Scotiabank

GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

November 8, 2024

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With thanks for research support from: Jaykumar Parmar.

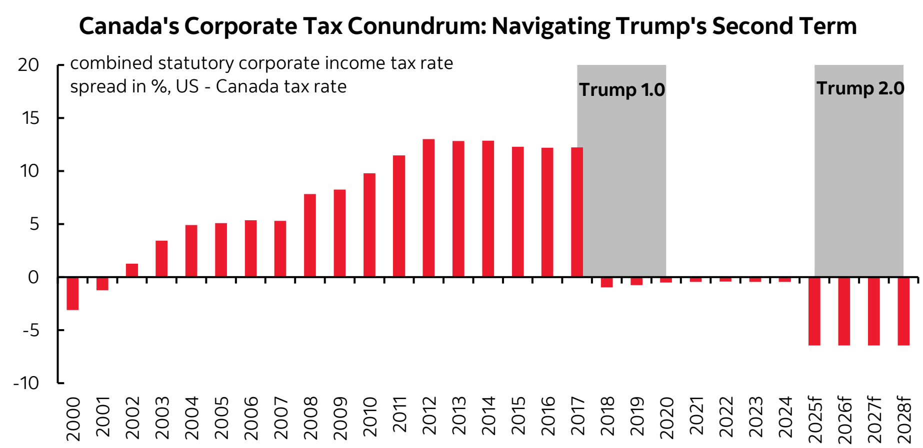
Next Week's Risk Dashboard

- **US election effects on Canada: more Qs than As**
- **Will US core CPI extend the upward trend?**
- **Banxico to stay on track with a rate cut**
- **Australian jobs still on fire?**
- **A red sweep this week?**
- **The UK job market is slowly rebalancing**
- **US consumers likely kept spending more**
- **GDP updates from EZ, UK, Japan, Brazil, Peru**
- **Early tests of China's stimulus efforts**
- **RBI to face a hawkish inflation reading**
- **Other global macro readings**

More Questions than Answers

FORECASTS & DATA

Chart of the Week



Note: Forecast assumes no change to Canadian corporate tax rate while Trump slashes tax rate to 15%.
Sources: Scotiabank Economics, OECD.

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

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More Questions than Answers

With all the turmoil, excitement, and even apprehension surrounding key developments of late it might be welcome that this week is likely to be a little more boring at least in terms of calendar-based macro risks. It's hard not for it to be so when compared to recent developments including the US election, decisions by multiple central banks, significant macro data risk, earnings season, geopolitical developments and the resulting market volatility.

The week's main focal points will include a US inflation update, the possibility we may learn if the GOP took the House of Representatives in a full 'red sweep', Banxico's challenging policy decision as the lone central bank to weigh in, and a sprinkling of macro reports. Key among the fundamentals will be US retail sales, GDP figures from the UK, Eurozone and Japan and a pair of Latin American economies, and updates on the UK and Australian job markets. China watchers will be watching for effects on macro and credit data of recent policy announcements. The RBI is likely to observe a hawkish inflation reading.

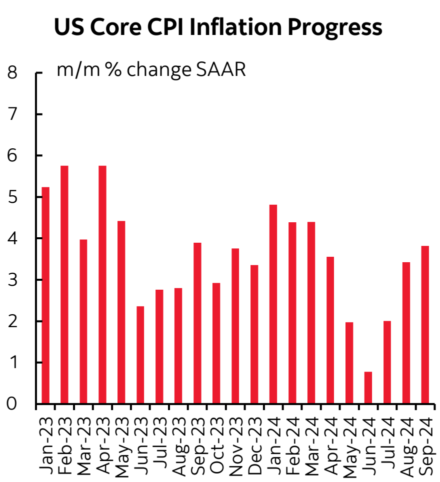
I will also attempt to outline debating points concerning the potential impact of the US election on Canada and related important issues.

US CPI—SEASONAL UPSWING CONTINUES

Another CPI inflation reading for October on Wednesday won't deliver anything decisive for the FOMC. It's one of three inflation readings before the next FOMC decision on December 18th including another CPI print on December 11th and a PCE reading on November 27th.

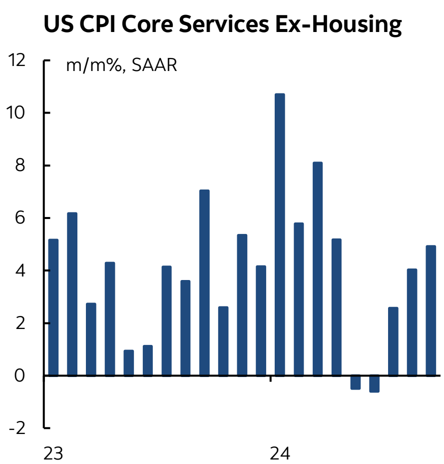
That said, core inflation has been rearing its ugly head once more (chart 1). A big part of that has been the resurrection of core services (ex-energy and housing) after a temporary soft patch (chart 2) but with an assist from core goods inflation (chart 3).

Chart 1



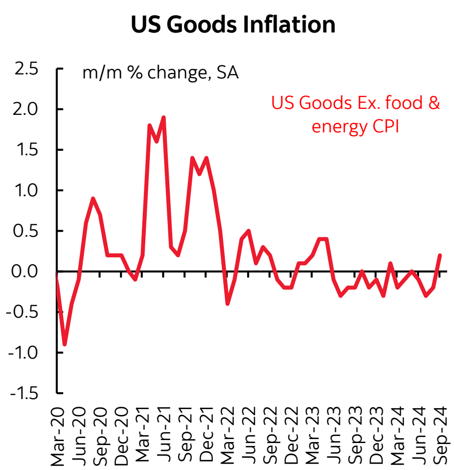
Sources: Scotiabank Economics, BLS.

Chart 2



Sources: Scotiabank Economics, BLS.

