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

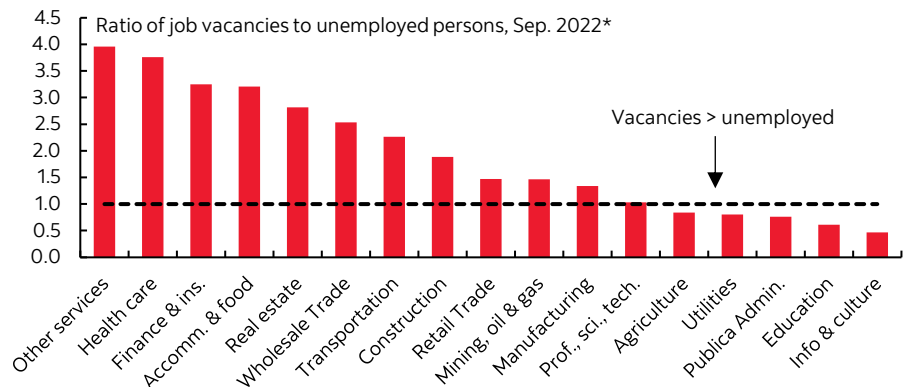
- Tracking holiday sales
- Inventories, discounting and inflation
- Layoffs to dampen, not derail nonfarm payrolls
- The Fed's and BoC's Beveridge Curve theory is wishful thinking
- Canadian jobs could suffer some payback
- Will Canadian real wage gains continue?
- Canadian Q4 and full year bank earnings
- Fed's Powell's chance to adjust pre-FOMC pricing
- Why the Bank of Thailand is likely to remain cautious
- PMIs: US ISM, China, Mexico
- Canada's economy likely remains resilient
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How Much of a Problem are Inventories?

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Chart of the Week

Canada: Who is Demanding the Jobs? Well, Almost Everyone



*Latest available vacancies data: September 2022
Sources: Scotiabank Economics, Statistics Canada.

Chart of the Week: Prepared by: Marc Ercolao, Economic Analyst.

How Much of a Problem are Inventories?

Global markets will be heading into the homestretch for this year when the calendar flips over to December on Thursday. Whether holiday shopping will be for lumps of coal or something rather more exotic will be informed by early data on the start of the holiday shopping season into the start of the week before the week rises to a crescendo with the latest iteration of the world's #1 macroeconomic report on Friday.

TRACKING HOLIDAY SHOPPING

High frequency gauges of spending activity as the holiday shopping season kicks off across a number of major economies could inform risk appetite early into the coming week.

Early indications from Adobe point toward slow US sales growth on Thanksgiving Day compared to the same day last year (charts 1, 2). The small nominal rise probably translates into a volume decline after taking account of inflation although a key consideration is how deep this year's discounting may turn out to be amid mixed evidence of cumulative discounts since the start of October (chart 3). It's early mind you and with most of the Black Friday through Cyber Monday sales results ahead of us (chart 4). Also bear in mind that this holiday shopping season may have started earlier than normal given strong retail sales in October and sales promotions that seem to arrive earlier each year.

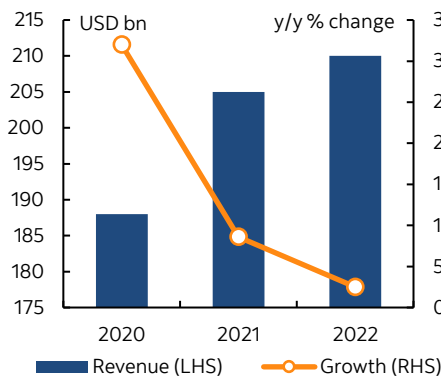
A key issue is the extent to which companies have a surplus of inventories on a broad basis across sectors and using the US as a key example. If so, then deep discounting across the board could be disinflationary at least in the near term, though it may not be sustained should destocking prove to be successful. Measures like the Cleveland Fed's core CPI 'nowcast' for November serve as a usually reliable but not infallible indication of price pressures and this continues to suggest firm seasonally adjusted price pressures (chart 5). If inventories are not wildly in excess and discounting is relatively limited compared to other years, then we might see little beyond seasonal norms for price changes as November draws to a close.

One way of addressing this is through inventory-to-sales ratios. That approach stands in contrast to other approaches that compare the flow of the change in inventories to the flow of sales. That flow-to-flow approach has some appeal if assuming that the two must be perfectly aligned. The stock of inventories relative to the flow of sales can give a more complete understanding of product on hand for this whole season and going forward and takes into account the starting point for the level of inventories.

Chart 6 shows that total business inventories to sales across the combined manufacturing, wholesale and retail sectors has edged up but remains below levels of prior years. That doesn't mean they are necessarily light going into a likely recession.

Chart 1

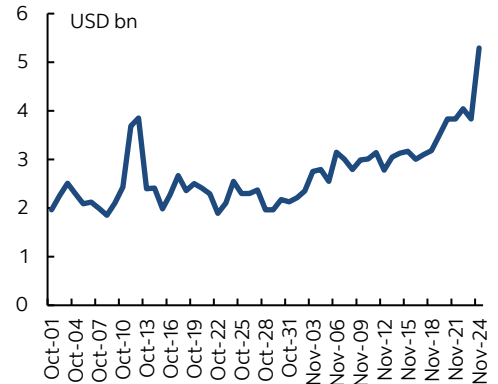
Spending During the Holiday Season



Sources: Scotiabank Economics, Adobe 2022 Holiday Shopping Report.

Chart 2

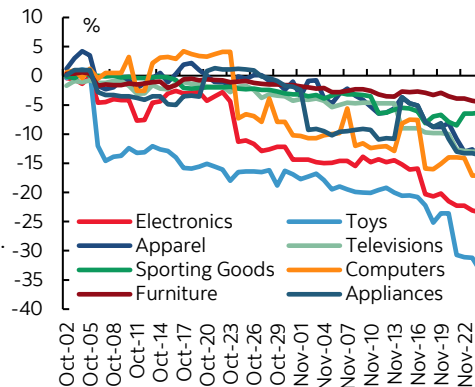
Estimated Revenue by Day



Sources: Scotiabank Economics, Adobe 2022 Holiday Shopping Report.

Chart 3

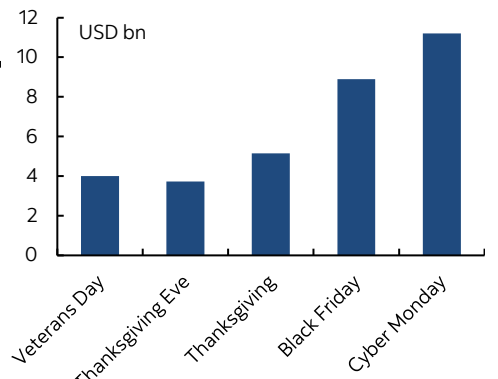
Discounts by Product Category



Sources: Scotiabank Economics, Adobe 2022 Holiday Shopping Report.

