Scotiabank

GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

November 22, 2024

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With thanks for research support from: Cesar Amador.

Next Week's Risk Dashboard

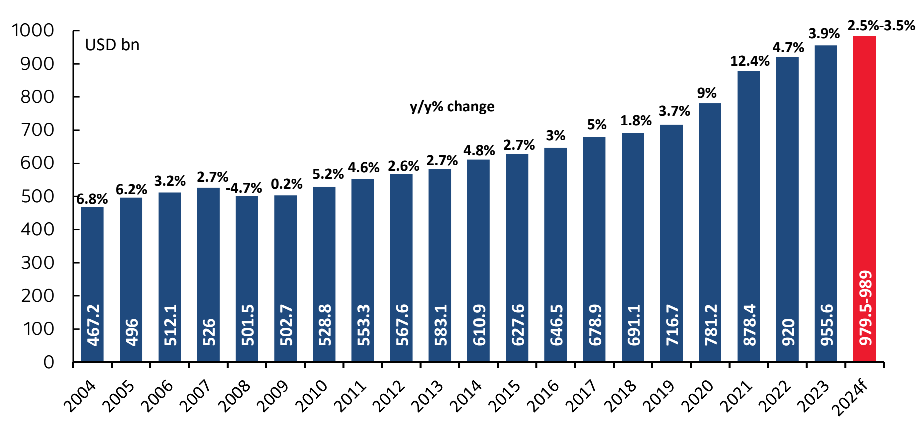
- Gauging Black Friday/Cyber Monday sales
- US Thanksgiving will mean lighter liquidity
- Gauging Canada's stimulus effects on inflation, GDP, the BoC and deficits
- Canadian GDP growth likely to be soft…
- …but data and stimulus mean it matters less now to the BoC
- BoC speech may inform the path ahead
- US core PCE inflation likely to remain sticky
- Tokyo core CPI may reinforce BoJ hike expectations
- Eurozone core inflation will inform ECB upsizing prospects
- Australian CPI likely to reinforce prolonged RBA hold
- FOMC minutes likely to be uneventful
- RBNZ has a solid case for another upsized cut
- BoK likely to hold as the won depreciates
- Other macro: China PMIs, US consumer confidence

Eat, Shop, Repeat

FORECASTS & DATA

Chart of the Week

Historical Holiday Sales and NRF Forecast 2024



Sources: Scotiabank Economics, U.S. Census, NRF.

Chart of the Week: Prepared by: Cesar Amador, Economic Analyst.

November 22, 2024

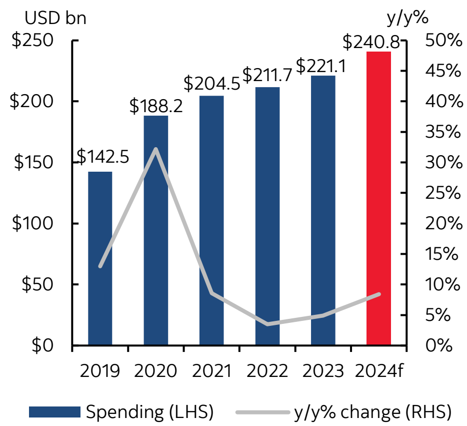
Eat, Shop, Repeat

Eat, shop, and not necessarily in that order. American Thanksgiving on Thursday and the 1pmET (NYSE) and 2pmET (bond market) closes the day before will likely mean that most of the week's developments will be compressed into the first half of the week before global markets enter a generally lighter period absent US clients and a significant amount of liquidity.

Black Friday and Cyber Monday sales may provide an indication of how strong the holiday shopping season may be, but its effects are more prolonged and spread out than in years past. The National Retail Federation expects mild sales growth this year (front cover chart plus chart 1). The high frequency folks at Adobe Digital Insights are modestly upbeat toward online spending (chart 2). One consideration is discounting of online purchases (charts 3, 4) that may buoy volumes.

Chart 1

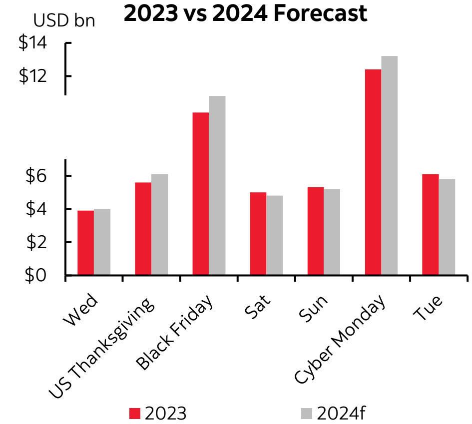
Holiday Season Spending by Year



Sources: Scotiabank Economics, Adobe Analystics.

Chart 2

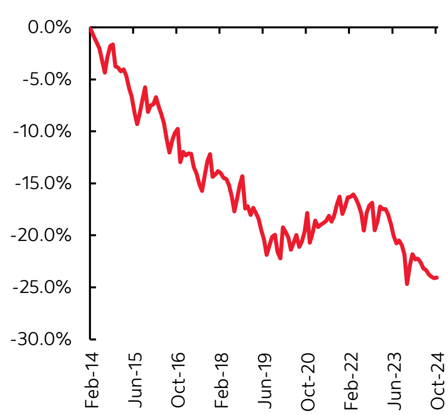
Cyber Week Spending 2023 vs 2024 Forecast



Sources: Scotiabank Economics, Adobe Digital Insights 2024.

Chart 3

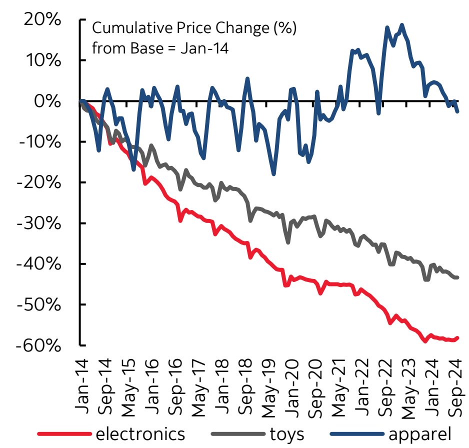
Total Inflation of Online Prices



Sources: Scotiabank Economics, Adobe Digital Price Index.

Chart 4

Online Price Changes by Category



Sources: Scotiabank Economics, Adobe Digital Price Index.

