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

- Renewed debt ceiling theatrics
- Missing balance in Canada's mortgage debate
- CDN fiscal Q2 bank earnings due
- The BoC is in a race against the clock
- FOMC minutes could inform pause versus hike bias
- RBNZ to hike again
- BoK, BI and Turkey to extend pauses
- SARB to hike again
- Global PMIs to inform growth tracking, inflation risk
- US core PCE is still sticky
- UK inflation still breaking records?
- Tokyo CPI to inform BoJ pivot risks
- US consumer spending backed by income gains

Time is Not On the BoC's Side

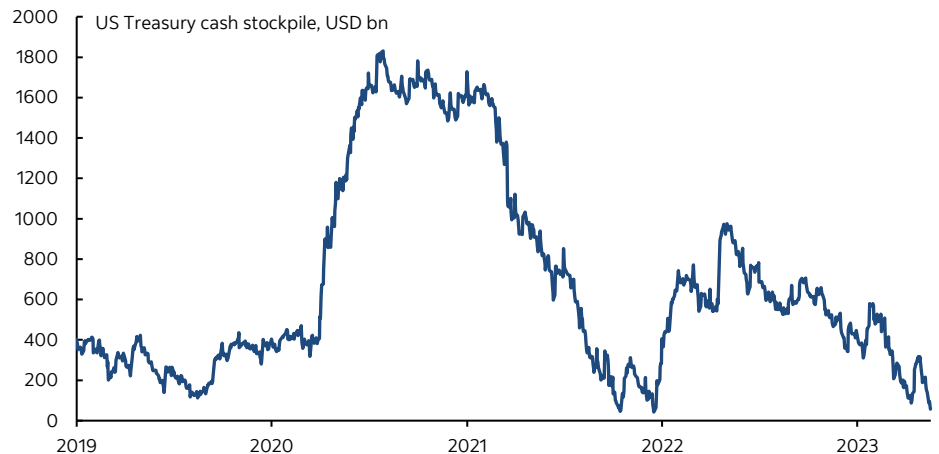
• Introduction	2
• Canadian Banks—Applying Balance to Mortgage and Housing Risks	2–4
• Central Banks—Powell Talks, GOP Walks	4–5
• FOMC Minutes—Enabling the GOP	4
• RBNZ—Sounds Familiar!	4
• Bank of Korea—Hawkish Guidance?	4
• Bank Indonesia—Still on Hold	4
• Turkey—In Erdogan's Shadow	5
• SARB to Hike	5
• Global Macro Releases	5–6

FORECASTS & DATA

• Key Indicators	A1–A2
• Global Auctions Calendar	A3
• Events Calendar	A4
• Global Central Bank Watch	A5

Chart of the Week

Cash Soon To Be Out of Stock!



Sources: Scotiabank Economics, Bloomberg.

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

Time is Not On the BoC's Side

The coming week will place much of the focus upon debt ceiling negotiations in Washington. It is the last full week during which to strike an agreement and have enough time to pass votes in the House of Representatives and the Senate before Treasury Secretary Yellen's June 1st marker on the calendar, after which the potential risks and difficult decisions intensify. Negotiations stalled as this past week drew to a close because Republican members of the negotiating team walked out. The US Treasury's cash position is rapidly falling (chart 1) as the cost of insuring against default on US government debt obligations remains high (chart 2).

Otherwise, the calendar of catalysts for potential swings in global markets will be relatively light with the focus upon FOMC minutes, Canadian bank earnings, a select few regional central banks, and a modest number of top shelf macro indicators.

CANADIAN BANKS—APPLYING BALANCE TO MORTGAGE AND HOUSING RISKS

Canadian banks will release earnings reports for their second fiscal quarters with most of the action arriving on Wednesday and Thursday.

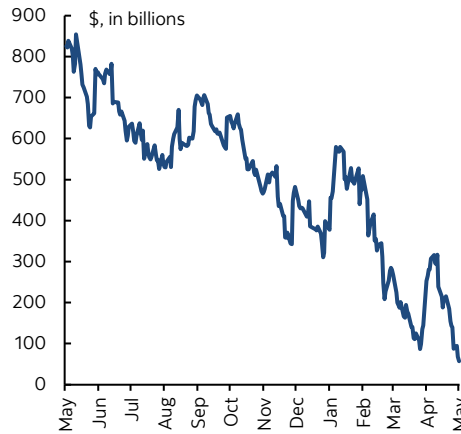
Chart 3 compares Q1 and Q2 earnings per share in the seasonally unadjusted way of reporting the figures. BNS (my employer) kicks it off on Wednesday in the pre-market with consensus at the time of writing calling for EPS of \$1.77. They will be followed by BMO that morning (\$3.22). CIBC releases the next day (\$1.64) along with RBC (\$2.80) and TD (\$2.09). Canadian Western Bank wraps it up on Friday (\$0.77). National Bank and Laurentian Bank release the following week.

One issue that is a point of focus remains the mortgage and housing markets. I have found that some of the commentary that attracts the greatest attention is overly shrill sounding and sensational. There is a more balanced case based upon a few points as follows.