Chart 3



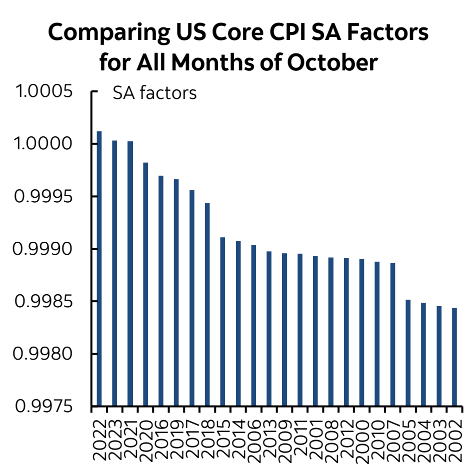
Sources: Scotiabank Economics, BLS.

I've estimated a headline rise of 0.2% m/m SA and a core CPI increase of 0.3%. The year-over-year rates are expected to edge higher to 2.6% (2.4% prior) for total CPI and stay unchanged at 3.3% for core. These estimates are similar to the Cleveland Fed's 'nowcast' and consensus this time, which is not to say that uncertainty is low. A few observations on the drivers are as follows:

- Part of the reason for a reasonably firm core CPI estimate is that seasonal adjustments continue to put upside risk. The last four Octobers in a row have had the four highest seasonal adjustment factors on record (chart 4). Something similar is expected this time as the recency bias to calculating SA factors continues to overweight the post-pandemic environment. The SA factors remain on the upswing after underestimating inflation over the summer months with lower than usual SA factors.

- Gasoline all grades fell by about 2½% m/m NSA which translates into a drop of about 0.6% m/m SA. At a 3.4% basket weight the contribution to overall CPI will round up to -0.1% m/m SA.

Chart 4



Sources: Scotiabank Economics, BLS

- Food prices are expected to moderate after the prior month that posted the biggest seasonally adjusted jump since January.
- Vehicle prices should have a trivial effect. New vehicle prices and used vehicle prices will probably each contribute nothing material to m/m CPI and core CPI in weighted terms.
- I've assumed a more moderate increase in core services prices this time and following September's jump that was the largest in five months along a recently accelerating trend.
- core goods prices (ex-food and energy commodities) are estimated to post a mild gain. One particular category that is expected to register a more moderate rise is clothing that jumped by 1.1% m/m SA in September for the biggest gain since April as new Fall lines changed over with greater than seasonally normal price increases.

BANXICO—STILL ON TRACK

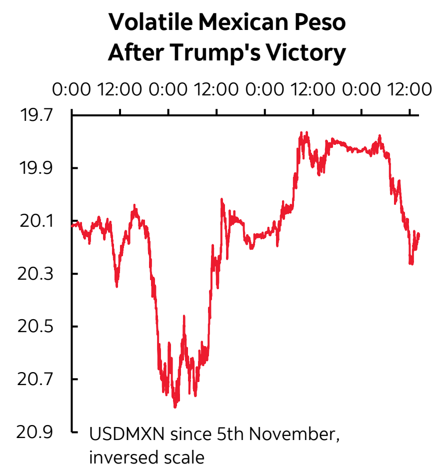
Only one central bank weighs in with a policy decision this week and that is Mexico's. Banxico is expected to cut by 25bps on Thursday. In fact, consensus remains unanimous on the call in the wake of the US election.

One thing that surprised me at least (maybe not others) was the net resilience of the peso this week. It ended the week on a depreciating note, but flat to where it was just before the US election results became known (chart 5). The initial depreciation in the aftermath of the results was quickly shaken off.

Part of the reason may be that either potential US administration would likely have pursued more aggressive trade and immigration policies against Mexico and so some of the effect was priced, although clearly Trump is the larger risk. Having said this, be careful toward MXN sentiment and its sensitivity to trade risk. Friday's weakening, for instance, quickly followed an FT report that Robert Lighthizer—a protectionist lawyer and longstanding China and Mexico hawk—will return as the US Trade Representative.

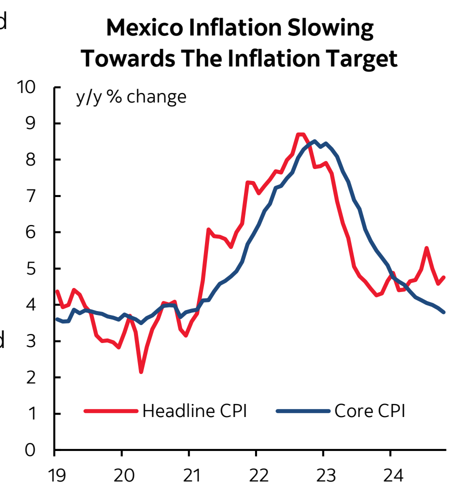
Easing won't be a tough sell. Inflation has been falling toward the 2–4% target range (chart 6). Trade policy risk and its impact upon Mexico's terms of trade is likely to be elevated on the path toward the expiration of the NAFTA 2.0 agreement in 2026. Being mindful toward currency risk and the possibility of importing significant price pressures will present a caution in terms of forward guidance.

Chart 5



Sources: Scotiabank Economics, Bloomberg.

Chart 6



Sources: Scotiabank Economics, INEGI.

GLOBAL MACRO

Chart 7 summarizes release dates by country with emphasis below upon the more important ones.

Retail Sales Dominates Other US Releases

US releases will mainly focus on retail sales during October on Friday. They are expected to post a mild gain based on readings like a 1.7% m/m SA rise in vehicle sales and a small seasonally adjusted gain in gasoline prices. Core producer prices in October (Thursday) are expected to post a rise of 0.2–0.3% m/m SA. Industrial output in October (Friday) is expected to decline again partly given a weaker ISM-manufacturing report.

Australia's Job Market—Great for Resilience, Not for Rate Cuts

Australia's job market has been on fire. Fresh figures for jobs (Wednesday) and wages (Tuesday) will inform whether that's continuing. Employment is about 1.6 million higher than just before the pandemic, 2.5 million higher than in the depths of the pandemic, and 375k higher on a year-to-date basis. And yet, the unemployment rate has risen from a low of 3.5% in late-2022 to 4.1% now which is still low. The reason is that the labour force participation rate has risen by more than employment over this period and now sits at an all-time record high of 67.2%.

Such a tight labour market is generating ongoing wage pressures at a volatile pace but one that is well above a) pre-pandemic rates, and b) that is above the upper end of the RBA's 2–3% inflation target range (chart 8).