Canada refreshes what could be key GDP readings and I've provided views on what several stimulus measures could mean to growth, inflation, the BoC and Ottawa's fiscal deficit. Several major economies will refresh inflation readings. A pair of regional central banks (RBNZ, BoK) will deliver fresh decisions as FOMC minutes and the BoE's financial stability assessment arrive. Other global macro data will focus upon Chinese PMIs, US consumer confidence and several other readings.

CANADA'S STIMULUS—CHEQUES + TAX CUTS ≠ LOWER INFLATION

Ottawa's recent stimulus announcements (**here** and **here**) will thwart some of the prospects for additional rate cuts by the Bank of Canada. I'll walk through the effects on inflation, the Bank of Canada, and the federal government's finances.

First, recall that the measures include giving $250 next April to about 19 million working Canadians earning less than $150k per year at a cost of about $4½ billion. In addition, the 5% Goods and Services Tax (GST) and the higher Harmonized Sales Taxes in Ontario, New Brunswick, Nova Scotia and PEI will be eliminated on December 14th for two months until February 15th on a select number of items representing about 15% of the Consumer Price Index. The GST component alone carries a two-month price tag to Ottawa of C$1.6 billion and is likely to be extended again in our view. The HST component for the other four provinces may leverage up the total two-month cost to Ottawa and the participating provinces to around $3½ billion.

These measures add to others that are in play, including:

- Easier mortgage finance rules that kick in on December 15th and hence about the same time as the GST/HST cut. They include an increase to the house price ceiling for insured mortgages to $1.5 million from $1 million, raising amortization periods from 25- to 30-years for all first-time insured homebuyers in both the resale and new build markets as opposed to just new builds that was announced in August, and allowing 30-year insured mortgages for all buyers of new builds (not just first-timers that were previously announced). We estimate just under a 1% rate equivalence effect of the amortization changes alone.

- $200 being given to every resident of Ontario by the provincial government in January at a cost of about $3 billion.
- A $2.5 billion Federal carbon rebate is going out to small businesses in December.
- The sum total of the dollar amounts for these initiatives that have been announced thus far is pushing toward about $14 billion plus the effects of the easier mortgage rules.

Some of these measures taken in isolation are small. Taken together, they fit my longstanding narrative that fiscal and regulatory easing into election years at the Federal level and in some provinces—notably Ontario—could raise opportunity in some respects but compete against monetary policy easing. It's also worth emphasizing that it's still early; polling would suggest that further goodies likely lie ahead.

Inflation Effect—It Depends!

The impact of the GST/HST reductions comes first and on its own is likely to reduce December CPI by about 1.2 percentage points in m/m terms all else equal. What happens afterward is entirely dependent upon whether you believe this will be a temporary action.

This estimate is derived from applying the CPI basket weights for the affected types of spending (chart 5) against the removal of the 5% GST and because Ontario and the Maritime provinces will also eliminate their Harmonized Sales Taxes on those same items. About 0.75% of the CPI reduction would come through the GST's effects and the rest is because the generally higher provincial components of the HST rates will face bigger proportional effects.

The indirect effects are tough to estimate but directionally may include incidence effects that boost some prices. It will be impossible to tell if retailers crowd in some pricing room (ie: take some of the tax cut with less aggressive holiday sales or outright price increases) and if more spending in response to lower taxes creates more demand which creates more partially offsetting price pressures.

Therefore, treat 1.2% m/m as a very rough stab and an outer limit.

Chart 5

Table 1: Canada—CPI Weights on Affected Items

Group	CPI Weights (%)
Food purchased from restaurants	5.97
Alcoholic beverages	2.69
Bakery and cereal products (excluding baby food)	1.51
Vegetables and vegetable preparations	1.25
Toys, games (excluding video games) and hobby supplie	0.77
Non-alcoholic beverages	0.63
Cereal products (excluding baby food)	0.59
Children's clothing	0.48
Confectionery	0.34
Potato chips and other snack products n.e.c.	0.25
Books and reading material (excluding textbooks)	0.12
School textbooks and supplies	0.10
Children's footwear (excluding athletic)	0.06
Newspapers	0.04

Sources: Scotiabank Economics, Statistics Canada.

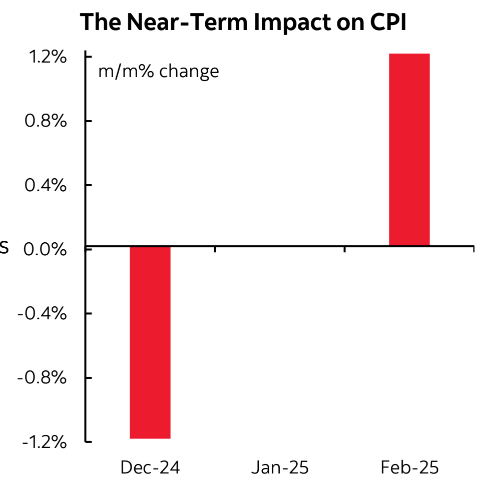
Then January CPI shouldn't be directly affected unless there are residual collection issues. Then we go back up in February by a similar amount if this really is a temporary reduction which I very much doubt it will be (chart 6).

There could then be two possible scenarios. One is that the GST/HST reduction is again temporarily extended, perhaps in a series of moves and perhaps until after an election in which case CPI experiences no further direct effects but may be indirectly boosted by somewhat stronger consumption. Alternatively, the cuts could either be made permanent or turned into a campaign promise to do so and put before the electorate as one part of a series of measures. This scenario is likely in my view if for no other reason than it would be politically silly to engineer a price hike closer to an election.

The BoC's preferred 'core' measures including trimmed mean and weighted median CPI will not be directly affected by these tax changes because they exclude the effects of changes in indirect taxes.

There could be indirect positive effects (higher) on both core measures, however, as a consequence to the sum total of the cash, sales tax, and mortgage rule changes into the Spring. We are in the midst of estimating those fuller effects and leaning toward adding a small amount to our inflation forecast.

Chart 6



Sources: Scotiabank Economics.

GDP Effect—Significant Boost

If the total $14B in cheques from Ontario and the Feds were to be fully spent in one single quarter with no other related effects, say 2025Q1 or Q2 or straddling both quarters, and hence not leak out through a saving bias, then it would probably add on the order of 2½% to consumer spending growth at an annualized rate above and beyond what we are already forecasting. That, in turn, would lift GDP growth by about two percentage points above our baseline forecast.

