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

- BoC will likely defer to October
- Canada could witness a rebound in jobs
- Canadian immigration: macro effects and policy
- RBA to stand pat
- Chile's central bank expected to deliver another mega-cut
- Bank Negara will likely hold
- Other global macro reports

Buying Time

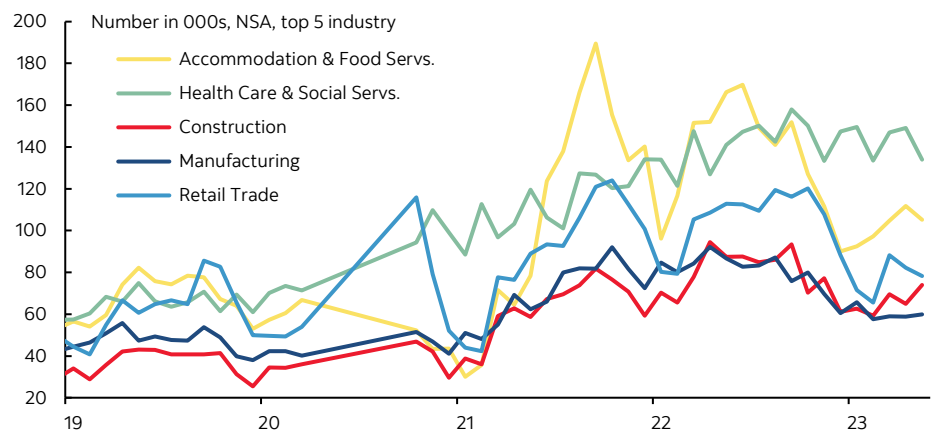
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Chart of the Week

Canada Still Has A Lot More Job Vacancies To Fill In !



Sources: Scotiabank Economics, Statistics Canada.

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

Buying Time

The only thing that US and Canadian markets are likely to have in common this week is a quiet start as both countries enjoy their Labour Day holidays. Their calendar-based risks subsequently diverge from one another as the US will face a relatively quiet week but Canada could be a beehive of activity.

Global developments will also be relatively light. Chile’s central bank is expected to deliver another large rate cut, while the RBA and Negara are expected to hold. Data risk will focus upon what I’m sure will be another round of misleading China deflation headlines, plus reports out of Germany, LatAm inflation updates and GDP figures from Australia and South Korea.

BANK OF CANADA—SEE YA IN OCTOBER

The Bank of Canada will deliver a statement-only decision on Wednesday morning at 10amET sans a Monetary Policy Report or press conference. Governor Macklem will speak in Calgary the next day as it’s his turn to deliver the customary Economic Progress Report that follows non-MPR decisions. He will also host a press conference. The next MPR arrives on October 25th with complete forecast updates.

No policy change is likely at this meeting. I think they should have comfort to deliver another rate hike at this point, but they will probably seek the cover of the latest GDP figures and defer a fuller forecast assessment to the October meeting by which point they will also have a lot more data. Recent data affords the opportunity to buy some time. Key will be their assessment of how much of the underlying weakness in the economy during Q2 is transitory and how much of it signals a loss of momentum. I think most of it is transitory, but they may see it differently at least in part.

Please see [here](#) for further views on GDP and implications for the BoC, and last week’s Global Week Ahead that included a section on the BoC’s main focal points ([here](#)).

Nevertheless, I’m unsure that rate hikes are done. The Governor has been clear that a protracted period of actual GDP growth underperforming potential GDP growth will be required in order to open up disinflationary slack in the economy. In plain language, he realizes he has to break a few things in order to achieve his inflation goals. I don’t think he has the confidence to this point to say that they are clearly on such a path.

By the October MPR, the BoC will also have further data on inflation, productivity, jobs, inflation expectations, and GDP. In fact, some of it begins to arrive this week. These are the things that Macklem has said he is closely following in addition to activity variables and in keeping with his mandate which is to control inflation at a 2% rate over the medium-term.

- Q2 labour productivity figures will be released ninety minutes before their decision on Wednesday. I expect a nonannualized drop of -0.5% q/q SA. That would extend a miserable streak to date (chart 1).
- Jobs and wages arrive on Friday, two days after the BoC decision (see next section). There will then be another jobs report on October 6th.
- The Governor needs to be mindful that market conditions have eased of late and careful not to drive a further easing that could replay the rally in 5-year GoC bonds earlier this year that set up cheaper mortgages and drove a Spring housing boom. The C\$ has depreciated by about a nickel to the USD since about mid-July and 5s have rallied by about one-third of a percentage point in just over a week.
- The next BoC surveys that include measures of inflation expectations will arrive on October 16th before the October 25th policy decision. If they continue to indicate a lack of faith among businesses and consumers in the BoC’s 2% inflation forecast for years to come, then that would be disturbing to the BoC.