UK Job Market—Resilient, but Normalizing

UK job market readings on Tuesday will be one of two batches before the Bank of England's next decision on December 19th. Small businesses are less likely to have formal payrolls and therefore are likely driving the difference between strong total employment gains (chart 9) versus weak payrolls (chart 10). And yet what reflects the tightness of the labour market better than many measures is the price signal reflected by waning wage gains (chart 11).

The BoE can nevertheless point to chart 12 as evidence of a gradually normalizing labour market. The unemployment rate remains quite low, but the job vacancy rate has come down from pandemic highs. This is still a tight labour market, but a little less tight than at the extremes.

Global Growth Holding it Together

The Eurozone, Japan and UK will freshen up GDP growth figures this week.

Third quarter UK GDP arrives on Thursday and is expected to continue to post mild growth. Most estimates are around ¼% q/q at a seasonally adjusted but nonannualized rate. That would leave annualized growth of around 1% and hence slower that >2% q/q SAAR growth in each of the first two quarters of the year.

Chart 7

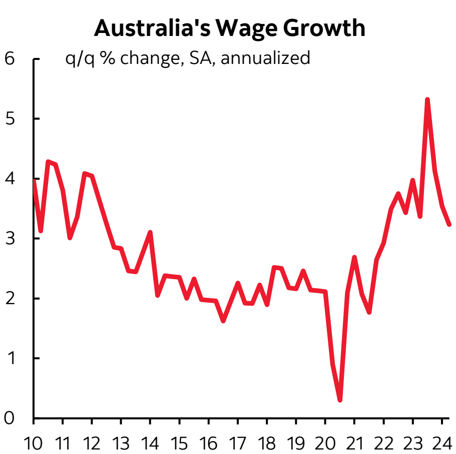
Other Global Macro Indicators (November 11th - November 15th)

US	CA	CPI	Other Macro
	Monday		
			MX IP
	Tuesday		
SLOS	Building Permits	IN	UK Jobs & Wages
			EC ZEW Survey
			GE ZEW Survey
			BZ Retail Sales
			SK UR
			AU Wage
	Wednesday		
CPI			EC IP
			RU GDP
			AU Jobs
	Thursday		
Claims			UK GDP, IP, Trade
PPI			EC Jobs
			BZ Economic Activity
			CO Retail Sales
			JN GDP
			CH IP, Retail Sales, FA Inv.
	Friday		
Empire State Manf. Index	Manf.		PE Economic Activity, UR
Retail Sales	Wholesale Trade		IN Trade
IP	Existing Home Sales		

Sources: Scotiabank Economics, Bloomberg.

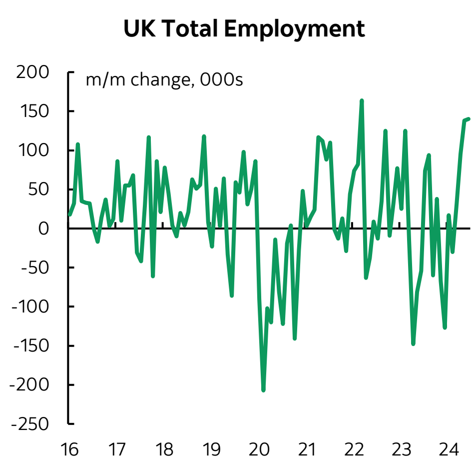
Eurozone GDP growth is expected to be 0.3–0.4% q/q on Thursday. We already know several of the main economies. Germany surprised higher with 0.2% q/q growth but mainly because of negative revisions. France beat expectations at 0.4% and so did Spain at 0.8%. Italy disappointed with no growth. The same day will reveal employment growth estimates that may extend the streak of gains to 14 consecutive quarters.

Chart 8



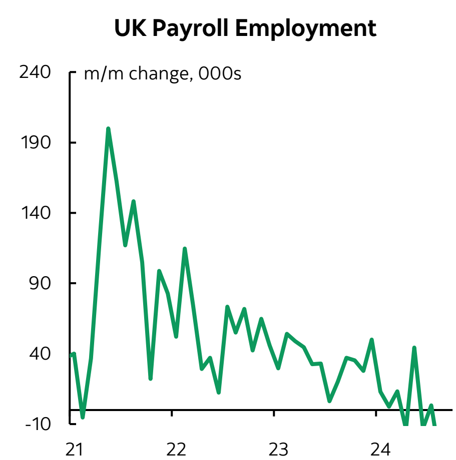
Sources: Scotiabank Economics, Australian Bureau of Statistics.

Chart 9



Sources: Scotiabank Economics, UK ONS.

Chart 10



Sources: Scotiabank Economics, UK ONS.

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Japan will also release GDP on Thursday with most estimates between 0.1–0.3% q/q SA that could deliver back-to-back gains after a string of weak reports over 2023Q4 to 2024Q2.

A couple of Latin American economies will update GDP guides this week as well. Brazil (Thursday) and Peru (Friday) report September readings for their economic activity indices. Brazil is expected to pick up a bit, while Peru is expected to decelerate.

China's Stimulus Tests

A fresh test of sentiment within China's economy in the wake of multiple stimulus announcements will take the form of several releases on Thursday.

Fresh financing and money supply figures arrive at some point over the coming week. This year has seen a slowdown in credit expansion and so China may need a pick-up going forward to offset trade and investment uncertainty (charts 13, 14).

Home prices are probably still falling at an aggressive rate (chart 15). Homebuyers are being held at bay by the catch-a-falling-knife concern in that they don't wish to buy a home that is likely to keep falling in price.

China will also update October readings for industrial output and retail sales on the same day as the test.

The RBI's Last Inflation Reading Before Decision Day

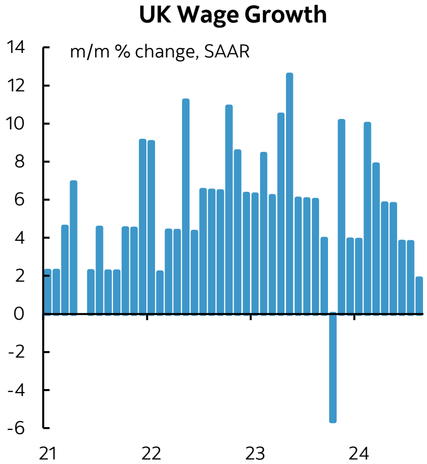
India refreshes CPI figures on Tuesday for the month of October. They will be the last readings before the Reserve Bank of India weighs in on December 6th. They are expected to thwart any residual hopes for easing by the RBI any time soon.