One complicating question is whether retailers anticipate this effect and build inventories, or whether they go into it flat footed such that inventory disinvestment offsets at least some of the spending.

The overall net effect is likely to be material, but short-lived. Once the money is spent, the next or subsequent quarters could see consumers retrench relative to our base line projections unless further stimulus is added such as through making the sales tax cuts permanent alongside other possible measures. Other forces such as easier mortgage rules and factors such as lagging immigration effects, massive pent-up saving, pent-up demand, and rate cuts could maintain momentum. In such a scenario, shorter-term stimulus could kick start sustained strength.

A nearer term downside risk could be the deferral of purchases until the GST/HST changes take effect on December 14th. Thinking of buying a video game machine, or stocking your wine cellar, or buying more kids clothing? Maybe wait, unless those Black Friday sales are really enticing compared to saving the HST.

Bank of Canada—Less Dovish

The BoC would look through the direct effects of the tax changes on CPI. As stimulus cheques hit and if sales tax reductions become permanent, then the injection of fiscal stimulus is something we figure could modestly trim prospects for rate cuts.

At a minimum, the BoC's next move on December 11th is very likely to be a smaller 25bps cut unless next week's GDP figures seriously disappoint net of the effects of significant GDP revisions as covered later. Depending upon the course of events from here, the sum total of these measures could well trim BoC cuts by 25–50bps over the full year ahead.

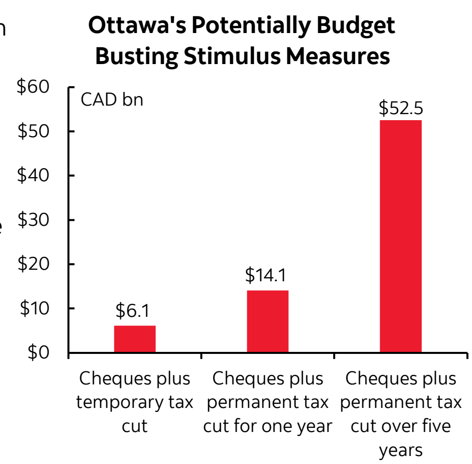
Ottawa's Deficit—Bigger for Longer?

At a minimum, Ottawa's fiscal position over coming months is likely to erode by about $6 billion given the $4½ billion cost of the stimulus cheques plus the $1.6 billion cost of the temporary GST changes.

If the GST changes are made permanent, then Ottawa's fiscal hit in FY25/26 will be about $14 billion ($4.5B cheques plus $9.6B for the GST cuts) and subsequent years will be about $10 billion for just the GST cuts. Over a five-year projection horizon, the cumulative deficit would ballon by about an extra $52 billion if the GST cuts are made permanent and above a baseline projection (chart 7). An added consideration is what a subsequent post-election administration may do but at this point we're treating the polling as offering a highly premature assessment.

How this fiscal impact is funded is uncertain. If deficit-financed, then the government may bridge short-term cash needs with more bills issuance but if the GST cut is made permanent then it could add tens of billions to financing needs over coming years plus billions more for the participating provinces with HSTs. Some of the effects could be offset by trimming operating expenses which seems to be afoot, and some of the effects may be neutralized in the deficit account by relying upon higher long-term interest rates to reduce pension liabilities and drive workers' pension surpluses as changes in pension liabilities are reflected in the deficit. Beyond that, chipping away at the deficit impacts would require higher taxes and/or lower spending in other categories.

Chart 7



Sources: Scotiabank Economics, Department of Finance Canada.

CANADA'S ECONOMY—WHY THE BOC IS UNLIKELY TO UPSIZE DESPITE SOFT GROWTH

Canada reports a lot of GDP data on Friday. A slew of readings will help to inform how the economy is performing over 2024H2. Of particular relevance will be how growth and underlying details are tracking relative to the Bank of Canada's estimates including for the amount of disinflationary slack in the economy.

In light of developments such as Ottawa's stimulus efforts, the outcome to the GDP figures is less likely to influence our call for a quarter-versus half-point rate cut on December 11th than previously. A quarter point cut remains our call for now and with a high bar set for GDP to matter.

The effects of GDP revisions will only serve to further complicate the math and outcome.

Half-Baked Revisions

Statcan recently released revisions to Canadian GDP as part of its annual provincial and territorial economic accounts that many macro observers naturally tend to overlook especially when buried at the back of the release. When it did so, it only provided annual revisions, sans quarterlies, and revised the annual figures for each of 2021, 2022 and 2023.

GDP was revised a little higher in each of those years. 2023 growth is now 1½% (up three-tenths), 2022 is 4.2% (up four-tenths) and 2021 is now 6% (up seven tenths).

Because some of the upward revision came on investment, we are treating that as a bit of an offset to stronger actual GDP growth through a little faster potential growth (the economy's non-inflationary speed limit). This likely means that the output gap is presently slightly less negative than our previous estimates.

We need the quarterlies and details to be sure, but the hand-off effect to tracking growth in 2024 is an added uncertainty into this release. It's possible that those quarterly effects before 2024 may impact revisions to Q1 and/or Q2 this year.

Q3 GDP Tracking Strongly

Estimated GDP growth in Q3 partly depends on the quarterly profile for the 2021–23 revisions and whether that impacts revisions to quarterly growth in Q1 and Q2 of this year.

I've guesstimated Q3 GDP growth of about 0.8% q/q at a seasonally adjusted and annualized rate (SAAR). Using monthly production-side GDP indicates Q3 growth of about 0.7% q/q SAAR. The quarterly accounts are based upon expenditure-based GDP which is somewhat of a different concept and that does a more complete job of incorporating considerations like inventory investment swings.

Monthly GDP Tracking May Be Softer Than Statcan's Early Estimate

Statcan provided a flash estimate for September's GDP growth rate of 0.3% m/m SA back on October 31st. As chart 8 depicts, it's not at all uncommon for the flash estimate to be off in either direction once more complete data arrives.

