciated by almost 9% to the USD since early May, outperforming almost all other majors (chart 6).

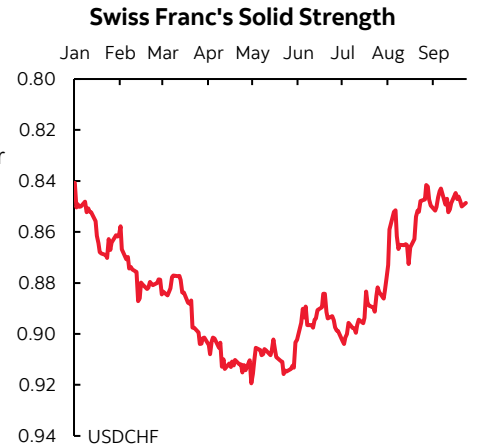
**GLOBAL MACRO—US, EUROZONE INFLATION WILL BE KEY**

With global purchasing managers indices already out, the rest of the week is expected to be relatively light in terms of key data risk. Chart 7 summarizes releases by day and geography. I’ll write more about them as the week unfolds.

In addition to Canadian GDP covered above, the handful of key releases will focus upon US core PCE inflation during August on Friday alongside updates on consumer spending and incomes. Q3 revisions to core PCE arrive the day before and may impact expectations for the next day’s PCE readings. Estimates for August core PCE inflation are mostly centered upon 0.2% m/m SA which would extend the soft patch across core CPI and core PCE measures that has contributed to the Fed’s confidence to begin easing.

Another wave of Eurozone inflation readings starts to arrive on Friday ahead of next week’s Eurozone tally. Spain and France will report CPI for September on Friday along with the ECB’s 1- and 3-year measures of inflation expectations. Germany and Italy report next Monday and the Eurozone tally will be released next Tuesday. Key is whether core CPI inflation remains sticky.

Chart 6



Sources: Scotiabank Economics, Bloomberg.

Chart 7

Other Global Macro Indicators (September 23rd - September 27th)			
US	CA	CPI	Other Macro
<u>Monday</u>			
		MA	MX Retail Sales, Economic Activity
<u>Tuesday</u>			
		AU	GE IFO
			Repeat Sales Home Prices Conf. Board Consumer Confidence
<u>Wednesday</u>			
		BZ	
			New Home Sales
<u>Thursday</u>			
			GE Gfk Consumer Confidence
			JP Tokyo CPI
			GDP Q2r PCE Q2r Durable Goods Claims
<u>Friday</u>			
		FR	EC ECB 1 & 2 Year Inflation Exp.
		SP	FR Consumer Spending
			GE Unemployment Rate
			Income/ Spending PCE

Sources: Scotiabank Economics, Bloomberg.