Widespread sentiment expects inflation to jump toward 6% y/y from 5½% the prior month. A prime reason is the impact of heavy rains over recent months especially in September that damaged key crops. While volatile, the prices of staples in the Indian diet like onions and tomatoes will put upward pressure upon the large weight on food in India's CPI basket (chart 16).

Canada Quiet

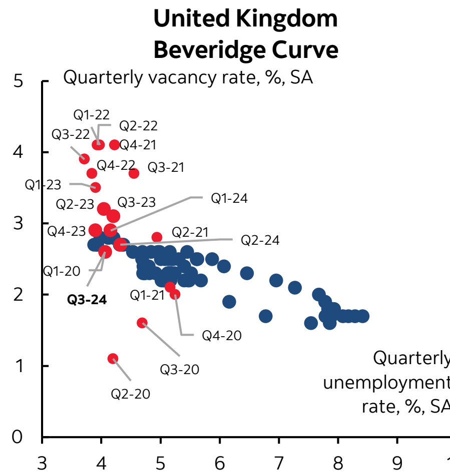
Canada will face a light calendar this week. Three minor gauges will be released on Friday. Manufacturing sales are expected to drop by about -3/4% m/m SA. Wholesale sales are expected to climb by almost 1% m/m. Canada also updates existing home sales for October that will be aiming for the third straight gain in a row and fourth in five months.

Chart 11



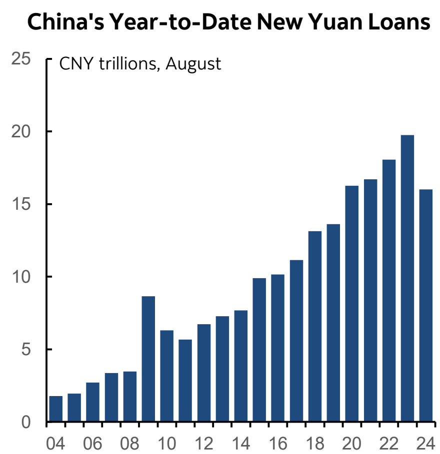
Sources: Scotiabank Economics, UK ONS.

Chart 12



Sources: Scotiabank Economics, UK ONS.

Chart 13

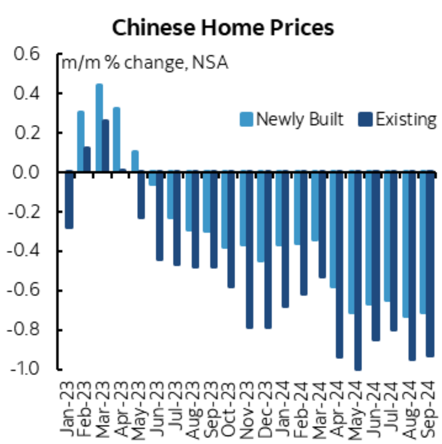


Sources: Scotiabank Economics, Bloomberg.

Chart 14

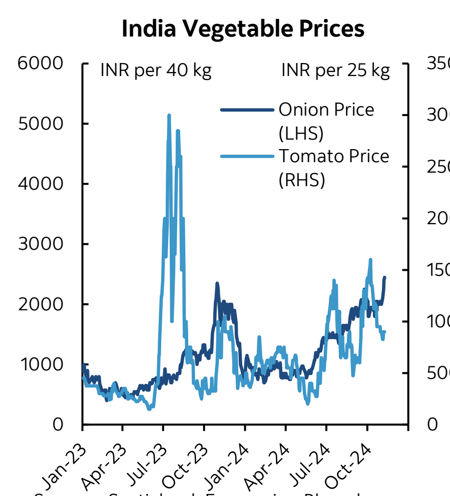
Sources: Scotiabank Economics, Bloomberg.

Chart 15



Sources: Scotiabank Economics, Bloomberg Intelligence.

Chart 16



Sources: Scotiabank Economics, Bloomberg.

U.S. ELECTION EFFECTS ON CANADA—MORE QS THAN AS

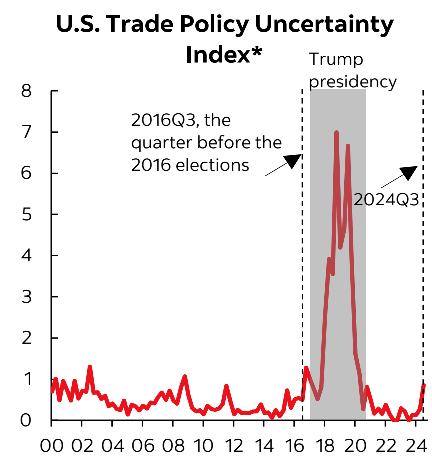
The impact of the US election outcome on Canada is something that will be subject to intense debate, analysis and scrutiny for an extended period. We will soon be publishing revised forecasts but in the spirit of managing expectations don't expect more than measured adjustments at first as we adopt an approach that is circumspect and observant toward policy developments as they materialize. A weekly can't get into all of that, but I will offer a few general and specific thoughts.

Our hunch is that developments will move very quickly over 2025–26 in keeping with guidance to date from the incoming US administration, the scope of the election victory, and the less than two-year window of opportunity to act upon the agenda before the incumbent traditionally suffers a setback in the midterm elections in November 2026. Key here is whether the Dems can emerge from a likely bitter leadership contest and heal themselves quickly enough to present a credible front by then. The likely speed of developments could magnify risk of compounded policy errors.

Our team is grappling with the potential effects on Canada's economy of the following list of possible developments that itself may well be incomplete.