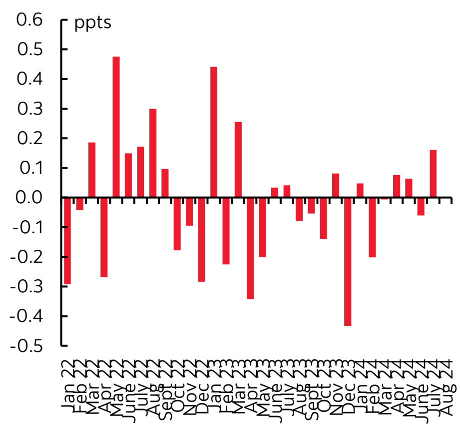
This time I think the flash estimate might be too high and I went with growth of just 0.1% m/m. Statcan released the Labour Force Survey on November 8th—about one week after its GDP flash. It showed that aggregate hours worked fell by 0.4% m/m in September. Since GDP is an identity defined as hours times labour productivity, Canada would have had to have strong productivity growth to offset the drop in hours and keep GDP in the black which seems unlikely.

Because the drop in hours arrived after the flash estimate for GDP it may suggest that the flash was too high. Enter chart 9. The flash estimates began to be available early in the pandemic but were initially very volatile as the economy kept opening and shutting. The chart starts in late 2020 and shows the monthly change in hours worked (that arrive after the GDP flashes) plotted against the difference between Statcan's initial estimate for GDP growth and the actual estimate. When hours worked fall, GDP tends to disappoint the initial flash estimate.

We can go a little further by looking at what happened during those four times when GDP growth was stronger than the flash estimate. At least two of those times can probably be omitted. One was June 2021 when the lifting of public health restrictions drove firmer growth than the flash estimate. The other was November 2023 when GDP was 0.1 firmer than the flash estimate arguably because Statcan had overestimated the initial impact of the Quebec public sector workers' strike underestimated the rebound from petrochemicals maintenance-related shutdowns partly because survey responses from that sector tend to lag.

Chart 8

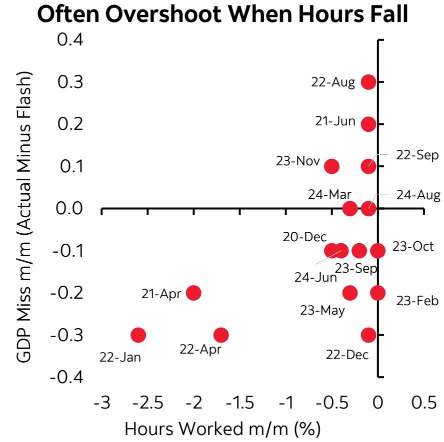
Spread Between Actual Real GDP and Statistics Canada Flash Guidance



Sources: Scotiabank Economics, Statistics Canada.

Chart 9

Statcan's 'Flash' GDP Estimates Often Overshoot When Hours Fall



Sources: Scotiabank Economics, Statistics Canada.

So What's the BoC to Do?

Here's the punchline to all of that. If GDP tracking disappoints the Bank of Canada's forecasts yet again and assuming this isn't offset by details that suggest greater weakening on the supply side, then the economy will be deemed to have more slack than they had estimated.

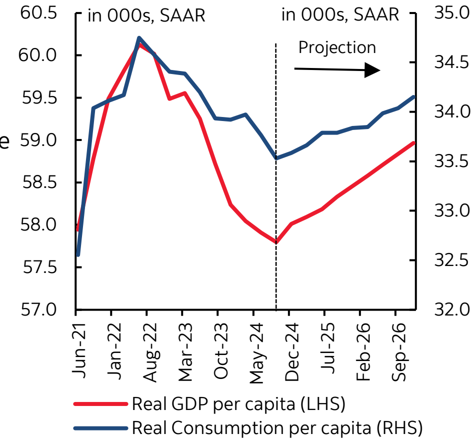
That, in turn, would be viewed as evidence of greater risk of disinflationary pressures that would cause concern that inflation could undershoot the BoC's 2% target. They don't want material undershooting for any persistent period of time any more than persistent overshooting and so the BoC could turn incrementally more dovish if this happened. In plain language, they could up the size of a potential rate cut in December.

At issue is the possibility that growth is serially disappointing BoC expectations. For instance, the July MPR had forecast 2.8% Q3 growth that the BoC then revised down to 1.5% in the October MPR along with introducing a 2% growth forecast for Q4.

The recent upside to inflation (**here**), strength in consumer spending (**here**) and stimulus announcements make it less likely that the BoC would entertain back-to-back 50 point cuts. So does the likelihood that the BoC got worried about (distorted) per-capita GDP at the worst timed moment (chart 10).

Chart 10

Impact of Canada's Immigration Plan



Sources: Scotiabank Economics, Statistics Canada.

INFLATION—MAJOR CENTRAL BANKS IN PLAY AROUND FRESH ESTIMATES

Five regions update inflation readings this week including several of the world's biggest economies.

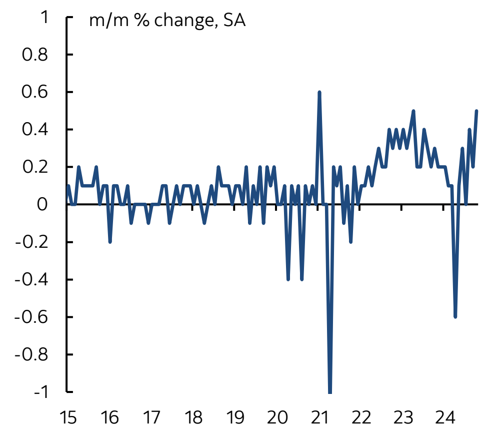
US Core Inflation—Still Sticky

The Fed's preferred inflation gauge will be updated on Wednesday. Total PCE inflation is expected to be up by 0.2% m/m and 2.3% y/y (from 2.1% previously) with core PCE inflation up 0.3% m/m or 2.8% y/y (from 2.7%). Those estimates are consistent with the previous release of CPI figures and match estimates that Chair Powell recently shared from the Fed's economists. The same release is expected to register modest nominal gains in consumption and incomes.

This figure is unlikely to sway the FOMC's December decision. Another CPI reading on December 11th following nonfarm payrolls may be more impactful to the decision and the refreshed dot plot.

Chart 11

Tokyo Core CPI



Sources: Scotiabank Economics, Ministry of Internal Affairs and Communications.