- 60% of households in Canada don't even have a mortgage according to Census data (chart 4). 27% own their homes outright without a mortgage. 33% rent and while they have seen increases in rents, on average across the country CPI shows more modest increases than the payments shock coming to some mortgages (chart 5).
- Of the 40% of households who own their homes with a mortgage, it's the tail of the distribution that is the most pressured who took out new mortgages or refinanced at the peak for house prices and the trough in borrowing costs over 2020–21. As variable rates get repriced higher, households are

Chart 1

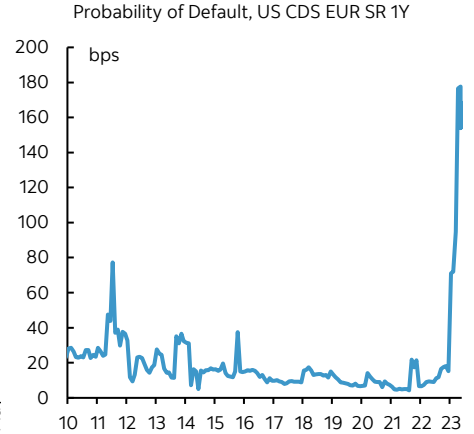
Treasury General Account Balance



Sources: Scotiabank Economics, Fiscal Data US.

Chart 2

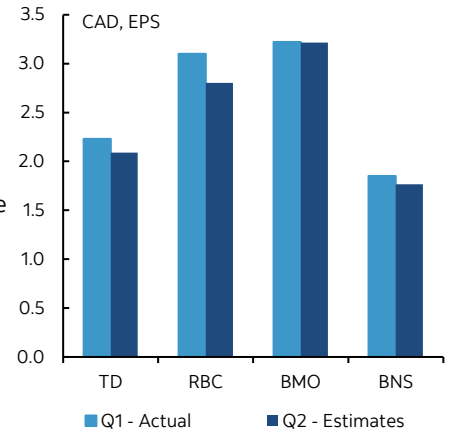
Clock is Ticking on the US Debt Ceiling



Sources: Scotiabank Economics, Bloomberg.

Chart 3

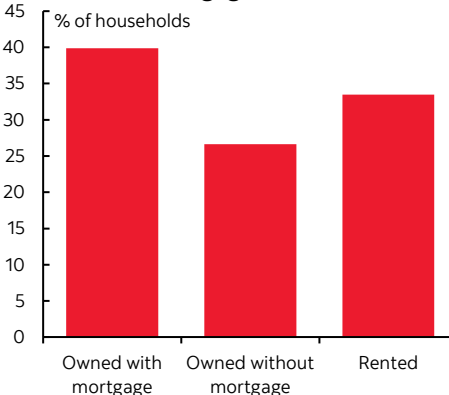
Canadian Banks' Earnings



Sources: Scotiabank Economics, Bloomberg.

Chart 4

60% of CDN Households Didn't Have a Mortgage in 2021



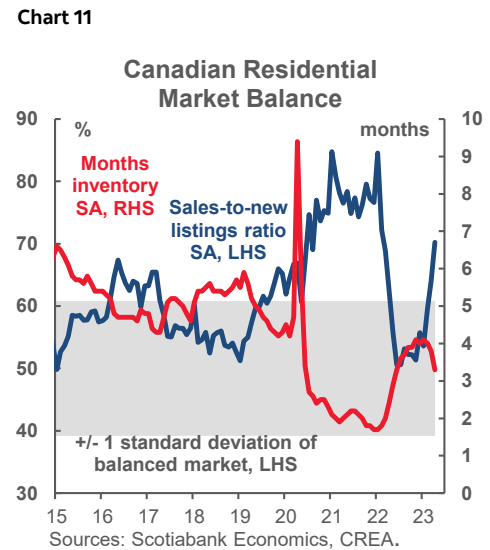
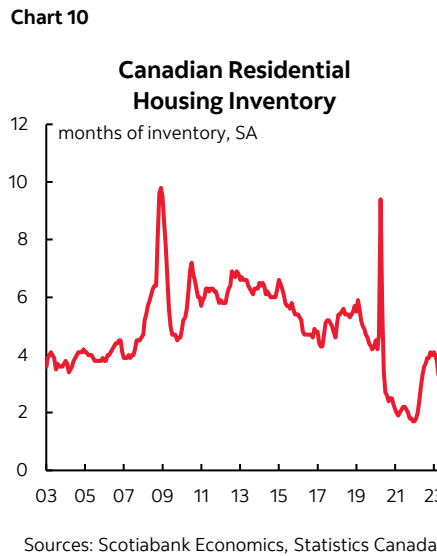
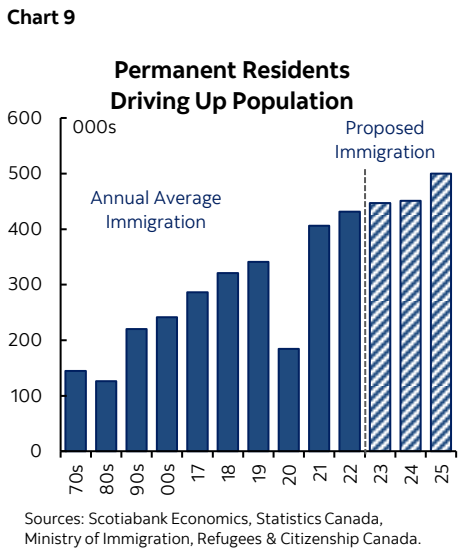
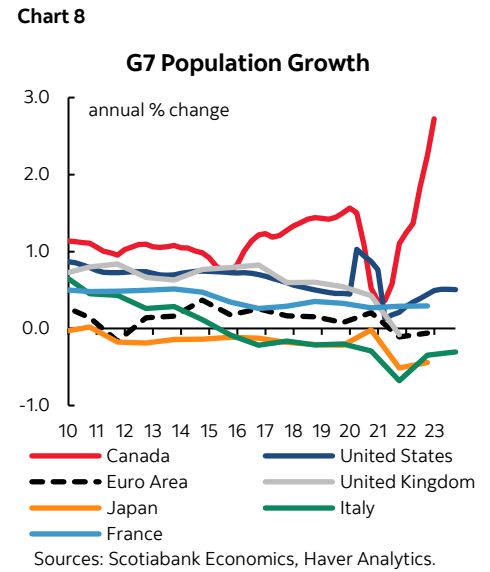
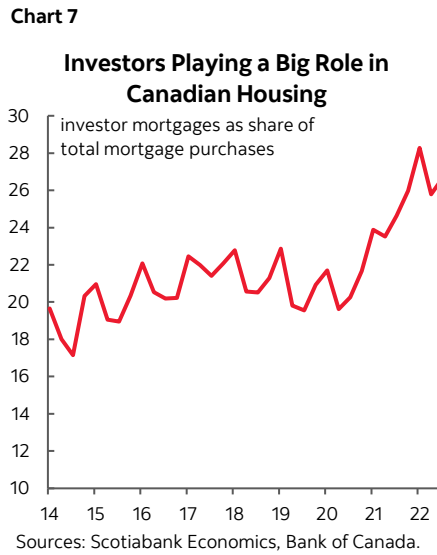
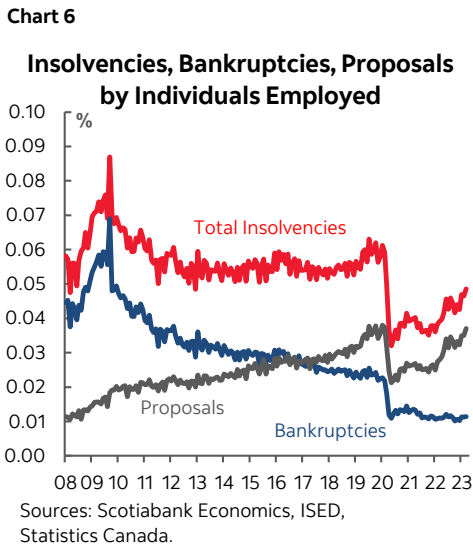
Sources: Scotiabank Economics, Statistics Canada—Census of Population.