## Key Indicators for the week of September 23 – 27

## NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	09-23	08:00	Global Economic Indicator IGAE (y/y)	Jul	--	2.0	-0.6
MX	09-23	08:00	Retail Sales (INEGI) (y/y)	Jul	--	-0.7	-3.9
MX	09-24	08:00	Bi-Weekly Core CPI (% change)	Sep 15	--	0.2	0.1
MX	09-24	08:00	Bi-Weekly CPI (% change)	Sep 15	--	0.1	-0.1
US	09-24	09:00	S&P/Case-Shiller Home Price Index (m/m)	Jul	0.4	0.4	0.4
US	09-24	09:00	S&P/Case-Shiller Home Price Index (y/y)	Jul	6.4	6.0	6.5
US	09-24	10:00	Consumer Confidence Index	Sep	103.0	104.0	103.3
US	09-24	10:00	Richmond Fed Manufacturing Index	Sep	--	-12.0	-19.0
US	09-25	07:00	MBA Mortgage Applications (w/w)	Sep 20	--	--	14.2
US	09-25	10:00	New Home Sales (000s a.r.)	Aug	665	700.0	739.0
US	09-26	08:30	Durable Goods Orders (m/m)	Aug P	-4.0	-2.8	9.8
US	09-26	08:30	Durable Goods Orders ex. Trans. (m/m)	Aug P	0.1	0.1	-0.2
US	09-26	08:30	GDP (q/q a.r.)	2Q T	2.9	3.0	3.0
US	09-26	08:30	GDP Deflator (q/q a.r.)	2Q T	--	2.5	2.5
US	09-26	08:30	Initial Jobless Claims (000s)	Sep 21	230	225.0	219.0
US	09-26	08:30	Continuing Claims (000s)	Sep 14	1855	1832.5	1829.0
US	09-26	10:00	Pending Home Sales (m/m)	Aug	--	0.8	-5.5
<b>MX</b>	<b>09-26</b>	<b>15:00</b>	<b>Overnight Rate (%)</b>	<b>Sep 26</b>	<b>10.50</b>	<b>10.50</b>	<b>10.75</b>
MX	09-27	08:00	Trade Balance (US\$ mn)	Aug	--	-174.5	-72.0
CA	09-27	08:30	Real GDP (m/m)	Jul	0.2	0.1	0.0
US	09-27	08:30	PCE Deflator (m/m)	Aug	0.2	0.1	0.2
US	09-27	08:30	PCE Deflator (y/y)	Aug	2.3	2.3	2.5
US	09-27	08:30	PCE ex. Food & Energy (m/m)	Aug	0.2	0.2	0.2
US	09-27	08:30	PCE ex. Food & Energy (y/y)	Aug	2.7	2.7	2.6
US	09-27	08:30	Personal Spending (m/m)	Aug	0.3	0.3	0.5
US	09-27	08:30	Personal Income (m/m)	Aug	0.3	0.4	0.3
US	09-27	08:30	Wholesale Inventories (m/m)	Aug P	--	0.2	0.2
US	09-27	10:00	U. of Michigan Consumer Sentiment	Sep F	--	69.4	69.0

## EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
FR	09-23	03:15	Manufacturing PMI	Sep P	44.2	44.0
FR	09-23	03:15	Services PMI	Sep P	53.1	48.3
GE	09-23	03:30	Manufacturing PMI	Sep P	42.3	42.4
GE	09-23	03:30	Services PMI	Sep P	51.0	51.2
EC	09-23	04:00	Composite PMI	Sep P	50.5	51.0
EC	09-23	04:00	Manufacturing PMI	Sep P	45.7	45.8
EC	09-23	04:00	Services PMI	Sep P	52.3	52.9
UK	09-23	04:30	Manufacturing PMI	Sep P	52.2	52.5
UK	09-23	04:30	Services PMI	Sep P	53.5	53.7
GE	09-24	04:00	IFO Business Climate Survey	Sep	86.0	86.6
GE	09-24	04:00	IFO Current Assessment Survey	Sep	86.1	86.5
GE	09-24	04:00	IFO Expectations Survey	Sep	86.5	86.8
<b>SW</b>	<b>09-25</b>	<b>03:30</b>	<b>Riksbank Interest Rate (%)</b>	<b>Sep 25</b>	<b>3.25</b>	<b>3.50</b>
GE	09-26	02:00	GfK Consumer Confidence Survey	Oct	-22.6	-22.0
GE	09-26	03:00	Retail Sales (m/m)	Jul	--	-0.2
SP	09-26	03:00	Real Retail Sales (y/y)	Aug	--	2.8
FR	09-27	02:45	Consumer Spending (m/m)	Aug	-0.1	0.3
FR	09-27	02:45	CPI (m/m)	Sep P	-0.7	0.5
FR	09-27	02:45	CPI (y/y)	Sep P	1.6	1.8
FR	09-27	02:45	CPI - EU Harmonized (m/m)	Sep P	-0.8	0.6
FR	09-27	02:45	CPI - EU Harmonized (y/y)	Sep P	2.0	2.2
FR	09-27	02:45	Producer Prices (m/m)	Aug	--	0.2
SP	09-27	03:00	CPI (m/m)	Sep P	-0.1	0.0
SP	09-27	03:00	CPI (y/y)	Sep P	1.9	2.3
SP	09-27	03:00	CPI - EU Harmonized (m/m)	Sep P	0.0	0.0
SP	09-27	03:00	CPI - EU Harmonized (y/y)	Sep P	1.8	2.4
SP	09-27	03:00	Real GDP (q/q)	2Q F	0.8	0.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