Japan—Accelerating Core Could Reinforce a December BoJ Hike

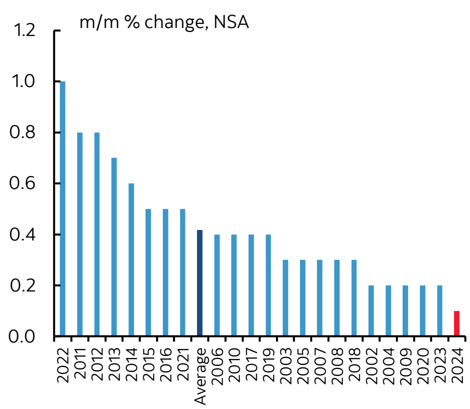
Tokyo CPI for November (Thursday) will be the last inflation reading before the Bank of Japan's next policy decision on December 19th – when national CPI lands hours following the decision. The Tokyo measure is expected to edge higher from 1.8% y/y to over 2% and to be accompanied by a modest gain in underlying 'core' inflation toward 2%. A firm core estimate with possible upside could add to market pricing for part of a quarter point rate cut especially in light of the recently sharp upward trend (chart 11). This is especially in light of the fact that Governor Ueda recently indicated that this meeting is to be treated as a 'live' one, meaning a hike is possible if the data supports such a step.

Eurozone—For Real This Time?

Eurozone CPI for October arrives on Friday and key will be whether the mildly disinflationary pattern in core CPI will be sustained. For the first eight months of this year, core CPI in m/m seasonally unadjusted terms as reported was tracking persistently at or above averages for like months in history. September and October changed that with weaker than typical readings (charts 12, 13). A third such reading would likely reinforce market pricing that vaulted closer to a half point cut by the ECB on December 12th that emerged after significantly weaker than expected purchasing managers' indices.

Chart 12

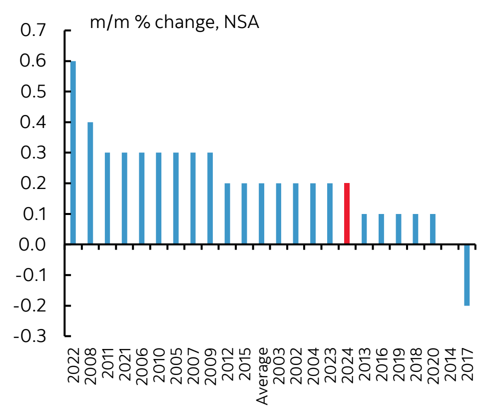
Comparing Eurozone Core CPI for All Months of September



Sources: Scotiabank Economics, Eurostat.

Chart 13

Comparing Eurozone Core CPI for All Months of October



Sources: Scotiabank Economics, Eurostat.

What could also matter is what policymakers think of inflation expectations. That same day brings out the ECB's 1- and 3-year measures that are expected to remain marginally above 2% y/y. If so, then the Governing Council members could argue that there is less urgency to upsize with inflation expectations close to the inflation target.

Since Germany and Spain release November CPI estimates on Thursday markets will have a better idea of what to expect just before the Eurozone tally is release, itself just a short time after figures from France and Italy that same Friday morning.

Australia—Trimmed CPI Needs Further Trimming

Australia updates monthly CPI for October on Tuesday. Headline inflation is expected to edge up in year-over-year terms toward 2¼%. Trimmed mean CPI will be more important but likely to remain toward the outer fringe of the RBA's 2–3% headline CPI target range.

CENTRAL BANKS—RBNZ TO CONTINUE UPSIZING

Two regional central banks will weigh in with decisions this week plus we'll also get FOMC minutes and the Bank of England's financial stability review.

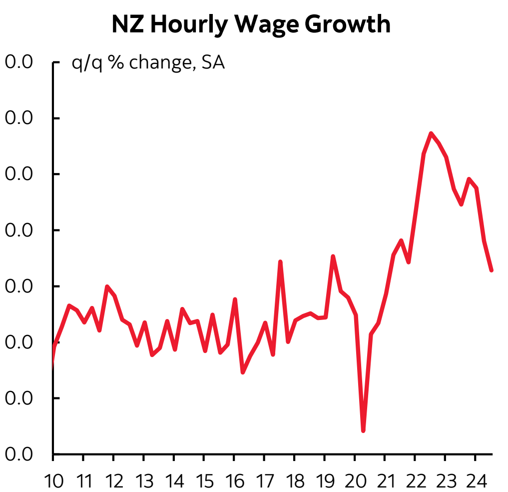
FOMC Minutes—Buying Time

Minutes to the FOMC's two-day meeting on November 6th – 7th will surface on Tuesday—one day earlier than normal because of US Thanksgiving on Thursday and the early market close the day before. The meeting culminated in a 25bps cut and guidance that bought time on the path to freshened forecast at the December meeting and whatever risks lies ahead with a new US administration (recap **here**). Not much is expected from these minutes.

RBNZ—Upsizing!

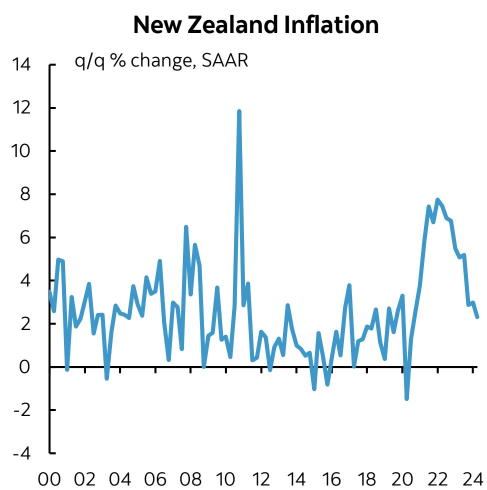
Another 50bps reduction is expected from New Zealand's central bank on Tuesday. That would be the second in a row after a 50bps cut on October 8th and would bring the cumulative reduction to 125bps in just three meetings. Wage growth recently cooled (chart 14). Inflation is tumbling and within the central banks' 1–3% inflation target range (chart 15). The economy has wavered for some time now; GDP has fallen in four of the past seven quarters including a contraction in Q2 and further expected softness in Q3 (chart 16). The official cash rate of 4.25% remains well into restrictive territory relative to the RBNZ's projection for the neutral rate. All of this lends somewhat greater urgency to ease in addition to the uncertainty overhanging the global outlook going forward. A bigger upsizing move is not out of the question.