Chart 5

Canadian Rent

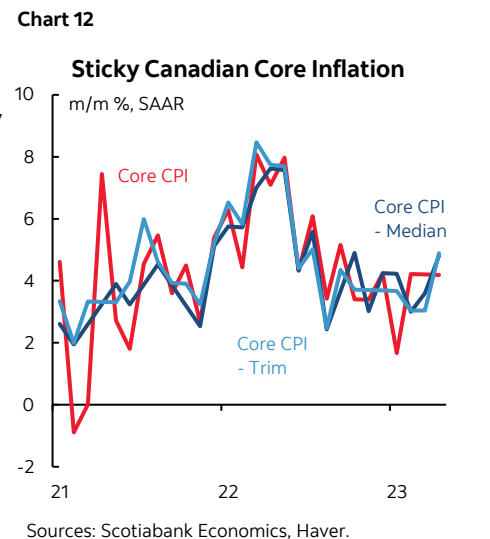


Sources: Scotiabank Economics, Statistics Canada.



driving higher proposals to work with lenders, but bankruptcies remain rock bottom (chart 6). As fixed rate resets work through the mortgage market over 2025–26 at peak rates, bear in mind that affected households will have a few years of income growth and the opportunity to make adjustments.

- First-time homebuyers have had the opportunity to amass larger down payments as they have been sidelined and waiting to pounce upon cheaper prices in a one-two- lift to the amount of equity they can put in their homes.
- Investors have been accounting for about one-in-four new mortgage purchases according to the Bank of Canada (chart 7). There is an awful lot of own-to-rent activity in Canada and speculation toward potential capital gains alongside vacation property purchases.
- Higher immigration is flooding into a market at a pace that is driving the fastest population growth among major economies (chart 8) as immigration targets rise (chart 9).
- This influx of immigrants is going into a housing market with little supply (charts 10, 11). This infusion of demand into a market with basically no supply and where the supply side adjusts with long lags will persistently pressure house prices. Housing strengths in an economy that remains in excess demand with very tight labour markets could be among the factors that I think will foment another round of pressures on core inflation.



May 19, 2023

The caveat to housing upsides is that when combined with sticky core inflation it means that the Bank of Canada's job is probably not done. Governor Macklem remarked at the end of this past week that he is concerned about upside risks to inflation. I've been arguing for many weeks that the BoC prematurely paused its policy rate back in January and that the risk is toward further tightening. This past Wednesday I put out [this](#) street-leading note post-CPI indicating there was a high chance of hiking at the June meeting and if not then at the July meeting.

When properly looked at across the suite of core inflation readings in m/m annualized terms, the only period in which inflation ebbed was over 2022H1. Since then—and despite well over a year-and-a-half's worth of bond market tightening—the figures have been remarkably sticky and with the latest readings all in the 4–5% range (chart 12). If the BoC focuses upon ebbing year-over-year rates then Governor Macklem will commit the exact same error he made in 2021 when he dismissed inflation as a mere by-product of soft year-ago prices, only in reverse this time.

