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

- Gullible markets?
- US core PCE inflation probably rose a little less than core CPI
- Eurozone CPI starts the march to the next ECB meeting
- CDN GDP and serial shocks
- China PMIs could continue to stabilize
- Deadline to avoid a US government shutdown
- Banxico outlook complicated by the Fed's shift
- BanRep expected to hold again on elevated inflation
- BoT may deliver another hike
- Canada's economy should be able to handle mortgage rate resets

Hook, Line and Sinker

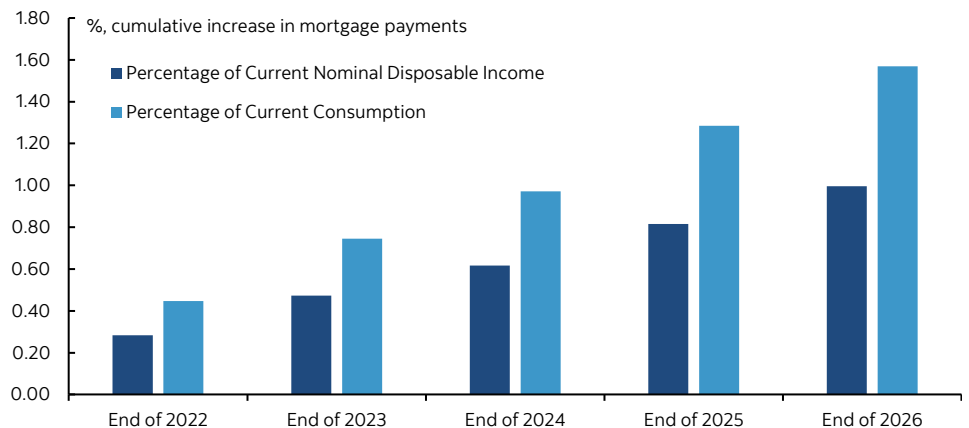
- [Introduction](#) 2-3
- [Central Banks—Bucking LatAm Neighbours](#) 3
- [Global Macro—Friday's Fabulous Four](#) 3-5
- [US Core PCE Inflation—CPI, Only Lighter](#) 3-4
- [Eurozone Inflation—Buoyed by Energy, But Passing Time](#) 4
- [Canada's Economy—Serial Shocks](#) 4
- [Is China's Economy Bottoming Out?](#) 5
- [Canadian Mortgage Resets](#) 5

FORECASTS & DATA

- [Key Indicators](#) A1-A3
- [Global Auctions Calendar](#) A4
- [Events Calendar](#) A5
- [Global Central Bank Watch](#) A6

Chart of the Week

Canadian Mortgage Resets To Have Modest Impact



Sources: Scotiabank Economics, Bank of Canada, Statistics Canada.

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

Hook, Line and Sinker

The coming week should offer much lighter calendar-based risk to global markets than the past week that was heavily driven by a deluge of communications from major global central banks. There will be a small number of central banks weighing in, but none of them have the potential to impact the global market tone and few if any are expected to change anything. Data risk will be highly skewed to Friday with potentially important releases out of the US, Eurozone, Canada and China.

The Federal Reserve was the prime culprit for this past week's upheaval across global financial markets that had the bond market at its epicenter. It may be fairer to say that market gullibility was the main culprit.

I'm surprised by the extent to which markets believed the Fed's fortune tellers and palm readers this past week. Most of us know better than to assign much importance to the FOMC's randomly scribbled dots that depicted a higher for longer bias toward the policy rate including reducing projected easing next year to 50bps from twice that previously. The evidence is clear in that the dots outside of the current year tend to perform poorly as guides to what actually happens to the Fed's main policy tool. This is backed by charts 1 – 4 that track what actually happens to the fed funds policy rate relative to what the dots predicted in each of the current year, one-year out, two-years out and three-years ahead. Yet markets chose to chase the dots in driving Treasury curve steepener trades.

Potentially rethinking the wisdom of having done so may be the biggest off-calendar market risk into the coming week. The US 10-year yield at just shy of 4½% strikes me as pricing in a beautiful world in which inflation is magically crushed while the sensitivity of growth to interest rates is assumed to be negligible. At some point—and I know that consensus keeps pushing it out for five quarters in a row and counting so far (chart 5)—we are bound to see more evidence of the effects of higher borrowing costs especially if they go higher. The US economy has a number of things in its favour today relative to its past, such as stronger consumer finances, but it isn't totally rate inelastic. Pain is the point of monetary tightening even if some central bankers have adopted a 'who me' posture that to most economists sounds a tad deceitful. Without some pain—perhaps quite a bit—monetary policy won't do its job in getting inflation durably lower.

When and how this point arrives is uncertain. It could unfold gradually, but history often counsels being prepared for it to arrive suddenly whether through a rapid change in sentiment and/or by coming in one day and getting walloped by an unexpectedly weak report.