Chart 14



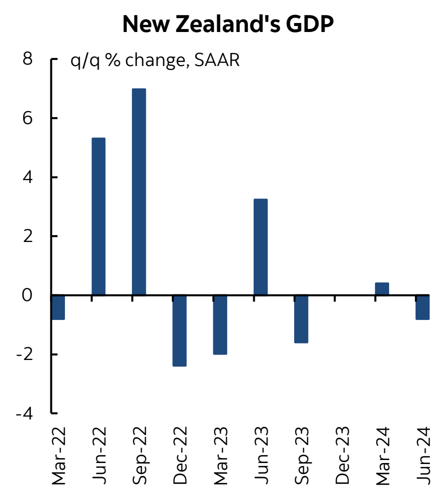
Sources: Scotiabank Economics, Stats NZ, Haver.

Chart 15



Sources: Scotiabank Economics, Stats ZN, Haver.

Chart 16



Sources: Scotiabank Economics, Bloomberg.

Bank of Korea—Won Weakness to Hold Off Further Easing

Most forecasters expect the Bank of Korea to hold its policy base rate at 3.25% on Thursday after initiating easing at the prior meeting on October 10th. Financial stability concerns may have risen since then given the results of the US election and the broad dollar strength that has driven a nearly 4% depreciation of the won. Fundamentals have leaned toward further easing with inflation coming in below expectations at 0% m/m and 1.3% y/y and GDP growth disappointing expectations at 0.1% q/q for Q3.

BoE's Financial Stability Review

The Bank of England's financial stability review will be released at the end of the week.

BoC Speech—Q&A to React to GDP

BoC Deputy Governor Mendes delivers a speech titled "Inflation at 2%: the role of monetary policy going forward" on Tuesday morning (8:05amET headlines) followed by audience Q&A but no press conference. We may hear further insights into how the BoC is reacting to recent data and developments including additional fiscal easing. He'll know the GDP figures that get released that morning, but the Q&A is more likely to be where he may share his interpretations.

THE REST—CHINA PMIS, US CONSUMER CONFIDENCE THE HIGHLIGHTS

Chart 17 highlights the rest of the global macro indicators that are on tap this week. Areas of emphasis including China's state purchasing managers' indices that may react to the US election (Friday), China's industrial profits (Tuesday), GDP figures from several economies including US revisions, and US consumer confidence.

Chart 17

Other Global Macro Indicators (November 25th - November 29th)

US	CA	CPI	Other Macro
		Monday	
		SI	GE IFO
			TW IP
		Tuesday	
Repeat Sale Home Prices			TW IP
New Home Sales			CH Industrial Profits
Consumer Confidence			
Richmond Fed			
		Wednesday	
GDP Q3r			MX Trade
Durable Goods			
PCE			
		Thursday	
Claims		SP	JP Jobless Rate, Retail Sales, IP
		GE	SK IP
		Friday	
	GDP	FR	SW GDP
		IT	SZ GDP
			IN GDP
			TA GDP, IP
			CH State PMI
			FR Cons. Spending, Payroll
			GE Retail Sales, UR
			JP Housing Starts
			CO UR
			CH UR

Sources: Scotiabank Economics, Bloomberg.

Key Indicators for the week of November 25 – 29

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	11-25	10:30	Dallas Fed. Manufacturing Activity	Nov	--	-1.8	-3.0
US	11-26	09:00	S&P/Case-Shiller Home Price Index (m/m)	Sep	0.3	--	0.35
US	11-26	09:00	S&P/Case-Shiller Home Price Index (y/y)	Sep	5.2	--	5.2
US	11-26	10:00	Consumer Confidence Index	Nov	110.5	112.0	108.7
US	11-26	10:00	New Home Sales (000s a.r.)	Oct	725	720.0	738.0
US	11-26	10:00	Richmond Fed Manufacturing Index	Nov	--	--	-14.0
MX	11-27	07:00	Trade Balance (US$ mn)	Oct	--	-1356.0	-578.9
US	11-27	07:00	MBA Mortgage Applications (w/w)	Nov-22	--	--	1.7
US	11-27	08:30	Durable Goods Orders (m/m)	Oct P	0.5	0.3	-0.7
US	11-27	08:30	Durable Goods Orders ex. Trans. (m/m)	Oct P	0.2	0.2	0.5
US	11-27	08:30	GDP (q/q a.r.)	3Q S	2.9	2.8	2.8
US	11-27	08:30	GDP Deflator (q/q a.r.)	3Q S	--	1.8	1.8
US	11-27	08:30	Wholesale Inventories (m/m)	Oct P	--	--	-0.2
US	11-27	10:00	PCE Deflator (m/m)	Oct	0.2	0.2	0.2
US	11-27	10:00	PCE Deflator (y/y)	Oct	2.3	2.3	2.1
US	11-27	10:00	PCE ex. Food & Energy (m/m)	Oct	0.3	0.3	0.3
US	11-27	10:00	PCE ex. Food & Energy (y/y)	Oct	2.8	2.8	2.7
US	11-27	10:00	Pending Home Sales (m/m)	Oct	--	-1.8	7.4
US	11-27	10:00	Personal Spending (m/m)	Oct	0.3	0.3	0.5
US	11-27	10:00	Personal Income (m/m)	Oct	0.3	0.3	0.3
CA	11-28	08:30	Current Account (C$ bn a.r.)	3Q	--	--	-8.5
US	11-28	08:30	Initial Jobless Claims (000s)	Nov-23	220	217.0	213.0
US	11-28	08:30	Continuing Claims (000s)	Nov-16	1885	--	1908.0
CA	11-29	08:30	Real GDP (m/m)	Sep	0.1	0.2	0.0
CA	11-29	08:30	Real GDP (q/q a.r.)	3Q	0.8	0.9	2.1
US	11-29	09:45	Chicago PMI	Nov	--	45.0	41.6