Time is of the essence here and it would be a mistake for the BoC to delay any further. We expect the US debt ceiling negotiations to avoid the exceedingly low risk of default and would find it curious if anyone has default as a base case for the Hollywood actors in Congress. I don't think that the BoC should wait to hike again since with each passing month that housing heats up further and core inflation remains well above the BoC's 2% headline target it becomes more and more likely that such developments run away from the central bank's ability to control them. They become ingrained in the mentality of households, businesses, governments and markets and controlling inflation back down to the 2% target becomes difficult to do which the BoC's own surveys of business and household inflation expectations are already telling them alongside signals from recent collective bargaining actions across public sector and airline employees. A resilient and stable banking system should lend comfort to the BoC to do what it takes to crush inflation risk with more determined action.

CENTRAL BANKS—POWELL TALKS, GOP WALKS

Minutes to the May 2nd – 3rd FOMC meeting and four regional central bank decisions should offer fairly modest risk to markets.

FOMC Minutes—Enabling the GOP

Recall that on May 3rd the FOMC hiked the fed funds policy rate by 25bps and left options open into the June meeting ([here](#)). Wednesday's minutes to that meeting will explore the breadth of opinion around whether to continue with a hiking bias or to take a breather and this will be informed by the frequency of citations around opinions that are expressed in the minutes.

This past Friday, Chair Powell remarked that “we can afford to look at the data and the evolving outlook to make careful assessments.” It could be argued this heightens the emphasis upon key data before the June 14th–15th meeting and with core PCE, another core CPI and nonfarm payrolls and wages all ahead of that meeting. It could also be argued that Chair Powell would prefer to tap out for a time and evaluate conditions. A third option is that Powell is using this language to leave open optionality around uncertainty toward how debt ceiling negotiations are going. Of course, the Fed Chair can't say he's perhaps standing down due to the debt ceiling without emboldening Congress to be more laid back in debt negotiations. It's a tad coincidental that the GOP walked out of negotiations at literally the same time that Powell was speaking on Friday.

RBNZ—Sounds Familiar!

Consensus is nearly unanimous in expecting New Zealand's central bank to hike the official cash rate by a further 25bps on Wednesday evening (ET). Markets are priced for a little more than a quarter-point hike. The parallel to the Bank of Canada is somewhat striking in that some local shops have argued that the central bank should hike due to the immigration catalysts that lift demand more quickly than any impact upon supply. You could add to this the effects of expansionary fiscal policy that is similar in the two countries. The RBNZ may follow the Budget's removal of a recession forecast and perhaps reinforce higher-for-longer inflation risk.

Bank of Korea—Hawkish Guidance?

Thursday's BoK decision is widely expected to extend the policy rate pause at a 7-day repo rate of 7½%. The prior decision on April 10th was marked by guidance against market pricing for rate cuts this year with a majority of members remaining open to further tightening if needed. Any repeat of such sentiment could be modestly impactful given what has since been pushed-out pricing for rate cuts.

Bank Indonesia—Still on Hold

Indonesia's central bank is expected to hold its 7-day reverse repo rate unchanged at 5.75% again on Thursday. Core inflation is running within the 2–3% headline target range as overall inflation has been falling from a peak of about 6% last September toward about 4¼% now.

Turkey—In Erdogan’s Shadow

Turkish central bankers are a rarity in the world of monetary policy for their total lack of job security compared to the practically tenured academic-style appointments elsewhere. Don’t expect that to change on Thursday when the central bank delivers another rate decision that is widely expected to hold the one-week repo rate at an unchanged 8.5%. With the second-round of Turkey’s Presidential election being held on the following Sunday, at stake is any potential policy pivot. President Erdogan’s rather unorthodox policy has pursued overly easy monetary policy that debased the lira and drove imported inflation. Should he win the second-round election then Turkish assets are likely to extend the pain following the first round results.

SARB to Hike

Most economists expect South Africa’s central bank to hike by 50bps on Thursday. High inflation and a soft currency are motivating a continued tightening bias.

GLOBAL MACRO RELEASES

Data risk will principally focus upon purchasing managers indices and inflation updates.

Purchasing managers’ indices can offer insight into current quarter GDP growth tracking. Australia and Japan will update theirs first on Monday evening (eastern time as always in this report) and will be followed by the Eurozone, UK and US readings the next day. Since services are a much bigger share of GDP than manufacturing across these countries it’s mildly encouraging that their strengths are significantly offsetting manufacturing sector challenges (charts 13, 14). In all cases, the composite PMIs continue to indicate economic growth into Q2.

Canada’s macro calendar will be very light. The week starts off with markets shut for the Victoria Day holiday aka the unofficial start of summer, before bank earnings take over. Albertans will be able to vote starting on Tuesday through Saturday in advance of the May 29th election so watch for rolling polls. Only producer prices (Tuesday) and the seriously lagging payrolls report for March (Thursday) are on tap.

The other main US macro reports will include the following:

- The Fed’s preferred inflation gauge for April arrives on Friday alongside consumer income and spending estimates. Core PCE inflation is expected to rise by 0.3% m/m with a stable year-over-year rate of 4.6% and broadly follow the already known core CPI reading. The different methodology of PCE including its much lower weight on shelter and owners’ equivalent rent than in CPI can reveal surprises. The Cleveland Fed’s ‘nowcast’ is a tick higher than my estimate. It’s likely that the reading will continue to demonstrate that inflation remains too hot in a continuation of the trend shown in chart 15.
- Total consumer spending is expected to post a decent 0.5% m/m SA gain in April backed by healthy income growth of 0.4% m/m (Friday). We already know that the retail sales control group (ex-autos, gas, building supplies) was up by 0.7% m/m SA and that serves as input into total consumption that may be supported by ongoing gains in services spending.
- Friday’s durable goods report might be on the softer side until explosive growth in new plane orders likely raises it in the next report.