Chart 4

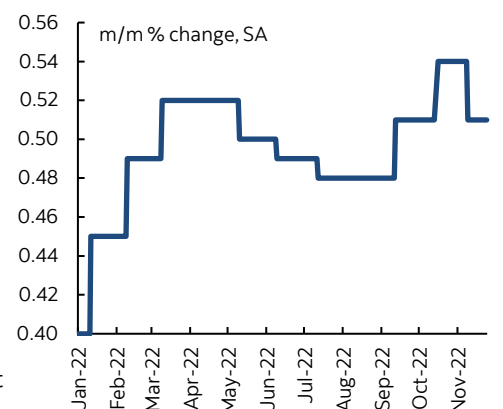
2022 Estimated Revenues by Key Date



Sources: Scotiabank Economics, Adobe 2022 Holiday Shopping Report.

Chart 5

Cleveland Fed Core CPI Nowcast



Sources: Scotiabank Economics, Cleveland Fed.

Further disaggregation of the supply chain is necessary. Chart 7 shows that aggregate inventory-to-sales ratios are lower than pre-pandemic levels in the retail and wholesale sectors, but similar to higher in the manufacturing sector.

Within the retail sector there are vast differences in the state of inventory balances. Autos and parts, for instance, continue to be plagued by lean inventories and supply chain challenges (chart 8). Not many folks pop a car under a Christmas tree for their beaus, but those that do probably still need to be prepared to pay up and be flexible.

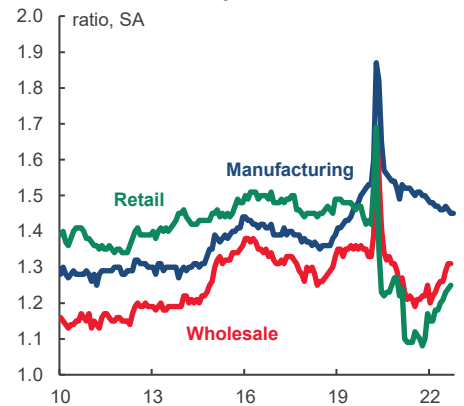
Other retail sectors have had mixed outcomes. Sectors like department stores, general merchandisers and building materials have higher ratios than before the pandemic (charts 9–11). Some of these are driving the headlines on inventory excesses at company-specific levels. The broad clothing sector has seen the ratio rise but only off extremely low levels and some firms within the sector are more challenged than others (chart 12). Food and beverage inventories and furniture are generally better behaved (charts 13, 14).

Chart 6
US Inventory-to-Sales Ratios Are Manageable



Sources: Scotiabank Economics, US Census Bureau.

Chart 7
US Inventory to Sales Ratios



Sources: Scotiabank Economics, US Census Bureau.

Chart 8

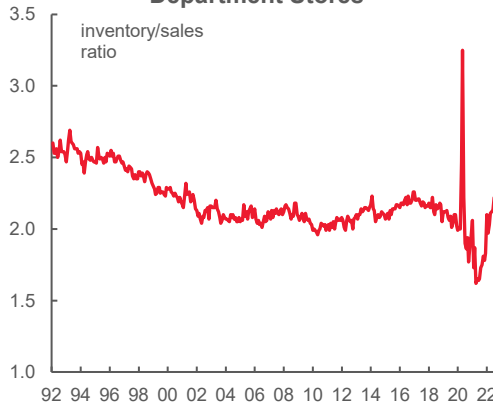
Inventory-to-Sales Ratio - Autos and Parts



Sources: Scotiabank Economics, Census Bureau.

Chart 9

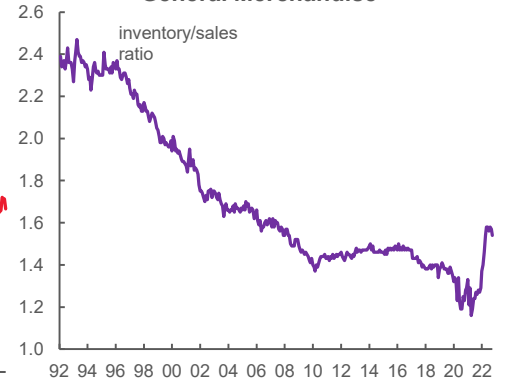
Inventory-to-Sales Ratio - Department Stores



Sources: Scotiabank Economics, Census Bureau.

Chart 10

Inventory-to-Sales Ratio - General Merchandise



Sources: Scotiabank Economics, Census Bureau.

Chart 11

Inventory-to-Sales Ratio - Building Materials



Sources: Scotiabank Economics, Census Bureau.

Chart 12

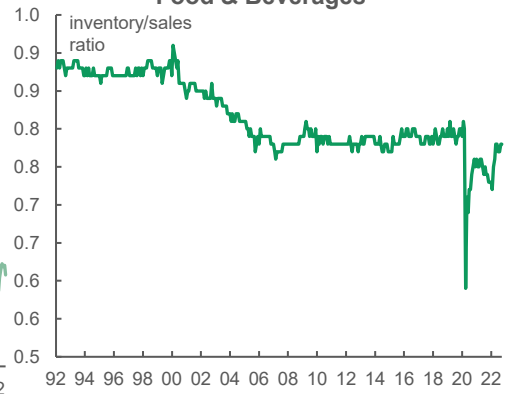
Inventory-to-Sales Ratio - Clothing



Sources: Scotiabank Economics, Census Bureau.

Chart 13

Inventory-to-Sales Ratio - Food & Beverages



Sources: Scotiabank Economics, Census Bureau.

The issue of inventories also strikes across other debates, like risks to nonfarm payrolls and production levels. Beyond the near-term inventory positions is the ongoing macro theme of how we're probably still at a highly nascent stage of addressing fundamental changes to global supply chains with implications for inventory management as discussed again in [this](#) daily note.

US NONFARM—LAYOFFS TO DAMPEN JOBS WHILE TESTING THE FED'S HOPES

No one should have much confidence in their nonfarm payroll estimates into this one and I'll say why in a moment. I've pencilled in 205k for the net gain and wage growth of 0.3% m/m. The range of consensus estimates runs from about 150k to 275k with a median estimate of 200k.

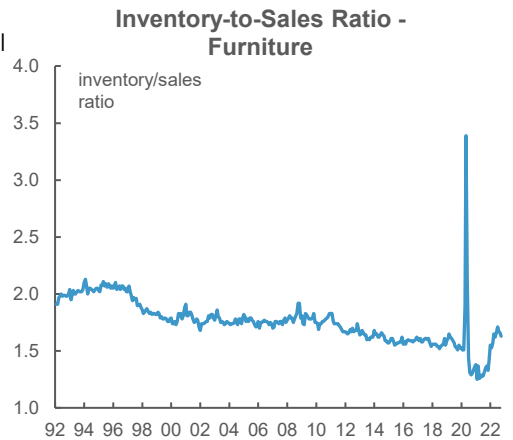
One reason for limited confidence even at the best of times is the fact that the 90% statistical confidence interval around nonfarm estimates is +/- 120,000 and so the noise factor is always significant.

Another reason for this is that the report appears almost as early as possible in the month (Friday December 2nd) given that it gets released on the first Friday each month. That means there is not the benefit of a bit of extra time for various groups to update advance indicators since they were not available at the point of submitting estimates to polling agencies. The jobs plentiful measure in consumer confidence arrives on Tuesday. The NFIB hiring and vacancy measures for November won't arrive until two weeks after nonfarm. The ISM-manufacturing employment figure arrives on Thursday, but the higher weight placed on services will have to wait until the employment gauge in ISM-services arrives the following week. ADP payrolls are basically useless as a guide to nonfarm, but they arrive on Wednesday. JOLTS job openings will be updated on Wednesday, but for October as the data lags.