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	11-25	04:00	IFO Business Climate Survey	Nov	86.0	86.5
GE	11-25	04:00	IFO Current Assessment Survey	Nov	85.5	85.7
GE	11-25	04:00	IFO Expectations Survey	Nov	87.0	87.3
GE	11-27	02:00	GfK Consumer Confidence Survey	Dec	-18.8	-18.3
GE	11-27	02:00	Retail Sales (m/m)	Oct	-0.5	1.3
SP	11-28	03:00	CPI (m/m)	Nov P	0.3	0.6
SP	11-28	03:00	CPI (y/y)	Nov P	2.3	1.8
SP	11-28	03:00	CPI - EU Harmonized (m/m)	Nov P	0.2	0.4
SP	11-28	03:00	CPI - EU Harmonized (y/y)	Nov P	2.5	1.8
SP	11-28	03:00	Real Retail Sales (y/y)	Oct	--	1.7
PD	11-28	04:00	GDP (y/y)	3Q F	--	2.70
EC	11-28	05:00	Economic Confidence	Nov	95.1	95.6
EC	11-28	05:00	Industrial Confidence	Nov	-12.9	-13.0
GE	11-28	08:00	CPI (m/m)	Nov P	-0.2	0.4
GE	11-28	08:00	CPI (y/y)	Nov P	2.3	2.0
GE	11-28	08:00	CPI - EU Harmonized (m/m)	Nov P	-0.5	0.4
GE	11-28	08:00	CPI - EU Harmonized (y/y)	Nov P	2.6	2.4
SW	11-29	02:00	GDP (y/y)	3Q	0.3	0.5
FR	11-29	02:45	Consumer Spending (m/m)	Oct	-0.1	0.1
FR	11-29	02:45	CPI (m/m)	Nov P	0.0	0.3
FR	11-29	02:45	CPI (y/y)	Nov P	1.4	0.0
FR	11-29	02:45	CPI - EU Harmonized (m/m)	Nov P	0.0	0.3
FR	11-29	02:45	CPI - EU Harmonized (y/y)	Nov P	1.8	1.6
FR	11-29	02:45	GDP (q/q)	3Q F	0.4	0.4
FR	11-29	02:45	Producer Prices (m/m)	Oct	--	-0.1

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

Key Indicators for the week of November 25 – 29

EUROPE *(continued from previous page)*

Country	Date	Time	Indicator	Period	Consensus	Latest
SZ	11-29	03:00	GDP (y/y)	3Q	1.8	1.8
GE	11-29	03:55	Unemployment (000s)	Nov	20.0	27.0
GE	11-29	03:55	Unemployment Rate (%)	Nov	6.1	6.1
SP	11-29	04:00	Current Account (€ bn)	Sep	--	5.6
UK	11-29	04:30	Net Consumer Credit (£ bn)	Oct	1.3	1.2
EC	11-29	05:00	Euro zone CPI Estimate (y/y)	Nov	2.3	2.0
IT	11-29	05:00	CPI (m/m)	Nov P	-0.2	0.0
IT	11-29	05:00	CPI (y/y)	Nov P	1.4	0.9
IT	11-29	05:00	CPI - EU Harmonized (m/m)	Nov P	-0.2	0.3
IT	11-29	05:00	CPI - EU Harmonized (y/y)	Nov P	1.5	1.0
PO	11-29	06:00	Real GDP (q/q)	3Q F	0.20	0.20
IR	11-29	06:00	Real GDP (q/q)	3Q F	--	2.0

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
NZ	11-24	16:45	Trade Balance (NZD mn)	Oct	--	-2108.0
NZ	11-24	16:45	Exports (NZD bn)	Oct	--	5011.5
NZ	11-24	16:45	Imports (NZD bn)	Oct	--	7120.0
NZ	11-24	16:45	Retail Sales Ex Inflation (q/q)	3Q	-0.5	-1.2
JN	11-25	00:00	Coincident Index CI	Sep F	--	115.7
JN	11-25	00:00	Leading Index CI	Sep F	--	109.4
JN	11-25	00:00	New Composite Leading Economic Index	Sep F	--	109.4
SI	11-25	00:00	CPI (m/m)	Oct	--	0.3
SI	11-25	00:00	CPI (y/y)	Oct	1.8	2.0
JN	11-25	00:30	Nationwide Department Store Sales (y/y)	Oct	--	2.3
TA	11-25	03:00	Industrial Production (y/y)	Oct	9.2	11.2
SK	11-25	16:00	Consumer Confidence Index	Nov	--	101.7
SK	11-25	22:00	Discount Store Sales (y/y)	Oct	--	-6.5
SK	11-25	22:00	Department Store Sales (y/y)	Oct	--	0.3
TH	11-25		Customs Exports (y/y)	Oct	5.2	1.1
TH	11-25		Customs Imports (y/y)	Oct	6.3	9.9
TH	11-25		Customs Trade Balance (US$ mn)	Oct	-301.5	394.2
SI	11-26	00:00	Industrial Production (m/m)	Oct	2.2	0.0
SI	11-26	00:00	Industrial Production (y/y)	Oct	2.2	9.8
HK	11-26	03:30	Exports (y/y)	Oct	6.7	4.7
HK	11-26	03:30	Imports (y/y)	Oct	4.5	1.4
HK	11-26	03:30	Trade Balance (HKD bn)	Oct	-23.4	-53.2
SK	11-26	16:00	Business Survey- Manufacturing	Dec	--	71.0
SK	11-26	16:00	Business Survey- Non-Manufacturing	Dec	--	69.0
NZ	11-26	20:00	RBNZ Official Cash Rate (%)	Nov 27	4.25	4.75
CH	11-26	20:30	Industrial Profits YTD (y/y)	Oct	--	-27.1
AU	11-27	19:30	Private Capital Expenditure	3Q	1.0	-2.2
PH	11-27		Budget Deficit/Surplus (PHP bn)	Oct	--	-273.3
NZ	11-28	16:00	ANZ Consumer Confidence Index	Nov	--	91.2
SK	11-28	18:00	Industrial Production (m/m)	Oct	0.2	-0.2
SK	11-28	18:00	Industrial Production (y/y)	Oct	2.0	-1.3
SK	11-28	18:00	Cyclical Leading Index Change	Oct	--	0.0
JN	11-28	18:30	Jobless Rate (%)	Oct	2.5	2.4
JN	11-28	18:30	Tokyo CPI (y/y)	Nov	2.2	1.8
JN	11-28	18:50	Industrial Production (m/m)	Oct P	4.0	1.6
JN	11-28	18:50	Large Retailers' Sales (y/y)	Oct	--	1.6
JN	11-28	18:50	Retail Trade (m/m)	Oct	0.5	-2.2
JN	11-28	18:50	Retail Trade (y/y)	Oct	2.1	0.7
JN	11-28	18:50	Industrial Production (y/y)	Oct P	1.7	-2.6