## Key Indicators for the week of September 23 – 27

## EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	09-27	03:55	Unemployment (000s)	Sep	11.0	2.0
GE	09-27	03:55	Unemployment Rate (%)	Sep	6.0	6.0
EC	09-27	05:00	Economic Confidence	Sep	96.5	96.6
EC	09-27	05:00	Industrial Confidence	Sep	-9.8	-9.7

## ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
NZ	09-22	18:45	Trade Balance (NZD mn)	Aug	--	-2203.0
NZ	09-22	18:45	Exports (NZD bn)	Aug	--	4970.0
NZ	09-22	18:45	Imports (NZD bn)	Aug	--	7170.0
MA	09-23	00:00	CPI (y/y)	Aug	2.0	1.9
SI	09-23	01:00	CPI (m/m)	Aug	0.5	0.7
SI	09-23	01:00	CPI (y/y)	Aug	2.1	2.2
MA	09-23	03:00	Foreign Reserves (US\$ bn)	Sep 13	--	117.6
TA	09-23	04:00	Unemployment Rate (%)	Aug	3.3	3.3
SK	09-23	17:00	PPI (y/y)	Aug	--	2.6
JN	09-23	20:30	Markit/JMMA Manufacturing PMI	Sep P	--	49.8
IN	09-22	23:30	Current Account Balance	2Q	-9.90	5.70
TA	09-24	04:00	Export Orders (y/y)	Aug	8.2	4.8
SK	09-24	17:00	Consumer Confidence Index	Sep	--	100.8
<b>AU</b>	<b>09-24</b>	<b>00:30</b>	<b>RBA Cash Target Rate (%)</b>	<b>Sep 24</b>	<b>4.35</b>	<b>4.35</b>
TH	09-23	22:00	Customs Exports (y/y)	Aug	6.0	15.2
TH	09-23	22:00	Customs Imports (y/y)	Aug	6.5	13.1
TH	09-23	22:00	Customs Trade Balance (US\$ mn)	Aug	0.0	-1370.0
JN	09-25	01:30	Nationwide Department Store Sales (y/y)	Aug	--	5.5
TA	09-25	04:00	Industrial Production (y/y)	Aug	9.4	12.3
PH	09-24	21:00	Budget Deficit/Surplus (PHP bn)	Aug	--	-28.8
SK	09-23	22:00	Discount Store Sales (y/y)	Aug	--	-7.9
SK	09-23	22:00	Department Store Sales (y/y)	Aug	--	-6.4
SI	09-26	01:00	Industrial Production (m/m)	Aug	-4.2	10.1
SI	09-26	01:00	Industrial Production (y/y)	Aug	8.7	1.8
JN	09-26	02:00	Machine Tool Orders (y/y)	Aug F	--	-3.5
HK	09-26	04:30	Exports (y/y)	Aug	11.6	13.1
HK	09-26	04:30	Imports (y/y)	Aug	8.9	9.9
HK	09-26	04:30	Trade Balance (HKD bn)	Aug	-22.5	-21.8
SK	09-26	17:00	Business Survey- Manufacturing	Oct	--	73.0
SK	09-26	17:00	Business Survey- Non-Manufacturing	Oct	--	71.0
NZ	09-26	18:00	ANZ Consumer Confidence Index	Sep	--	92.2
JN	09-26	19:30	Tokyo CPI (y/y)	Sep	2.2	2.6
CH	09-26	21:30	Industrial Profits YTD (y/y)	Aug	--	4.1
JN	09-27	01:00	Coincident Index CI	Jul F	--	117.1
JN	09-27	01:00	Leading Index CI	Jul F	--	109.5
JN	09-27	01:00	New Composite Leading Economic Index	Jul F	--	109.5

## LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	09-25	07:30	Current Account (US\$ mn)	Aug	--	-5100.0	-5161.7
BZ	09-25	08:00	IBGE Inflation IPCA-15 (m/m)	Sep	--	0.3	0.2
BZ	09-25	08:00	IBGE Inflation IPCA-15 (y/y)	Sep	--	4.3	4.4