You get the idea. One issue, however, is the extent to which layoff announcements may impact payrolls. Tech (chart 15) and non-tech (chart 16) layoffs have picked up between a rough proxy for nonfarm reference periods and may dampen the jobs tally somewhat, but probably not by enough to carry the day relative to other drivers like hiring appetite. Further, there can be uncertain lags with the layoffs such that they don't all impact jobs in the current month.

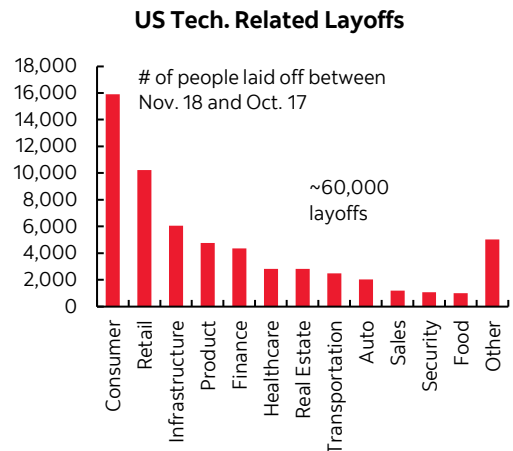
As an indication of this, the rise in initial jobless claims has been material but fairly modest. This could also involve lags between layoffs and filing claims for unemployment benefits.

Chart 14



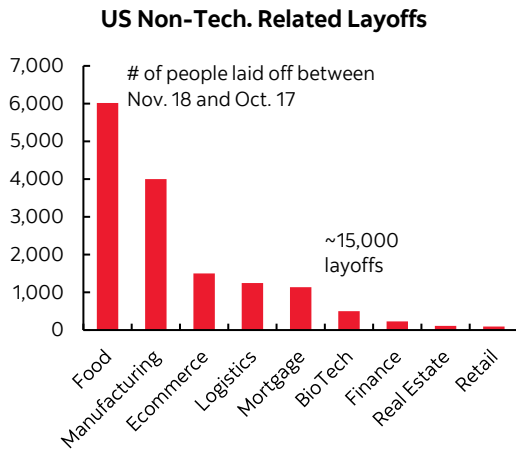
Sources: Scotiabank Economics, Census Bureau.

Chart 16



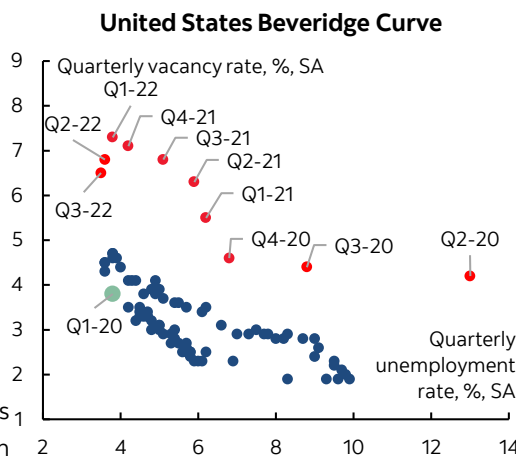
Sources: Scotiabank Economics, Layoffs Tracker, Layoffs.fyi.

Chart 15



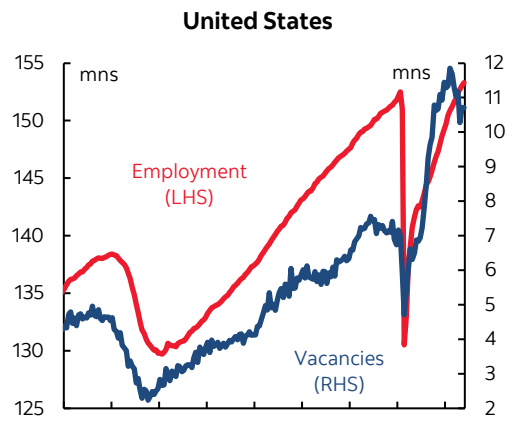
Sources: Scotiabank Economics, Layoffs Tracker.

Chart 17



Sources: Scotiabank Economics, BLS.

Chart 18



Sources: Scotiabank Economics, BLS.

The fact that this abrupt pick-up in layoffs is occurring lends caution to the Fed's hopes around the impact of its tightening upon the job market. The background is offered in chart 17 that shows the US Beveridge Curve which plots job vacancies against the unemployment rate. This cycle is a definite outlier compared to history. The blue dots show pre-pandemic history and the red dots plot the pandemic-era experience marked by relatively higher rates of unfilled jobs. The job vacancy rate has been declining of late, but the unemployment has not materially budged and stood at 3.7% in October.

What the Federal Reserve has hinged its hopes upon is for lower vacancies to do the work in terms of removing excess hiring sentiment from the job market and therefore dampen wage growth risks and to do so without a large increase in unemployment. In addition to the point about the abrupt pick-up in layoffs, the limited history that is available doesn't provide much empirical support for this hope. As chart 18 shows, when vacancies started to soften in the past, they typically preceded a lagging hit on employment. The big caveat is that the limited history of experience is drawn from two massive shocks during the global financial crisis and the pandemic.

IS CANADA STILL POSTING REAL WAGE GAINS?

Canada also updates its job market readings for November on Friday at the same time as nonfarm payrolls. On this there is a little more conviction. After gaining 108,000 jobs in October, a repeat may be hard to come by, but dismissing that gain as just statistical noise is a tough sell given the 95% confidence interval of +/- 57,000. It was the strongest monthly gain since February, but October benefitted from a milder reopening impulse effect following prior restrictions compared to that prior time. I've guesstimated a dip of -10k

That restrictions remain at their lowest levels of the pandemic to date may help to avert a worse outcome for jobs (chart 19). As noted in prior writings, measures of service sector activity have been strong including restaurant seatings, flights and hotel bookings. A measure of real-time business conditions that draws upon a composite of high frequency mobility and business register data tends to be roughly correlated with swings in employment. This measure suggests little change (chart 20).

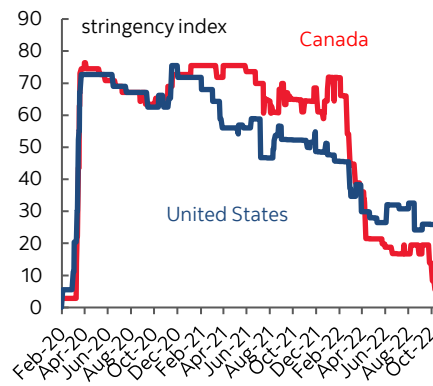
More important, however, will be continued monitoring of wage growth. Other than Scrooge or the Grinch, everyone likes a wage hike and to see people earning fair pay. The challenge for Canada, however, is that wage growth as been outstripping the US (chart 21) in a tighter labour market than stateside and one that has

suffered a steep decline in labour productivity during the pandemic unlike the US. See last week's Global Week Ahead for Canada's international rankings on these measures that suggest the risks of wage growth outstripping productivity and driving second-round effects upon prices is higher in Canada than in other peer economies.