Chart 13

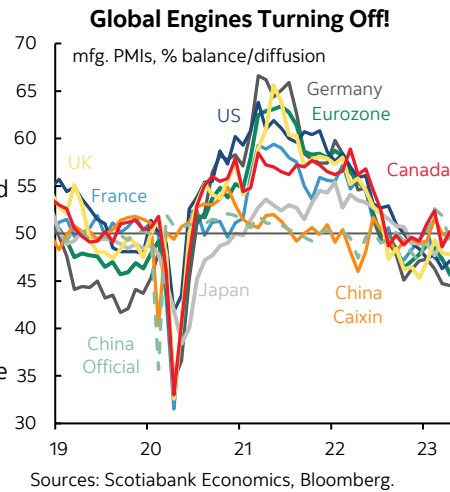


Chart 14

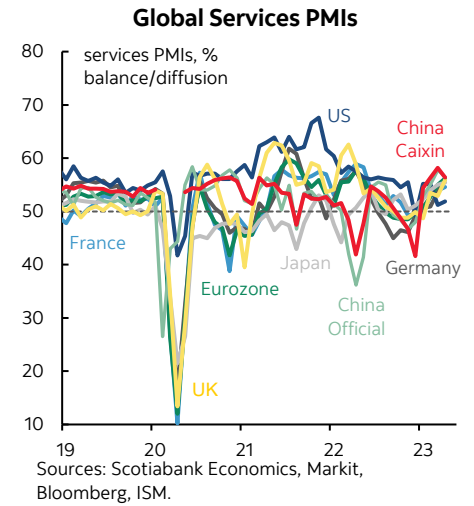


Chart 15

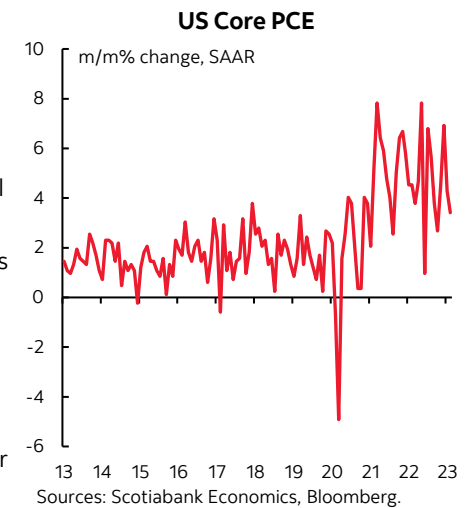
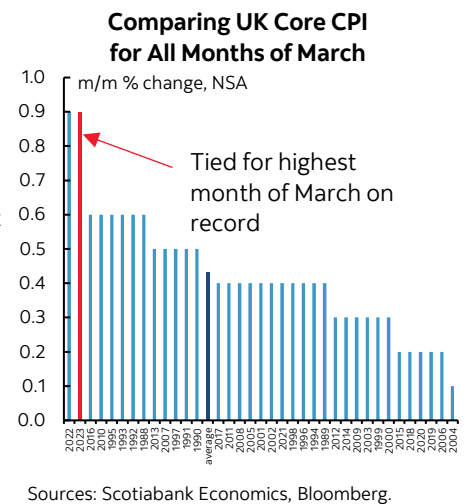


Chart 16



May 19, 2023

- Housing data will bring out new home sales for April (Tuesday) and the pending home sales reading for the same month (Thursday) which serves as a leading indicator for existing home sales.
- Q1 GDP is expected to be left unrevised on Thursday at about 1.1% q/q SAAR in the second revision.
- Thursday's initial claims will hopefully build upon the recent improvement after Massachusetts revealed earlier problems with fraudulent claims which is where the prior run-up had been focused.

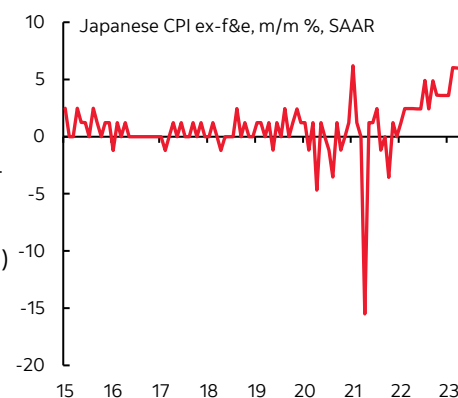
UK CPI inflation (Wednesday) is coming off one of the hottest months of March on record (chart 16) in what has been a general pattern so far this year. Another hot one is expected with CPI expected to climb by 0.7% m/m. Most expect the year-over-year headline rate to ebb to just over 8% from 10.1% but that's due to year-ago base effects especially on fuel as the core CPI year-over-year measure is expected to hold at just over 6%. Retail sales (Friday) are expected to mildly rebound from the prior month's weakness.

Additional evidence of rising Japanese inflation lands with the Tokyo CPI gauge for the month of May on Thursday. There are increasingly convincing signs that Japanese inflation may motivate a BoJ pivot this year. National CPI ex-f&e in m/m SA terms was tied with two other months for the hottest increases since a temporary blip in 2014 (chart 17). There is a trend toward rising m/m core CPI SA gains over the past year that indicates that inflation's breadth is fanning out. The implication is that the path to the mid-June BoJ meeting is being marked by reason to upgrade inflation forecasts in the context of ongoing speculation toward a policy pivot at some point.

Also watch for Germany's IFO business confidence measure (Wednesday), Australian retail sales during April (Thursday) and New Zealand's Q1 retail sales (Tuesday).

Chart 17

Japanese Inflation's Breadth is Rising



Sources: Scotiabank Economics, Bloomberg.