Chart 1

Canadian Labour Productivity Growth

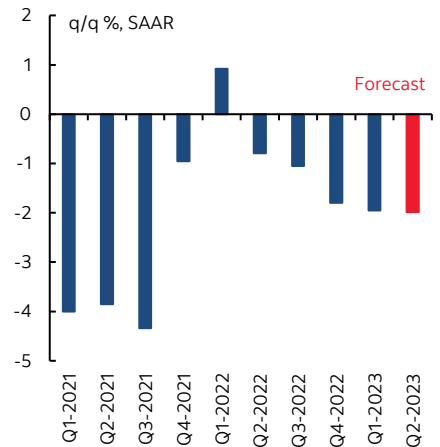
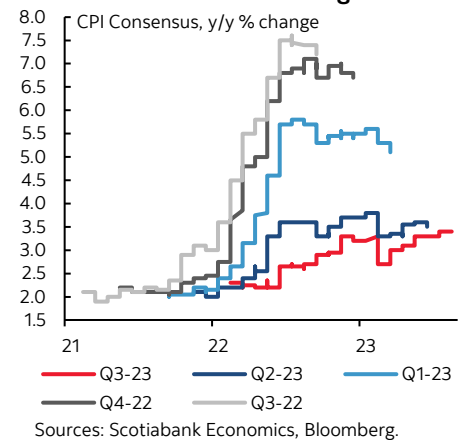


Chart 2

Consensus Persistently Chases Canadian Inflation Higher



- The next CPI inflation reading for August lands on September 19th and there will be one more on October 17th before the next decision. We'll see if consensus does a better job at forecasting inflation going forward than when everyone chased it higher with constant forecast revisions to date (chart 2). I think Governing Council will be rightly skeptical toward anyone's ability to forecast inflation over time even as it puts on a brave face.

A bigger risk may entail watching Federal and provincial government fiscal updates into the Fall. Governments may jawbone inflation control, but it will be their specific proposals and numbers that will tell the truth with implications for whether fiscal policy continues to fight monetary policy at the margin.

CANADA'S LABOUR MARKET—FROM BOGUS TO BONANZA?

After Canada lost a small number of jobs in July (-6k), the tally for August will help to determine whether the country's job market is faltering. My hunch is that we'll see a rebound and that too many economists were too quick to pounce on the decline in employment in May and then again in July as signs that the job market is rolling.

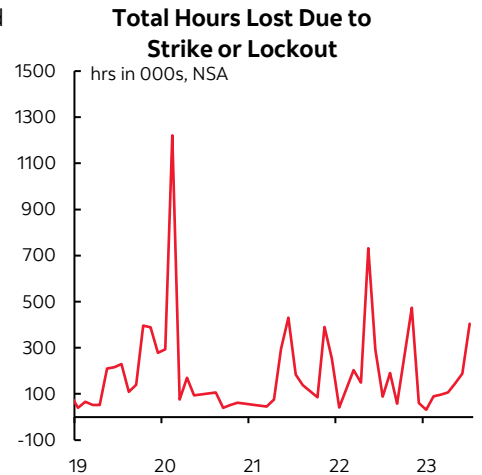
There is always a hefty degree of trepidation that accompanies forecasting job creation for a report that has a 95% confidence interval of +/-57k. That said, I'm reasonably confident that the distortions that dragged July lower will set up a rebound, but don't have a lot of confidence in how much. I've gone with a guesstimated increase in employment of 35k during August with a solid gain in hours worked. I would be more surprised by a much softer number than I would be by a much stronger one. Wage growth is likely to decelerated from the prior month's 11% m/m SAAR jump and take the year-over-year rate back down again from 5% in July.

Work stoppages affected about 127k workers in each of April and May. While the data stops at June, the BC port strike probably drove this number higher again in July before falling in August as workers returned to work. Hours of work lost due to strikes have also been elevated up to July (chart 3). If not for strikes, hours worked would have grown by 0.2% m/m in July instead of 0.1%. Strikes therefore cost the job market in July but this effect should moderate in August.

The drop in employment during July seemed anomalous for other reasons (chart 4).