In fact, Canada is booking real wage gains and has been doing so since Spring in what is an underacknowledged point (chart 22). Many will welcome this and understandably so after the regressive hits incurred by inflationary drivers on the supply and demand sides of the picture and the domestic policy contributions to high inflation. But real wage gains may be the next catalyst to price pressures into 2023. This

Chart 19

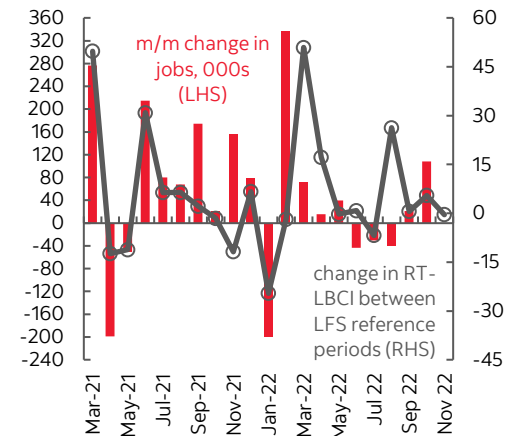
US & CA Stringency Index



Sources: Scotiabank Economics, University of Oxford.

Chart 20

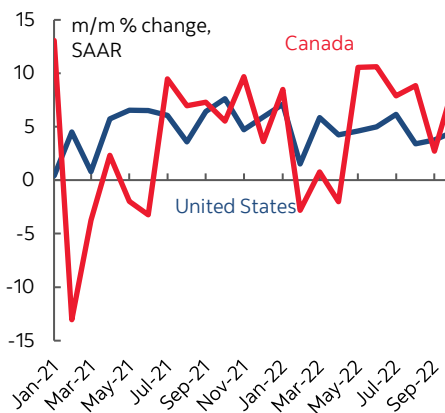
Canadian Employment



Sources: Scotiabank Economics, Statistics Canada.

Chart 21

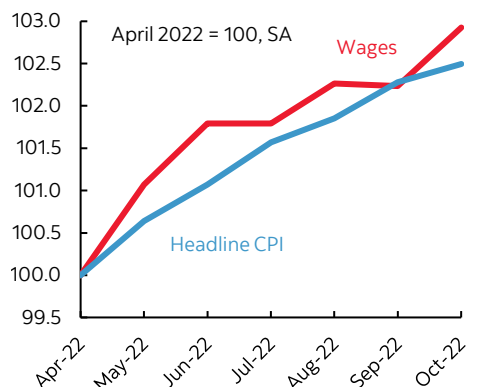
US and CA Hourly Earnings



Sources: Scotiabank Economics, BLS.

Chart 22

Wage Growth is Now Exceeding Inflation in Canada



Sources: Scotiabank Economics, Statistics Canada.

particular report, however, may struggle to post another real wage gain in month-over-month terms since CPI was up by 0.6% m/m in seasonally adjusted non-annualized terms.

Similar arguments apply to Canada's Beveridge curve as alluded to in the prior US section. Canada's curve is shown in chart 23 and chart 24 shows the connection between employment and job vacancies. The BoC has followed the Fed's arguments and research on this topic and the caveats are similar. Canada's curve in the pandemic period is much higher than history. There has been a modest decline in job vacancies, but job growth remains strong with the 108k gain in October. One difference is that we're not tracking a material number of layoffs in Canada. Like the US, however, the limited history doesn't provide much empirical support for the BoC's hope that vacancies can ease without necessarily damaging employment. As chart 24 already showed, when vacancies started to soften in the past, they typically preceded a lagging hit on employment and with the same caveat as in the US being the limited history of experience is drawn from two massive shocks during the global financial crisis and the pandemic.

Chart 23

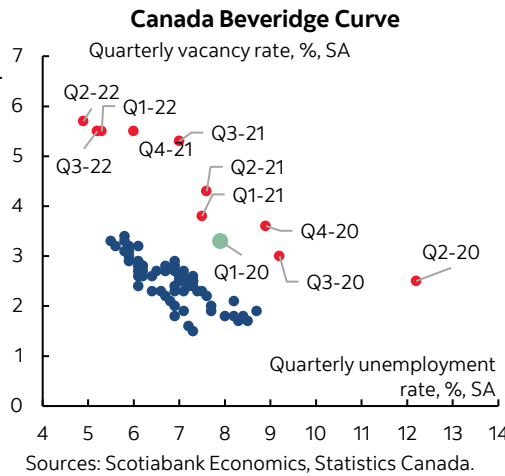
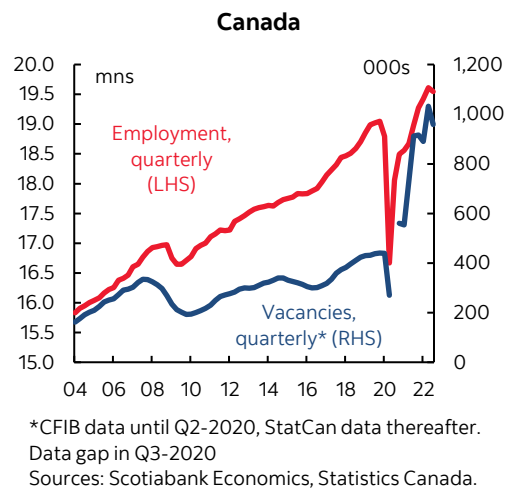


Chart 24



CANADIAN BANK EARNINGS

Canada's banks release Q4 and full year results on an October 31st year-end. Given their heft—such as accounting for 21% of the Toronto Stock Exchange—their results can ripple through broad stock, corporate bond and other paper markets.

Bank of Nova Scotia (my employer) goes first on Tuesday. Consensus expectations for sector EPS are shown in chart 25. Chart 26 shows the dividend yield's rise and consensus expectations and chart 27 shows the present dividend yields across the major banks. Consensus expects Q4 EPS of \$2.01. RBC (C\$2.71) and National Bank (\$2.24) release the next day. BMO (\$3.09), TD (\$2.07) and CIBC (\$1.73) follow on Thursday with Canadian Western Bank (\$0.88) getting the final say on Friday.

One key will be loan loss provisioning relative to expectations. Thus far, measures like credit card delinquencies (chart 28) and mortgage arrears (chart 29) have been holding steady.

CENTRAL BANKS—FED'S POWELL, CAUTIOUS BOT

There won't be any major central bank decisions over the coming week but markets may be sensitive to some key guidance from some of them. The following week starts to bring back another wave of decisions from the RBA, Bank of Canada, RBI, and other regional banks like Peru's, Chile's and Brazil's.