Key Indicators for the week of May 22 – 26

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	05-23	08:30	IPPI (m/m)	Apr	--	0.1	0.1
CA	05-23	08:30	Raw Materials Price Index (m/m)	Apr	--	0.7	-1.7
US	05-23	10:00	New Home Sales (000s a.r.)	Apr	680	663.0	683.0
US	05-23	10:00	Richmond Fed Manufacturing Index	May	--	-8.0	-10.0
US	05-24	07:00	MBA Mortgage Applications (w/w)	May 19	--	--	-5.7
MX	05-24	08:00	Bi-Weekly Core CPI (% change)	May 15	--	0.2	0.1
MX	05-24	08:00	Bi-Weekly CPI (% change)	May 15	--	-0.2	0.2
MX	05-25	08:00	Trade Balance (US\$ mn)	Apr	--	-1719.8	1168.7
US	05-25	08:30	GDP (q/q a.r.)	1Q S	1.1	1.1	1.1
US	05-25	08:30	GDP Deflator (q/q a.r.)	1Q S	--	4.0	4.0
US	05-25	08:30	Initial Jobless Claims (000s)	May 20	235	250.0	242.0
US	05-25	08:30	Continuing Claims (000s)	May 13	1800	1800.0	1799.0
US	05-25	10:00	Pending Home Sales (m/m)	Apr	--	1.1	-5.2
MX	05-26	08:00	GDP (q/q)	1Q F	--	1.1	1.1
MX	05-26	08:00	GDP (y/y)	1Q F	--	3.8	3.9
MX	05-26	08:00	Global Economic Indicator IGAE (y/y)	Mar	--	3.1	3.8
US	05-26	08:30	Durable Goods Orders (m/m)	Apr P	-1.0	-1.0	2.8
US	05-26	08:30	Durable Goods Orders ex. Trans. (m/m)	Apr P	0.0	0.0	0.2
US	05-26	08:30	PCE Deflator (m/m)	Apr	0.4	0.3	0.1
US	05-26	08:30	PCE Deflator (y/y)	Apr	4.4	4.3	4.2
US	05-26	08:30	PCE ex. Food & Energy (m/m)	Apr	0.3	0.3	0.3
US	05-26	08:30	PCE ex. Food & Energy (y/y)	Apr	4.6	4.6	4.6
US	05-26	08:30	Personal Spending (m/m)	Apr	0.5	0.4	0.0
US	05-26	08:30	Personal Income (m/m)	Apr	0.4	0.4	0.3
US	05-26	08:30	Wholesale Inventories (m/m)	Apr P	--	0.1	0.0
US	05-26	10:00	U. of Michigan Consumer Sentiment	May F	--	58.0	57.7

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
EC	05-22	10:00	Consumer Confidence	May P	-16.8	-17.5
UK	05-23	02:00	PSNB ex. Interventions (£ bn)	Apr	18.7	21.5
UK	05-23	02:00	Public Finances (PSNCR) (£ bn)	Apr	--	18.9
UK	05-23	02:00	Public Sector Net Borrowing (£ bn)	Apr	--	20.7
FR	05-23	03:15	Manufacturing PMI	May P	46.0	45.6
FR	05-23	03:15	Services PMI	May P	54.0	54.6
GE	05-23	03:30	Manufacturing PMI	May P	45.0	44.5
GE	05-23	03:30	Services PMI	May P	55.0	56.0
EC	05-23	04:00	Current Account (€ bn)	Mar	--	24.3
EC	05-23	04:00	Composite PMI	May P	53.5	54.1
EC	05-23	04:00	Manufacturing PMI	May P	46.0	45.8
EC	05-23	04:00	Services PMI	May P	55.5	56.2
IT	05-23	04:30	Current Account (€ mn)	Mar	--	-884.0
UK	05-23	04:30	Manufacturing PMI	May P	48.0	47.8
UK	05-23	04:30	Services PMI	May P	55.5	55.9
UK	05-24	02:00	CPI (m/m)	Apr	0.7	0.8
UK	05-24	02:00	CPI (y/y)	Apr	8.2	10.1
UK	05-24	02:00	RPI (m/m)	Apr	1.2	0.7
UK	05-24	02:00	RPI (y/y)	Apr	11.1	13.5
GE	05-24	04:00	IFO Business Climate Survey	May	93.0	93.6
GE	05-24	04:00	IFO Current Assessment Survey	May	94.5	95.0
GE	05-24	04:00	IFO Expectations Survey	May	91.6	92.2
GE	05-25	02:00	GfK Consumer Confidence Survey	Jun	-23.8	-25.7
GE	05-25	02:00	Real GDP (q/q)	1Q F	0.0	0.0
TU	05-25	07:00	Benchmark Repo Rate (%)	May 25	8.50	8.50
UK	05-26	02:00	Retail Sales ex. Auto Fuel (m/m)	Apr	0.4	-1.0
UK	05-26	02:00	Retail Sales with Auto Fuel (m/m)	Apr	0.3	-0.9