- What caught my attention more than anything else was a 45k loss of construction employment mostly in Ontario and BC during July. Are those two provinces not trying to build as many homes as possible and fast enough in order to meet immigration needs? One possible explanation is that July was a super wet month in parts of the country and it's obviously hard to build houses, pour foundations and build the structures when it's soaking wet. It's very unlikely that Canada actually lost 40k construction jobs as they were off building an Ark instead of pouring foundations! In Toronto, for example, it rained on 19 of the 31 days that month for the most wet days ever in a month of July. Montreal had a record amount of rain for a month of July. August should see a rebound in this category.
- Further, what government suddenly embraced austerity and made civil servants into the riskiest profession in July such that 17k public administration jobs got lost? Probably none, versus treating this as noise.
- Losses in transportation and warehousing (-14k) were likely related to the port strike as workers shifted to strike pay especially into the July Labour Force Survey reference week. We also know that some firms indicated they were curtailing operations because they couldn't get parts due to the strike. Spillover effects likely rippled throughout transportation, warehousing, agricultural and manufacturing related sectors. Workers in these sectors likely returned in August's survey.

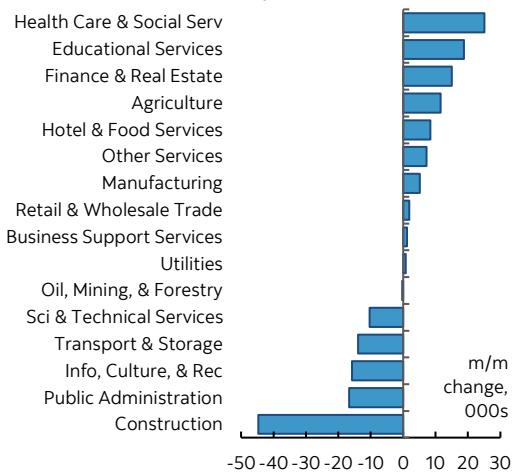
Chart 3



Sources: Scotiabank Economics, Statistics Canada.

Chart 4

July Changes in Canadian Employment Levels by Sector



Sources: Scotiabank Economics, Statistics Canada.

- The 6k loss of self-employed positions is always unverifiable soft data. It's a valuable part of the economy, but I never really trust this component's reliability.

Other details in the July figures were more robust including a mild gain in hours worked and a super acceleration of average hourly wages that were up by 11% m/m at a seasonally adjusted and annualized rate.

CANADIAN IMMIGRATION, HOUSING AND JOBS

Immigration and its various effects on the Canadian economy serve as a segue off the prior section's focus upon the job market. I'd like to touch on three related points.

i) Productivity

Should we be concerned that per capita GDP growth has fallen? Yes and no. If it persists, then it's bad for living standards. A lot of the bleak commentary on this measure seems to be implicitly assuming that it will persist. I don't think we can say that.

At issue is whether a surge of immigration carries first and second (third, fourth...) round effects on the economy. In the first round, a surge of population growth struggles to be integrated, to become familiar with their new country, and to integrate. The second-round effects could entail obtaining employment, and maybe starting a business and ramping up output. This second phase could unleash beneficial effects to labour productivity and lift per capita GDP growth. Obviously it's too early to assess this second-round effect in response to the surge of immigration that Canada has sought.

There is an analog to the energy patch. For years it was a productivity sinkhole as an enormous amount of capital went in while nothing came out. Transitioning to the second phase is where the benefits get unleashed.

There is empirical evidence to back the assertion that higher immigration can boost productivity growth. Studies like [this](#) one in the US, or [this](#) one at the firm level by Statistics Canada are supportive.

ii) Who's Getting the Jobs?

Until I see clear evidence to the contrary, it seems that thus far most of the job gains in Canada are going to those who were either born in Canada or to immigrants who earned permanent resident status years ago (chart 5). Academic studies that point to undercounting of total population in Canada don't necessarily change this proportion. Undercounting because the figures may miss around one million, maybe more or maybe less, assumes that the nature of the community being undercounted is being fully employed and just not counted. We don't know that just from population counts and don't know what fraction of the undercounted population even count themselves in the labour force.

iii) How Much More Housing Should be Built?

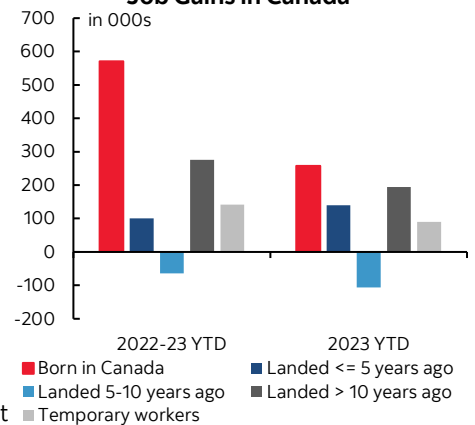
For some time now there has been an understanding that immigration tallies undercount temporary, or nonpermanent residents. Academics have been saying this for a while. The extension being offered to housing policy is where things break down in my view.