Chart 25

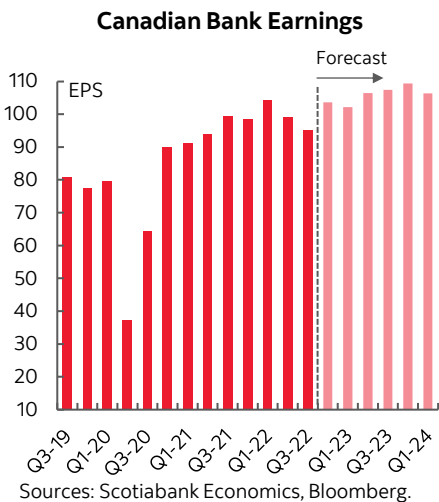


Chart 26

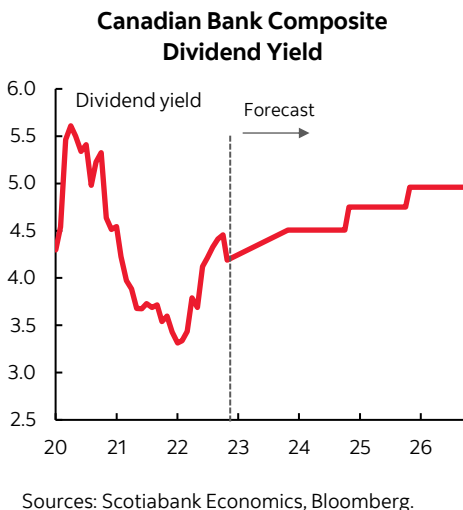
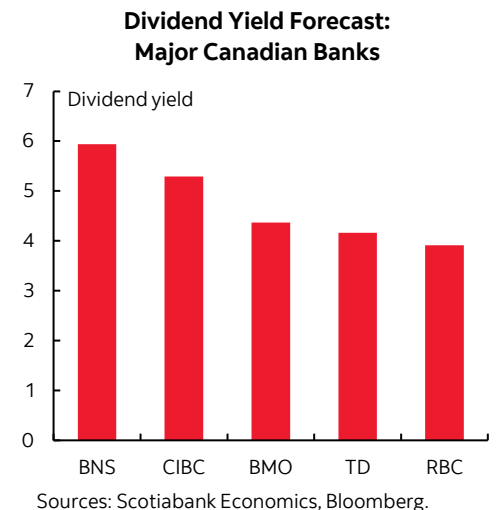


Chart 27



The Bank of Thailand is almost universally expected to hike its benchmark policy rate by 25bps to 1.25% on Wednesday. That would make for only 75bps of tightening so far. Why such a tepid pace of cumulative tightening by comparison to other global central banks? For one thing, inflation has not been as pressing of a problem. Headline inflation is running at 6% y/y which is off the peak of 7.9%, but core CPI inflation stands at 3.2% y/y and has levelled off of late. That places core inflation at the upper limit of the central bank's 1-3% target range.

The BoT was also more concerned about growth while other central banks were lifting off and with good reason. Not only does it neighbour with China, but its important tourism sector was also severely affected by the pandemic. Tourism arrivals have only started to gradually recover this year with activity still remaining a fraction of what it was before the pandemic. Rising global covid cases may be emphasized with caution by the central bank.

The usual wave of central bank speak will feature multiple speakers from the Fed, ECB and BoE.

Key among these appearances may be Fed Chair Powell's delivery of a talk on "the economic outlook, inflation and the labour market" at the Brookings Institution on Wednesday ([here](#)). If he has anything different to say in relation to market pricing for a 50bps hike on December 14th and a terminal rate of 5% by March then now would be the time to do it ahead of when the Fed goes into communications blackout on December 10th.

MACRO ROUND-UP

Top shelf macro readings won't only be confined to nonfarm payrolls. The rest of the line-up of macroeconomic indicators is offered below.

1. PMIs

China's state PMIs face continued downside risk and November's readings will probably underscore the cost of volatile guidance around Covid Zero policies (Wednesday). The composite slipped into contraction territory in October (chart 30).

The Fed's preferred PMIs are the ISM gauges and November updates will begin to arrive this week. ISM-manufacturing (Thursday) will offer part of the picture, and then we'll have to wait for services the following week. Little change is expected in the manufacturing gauge but also watch for indications of price pressures. Chart 31 shows one reason why the composite PMI gauge matters given its connection to GDP growth.

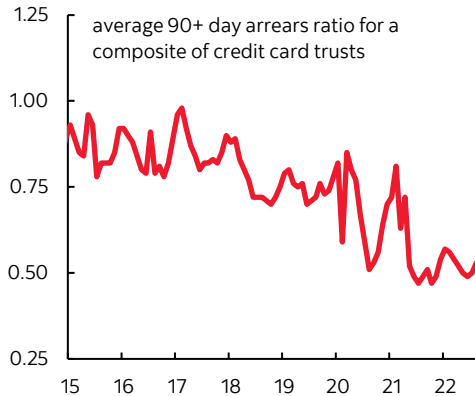
2. GDP

Canadian GDP is expected to post continued growth (Tuesday). September is estimated at 0.1% m/m with Q3 pegged at about 1 1/2% q/q at a seasonally adjusted and annualized rate. The monthly composition could bake in continue mild growth into Q4. That any growth is still being registered is an accomplishment in the wake of explosive world-beating growth over 2021Q3 through to 2022Q2. That hours worked stalled out in Q3 might offer a mild lift to productivity figures (Thursday) but the rise in hours worked so far in Q4 could make this a fleeting outcome.

India's economy will likely see volatile year-over-year growth ebb when Q3 GDP arrives on Wednesday amid expectations for it to land at about 6% y/y.

Chart 28

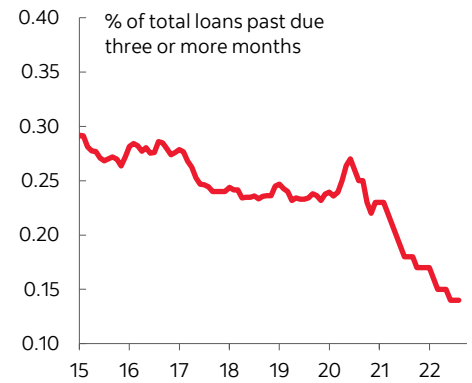
Canadian Credit Card Delinquency Rates Holding Firm



Sources: Scotiabank Economics, Bloomberg.

Chart 29

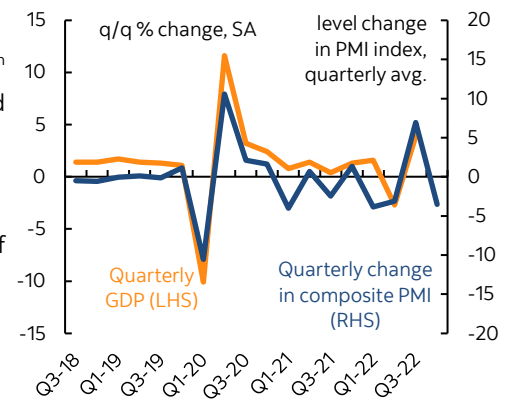
Canadian Mortgages in Arrears Are at Healthy Levels



Sources: Scotiabank Economics, MBA, CBA.

Chart 30

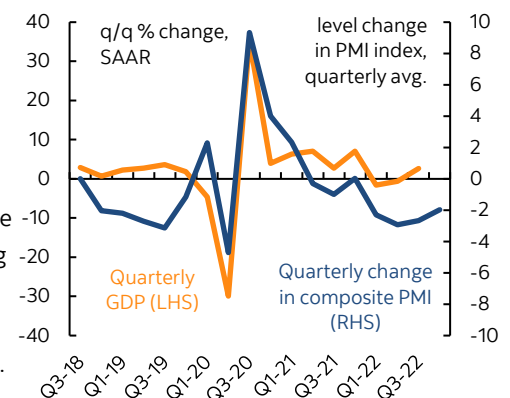
China



Sources: Scotiabank Economics, S&P Global, Bloomberg.