- Increased uncertainty toward the rules of commerce carries a cost in and of itself even if cooler heads ultimately prevail. **This** piece by my colleagues estimates the impact of uncertainty on US growth during Trump 1.0 using the measure in chart 17 and reminds us of the potential for a replay this time. To put it this way, if we ourselves as forecasters are grappling with high uncertainty, then it's logical that c-suites and governments are in the same boat.
- TCJA extension: all else equal this should stimulate US growth for longer than would otherwise have been the case. Canada will benefit somewhat through more US demand for Canadian exports with the same all else equal caution.
- A further possible cut in the US corporate tax rate to as low as 15% is possible, but with more strings attached this time such as through a qualifying tie to domestic production levels. The effect on US growth could be positive and Canada may indirectly benefit, but Jay Parmar's chart of the week on the front cover of this publication serves as a reminder of how out of whack Canadian tax policy is becoming. This could weigh on relative investment prospects in Canada when productivity growth is already weak.

Chart 17

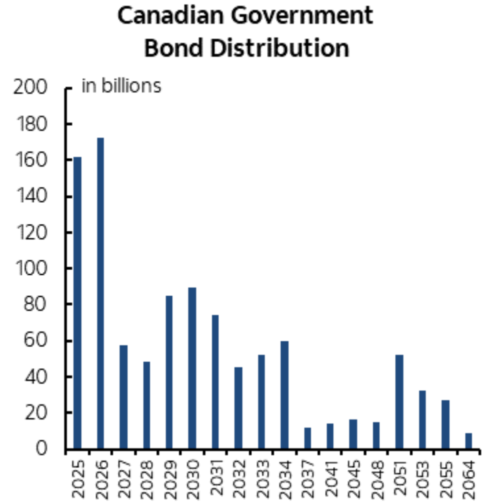


* Trade policy category of the EMV tracker.
Sources: Policyuncertainty.com.

- Sundry other tax cuts may be delivered along the lines of loosely offered election campaign pledges, but most of them are likely to have small—and distorting—effects. Examples include eliminating taxes on tips, overtime, and emergency service workers' pay.
- It is highly improbable that US government spending will be reduced by some of the estimates loosely bandied about by those close to Trump. A US$2 trillion cut per year, for example, would reduce total annual US government spending excluding interest on the debt by about one-third each year. Anything close to this would sap the growth potential of tax cuts.
- The Trump team has made it clear that the Inflation Reduction Act and ESG related initiatives are likely to be sharply curtailed. This could be a negative investment shock to the US economy and hence to Canada. Scotia's John McNally estimates that IRA investment accounts for 4–7% of quarterly investment in the US and so cutting it could be material. We don't know how to estimate this particularly net of a potential surge of US energy investment if the 2008 GOP campaign slogan "Drill, baby, drill" comes back with a vengeance.
- Tariffs represent a threat to US and world growth. We don't think that 100% tariffs on Mexican imported autos, 60% on Chinese imports and 20% on all else imported into the US is likely. But we don't have confidence in estimating the potential magnitudes, the degree to which they represent a threat that may not be delivered, and the timing of such effects.
- There may be a modest stock market wealth effect to incorporate if it persists and net of a potentially negative and persistent bond market shock that could weigh on other financial assets and mortgage rates and hence housing wealth.
- Kicking "maybe as many as 20 million" out of the US is unlikely, but it seems probable that the US will experience a negative population shock. Even grinding US population growth to a halt or possibly a small contraction would be a big deal. The effects on labour force expansion and potential US growth could offer negative influences upon Canada. Those effects may be amplified as we work toward revising Canadian GDP growth lower in the wake of tighter Canadian immigration policies.

- Reducing US population growth and/or levels along with corporate tax changes could unleash faster US productivity growth.
- Regulatory easing in the US seems likely, but the form, magnitude and timing are deeply uncertain. So is the degree to which Canada may have to follow in some key areas like bank regs set by OSFI. The whole Basel III set of proposals seems impractical and is likely to be weakened.
- There will be automatic stabilizers to the sum total of all of these effects that will include changes to Canada's flexible exchange rate that likely faces a considerably weaker outlook than we previously expected.
- Geopolitical risk is likely to prove material but could either intensify or diminish. A higher beta currency like CAD will likely be more sensitive to the potential influences on global risk appetite.
- Central banks will play a major role in adapting to the shocks that may arise. We're leaning toward reducing policy easing by the Federal Reserve compared to our prior forecast for a terminal rate of 3½% next summer, but in a gradual measure at first by adding 25–50bps.
- The impact on the Bank of Canada is unclear. Naturally, if the US policy shocks impact Canada more through lowered actual GDP growth than potential GDP growth effects then the BoC would be expected to be more dovish than our current forecast for a 3% terminal rate by next Spring.
- Bond markets may be the ultimate arbiter of the broad effects on US, Canadian and world economies. Higher debt issuance is likely and so is high inflation, both of which could continue to put upward pressure on inflation expectations and term premia.
- A mitigating factor to this last point may be the sheer volume of debt that needs to be refinanced going forward. Canada faces a record $100 billion of corporate debt to be rolled over next year. Chart 18 shows the debt distribution profile of the Canadian government.

Chart 18



Sources: Scotiabank Economics, Bloomberg.

In addition to working through these effects there are three other possible outcomes among what I'm sure will be many more.

Election Risk Pushed Out?

Depending on developments, it's not an airtight bet that Canada has to have an election next year.

As Elections Canada notes, Canada has had fixed elections since May 2007 that provide for a general election to be held on the third Monday of October in the fourth calendar year following the previous general election. In this case, that means by October 20, 2025. They go on to state:

"That said, the Canada Elections Act does not prevent a general election from being called at another date. General elections are called when, on the advice of the Prime Minister, the Governor General dissolves Parliament. The Governor in Council (the Governor General, acting on the advice of Cabinet) sets the date of the election."

This is total conjecture on my part, but it is technically possible that should truly exigent circumstances prevail, then it's still my understanding that there is a loophole in the election timing that could delay it and potentially for an extended period. Obviously, an extreme example could be wartime, but a severe external threat to the economy such as a trade shock might quality.

Alternatively, Canada could employ an election on schedule as a disruptive delay to trade negotiations.

Indeed, it's not infeasible that the Trudeau administration has been thrown a lifeline. One narrative is that Trump's election buoys the prospect of a mind meld of sorts with Canada's Conservatives who are presently polling toward a majority. An alternative narrative is that Trudeau could get the adversary that he needs in Trump by way of portraying the Conservatives in a negative light.