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of May 22 – 26

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
JN	05-21	19:50	Machine Orders (m/m)	Mar	0.4	-4.5
CH	05-21	21:15	PBoC Loan Prime Rate 1-Year (%)	May 22	3.7	3.7
MA	05-22	03:00	Foreign Reserves (US\$ bn)	May 15	--	114.4
TA	05-22	04:00	Export Orders (y/y)	Apr	-13.5	-25.7
TA	05-22	04:00	Unemployment Rate (%)	Apr	--	3.6
HK	05-22	04:30	CPI (y/y)	Apr	2.0	1.7
SK	05-22	17:00	Consumer Confidence Index	May	--	95.1
JN	05-22	20:30	Markit/JMMA Manufacturing PMI	May P	--	49.5
ID	05-22	23:00	Current Account Balance (US\$ mn)	1Q	2375.0	4544.0
SI	05-23	01:00	CPI (m/m)	Apr	--	0.5
SI	05-23	01:00	CPI (y/y)	Apr	5.5	5.5
JN	05-23	01:30	Nationwide Department Store Sales (y/y)	Apr	--	9.8
TA	05-23	04:00	Industrial Production (y/y)	Apr	-12.7	-14.5
SK	05-23	17:00	Business Survey- Manufacturing	Jun	--	72.0
SK	05-23	17:00	Business Survey- Non-Manufacturing	Jun	--	76.0
NZ	05-23	18:45	Retail Sales Ex Inflation (q/q)	1Q	0.2	-0.6
NZ	05-23	22:00	RBNZ Official Cash Rate (%)	May 24	5.50	5.25
SK	05-24	17:00	PPI (y/y)	Apr	--	3.3
SI	05-24	20:00	Real GDP (y/y)	1Q F	0.2	0.1
SI	05-24	20:00	GDP (q/q)	1Q F	0.2	0.1
SK	05-24	20:00	BoK Base Rate (%)	May 25	3.5	3.5
PH	05-24	21:00	Budget Deficit/Surplus (PHP bn)	Apr	--	-210.3
VN	05-24	22:00	CPI (y/y)	May	--	2.8
VN	05-24	22:00	Industrial Production (y/y)	May	--	0.5
ID	05-25	03:20	BI 7-Day Reverse Repo Rate (%)	May 24	5.8	5.8
NZ	05-25	18:00	ANZ Consumer Confidence Index	May	--	79.3
JN	05-25	19:30	Tokyo CPI (y/y)	May	3.4	3.5
AU	05-25	21:30	Retail Sales (m/m)	Apr	0.3	0.4
TH	05-25	22:00	Customs Exports (y/y)	Apr	-2.2	-4.2
TH	05-25	22:00	Customs Imports (y/y)	Apr	-5.4	-7.1
TH	05-25	22:00	Customs Trade Balance (US\$ mn)	Apr	-1037.5	2718.8
MA	05-26	00:00	CPI (y/y)	Apr	3.3	3.4
SI	05-26	01:00	Industrial Production (m/m)	Apr	--	9.3
SI	05-26	01:00	Industrial Production (y/y)	Apr	-4.5	-4.2

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
PE	05-23	10:00	GDP (y/y)	1Q	--	-0.3	1.7
BZ	05-25	08:00	IBGE Inflation IPCA-15 (m/m)	May	--	0.6	0.6
BZ	05-25	08:00	IBGE Inflation IPCA-15 (y/y)	May	--	4.2	4.2

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of May 22 – 26

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	05-23	13:00	U.S. To Sell USD42 Bln 2-Year Notes
US	05-24	11:30	U.S. To Sell USD22 Bln 2-Year FRN Reopening
CA	05-24	12:00	Canada to Sell C\$3.5 Billion of 2.75% 2033 Bonds
US	05-24	13:00	U.S. To Sell 5-Year Notes
US	05-25	13:00	U.S. To Sell 7-Year Notes

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	05-22	05:30	EU to Sell Bonds
NE	05-23	04:00	Netherlands to Sell Up to EU2.5B of 0.75% 2028 Bonds
GE	05-23	05:30	Germany to Sell EU6 Billion of 2.8% 2025 Bonds
DE	05-24	04:15	Denmark to Sell 2.25% 2033 Bonds
SW	05-24	05:00	Sweden to Sell Bonds
NO	05-24	05:00	Norway to Sell Bonds
GE	05-24	05:30	Germany to Sell Bonds
UK	05-24	06:30	U.K. to Sell GBP3 Billion of 0.875% 2033 Bonds On May 24
IT	05-25	05:00	Italy to Sell Bonds
IC	05-26	07:00	Iceland to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	05-21	21:30	Henan to Sell CNY 2.5035 Bln 15Y Bonds (2023-GEN-3)
CH	05-22	03:00	Ningbo to Sell Bonds
CH	05-22	21:30	Henan to Sell Bonds
CH	05-22	23:30	Guizhou to Sell Bonds
JN	05-22	23:35	Japan to Sell 10-Year Linker Bonds
CH	05-23	02:00	Xinjiang to Sell Bonds
AU	05-23	21:00	Australia to Sell A\$800 Million 3.5% 2034 Bonds
CH	05-23	22:35	China to Sell Bonds
CH	05-24	03:00	Anhui to Sell Bonds
JN	05-24	23:35	Japan to Sell 40-Year Bonds

LATIN AMERICA

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

Events for the week of May 22 – 26

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	05-22	08:30	Fed's Bullard Speaks on US Economy and Monetary Policy
US	05-22	11:05	Fed's Bostic and Barkin Discuss Technology-Enabled Disruption
US	05-23	09:00	Fed's Logan Gives Welcoming Remarks at a Conference
US	05-24	14:00	FOMC Meeting Minutes