Canada is undercounting temps by around one million people, we're told. This is because they overstay their welcome after visas expire and this is not counted by Census data, plus a much smaller number exploit a loophole by not filling out Census surveys while claiming they are returning parents in the home country. So, these pundits advise, why not build more housing for them and use taxpayer funds to do so?

The consequences could be far reaching. One is that the integrity of the nation's immigration rules is imperilled through lax enforcement that encourages future abuse. Another is that someone has to pay for the housing assistance for people in the country illegally and that means a few things. It means higher taxes for hard working immigrants who came through legal channels. It means

Chart 5

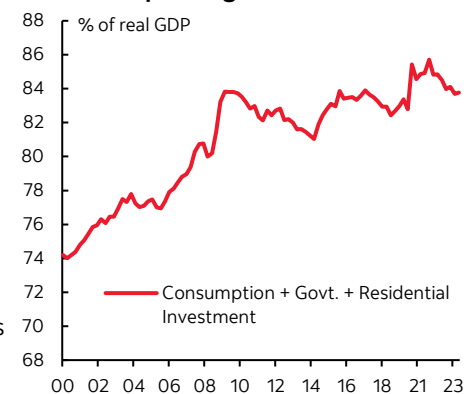
Look Who is Driving Job Gains in Canada



Sources: Scotiabank Economics, Statistics Canada.

Chart 6

Here Today, Gone Tomorrow Spending in Canada



Sources: Scotiabank Economics, Statistics Canada.

greater inflationary pressure by spending more on housing in an economy at capacity limits. That in turn means greater risk of more Bank of Canada rate hikes or higher rates for longer than otherwise. The most inhumane policy option would be to get in the way of the BoC's job to control inflation given its insidious, regressive effects.

There is a bigger macro point here though. 84% of GDP now goes to housing, consumer spending and current government spending. 84% on here-today-gone-tomorrow activities in productivity sinkholes that divert workers and resources away from sectors that could otherwise invest and drive productivity in a nation with a perpetual productivity problem. That's a 20+ year high (chart 6). Federal and provincial governments in Canada routinely overstimulate housing and there is a macro cost to doing so. Sounder macroeconomic policy advice may well be to enforce the immigration rules and crack down on the cheaters.

OTHER CENTRAL BANKS—TWO HOLDS AND A CUT

Only three other central banks will weigh in with policy decisions and updated guidance this week. Two holds and a cut are expected.

RBA—Inflation Counsels Another Hold

No one really expects Australia's central bank to change its cash rate target on Tuesday. Markets are priced for no change and consensus is unanimous that the rate will stay parked at 4.1%. It's Governor Lowe's last decision before Governor-designate Bullock takes over on September 18th. Bullock recently warned of the need for restrictive policy in her recent comments, but then CPI landed materially weaker than expected for the month of July.

Banco Central de Chile—Another Cut Coming

Chile's central bank is widely expected to cut its policy rate again on Tuesday. It had reduced the rate from a peak of 11.25% to 10.25% in July (chart 7). Another 100bps cut is expected on Tuesday with a minority of economists expected a smaller 75bps reduction. Easing inflationary pressures and an outlook for further easing is providing room for less restrictive monetary policy.

Bank Negara—Getting Ready?

Malaysia's central bank is forecast to hold its overnight rate at 3% again on Thursday. The ringgit has stabilized since the last decision on July 6th, but the central bank will be sensitive to doing anything that can destabilize it and thus pose financial stability concerns. Inflation came in weaker than expected at 2% y/y in July and has been falling for a year now. The path toward easing may feature in forward guidance.

GLOBAL MACRO—MORE MISLEADING CHINA DEFLATION HEADLINES COMING

Most of the global weekly indicator risk will be focused upon China's inflation readings, the US service sector, Latin American inflation, readings on Germany's economy and a pair of Asia-Pacific GDP reports.

China will top the list of weekly indicator risks. CPI inflation during August (Friday) may continue to hover in negative year-over-year territory for now and I'm sure that will incite another round of misleading deflation calls. All we're doing is basing year-over-year readings to this time last year when, for example, pork prices rose by about double over a six-month period of time. That's not deflation the way most economists define it. I still stand by views expressed [here](#). Watch the month-over-month core CPI gauge to see if it jumps as much as it did in July (chart 8).

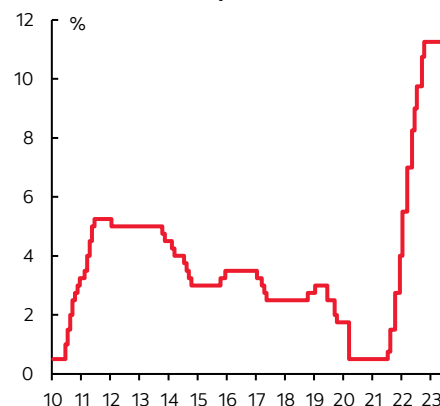
Also watch China's trade figures for August on Wednesday to see how much further weakness may be unfolding.