Chart 31

United States - ISM



Sources: Scotiabank Economics, S&P Global, Bloomberg.

Brazil's economy is projected to grow by under 1% q/q in Q3 (Thursday) after a pair of gains over 1% at a non-annualized rate.

Sweden's Q3 GDP (Tuesday) has analysts expecting growth in a roughly ½% to ¾% q/q non-annualized range.

3. Inflation

Several key inflation readings arrive just in time to inform another coming wave of central bank decisions in December.

Eurozone inflation is unlikely to repeat the large spike in October when the November figures arrive this week. That prior 1.5% m/m SA spike was driven by food and energy prices that are expected to be milder influences with inflation landing on Wednesday. Germany and Spain will release the day before and could inform risks to the Eurozone print. Italy and France update on Wednesday.

US PCE inflation is expected to follow CPI higher when October's estimate arrives on Thursday. Watch for a gain of about 0.4% m/m with core up 0.3% m/m. Spending might rise more slowly than consensus expects given heavy reliance upon translating the strong gain in the retail sales control group into what it means for total consumption growth that also factors in services consumption after a large gain the prior month.

Watch for Australian inflation to keep rising from 7.3% y/y in September to a few tenths higher in October.

Peru's inflation rate should hold steady at around 0.3% m/m (Thursday) ahead of South Korea's CPI that is expected to be 0% m/m.

Indonesia's headline inflation rate could soften a touch to 5 ½% y/y but core is expected to hold steady at 3.3% (Wednesday).

Other

Other US releases will include consumer confidence during November (Tuesday), the advance merchandise trade figures and pending home sales during October and the Fed's Beige Book (Wednesday). Vehicle sales are forecast to slip again (Thursday) and construction spending should soften given weaker housing starts (Thursday).

Also watch out for retail sales updates from Australia (Monday), possibly Germany, Japan (Monday) as part of its monthly data dump, South Korea and also total French consumer spending (Wednesday).

Key Indicators for the week of November 28 – December 2

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	11-28	07:00	Trade Balance (US\$ mn)	Oct	--	-2,750	-895
CA	11-28	08:30	Current Account (C\$ bn a.r.)	3Q	--	--	2.7
US	11-28	10:30	Dallas Fed. Manufacturing Activity	Nov	--	-23.0	-19.4
MX	11-29	07:00	Unemployment Rate (%)	Oct	--	3.2	3.3
CA	11-29	08:30	Real GDP (m/m)	Sep	0.1	--	0.1
CA	11-29	08:30	Real GDP (q/q a.r.)	3Q	1.5	--	3.3
US	11-29	09:00	S&P/Case-Shiller Home Price Index (m/m)	Sep	-1.0	-1.2	-1.3
US	11-29	09:00	S&P/Case-Shiller Home Price Index (y/y)	Sep	10.8	10.7	13.1
US	11-29	10:00	Consumer Confidence Index	Nov	100.0	100.0	102.5
US	11-30	07:00	MBA Mortgage Applications (w/w)	Nov 25	--	--	2.2
US	11-30	08:15	ADP Employment Report (000s m/m)	Nov	--	195.0	239.0
US	11-30	08:30	GDP (q/q a.r.)	3Q S	3.0	2.7	2.6
US	11-30	08:30	GDP Deflator (q/q a.r.)	3Q S	--	4.1	4.1
US	11-30	08:30	Initial Jobless Claims (000s)	Nov 26	245	--	240.0
US	11-30	08:30	Continuing Claims (000s)	Nnov 19	1590	--	1551.0
US	11-30	08:30	Wholesale Inventories (m/m)	Oct P	--	0.5	0.6
US	11-30	09:45	Chicago PMI	Nov	--	47.0	45.2
US	11-30	10:00	JOLTS Job Openings (000s)	Oct	--	10,325	10,717
US	11-30	10:00	Pending Home Sales (m/m)	Oct	--	-5.2	-10.2
CA	12-01	08:30	Productivity (q/q a.r.)	3Q	--	--	0.2
US	12-01	08:30	PCE Deflator (m/m)	Oct	0.4	0.4	0.3
US	12-01	08:30	PCE Deflator (y/y)	Oct	6.1	6.0	6.2
US	12-01	08:30	PCE ex. Food & Energy (m/m)	Oct	0.3	0.3	0.5
US	12-01	08:30	PCE ex. Food & Energy (y/y)	Oct	5.0	5.0	5.1
US	12-01	08:30	Personal Spending (m/m)	Oct	0.6	0.8	0.6
US	12-01	08:30	Personal Income (m/m)	Oct	0.3	0.4	0.4
US	12-01	10:00	Construction Spending (m/m)	Oct	-0.3	-0.2	0.2
US	12-01	10:00	ISM Manufacturing Index	Nov	50.0	49.8	50.2
US	12-01		Total Vehicle Sales (mn a.r.)	Nov	14.0	14.9	14.9
CA	12-02	08:30	Employment (000s m/m)	Nov	-10	--	108.3
CA	12-02	08:30	Unemployment Rate (%)	Nov	5.3	--	5.2
US	12-02	08:30	Average Hourly Earnings (m/m)	Nov	0.3	0.3	0.4
US	12-02	08:30	Average Hourly Earnings (y/y)	Nov	4.6	4.6	4.7
US	12-02	08:30	Average Weekly Hours	Nov	--	34.5	34.5
US	12-02	08:30	Nonfarm Employment Report (000s m/m)	Nov	205	200.0	261.0
US	12-02	08:30	Unemployment Rate (%)	Nov	3.6	3.7	3.7
US	12-02	08:30	Household Employment Report (000s m/m)	Nov	--	--	-328.0

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
SW	11-29	02:00	GDP (y/y)	3Q	2.9	3.8
SP	11-29	03:00	CPI (m/m)	Nov P	--	0.3
SP	11-29	03:00	CPI (y/y)	Nov P	7.4	7.3
SP	11-29	03:00	CPI - EU Harmonized (m/m)	Nov P	0.1	0.1
SP	11-29	03:00	CPI - EU Harmonized (y/y)	Nov P	7.3	7.3
SZ	11-29	03:00	GDP (y/y)	3Q	1.0	2.8
UK	11-29	04:30	Net Consumer Credit (£ bn)	Oct	0.9	0.7
EC	11-29	05:00	Economic Confidence	Nov	93.0	92.5
EC	11-29	05:00	Industrial Confidence	Nov	-0.5	-1.2
GE	11-29	08:00	CPI (m/m)	Nov P	-0.2	0.9
GE	11-29	08:00	CPI (y/y)	Nov P	10.4	10.4
GE	11-29	08:00	CPI - EU Harmonized (m/m)	Nov P	0.1	1.1
GE	11-29	08:00	CPI - EU Harmonized (y/y)	Nov P	11.3	11.6