What the US Might Go After in NAFTA 3.0

NAFTA 3.0 negotiations will soon be underway on the path toward renewing it by the 2026 deadline. In some sense, the hot button issues as they pertain to Canada could partially involve going after the same issues that were pursued the last time. They include dispute settlement mechanisms, an automatic sunset clause, curtailment of supply management, automobile rules of origin through local content requirements and wage floors, and government procurement programs.

There may be further attempts to challenge alleged currency manipulation, although the floating exchange rate and evidence on its fundamental drivers over time will once again make this hard to prove. A lengthy list of sector specific issues may come up again and has tended to focus on sectors like softwood lumber, steel and aluminum, and dairy as examples. We will be doing much more work on trade policy going forward in a repeat of the NAFTA 2.0 period.

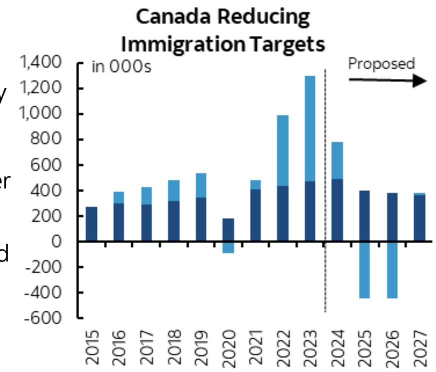
A Different Backdrop for Relative Immigration Policies

There may be spillover effects from the likelihood of tighter US immigration policy but relative policy differences are different this time.

When the US tightened eligibility criteria for US visas in 2017, it drove a sharp increase in the number of skilled immigrant admissions to Canada. **This** study estimates that the US policy changes drove a 30% higher level of Canadian applications in 2018. Their study shows that Canadian firms benefitted through increased production, exports, and wages paid.

The key difference this time is that Canadian immigration policy is now tightening (chart 19) which may thwart efforts to divert skilled workers to Canada instead of the US. If not, then skilled US workers or foreign workers otherwise destined for the US may take the spots of skilled workers coming from elsewhere into Canada. It's not clear that Canada would see a net boost this time.

Chart 19



Sources: Scotiabank Economics, Statistics Canada, Ministry of Immigration, Refugees & Citizenship Canada.

Key Indicators for the week of November 11 – 15

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	11-11	07:00	Industrial Production (m/m)	Sep	--	--	-0.5
MX	11-11	07:00	Industrial Production (y/y)	Sep	--	--	-0.9
CA	11-12	08:30	Building Permits (m/m)	Sep	--	--	-7.0
US	11-13	07:00	MBA Mortgage Applications (w/w)	Nov 08	--	--	-10.8
US	11-13	08:30	CPI (m/m)	Oct	0.2	0.2	0.2
US	11-13	08:30	CPI (y/y)	Oct	2.6	2.6	2.4
US	11-13	08:30	CPI (index)	Oct	--	315.5	315.3
US	11-13	08:30	CPI ex. Food & Energy (m/m)	Oct	0.3	0.3	0.3
US	11-13	08:30	CPI ex. Food & Energy (y/y)	Oct	3.3	3.3	3.3
US	11-13	14:00	Treasury Budget (US$ bn)	Oct	--	--	64.3
US	11-14	08:30	Initial Jobless Claims (000s)	Nov 09	225	--	221
US	11-14	08:30	Continuing Claims (000s)	Nov 02	1870	--	1892
US	11-14	08:30	PPI (m/m)	Oct	0.2	0.2	0.0
US	11-14	08:30	PPI ex. Food & Energy (m/m)	Oct	0.3	0.3	0.2
MX	**11-14**	**14:00**	**Overnight Rate (%)**	**Nov 14**	**10.25**	**10.25**	**10.50**
CA	11-15	08:30	Manufacturing Shipments (m/m)	Sep	-0.8	-0.8	-1.3
CA	11-15	08:30	Wholesale Trade (m/m)	Sep	0.9	--	-0.6
US	11-15	08:30	Empire State Manufacturing Index	Nov	--	3.5	-11.9
US	11-15	08:30	Export Prices (m/m)	Oct	--	0.0	-0.7
US	11-15	08:30	Import Prices (m/m)	Oct	--	-0.1	-0.4
US	11-15	08:30	Retail Sales (m/m)	Oct	0.4	0.3	0.4
US	11-15	08:30	Retail Sales ex. Autos (m/m)	Oct	0.2	0.2	0.5
CA	11-15	09:00	Existing Home Sales (m/m)	Oct	--	--	1.9
US	11-15	09:15	Capacity Utilization (%)	Oct	77.2	77.3	77.5
US	11-15	09:15	Industrial Production (m/m)	Oct	-0.3	-0.2	-0.3
US	11-15	10:00	Business Inventories (m/m)	Sep	--	0.2	0.3

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	11-12	02:00	CPI (m/m)	Oct F	0.4	0.4
GE	11-12	02:00	CPI (y/y)	Oct F	2.0	2.0
GE	11-12	02:00	CPI - EU Harmonized (m/m)	Oct F	0.4	0.4
GE	11-12	02:00	CPI - EU Harmonized (y/y)	Oct F	2.4	2.4
UK	11-12	02:00	Average Weekly Earnings (3-month, y/y)	Sep	3.9	3.8
UK	11-12	02:00	Employment Change (3M/3M, 000s)	Sep	--	373.0
UK	11-12	02:00	Jobless Claims Change (000s)	Oct	--	27.9
UK	11-12	02:00	ILO Unemployment Rate (%)	Sep	4.1	4.0
GE	11-12	03:00	Current Account (€ bn)	Sep	--	14.4
EC	11-12	05:00	ZEW Survey (Economic Sentiment)	Nov	--	20.1
GE	11-12	05:00	ZEW Survey (Current Situation)	Nov	-86.0	-86.9
GE	11-12	05:00	ZEW Survey (Economic Sentiment)	Nov	12.5	13.1
EC	11-13	05:00	Industrial Production (m/m)	Sep	-1.2	1.8
EC	11-13	05:00	Industrial Production (y/y)	Sep	-1.7	0.1
RU	11-13	11:00	Real GDP (y/y)	3Q A	--	4.10
UK	11-14	02:00	Business Investment (q/q)	3Q P	--	1.4
UK	11-14	02:00	GDP (q/q)	3Q P	0.2	0.5
UK	11-14	02:00	Index of Services (m/m)	Sep	0.2	0.1
UK	11-14	02:00	Industrial Production (m/m)	Sep	0.1	0.5
UK	11-14	02:00	Manufacturing Production (m/m)	Sep	-0.2	1.1
UK	11-14	02:00	Visible Trade Balance (£ mn)	Sep	--	-15060.0