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

## Global Auctions for the week of September 23 – 27

## NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-24	13:00	U.S. To Sell 2-Year Notes
CA	09-25	12:00	Canada to Sell 10 Year Bonds
US	09-25	13:00	U.S. To Sell 5-Year Notes
CA	09-26	12:00	Canada to Sell 2 Year Bonds
US	09-26	13:00	U.S. To Sell 7-Year Notes

## EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-23	05:30	EU to Sell Up to EU2.5 Billion of 2.875% 2029 Bonds
EC	09-23	05:30	EU to Sell Up to EU2.5 Billion of 4% 2044 Bonds
BE	09-23	06:00	Belgium to Sell 3% 2033 Bonds
BE	09-23	06:00	Belgium to Sell 0.9% 2029 Bonds
BE	09-23	06:00	Belgium to Sell 2.75% 2039 Bonds
GE	09-24	05:30	Germany to Sell EU4.5 Billion of 2.7% 2026 Bonds
IT	09-25	05:00	Italy to Sell I/L Bonds
UK	09-25	05:00	UK to Sell 4.0% 2031 Bonds
SW	09-25	05:00	Sweden to Sell Bonds
NO	09-25	05:00	Norway to Sell Bonds
GE	09-25	05:30	Germany to Sell EUR 3B of 7-year Bonds
IT	09-27	05:00	Italy to Sell Bonds

## ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	09-23	22:35	China to Sell 137 Billion Yuan 2026 Bonds
CH	09-23	22:35	China to Sell 60 Billion Yuan 2054 Bonds
CH	09-23	22:35	China to Sell 142 Billion Yuan 2034 Bonds
JN	09-25	23:35	Japan to Sell 40-Year Bonds

## LATIN AMERICA

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



## Events for the week of September 23 – 27

## NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-23	08:00	Fed's Bostic Gives Speech on Economic Outlook
US	09-23	10:15	Fed's Goolsbee Speaks in Fireside Chat
US	09-23	13:00	Fed's Kashkari Participates in Q&A on Childcare
US	09-24	09:00	Fed Governor Bowman Speaks at Kentucky Bankers' Association
CA	09-24	13:15	Fireside Chat with BoC's Governor Tiff Macklem
US	09-25	16:00	Fed's Kugler Speaks on Eco Outlook at Harvard Kennedy School
US	09-26	09:10	Fed's Collins, Kugler Participate in Fireside Chat
US	09-26	09:15	Fed's Bowman Speaks on Eco Outlook at Mid-Sized Bank Coalition
US	09-26	09:20	Fed's Powell Gives Pre-Recorded Opening Remarks
US	09-26	09:25	Fed's Williams Gives Remarks at Conference
US	09-26	10:30	Fed's Barr Gives Remarks at Conference
US	09-26	10:30	Fed Governor Cook Joins Roundtable on AI and Workforce Develop
US	09-26	13:00	Fed's Kashkari Hosts Fireside Chat with Michael Barr
<b>MX</b>	<b>09-26</b>	<b>15:00</b>	<b>Overnight Rate</b>
US	09-26	18:00	Fed Governor Cook Delivers Speech on AI and Labor Force
US	09-27	09:30	Fed's Collins, Kugler Travel to Fitchburg, Mass.

## EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-23	09:00	ECB's Cipollone Speaks in EU Parliament About Digital Euro
<b>SW</b>	<b>09-25</b>	<b>03:30</b>	<b>Riksbank Policy Rate</b>
<b>SZ</b>	<b>09-26</b>	<b>03:30</b>	<b>SNB Policy Rate</b>
SZ	09-26	04:00	SNB's Jordan Speaks After Rate Decision
EC	09-26	09:30	ESRB's Lagarde Gives Welcome Address
NO	09-27	02:30	Norges Bank Publishes 4Q Borrowing Program
EC	09-27	04:00	ECB 1 Year CPI Expectations
EC	09-27	04:00	ECB 3 Year CPI Expectations
EC	09-27	04:15	ECB's Lane Speaks
EC	09-27	05:40	ECB's Cipollone Speaks on CBDCs in Vienna

## ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
<b>AU</b>	<b>09-24</b>	<b>00:30</b>	<b>RBA Cash Rate Target</b>
JN	09-24	21:10	BOJ Outright Bond Purchase Inflation-indexed bonds
JN	09-25	19:50	BOJ Minutes of July Meeting
AU	09-25	21:30	RBA-Financial Stability Review
<b>SL</b>	<b>09-26</b>	<b>22:00</b>	<b>CBSL Standing Lending Rate</b>
<b>SL</b>	<b>09-26</b>	<b>22:00</b>	<b>CBSL Standing Deposit Rate</b>

## LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
GU	09-25		Leading Interest Rate
<b>MX</b>	<b>09-26</b>	<b>15:00</b>	<b>Overnight Rate</b>
TR	09-27		Central Bank Repurchase 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	5.00	November 7, 2024	4.75	4.75
Banco de México – Overnight Rate	10.75	November 14, 2024	10.50	10.50

**Bank of Canada:** The Institute of International Finance and The Canadian Bankers Association will be hosting a fireside chat with Governor Macklem on Tuesday in Toronto at 1:10pm EST. **Federal Reserve:** Chair Powell will give pre-recorded opening remarks at the 10th annual US Treasury Market Conference on Thursday at 9:20am EST. **Banco de Mexico:** After the Fed went more aggressive than expected and Mexico's inflation slowed further, the Banco de Mexico is expected to cut its overnight rate by 25bps with a small chance of a 50bps on Thursday. Peso weakness may limit flexibility.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	3.65	October 17, 2024	3.65	3.65
European Central Bank – Marginal Lending Facility Rate	3.90	October 17, 2024	3.90	3.90
European Central Bank – Deposit Facility Rate	3.50	October 17, 2024	3.50	3.50
Bank of England – Bank Rate	5.00	November 7, 2024	5.00	5.00
Swiss National Bank – Sight Deposit Rate	1.25	December 12, 2024	1.00	1.00
Central Bank of Russia – One-Week Auction Rate	19.00	October 25, 2024	19.00	19.00
Sweden Riksbank – Repo Rate	3.50	November 7, 2024	3.25	3.25
Norges Bank – Deposit Rate	4.50	November 7, 2024	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	50.00	October 17, 2024	50.00	50.00

**Swiss National Bank (SNB):** The Swiss National Bank is highly expected to cut its sight deposit rate by another 25bps on Thursday for a third time in a row. Since the June meeting, both headline and core inflation have further slowed to 1.1% in August while the Swiss franc has appreciated. **Sweden Riksbank:** The Riksbank is expected to cut its repo rate by another 25bps on Wednesday for the second time in a row after both the headline and core inflation further slowed down below the 2% inflation target. The bank had guided two to three additional cuts this year in the central bank's three remaining decisions this year. Furthermore, the bank will update its forecasts and forward guidance last updated in June.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	0.25	October 31, 2024	0.25	0.25
Reserve Bank of Australia – Cash Rate Target	4.35	November 4, 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	October 14, 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	6.00	October 16, 2024	6.00	6.00
Central Bank of Philippines – Overnight Borrowing Rate	6.25	October 17, 2024	6.25	6.25

**PBOC:** Governor Pan Gongsheng will host a briefing with other regulators on Tuesday at which point he may update guidance on further policy easing through either the 7-day repo rate or required reserve ratio. **Reserve Bank of Australia (RBA):** The Reserve Bank of Australia is unanimously expected to hold its cash rate at 4.35% on Tuesday for the seventh time in a row. The latest data showed inflation slowing but still above the 2-3% inflation target range while at the margin core inflation slowed to 1% m/m SAAR. However, the job market is still warm and the RBA would need further evidence to be confident that there is less upside to inflation risks.

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	10.75	November 6, 2024	11.00	N/A
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	10.25
Banco Central de Reserva del Perú – Reference Rate	5.25	October 10, 2024	5.25	5.25

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	8.00	November 21, 2024	8.00	8.00

Sources: Bloomberg, Scotiabank Economics.

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