Canada will mostly focus upon the BoC communications and jobs, but Wednesday's trade figures for July will help to inform how trade is contributing to Q3 GDP at the same time that productivity is updated with Q2 figures and is likely to decline again. The Ivey PMI for August arrives Thursday.

This will be a light week for US observers. Markets start off shut for Labour Day on Monday ahead of the following Saturday's commencement of the Fed's communications blackout. Very little data is out this week. The key release will be Wednesday's ISM-services

Chart 7

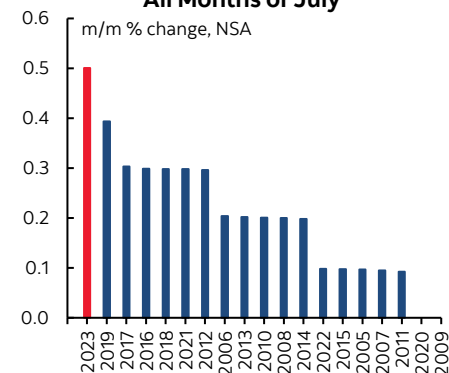
Another 100 bps Cut for Chile ?



Sources: Scotiabank Economics, Banco Central de Chile.

Chart 8

Comparing Core China CPI for All Months of July



Sources: Scotiabank Economics, China National Bureau of Statistics.

report that is expected to continue to demonstrate modest growth. Factory orders will probably follow the already known durable goods orders report lower and add on orders for nondurable goods (Tuesday). The trade deficit probably widened a bit given the already known merchandise component plus a usually stable services surplus (Wednesday).

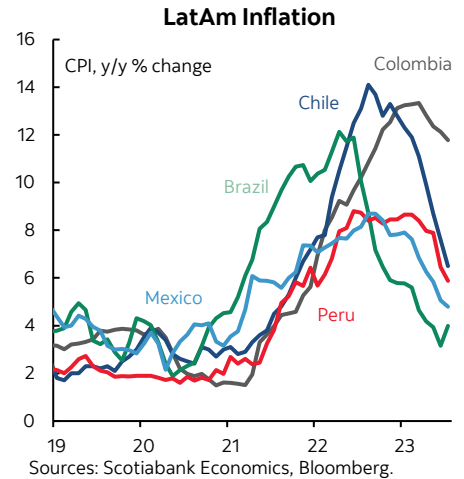
LatAm and Asia-Pacific countries will update inflation readings for August starting with Taiwan and Philippines on Monday. Colombia and Mexico update on Thursday and then Chile on Friday (chart 9).

Hours after the RBA's decision, Australia will report Q2 GDP growth that is expected to stay gently on the plus side.

South Korean GDP (Monday) should remain resilient with estimated growth of 0.6% q/q SA nonannualized. CPI for August will be released at the same time and is expected to accelerate closer to 3%.

European markets face light developments. The ECB's inflation expectations survey for July (Tuesday), plus Germany trade (Monday), factory orders (Wednesday) and industrial output (Thursday) will be the main events.

Chart 9



Key Indicators for the week of September 4 – 8

NORTH 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>
US	09-05	10:00	Durable Goods Orders (m/m)	Jul F	--	--	-5.2
US	09-05	10:00	Durable Goods Orders ex. Trans. (m/m)	Jul F	--	--	0.5
US	09-05	10:00	Factory Orders (m/m)	Jul	-2.4	-2.5	2.3
US	09-06	07:00	MBA Mortgage Applications (w/w)	Sep 01	--	--	2.3
CA	09-06	08:30	Merchandise Trade Balance (C\$ bn)	Jul	--	--	-3.7
CA	09-06	08:30	Productivity (q/q a.r.)	2Q	-0.5	--	-0.6
US	09-06	08:30	Trade Balance (US\$ bn)	Jul	-68.6	-68.0	-65.5
CA	09-06	10:00	BoC Interest Rate Announcement (%)	Sep 6	5.00	5.00	5.00
US	09-06	10:00	ISM Non-Manufacturing Composite	Aug	52.5	52.4	52.7
MX	09-07	08:00	Bi-Weekly Core CPI (% change)	Aug 31	--	--	0.2
MX	09-07	08:00	Bi-Weekly CPI (% change)	Aug 31	--	--	0.3
MX	09-07	08:00	Consumer Prices (m/m)	Aug	--	--	0.5
MX	09-07	08:00	Consumer Prices (y/y)	Aug	--	--	4.8
MX	09-07	08:00	Consumer Prices Core (m/m)	Aug	--	--	0.4
CA	09-07	08:30	Building Permits (m/m)	Jul	--	--	6.1
US	09-07	08:30	Initial Jobless Claims (000s)	Sep 02	235	234.0	228.0
US	09-07	08:30	Continuing Claims (000s)	Aug 26	1715	--	1725.0
US	09-07	08:30	Productivity (q/q a.r.)	2Q F	--	3.6	3.7
US	09-07	08:30	Unit Labor Costs (q/q a.r.)	2Q F	--	1.7	1.6
CA	09-08	08:30	Capacity Utilization (%)	2Q	--	--	81.9
CA	09-08	08:30	Employment (000s m/m)	Aug	35	--	-6.4
CA	09-08	08:30	Unemployment Rate (%)	Aug	5.5	--	5.5
US	09-08	15:00	Consumer Credit (US\$ bn m/m)	Jul	--	16.0	17.8