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of November 28 – December 2

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
FR	11-30	02:45	Consumer Spending (m/m)	Oct	-0.9	1.2
FR	11-30	02:45	CPI (m/m)	Nov P	0.3	1.0
FR	11-30	02:45	CPI (y/y)	Nov P	6.1	6.2
FR	11-30	02:45	CPI - EU Harmonized (m/m)	Nov P	0.3	1.2
FR	11-30	02:45	CPI - EU Harmonized (y/y)	Nov P	7.0	7.1
FR	11-30	02:45	GDP (q/q)	3Q F	0.2	0.0
FR	11-30	02:45	Producer Prices (m/m)	Oct	--	1.0
SP	11-30	03:00	Real Retail Sales (y/y)	Oct	--	0.5
GE	11-30	03:55	Unemployment (000s)	Nov	12.0	8.0
GE	11-30	03:55	Unemployment Rate (%)	Nov	5.5	5.5
IT	11-30	04:00	Real GDP (q/q)	3Q F	0.5	0.5
PD	11-30	04:00	GDP (y/y)	3Q F	--	3.50
SP	11-30	04:00	Current Account (€ bn)	Sep	--	-0.1
EC	11-30	05:00	CPI (m/m)	Nov P	0.2	1.5
EC	11-30	05:00	Euro zone CPI Estimate (y/y)	Nov	10.4	10.7
EC	11-30	05:00	Euro zone Core CPI Estimate (y/y)	Nov P	5.0	5.0
IT	11-30	05:00	CPI (m/m)	Nov P	0.1	3.4
IT	11-30	05:00	CPI (y/y)	Nov P	11.3	11.8
IT	11-30	05:00	CPI - EU Harmonized (m/m)	Nov P	0.3	3.8
IT	11-30	05:00	CPI - EU Harmonized (y/y)	Nov P	12.0	12.6
PO	11-30	06:00	Real GDP (q/q)	3Q F	--	0.40
GE	12-01	02:00	Retail Sales (m/m)	Oct	-0.6	1.0
UK	12-01	02:00	Nationwide House Prices (m/m)	Nov	-0.4	-0.9
IT	12-01	03:45	Manufacturing PMI	Nov	47.0	46.5
IT	12-01	04:00	Budget Balance (€ bn)	Nov	--	-7.3
IT	12-01	04:00	Budget Balance YTD (€ bn)	Nov	--	-56.5
EC	12-01	05:00	Unemployment Rate (%)	Oct	6.6	6.6
FR	12-02	02:45	Central Government Balance (€ bn)	Oct	--	-146.6
EC	12-02	05:00	PPI (m/m)	Oct	-2.0	1.6
IR	12-02	06:00	Real GDP (q/q)	3Q	--	10.9

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
CH	11-26	20:30	Industrial Profits YTD (y/y)	Oct	--	0.8
AU	11-27	19:30	Retail Sales (m/m)	Oct	0.5	0.6
SK	11-27		Discount Store Sales (y/y)	Oct	--	-0.3
SK	11-27		Department Store Sales (y/y)	Oct	--	8.5
HK	11-28	03:30	Exports (y/y)	Oct	--	-9.1
HK	11-28	03:30	Imports (y/y)	Oct	--	-7.8
HK	11-28	03:30	Trade Balance (HKD bn)	Oct	--	-44.9
JN	11-28	18:30	Jobless Rate (%)	Oct	2.5	2.6
JN	11-28	18:50	Large Retailers' Sales (y/y)	Oct	4.5	4.1
JN	11-28	18:50	Retail Trade (m/m)	Oct	1.0	1.5
JN	11-28	18:50	Retail Trade (y/y)	Oct	5.0	4.8
TA	11-29	03:30	Real GDP (y/y)	3Q P	4.1	4.1
SK	11-29	18:00	Industrial Production (m/m)	Oct	-1.0	-1.8
SK	11-29	18:00	Industrial Production (y/y)	Oct	0.1	0.8
SK	11-29	18:00	Cyclical Leading Index Change	Oct	--	-0.1
JN	11-29	18:50	Industrial Production (m/m)	Oct P	-1.8	-1.7
JN	11-29	18:50	Industrial Production (y/y)	Oct P	5.2	9.6
AU	11-29	19:30	Building Approvals (m/m)	Oct	-2.0	-5.8
AU	11-29	19:30	Private Sector Credit (m/m)	Oct	0.6	0.7
AU	11-29	19:30	Private Sector Credit (y/y)	Oct	9.4	9.5
CH	11-29	20:30	Manufacturing PMI	Nov	49.2	49.2
CH	11-29	20:30	Non-manufacturing PMI	Nov	48.0	48.7

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of November 28 – December 2

ASIA PACIFIC (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	11-30	00:00	Housing Starts (y/y)	Oct	-0.7	1.0
TH	11-30	02:00	BoT Repo Rate (%)	Nov 30	1.3	1.0
TH	11-30	02:00	Current Account Balance (US\$ mn)	Oct	1000.0	623.0
TH	11-30	02:30	Exports (y/y)	Oct	--	8.4
TH	11-30	02:30	Imports (y/y)	Oct	--	20.5
TH	11-30	02:30	Trade Balance (US\$ mn)	Oct	--	1851.0
HK	11-30	03:30	Govt Monthly Budget Surp/Def (HKD bn)	Oct	--	-70.0
IN	11-30	05:30	Fiscal Deficit (INR Crore)	Oct	--	78,248
IN	11-30	07:00	Real GDP (y/y)	3Q	6.2	13.5
SK	11-30	18:00	GDP (q/q)	3Q P	0.3	0.3
SK	11-30	18:00	GDP (y/y)	3Q P	3.1	3.1
JN	11-30	18:50	Capital Spending (y/y)	3Q	6.4	4.6
SK	11-30	19:00	Exports (y/y)	Nov	-11.5	-5.7
SK	11-30	19:00	Imports (y/y)	Nov	0.3	9.9
SK	11-30	19:00	Trade Balance (US\$ mn)	Nov	-4,264	-6,698
AU	11-30	19:30	Private Capital Expenditure	3Q	1.2	-0.3
CH	11-30	20:45	Caixin Flash China Manufacturing PMI	Nov	48.9	49.2
CH	11-30	20:45	Caixin Manufacturing PMI	Nov	48.9	49.2
ID	11-30	23:00	CPI (y/y)	Nov	5.5	5.7
ID	11-30	23:00	CPI (m/m)	Nov	0.1	-0.1
ID	11-30	23:00	Core CPI (y/y)	Nov	3.4	3.3
JN	12-01	00:00	Consumer Confidence	Nov	30.2	29.9
JN	12-01	00:00	Vehicle Sales (y/y)	Nov	--	19.7
TH	12-01	02:30	Business Sentiment Index	Nov	--	47.8
HK	12-01	03:30	Retail Sales - Value (y/y)	Oct	--	0.2
HK	12-01	03:30	Retail Sales - Volume (y/y)	Oct	--	-1.5
NZ	12-01	16:45	Terms of Trade Index (q/q)	3Q	1.5	-2.4
SK	12-01	18:00	CPI (m/m)	Nov	0.0	0.3
SK	12-01	18:00	CPI (y/y)	Nov	5.2	5.7
SK	12-01	18:00	Core CPI (y/y)	Nov	--	4.8
JN	12-01	18:50	Monetary Base (y/y)	Nov	--	-6.9
SI	12-02	08:00	Purchasing Managers Index	Nov	--	49.7