Forecasts at time of publication.
Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of November 11 – 15

EUROPE *(continued from previous page)*

Country	Date	Time	Indicator	Period	Consensus	Latest
SP	11-14	03:00	CPI (m/m)	Oct F	0.6	0.6
SP	11-14	03:00	CPI (y/y)	Oct F	1.8	1.8
SP	11-14	03:00	CPI - EU Harmonized (m/m)	Oct F	0.4	0.4
SP	11-14	03:00	CPI - EU Harmonized (y/y)	Oct F	1.8	1.8
PD	11-14	04:00	GDP (y/y)	3Q P	2.90	3.20
EC	11-14	05:00	Employment (q/q)	3Q P	--	0.1
EC	11-14	05:00	GDP (q/q)	3Q P	0.4	0.4
FR	11-15	02:45	CPI (m/m)	Oct F	0.2	0.2
FR	11-15	02:45	CPI (y/y)	Oct F	1.2	1.2
FR	11-15	02:45	CPI - EU Harmonized (m/m)	Oct F	0.3	0.3
FR	11-15	02:45	CPI - EU Harmonized (y/y)	Oct F	1.5	1.5
IT	11-15	04:00	CPI - EU Harmonized (y/y)	Oct F	1.0	1.0

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	11-10	18:50	Bank Lending (y/y)	Oct	--	2.7
JN	11-10	18:50	Current Account (¥ bn)	Sep	3432.3	3803.6
JN	11-10	18:50	Trade Balance - BOP Basis (¥ bn)	Sep	-66.2	-377.9
ID	11-10	22:00	Consumer Confidence Index	Oct	--	123.5
JN	11-11	18:50	Japan Money Stock M2 (y/y)	Oct	--	1.3
JN	11-11	18:50	Japan Money Stock M3 (y/y)	Oct	--	0.8
JN	11-12	01:00	Machine Tool Orders (y/y)	Oct P	--	-6.4
IN	11-12	07:00	CPI (y/y)	Oct	5.90	5.49
IN	11-12	07:00	Industrial Production (y/y)	Sep	2.50	-0.10
SK	11-12	18:00	Unemployment Rate (%)	Oct	2.6	2.5
AU	11-12	19:30	Wage Cost Index (q/q)	3Q	0.9	0.8
AU	11-13	19:30	Employment (000s)	Oct	25.0	64.1
AU	11-13	19:30	Unemployment Rate (%)	Oct	4.1	4.1
TH	11-13	22:30	Consumer Confidence Economic	Oct	--	48.8
IN	11-13	22:30	Exports (y/y)	Oct	--	0.5
IN	11-13	22:30	Imports (y/y)	Oct	--	1.6
IN	11-14	01:30	Monthly Wholesale Prices (y/y)	Oct	2.3	1.8
NZ	11-14	16:30	Business NZ PMI	Oct	--	46.9
JN	11-14	18:50	GDP (q/q)	3Q P	0.2	0.7
JN	11-14	18:50	GDP Deflator (y/y)	3Q P	2.8	3.2
PH	11-14	20:00	Overseas Remittances (y/y)	Sep	3.2	3.2
CH	11-14	21:00	Fixed Asset Investment YTD (y/y)	Oct	3.5	3.4
CH	11-14	21:00	Industrial Production (y/y)	Oct	5.5	5.4
CH	11-14	21:00	Retail Sales (y/y)	Oct	3.8	3.2
ID	11-14	23:00	Exports (y/y)	Oct	3.0	6.4
ID	11-14	23:00	Imports (y/y)	Oct	8.1	8.6
ID	11-14	23:00	Trade Balance (US$ mn)	Oct	2600.0	3257.0
MA	11-14	23:00	Current Account Balance (MYR mns)	3Q	900.0	3003.8
MA	11-14	23:00	GDP (y/y)	3Q F	5.3	5.3
JN	11-14	23:30	Capacity Utilization (m/m)	Sep	--	-5.3
JN	11-14	23:30	Industrial Production (m/m)	Sep F	--	1.4
JN	11-14	23:30	Tertiary Industry Index (m/m)	Sep	0.2	-1.1
JN	11-14	23:30	Industrial Production (y/y)	Sep F	--	-2.8
HK	11-15	03:30	Real GDP (q/q)	3Q F	-1.1	-1.1
HK	11-15	03:30	Real GDP (y/y)	3Q F	1.8	1.8

Forecasts at time of publication.
Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of November 11 – 15

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	11-12	07:00	Retail Sales (m/m)	Sep	--	--	-0.3
BZ	11-12	07:00	Retail Sales (y/y)	Sep	--	--	5.1
BZ	11-14	07:00	Economic Activity Index SA (m/m)	Sep	--	--	0.2
BZ	11-14	07:00	Economic Activity Index NSA (y/y)	Sep	--	--	3.1
CO	11-14	10:00	Retail Sales (y/y)	Sep	--	--	5.2
PE	11-15	10:00	Economic Activity Index NSA (y/y)	Sep	--	--	3.5
PE	11-15	10:00	Unemployment Rate (%)	Oct	--	--	5.9

Forecasts at time of publication.
Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of November 11 – 15