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
SZ	09-04	03:00	GDP (y/y)	2Q	0.6	0.6
IT	09-05	03:45	Services PMI	Aug	50.2	51.5
FR	09-05	03:50	Services PMI	Aug F	46.7	46.7
GE	09-05	03:55	Services PMI	Aug F	47.3	47.3
EC	09-05	04:00	Composite PMI	Aug F	47.0	47.0
EC	09-05	04:00	Services PMI	Aug F	48.3	48.3
UK	09-05	04:30	Official Reserves Changes (US\$ bn)	Aug	--	923.0
UK	09-05	04:30	Services PMI	Aug F	48.7	48.7
EC	09-05	05:00	PPI (m/m)	Jul	-0.5	-0.4
GE	09-06	02:00	Factory Orders (m/m)	Jul	-4.0	7.0
UK	09-06	04:30	PMI Construction	Aug	49.8	51.7
EC	09-06	05:00	Retail Trade (m/m)	Jul	-0.1	-0.3
GR	09-06	05:00	Real GDP NSA (y/y)	2Q	--	2.3
GE	09-07	02:00	Industrial Production (m/m)	Jul	-0.5	-1.5
FR	09-07	02:45	Current Account (€ bn)	Jul	--	758.0
FR	09-07	02:45	Trade Balance (€ mn)	Jul	--	-6712.5
EC	09-07	05:00	Employment (q/q)	2Q F	--	0.2
EC	09-07	05:00	GDP (q/q)	2Q F	0.3	0.3
FR	09-08	02:45	Industrial Production (m/m)	Jul	0.2	-0.9
FR	09-08	02:45	Industrial Production (y/y)	Jul	1.3	-0.3
FR	09-08	02:45	Manufacturing Production (m/m)	Jul	0.2	0.0
SP	09-08	03:00	Industrial Output NSA (y/y)	Jul	--	-1.4
RU	09-08	12:00	Real GDP (y/y)	2Q P	--	4.90