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CL	11-29	07:00	Unemployment Rate (%)	Oct	8.1	--	8.0
CL	11-30	07:00	Industrial Production (y/y)	Oct	--	--	-3.4
CL	11-30	07:00	Retail Sales (y/y)	Oct	-14	--	-14.3
CO	11-30	10:00	Urban Unemployment Rate (%)	Oct	--	10.2	10.5
CL	12-01	06:30	Economic Activity Index SA (m/m)	Oct	--	--	0.2
CL	12-01	06:30	Economic Activity Index NSA (y/y)	Oct	-1.5	--	-0.4
BZ	12-01	07:00	GDP (IBGE) (q/q)	3Q	--	0.7	1.2
BZ	12-01	07:00	GDP (IBGE) (y/y)	3Q	--	3.7	3.2
BZ	12-01	08:00	PMI Manufacturing Index	Nov	--	--	50.8
PE	12-01	10:00	Consumer Price Index (m/m)	Nov	0.5	0.3	0.4
PE	12-01	10:00	Consumer Price Index (y/y)	Nov	8.4	--	8.3
BZ	12-01	13:00	Trade Balance (FOB) - Monthly (US\$ mn)	Nov	--	5,400	3,921
BZ	12-02	07:00	Industrial Production SA (m/m)	Oct	--	0.3	-0.7
BZ	12-02	07:00	Industrial Production (y/y)	Oct	--	1.0	0.4

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of November 28 – December 2

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	11-30	12:00	Canada to Sell 2 Year Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	11-28	05:30	EU to Sell Bonds
SW	11-30	05:00	Sweden to Sell Bonds
GE	11-30	05:30	Germany to Sell EU3 Bln of 1.7% 2032 Bonds
SP	12-01	04:30	Spain to Sell Bonds
FR	12-01	04:50	France to Sell Bonds
UK	12-01	05:00	U.K. to Sell 1¼% 2051 Bonds
IC	12-02	06:00	Iceland to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	11-28	01:00	Henan to Sell Bonds
CH	11-28	02:00	Tibet to Sell Bonds
CH	11-28	21:30	Tianjin to Sell Bonds
JN	11-28	22:35	Japan to Sell 2-Year Bonds
CH	11-29	21:35	China Plans to Sell CNY 10Y Upsized Bond
JN	11-30	22:35	Japan to Sell 10-Year Bonds
CH	12-01	21:35	China Plans to Sell CNY 30Y Upsized Bond

LATIN AMERICA

No Scheduled Auctions.

Events for the week of November 28 – December 2

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	11-28	12:00	Fed's Williams Speaks to The Economic Club of New York
US	11-30	13:30	Powell Discusses the Economic Outlook and the Labor Market
US	11-30	14:00	U.S. Federal Reserve Releases Beige Book
US	12-01	09:25	Fed's Logan Speaks at Dallas Breakfast Event
US	12-02	10:15	Fed's Evans Speaks at Event on Financial Regulation

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	11-28	03:00	ECB's Knot Speaks
EC	11-28	09:00	ECB's Lagarde Speaks
EC	11-29	03:10	ECB's Guindos Speaks
UK	11-29	07:35	BOE's Mann Speaks
SZ	11-29	10:00	SNB's Schlegel Speaks on Financial Stability Event in Vaduz
UK	11-30	03:30	BOE's Huw Pill speaks
UK	12-01	04:30	BOE Releases Decision Maker Inflation Survey
EC	12-01	11:45	ECB's Lane Speaks
EC	12-01	21:40	ECB's Lagarde Speaks
EC	12-02	07:00	ECB's Guindos Speaks

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	11-26	23:10	BOJ Board Amamiya Speech at Monetary Economics meeting
AU	11-29	19:00	RBA's Kearns-Speech
TH	11-30	02:00	BoT Benchmark Interest Rate
JN	11-30	20:30	BOJ Board Noguchi Speech in Akita

LATIN AMERICA

No Scheduled Events.

Global Central Bank Watch

NORTH AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Canada – Overnight Target Rate	3.75	December 7, 2022	4.25	4.25
Federal Reserve – Federal Funds Target Rate	4.00	December 14, 2022	4.50	4.50
Banco de México – Overnight Rate	10.00	December 15, 2022	10.50	10.50

EUROPE

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
European Central Bank – Refinancing Rate	2.00	December 15, 2022	2.50	2.50
European Central Bank – Marginal Lending Facility Rate	2.25	December 15, 2022	2.75	2.75
European Central Bank – Deposit Facility Rate	1.50	December 15, 2022	2.00	2.00
Bank of England – Bank Rate	3.00	December 15, 2022	3.50	3.50
Swiss National Bank – Sight Deposit Rate	0.50	December 15, 2022	1.25	1.25
Central Bank of Russia – One-Week Auction Rate	7.50	December 16, 2022	7.50	7.50
Sweden Riksbank – Repo Rate	2.50	February 9, 2023	2.75	2.75
Norges Bank – Deposit Rate	2.50	December 15, 2022	2.75	2.75
Central Bank of Turkey – Benchmark Repo Rate	9.00	December 22, 2022	9.00	9.00

ASIA PACIFIC

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Japan – Policy Rate	-0.10	December 20, 2022	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	2.85	December 5, 2022	3.10	3.10
Reserve Bank of New Zealand – Cash Rate	4.25	February 21, 2023	4.50	4.50
People's Bank of China – 1-Year Loan Prime Rate	3.65	December 19, 2022	3.65	3.65
Reserve Bank of India – Repo Rate	5.90	December 6, 2022	6.25	6.25
Bank of Korea – Base Rate	3.25	January 13, 2023	3.50	3.50
Bank of Thailand – Repo Rate	1.00	November 30, 2022	1.25	1.25
Bank Negara Malaysia – Overnight Policy Rate	2.75	TBA	2.75	2.75
Bank Indonesia – 7-Day Reverse Repo Rate	5.25	December 22, 2022	5.25	5.25
Central Bank of Philippines – Overnight Borrowing Rate	5.00	December 15, 2022	5.50	5.50

Bank of Thailand (BoT): It is widely expected that the Bank of Thailand will hike the repo rate by 25 bps to 1.25%. The BoT began their hiking cycle later than their APAC peers, only having begun tightening in August 2022—most estimates lead to a terminal rate of close to 2.00% by the end of 2023. Headline inflation has slowed for two consecutive months, currently at 6.00%, but core inflation 3.2% y/y, hasn't showed any signs of peaking suggesting strong domestic demand in the region.

LATIN AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Banco Central do Brasil – Selic Rate	13.75	December 7, 2022	13.75	13.75
Banco Central de Chile – Overnight Rate	11.25	December 6, 2022	11.25	11.25
Banco de la República de Colombia – Lending Rate	11.00	December 16, 2022	11.50	12.00
Banco Central de Reserva del Perú – Reference Rate	7.25	December 7, 2022	7.25	7.25

AFRICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
South African Reserve Bank – Repo Rate	7.00	TBA	7.00	7.00

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

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