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

Key Indicators for the week of November 25 – 29

ASIA PACIFIC *(continued from previous page)*

Country	Date	Time	Indicator	Period	Consensus	Latest
AU	11-28	19:30	Private Sector Credit (m/m)	Oct	0.5	0.5
AU	11-28	19:30	Private Sector Credit (y/y)	Oct	--	5.8
SK	11-28	20:50	BoK Base Rate (%)	Nov 28	3.3	3.3
JN	11-29	00:00	Consumer Confidence	Nov	36.5	36.2
JN	11-29	00:00	Housing Starts (y/y)	Oct	-2.0	-0.6
TH	11-29	02:00	Current Account Balance (US$ mn)	Oct	--	559.0
TH	11-29	02:30	Exports (y/y)	Oct	--	1.1
TH	11-29	02:30	Imports (y/y)	Oct	--	9.5
TH	11-29	02:30	Trade Balance (US$ mn)	Oct	--	2470.0
TA	11-29	03:00	Real GDP (y/y)	3Q P	4.0	4.0
HK	11-29	03:30	Retail Sales - Value (y/y)	Oct	--	-6.9
HK	11-29	03:30	Retail Sales - Volume (y/y)	Oct	--	-8.7
IN	11-29	05:30	Real GDP (y/y)	3Q	6.5	6.7
CH	11-29	20:30	Manufacturing PMI	Nov	50.3	50.1
CH	11-29	20:30	Non-manufacturing PMI	Nov	--	50.2
PH	11-29		Bank Lending (y/y)	Oct	--	13.2

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	11-25	06:30	Current Account (US$ mn)	Oct	--	-6200.0	-6525.5
BZ	11-26	07:00	IBGE Inflation IPCA-15 (m/m)	Nov	--	0.5	0.5
BZ	11-26	07:00	IBGE Inflation IPCA-15 (y/y)	Nov	--	4.6	4.5
CL	11-29	07:00	Industrial Production (y/y)	Oct	--	--	-1.1
CL	11-29	07:00	Retail Sales (y/y)	Oct	4.5	--	3.9
CL	11-29	07:00	Unemployment Rate (%)	Oct	8.4	--	8.7
CO	11-29	10:00	Urban Unemployment Rate (%)	Oct	9.17	8.9	9.2

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

Global Auctions for the week of November 25 – 29

NORTH AMERICA

Country	Date	Time	Event
US	11-25	13:00	U.S. To Sell 2-Year Notes
US	11-26	13:00	U.S. To Sell 5-Year Notes
CA	11-27	12:00	Canada to Sell 30 Year Bonds
US	11-27	13:00	U.S. To Sell 7-Year Notes

EUROPE

Country	Date	Time	Event
EC	11-25	05:30	EU to Sell Bonds
GE	11-26	05:30	Germany to Sell EUR 4B of 5-year Bonds
NO	11-27	05:00	Norway to Sell Bonds
PO	11-27	05:30	Portugal to Sell Bonds
IT	11-28	05:00	Italy to Sell Bonds
FI	11-28	06:00	Finland to Sell Ori Bonds

ASIA PACIFIC

Country	Date	Time	Event
JN	11-26	22:35	Japan to Sell 40-Year Bonds
JN	11-28	22:35	Japan to Sell 2-Year Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of November 25 – 29

NORTH AMERICA

Country	Date	Time	Event
US	11-26	14:00	FOMC Meeting Minutes
MX	11-28	10:00	Central Bank Monetary Policy Minutes

EUROPE

Country	Date	Time	Event
SZ	11-25	04:00	Domestic Sight Deposits CHF
SZ	11-25	04:00	Total Sight Deposits CHF
UK	11-25	04:00	BOE's Lombardelli Speaks
UK	11-25	05:30	BOE's Dhingra Speaks
EC	11-25	11:30	ECB's Lane Speaks in London
EC	11-25	14:00	ECB's Makhlouf Speaks
SW	11-26	02:30	Riksbank's Seim speaks on neutral rate
EC	11-26	03:00	ECB's Villeroy Speaks in Paris
SW	11-27	02:30	Riksbank's Jansson speech on monetary policy
NO	11-27	03:00	Norges Bank 2H Financial Stability Report
EC	11-27	13:00	ECB's Lane Speaks in Frankfurt
SW	11-28	08:30	Riksbank's Bunge speech on Sweden's economic conditions
SW	11-29	02:30	Riksbank seminar on payment infrastucture
EC	11-29	04:00	ECB 1 Year CPI Expectations
EC	11-29	04:00	ECB 3 Year CPI Expectations
UK	11-29	05:30	BOE release financial stability review and FPC minutes

ASIA PACIFIC

Country	Date	Time	Event
NZ	**11-26**	**20:00**	**RBNZ Official Cash Rate**
NZ	11-26	20:00	RBNZ Monetary Policy Statement
SL	**11-26**	**21:00**	**CBSL Standing Lending Rate**
SL	**11-26**	**21:00**	**CBSL Standing Deposit Rate**
JN	11-27	20:10	BOJ Outright Bond Purchase 3~5 Years
JN	11-27	20:10	BOJ Outright Bond Purchase Inflation-indexed bonds
JN	11-27	20:10	BOJ Outright Bond Purchase 5 ~10 Years
JN	11-27	20:10	BOJ Outright Bond Purchase 10~25Years
SK	**11-27**	**00:00**	**BOK Base Rate**
AU	11-28	03:55	RBA's Bullock-Speech
KZ	**11-29**	**02:00**	**Key Rate**

LATIN AMERICA

Country	Date	Time	Event
GU	**11-27**		**Leading Interest Rate**
MX	11-28	10:00	Central Bank Monetary Policy Minutes

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	10.25	December 19, 2024	10.00	10.00

Federal Reserve: FOMC minutes arrive on Tuesday ahead of Wednesday's early close and then US Thanksgiving. Not much is expected from this round with the fuller focus upon the December meeting including updated projections. **Bank of Canada:** With inflation at 2%, a speech on Friday around the same time GDP is released may inform "the role of monetary policy going forward."

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	December 26, 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	4.25	4.25
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	December 18, 2024	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	6.00	December 19, 2024	5.75	5.75

Bank of New Zealand (NZ): Another 50bps reduction is expected on Tuesday. Inflation is tumbling and within the central bank's 1-3% inflation target range. GDP has fallen in four of the past seven quarters with further expected softness in Q3. The OCR remains well into restrictive territory. **Bank of South Korea (SK):** After easing in October, the BoK is expected to hold on Thursday because of concern over currency instability. The won has depreciated by nearly 4% since the last decision.

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	7.75	January 30, 2025	7.75	7.75

Sources: Bloomberg, Scotiabank Economics.