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 4 – 8

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
NZ	09-03	18:45	Terms of Trade Index (q/q)	2Q	-0.1	-1.5
JN	09-03	19:50	Monetary Base (y/y)	Aug	--	-1.3
AU	09-03	21:30	ANZ Job Advertisements (m/m)	Aug	--	0.4
SK	09-04	19:00	CPI (m/m)	Aug	0.3	0.1
SK	09-04	19:00	CPI (y/y)	Aug	2.8	2.3
SK	09-04	19:00	GDP (q/q)	2Q P	0.6	0.6
SK	09-04	19:00	GDP (y/y)	2Q P	0.9	0.9
JN	09-04	19:30	Household Spending (y/y)	Jul	-2.5	-4.2
HK	09-04	20:30	Purchasing Managers Index	Aug	--	49.4
PH	09-04	21:00	CPI (y/y)	Aug	4.7	4.7
PH	09-04	21:00	CPI (m/m)	Aug	0.5	0.1
AU	09-04	21:30	Current Account (AUD bn)	2Q	8.0	12283.0
AU	09-04	21:30	Australia Net Exports of GDP	2Q	0.4	-0.2
CH	09-04	21:45	Caixin Services PMI	Aug	53.7	54.1
TH	09-04	23:30	CPI (y/y)	Aug	0.8	0.4
TH	09-04	23:30	CPI (m/m)	Aug	0.4	0.0
TH	09-04	23:30	Core CPI (y/y)	Aug	0.8	0.9
AU	09-05	00:30	RBA Cash Target Rate (%)	Sep 5	4.10	4.10
SI	09-05	01:00	Retail Sales (m/m)	Jul	--	-0.8
SI	09-05	01:00	Retail Sales (y/y)	Jul	--	1.2
AU	09-05	21:30	GDP (q/q)	2Q	0.3	0.2
AU	09-05	21:30	GDP (y/y)	2Q	1.8	2.3
TA	09-06	04:00	CPI (y/y)	Aug	2.1	1.9
NZ	09-06	18:45	Manufacturing Activity	2Q	--	-2.8
CH	09-06	21:00	Foreign Reserves (US\$ bn)	Aug	3180.0	3204.3
CH	09-06	21:00	Exports (y/y)	Aug	-9.8	-14.5
CH	09-06	21:00	Imports (y/y)	Aug	-9.0	-12.4
CH	09-06	21:00	Trade Balance (USD bn)	Aug	67.7	80.6
AU	09-06	21:30	Trade Balance (AUD mn)	Jul	10000.0	11321.0
TH	09-06	22:00	Consumer Confidence Economic	Aug	--	50.3
AU	09-07	02:30	Foreign Reserves (AUD bn)	Aug	--	91.0
MA	09-07	03:00	Foreign Reserves (US\$ bn)	Aug 30	--	112.2
MA	09-07	03:00	Overnight Rate (%)	Sep 7	3.00	3.00
SI	09-07	05:00	Foreign Reserves (US\$ mn)	Aug	--	340793.3
SK	09-07	19:00	Current Account (US\$ mn)	Jul	--	5873.7
JN	09-07	19:50	Bank Lending (y/y)	Aug	--	2.9
JN	09-07	19:50	Current Account (¥ bn)	Jul	2262.8	1508.8
JN	09-07	19:50	GDP (q/q)	2Q F	1.4	1.5
JN	09-07	19:50	GDP Deflator (y/y)	2Q F	3.4	3.4
JN	09-07	19:50	Trade Balance - BOP Basis (¥ bn)	Jul	165.4	328.7
PH	09-07	21:00	Exports (y/y)	Jul	3.0	0.8
PH	09-07	21:00	Imports (y/y)	Jul	-12.0	-15.2
PH	09-07	21:00	Trade Balance (US\$ mn)	Jul	-4150.0	-3918.0
PH	09-07	21:00	Unemployment Rate (%)	Jul	--	4.5
ID	09-07	22:00	Consumer Confidence Index	Aug	--	123.5
TA	09-08	04:00	Exports (y/y)	Aug	-7.3	-10.4
TA	09-08	04:00	Imports (y/y)	Aug	-15.9	-20.9
TA	09-08	04:00	Trade Balance (US\$ bn)	Aug	5.5	8.5
CH	09-08	21:30	CPI (y/y)	Aug	--	-0.3
CH	09-08	21:30	PPI (y/y)	Aug	--	-4.4

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	09-05	08:00	Industrial Production SA (m/m)	Jul	--	--	0.1
BZ	09-05	08:00	Industrial Production (y/y)	Jul	--	--	0.3
CL	09-05	17:00	Nominal Overnight Rate Target (%)	Sep 5	9.25	9.50	10.25
CO	09-07	19:00	Consumer Price Index (m/m)	Aug	--	0.5	0.5
CO	09-07	19:00	Consumer Price Index (y/y)	Aug	--	11.2	11.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of September 4 – 8

NORTH AMERICA

Country Date Time Event

No Scheduled Auctions

EUROPE

Country Date Time Event

AS	09-05	05:00	Austria to Sell Bonds
GE	09-05	05:30	Germany to Sell I/L Bond
EN	09-06	05:00	U.K. to Sell GBP4 Billion of 4.5% 2028 Bonds
NO	09-06	05:00	Norway to Sell Bonds
GE	09-06	05:30	Germany to Sell EU5 Billion of 2.6% 2033 Bonds
MB	09-07	03:00	Malta to Sell Bonds
SP	09-07	04:30	Spain to Sell Bonds
FR	09-07	04:50	France to Sell Bonds
SW	09-07	05:00	Sweden to Sell I/L Bonds
IC	09-08	07:00	Iceland to Sell Bonds

ASIA PACIFIC

Country Date Time Event

JN	09-04	23:35	Japan to Sell 10-Year Bonds
CH	09-05	22:35	China to Sell 95 Billion Yuan 2028 Bonds
JN	09-06	23:35	Japan to Sell 30-Year Bonds

LATIN AMERICA

Country Date Time Event

No Scheduled Auctions

Events for the week of September 4 – 8

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-06	08:30	Fed's Collins Speaks on Economy, Policymaking
US	09-06	09:00	Ex-Fed Official Bullard Speaks at NABE
CA	09-06	10:00	Bank of Canada Rate Decision
US	09-06	14:00	Federal Reserve Releases Beige Book
US	09-06	15:00	Fed's Logan Takes Part in Community Listening Session
US	09-07	10:00	Fed's Harker Speaks on Future of Fintech
US	09-07	15:30	Fed's Williams Speaks at Bloomberg Market Forum
US	09-07	15:45	Fed's Bostic Speaks on Economic Outlook
US	09-07	19:00	Fed's Bostic Speaks on Economic Mobility