NORTH AMERICA

Country	Date	Time	Event
CA	11-14	12:00	Canada to Sell 2 Year Bonds

EUROPE

Country	Date	Time	Event
NE	11-12	04:00	Netherlands to Sell Bonds
UK	11-12	05:00	U.K. to Sell GBP2.25 Billion of 4.75% 2043 Bonds
GE	11-12	05:30	Germany to Sell EUR 5B of 2-year Bonds
SZ	11-13	05:00	Switzerland to Sell Bonds
IT	11-13	05:00	Italy to Sell Bonds
NO	11-13	05:00	Norway to Sell Bonds
UK	11-13	05:00	UK to Sell NEW 2028 Bonds
GE	11-13	05:30	Germany to Sell EUR 4B of 10-year Bonds
PO	11-13	05:30	Portugal to Sell Bonds
SW	11-14	05:00	Sweden to Sell I/L Bonds

ASIA PACIFIC

Country	Date	Time	Event
JN	11-10	22:35	Japan to Sell 10-Year Linker Bonds
JN	11-12	22:35	Japan to Sell 30-Year Bonds
CH	11-13	21:35	China Plans to Sell 3 Year Bonds
CH	11-13	21:35	China Plans to Sell 7 Year Bonds
CH	11-14	21:35	China Plans to Sell 30 Year Bonds (Special)
JN	11-14	22:35	Japan to Sell 5-Year Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of November 11 – 15

NORTH AMERICA

Country	Date	Time	Event
US	11-12	10:00	Fed's Waller Speaks at Banking Conference
US	11-12	14:00	Senior Loan Officer Opinion Survey on Bank Lending Practices
US	11-12	17:00	Fed's Harker Speaks on Fintech, AI
US	11-13	09:45	Fed's Logan Gives Opening Remarks at Energy Conference
US	11-13	13:00	Fed's Musalem Speaks on Economy, Monetary Policy
US	11-13	13:30	Fed's Schmid Gives Keynote Remarks at Energy Conference
MX	**11-14**	**14:00**	**Overnight Rate**
US	11-14	15:00	Powell Speaks at Event in Dallas
US	11-14	16:15	Fed's Williams Speaks at NYFed Event

EUROPE

Country	Date	Time	Event
EC	11-09	10:25	ECB's Escriva Speaks on Climate
EC	11-09	10:35	ECB's Lagarde Speaks at Climate Conference
EC	11-12	03:00	ECB's Rehn Speaks
EC	11-12	09:00	ECB's Cipollone Chairs Panel
SW	11-13	03:30	Riksbank minutes from November meeting published
UK	11-13	04:45	BOE's Mann Speaks
EC	11-14	07:30	ECB Releases Account of Oct. 16-17 Meeting
EC	11-14	13:30	ECB's Schnabel Gives Remarks and Joins Panel in Washington
UK	11-14	16:00	BOE's Bailey Speaks
EC	11-15	10:00	ECB's Lane Moderates Panel

ASIA PACIFIC

Country	Date	Time	Event
JN	11-10	18:50	BOJ Summary of Opinions (Oct. MPM)
AU	11-13	18:00	RBA's Bullock-Panel

LATIN AMERICA

Country	Date	Time	Event
MX	**11-14**	**14:00**	**Overnight Rate**
UR	**11-14**		**Monetary Policy Rate**

Sources: Bloomberg, Scotiabank Economics.

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	3.75	December 11, 2024	3.50	3.50
Federal Reserve – Federal Funds Target Rate	4.75	December 18, 2024	4.50	4.50
Banco de México – Overnight Rate	10.50	November 14, 2024	10.25	10.25

Federal Reserve: Chair Powell speaks at an event in Dallas on Thursday at 3pm EST. **Banco de Mexico:** Our Mexico-based economist, Rodolfo Mitchell, maintains that Banco de Mexico will cut its overnight rate by 25bps on Thursday, matching consensus. Both headline and core inflation have been slowing toward the 2-4% inflation target, with October's report showing headline inflation at 4.76% y/y and core inflation at 3.8% y/y. Q3 GDP data surprised on the upside, showing +1.0% q/q non-annualized growth compared to the consensus view of +0.6%. However, the latest Banxico survey of expectations still anticipates a slowdown in economic growth, and inflation expectations have decreased slightly, with the overnight rate still expected to be at 10% by the end of the year. The Mexican peso came under pressure after Trump's victory; however, it returned to the pre-election day level by the end of the week. Hence, Banxico should be comfortable to go with a 25bps cut on Thursday.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	3.40	December 12, 2024	3.15	3.15
European Central Bank – Marginal Lending Facility Rate	3.65	December 12, 2024	3.40	3.40
European Central Bank – Deposit Facility Rate	3.25	December 12, 2024	3.00	3.00
Bank of England – Bank Rate	4.75	December 19, 2024	4.50	4.50
Swiss National Bank – Sight Deposit Rate	1.00	December 12, 2024	0.75	0.75
Central Bank of Russia – One-Week Auction Rate	21.00	December 20, 2024	21.00	21.00
Sweden Riksbank – Repo Rate	2.75	December 19, 2024	2.50	2.50
Norges Bank – Deposit Rate	4.50	December 19, 2024	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	50.00	November 21, 2024	50.00	50.00

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	0.25	December 19, 2024	0.25	0.25
Reserve Bank of Australia – Cash Rate Target	4.35	December 9, 2024	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	4.75	November 26, 2024	4.50	4.50
People's Bank of China – 1-Year Medium-Term Lending Facility Rate	2.00	November 25, 2024	2.00	2.00
Reserve Bank of India – Repo Rate	6.50	December 5, 2024	6.50	6.50
Bank of Korea – Base Rate	3.25	November 28, 2024	3.25	3.25
Bank of Thailand – Repo Rate	2.25	December 18, 2024	2.25	2.25
Bank Negara Malaysia – Overnight Policy Rate	3.00	January 22, 2025	3.00	3.00
Bank Indonesia – BI-Rate	6.00	November 20, 2024	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	6.00	December 19, 2024	5.75	5.75

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	11.25	December 11, 2024	11.75	11.75
Banco Central de Chile – Overnight Rate	5.25	December 17, 2024	5.00	5.00
Banco de la República de Colombia – Lending Rate	9.75	December 20, 2024	9.00	9.00
Banco Central de Reserva del Perú – Reference Rate	5.00	December 12, 2024	5.00	4.75

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	8.00	November 21, 2024	7.75	7.75

Sources: Bloomberg, Scotiabank Economics.