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	05-22	04:45	ECB's Vujcic Speaks
EC	05-22	05:00	ECB Vice President Guindos Speaks
EC	05-22	07:30	ECB's Holzmann Speaks
SW	05-22	08:30	Riksbank's Floden on panel at Citi Central Bank Conference
EC	05-22	10:15	ECB's Lane Speaks
EC	05-22	10:15	ECB's Villeroy speaks
EC	05-23	03:15	ECB's Guindos Speaks
EC	05-23	04:00	ECB's Muller Speaks
SW	05-23	06:30	Riksbank's Thedeen on monetary policy and financial stability
UK	05-23	10:45	BOE's Haskel speaks at Fed event
EC	05-23	11:00	ECB's Villeroy Speaks
EC	05-23	13:50	ECB's Nagel Speaks
SW	05-24	01:45	Riksbank's Jansson at LO seminar
SW	05-24	02:00	Riksbank's Jansson at breakfast seminar
IC	05-24	04:30	7-Day Term Deposit Rate
UK	05-24	05:30	BOE's Bailey speaks at Net Zero event
SW	05-24	07:00	Riksbank's Floden on economic situation
UK	05-24	09:00	BOE Governor Andrew Bailey speaks to WSJ event
EC	05-24		ECB Non-Policy Meeting in Frankfurt
SZ	05-25	04:35	SNB Board Member Andrea Maechler Speaks in Lausanne
EC	05-25	05:00	ECB's Guindos Speaks in Brussels
SW	05-25	05:40	Riksbank's Thedeen on inflation, competitiveness
EC	05-25	06:30	ECB's Nagel Speaks
EC	05-25	07:15	ECB's Villeroy speaks in Paris
PO	05-25	09:30	ECB's Centeno, de Cos Speak at Conference in Lisbon
UK	05-25	12:30	BOE's Haskel speaks
EC	05-26	03:30	ECB's Vujcic Speaks in Dubrovnik
SW	05-26	04:00	Riksbank's Breman on economic situation

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	05-21	21:15	5-Year Loan Prime Rate
CH	05-21	21:15	1-Year Loan Prime Rate
NZ	05-23	22:00	RBNZ Monetary Policy Statement
NZ	05-23	22:00	RBNZ Official Cash Rate
AU	05-24	03:10	RBA's Jacobs-Speech
SK	05-24	00:00	BoK 7-Day Repo Rate
ID	05-25	03:20	Bank Indonesia 7D Reverse Repo
KZ	05-26	02:00	Key Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PY	05-23		Monetary Policy Rate

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	4.50	June 7, 2023	4.75	4.50
Federal Reserve – Federal Funds Target Rate	5.25	June 14, 2023	5.25	5.25
Banco de México – Overnight Rate	11.25	June 22, 2023	11.25	11.25

Federal Reserve: Minutes to the May FOMC meeting land on Wednesday. They may further inform the debate over a rate pause or a continued bias to keep hiking in data dependent fashion.

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	3.75	June 15, 2023	4.00	4.00
European Central Bank – Marginal Lending Facility Rate	4.00	June 15, 2023	4.25	4.25
European Central Bank – Deposit Facility Rate	3.25	June 15, 2023	3.50	3.50
Bank of England – Bank Rate	4.50	June 22, 2023	4.75	4.50
Swiss National Bank – Sight Deposit Rate	1.50	June 22, 2023	1.50	1.50
Central Bank of Russia – One-Week Auction Rate	7.50	June 9, 2023	7.50	7.75
Sweden Riksbank – Repo Rate	3.50	June 29, 2023	3.50	3.50
Norges Bank – Deposit Rate	3.25	June 22, 2023	3.50	3.50
Central Bank of Turkey – Benchmark Repo Rate	8.50	May 25, 2023	8.50	8.50

Central Bank of Turkey: Central Bank of Turkey is expected to hold its policy rate at the current level partly out of consideration toward the uncertainty around the second round of voting in the country's Presidential election.

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	June 16, 2023	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	3.85	June 6, 2023	3.85	3.85
Reserve Bank of New Zealand – Cash Rate	5.25	May 23, 2023	5.50	5.50
People's Bank of China – 1-Year Loan Prime Rate	3.65	May 21, 2023	3.65	3.65
Reserve Bank of India – Repo Rate	6.50	June 8, 2023	6.50	6.50
Bank of Korea – Base Rate	3.50	May 25, 2023	3.50	3.50
Bank of Thailand – Repo Rate	1.75	May 31, 2023	1.75	1.75
Bank Negara Malaysia – Overnight Policy Rate	3.00	July 6, 2023	3.00	3.00
Bank Indonesia – 7-Day Reverse Repo Rate	5.75	May 25, 2023	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	6.25	June 22, 2023	6.25	6.25

Reserve Bank of New Zealand: Consensus is nearly unanimous in expected the RBNZ to hike by another 25bps on Wednesday evening (ET) with markets priced for a little more than that. **Bank of Korea (BoK):** BoK is expected to hold its policy rate at the current level amid signs of inflation slowing yet above the bank's target. **Bank of Indonesia:** Bank Indonesia is expected to extend its pause given slowing headline inflation and stable core below 3%.

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	June 21, 2023	13.75	13.75
Banco Central de Chile – Overnight Rate	11.25	June 19, 2023	11.25	11.25
Banco de la República de Colombia – Lending Rate	13.25	June 30, 2023	13.25	13.25
Banco Central de Reserva del Perú – Reference Rate	7.75	June 8, 2023	7.75	7.75

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	7.75	May 25, 2023	8.25	8.25

South African Reserve Bank (SARB): The South African Reserve Bank is expected to hike for 10th consecutive time after higher than forecast hike at its March meeting. Market consensus for next week's meeting is 50bps hike. Both headline inflation and core inflation still remains elevated and have started the upward trend.

Sources: Bloomberg, Scotiabank Economics.

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