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-05	04:00	ECB 1 Year CPI Expectations
EC	09-05	04:00	ECB 3 Year CPI Expectations
EC	09-05		ECB's Visco speaks in Trieste, Italy
SW	09-06	07:00	Riksbank's Floden speech at UBS
SW	09-06	12:00	Riksbank Governor Thedeen speech
EC	09-07	03:00	ECB's Wunsch, Holzmann Speak
EC	09-07	03:30	ECB's Villeroy, Knot Speak
EC	09-07	04:30	ECB's Elderson Speaks
EN	09-07	04:30	BOE releases decision maker panel survey
EC	09-07	05:30	ECB's Holzmann Speaks

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	09-05	00:30	RBA Cash Rate Target
JN	09-05	21:30	BOJ Board Takata Speech in Yamaguchi
JN	09-06	21:30	BOJ Board Nakagawa Speech in Kochi
AU	09-06	23:10	RBA's Lowe-Speech
MA	09-07	03:00	BNM Overnight Policy Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CL	09-05	17:00	Overnight Rate Target

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	5.00	September 6, 2023	5.00	5.00
Federal Reserve – Federal Funds Target Rate	5.50	September 20, 2023	5.50	5.50
Banco de México – Overnight Rate	11.25	September 28, 2023	11.25	11.25

Bank of Canada: Recently soft GDP figures will probably be used as cover to buy time with this week's expected pause until the BoC offers a fuller assessment of transitory versus momentum signals in its next forecast update in October. Governor Macklem is nevertheless likely to sound hawkish when he speaks on Thursday given signals on inflation, wages, productivity, and inflation expectations.

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	4.25	September 14, 2023	4.25	4.25
European Central Bank – Marginal Lending Facility Rate	4.50	September 14, 2023	4.50	4.50
European Central Bank – Deposit Facility Rate	3.75	September 14, 2023	3.75	3.75
Bank of England – Bank Rate	5.25	September 21, 2023	5.50	5.50
Swiss National Bank – Sight Deposit Rate	1.75	September 21, 2023	1.75	1.75
Central Bank of Russia – One-Week Auction Rate	12.00	September 15, 2023	12.00	12.00
Sweden Riksbank – Repo Rate	3.75	September 21, 2023	4.00	4.00
Norges Bank – Deposit Rate	4.00	September 21, 2023	4.25	4.25
Central Bank of Turkey – Benchmark Repo Rate	25.00	September 21, 2023	n/a	n/a

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	September 22, 2023	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	4.10	September 5, 2023	4.10	4.10
Reserve Bank of New Zealand – Cash Rate	5.50	October 3, 2023	5.50	5.50
People's Bank of China – 1-Year Medium-Term Lending Facility Rate	2.50	September 14, 2023	2.50	2.50
Reserve Bank of India – Repo Rate	6.50	October 6, 2023	6.50	6.50
Bank of Korea – Base Rate	3.50	October 19, 2023	3.50	3.50
Bank of Thailand – Repo Rate	2.25	September 27, 2023	2.25	2.25
Bank Negara Malaysia – Overnight Policy Rate	3.00	September 7, 2023	3.00	3.00
Bank Indonesia – 7-Day Reverse Repo Rate	5.75	September 21, 2023	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	6.25	September 21, 2023	6.25	6.25

RBA: No change is expected on Tuesday when the cash rate target is likely to remain at 4.1%. Governor Lowe's last decision before Governor-designate Bullock takes over probably has cover for another hold thanks to recently weaker than expected inflation. **Bank Negara Malaysia:** Bank Negara Malaysia is expected to hold its overnight policy rate for a second time in a row after its last hike of 25bps in May 2023. Headline inflation is at 2% while core inflation is cooling down.

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	13.25	September 20, 2023	12.75	12.75
Banco Central de Chile – Overnight Rate	10.25	September 5, 2023	9.25	9.25
Banco de la República de Colombia – Lending Rate	13.25	September 29, 2023	13.25	13.25
Banco Central de Reserva del Perú – Reference Rate	7.75	September 14, 2023	7.50	7.50

Banco Central de Chile: Consensus is in favor of 100bps cut to the overnight rate on Tuesday while two economists expect a 75bps cut. Ebbing inflation is providing room for less restrictive policy.

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	8.25	September 21, 2023	8.25	8.25

Sources: Bloomberg, Scotiabank Economics.

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