Chart 1
Current Year DOT Projection is a Decent Indicator of Current Year-End Rate

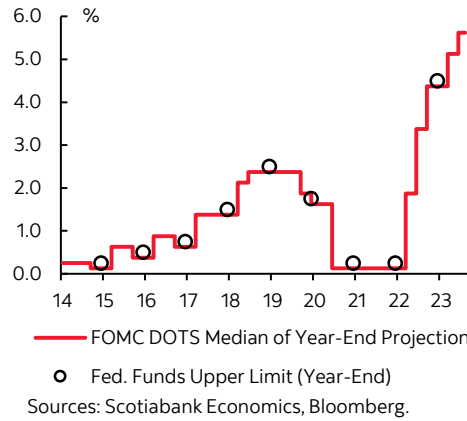


Chart 2
DOTs Perform Poorly in the Next Year

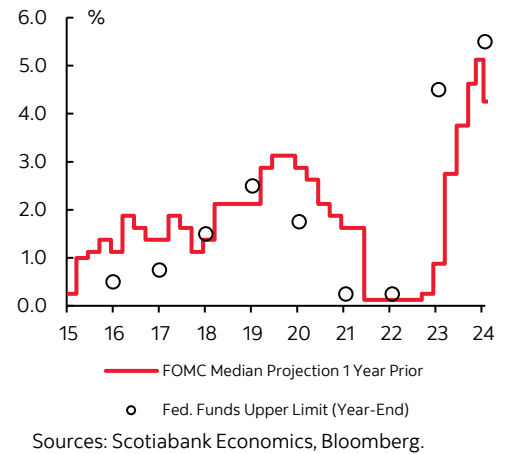


Chart 3
DOTs Are Useless Two Years Out

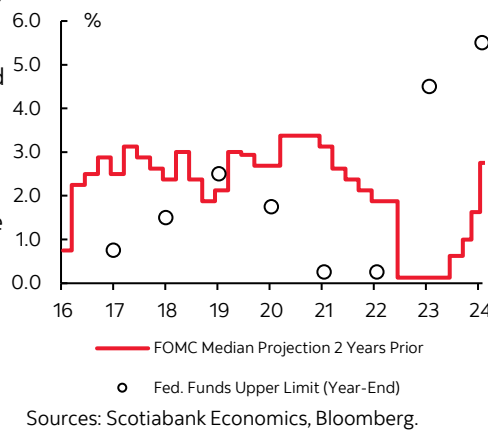


Chart 4
DOTs Are Useless Three Years Out

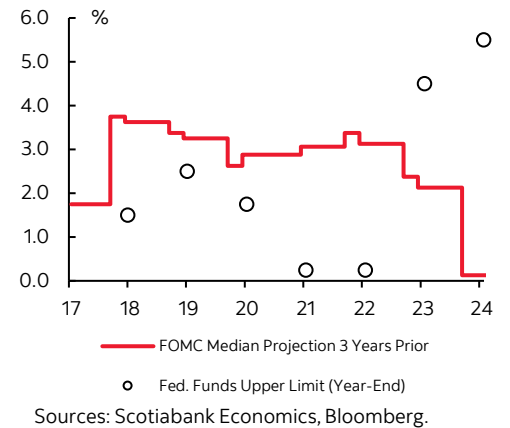
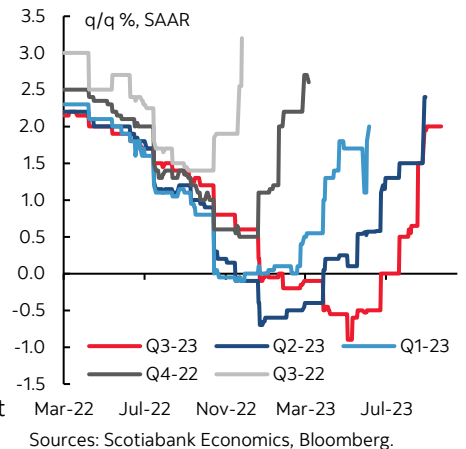


Chart 5
Consensus Estimates for US GDP Too Bearish



Other off-calendar risks that will be monitored by markets will be further developments in the US autoworkers strike and toward a US government shutdown that could arrive into next weekend and the following week. After House Speaker McCarthy signed a deal making his job dependent upon the whims of a narrow extreme minority, they are now blocking passage of funding bills and with former President Trump egging them on. Aside from the modest transitory hit to the economy that may unfold, the effects could disrupt the availability of key economic releases including the next payrolls report on October 6th. An extended government shutdown would cloud the Fed’s ability to read underlying developments affecting its dual mandate at a rather inopportune moment as it considers further policy tightening.

CENTRAL BANKS—BUCKING LATAM NEIGHBOURS

Major central banks that have the power to rock global central banks are out of the way for another cycle. Important decisions will still come from central banks in Mexico, Colombia and Thailand.

The Bank of Thailand may hike its policy rate by 25bps to 2.5% on Wednesday. That would extend the tightening cycle that began about a year ago and that has taken the policy rate up by about 175bps so far. What leans against further tightening in support of a solid minority expecting a pause is that core inflation has been ebbing from a peak of 3.2% y/y last December to 0.8% now and not just due to base effects; the pressures have ebbed at the margin in month-ago terms. Guidance that was offered at the last decision on August 2nd suggested that the end of the hiking cycle was approaching, and further decisions would be data dependent. Since then, however, a new administration has guided that there will be increased stimulus coming into the new year. The tourism sector has also continued to recover (chart 6).

Colombia’s central bank is expected to hold its overnight rate unchanged at 13.25% on Friday. That would extend a pause dating back to April after a protracted hiking campaign that began in October 2021 when many other global central banks were still napping. Unlike some of its other LatAm neighbours, Colombian inflation hasn’t been cooling. Month-over-month seasonally unadjusted prices have continued to post some of the biggest gains for like months in history and this has contributed toward keeping the year-over-year rate elevated and over 11% (chart 7).

Banxico doesn’t have to always follow the Fed, but the recent hawkish hold by the FOMC complicates the outlook for Mexico’s central bank. It is expected to leave its overnight rate unchanged at 11.25% again on Thursday. GDP growth has been running at a solid pace for seven consecutive quarters averaging at about 1% q/q SA nonannualized and with only modest variations from quarter to quarter. The country is among the nearshoring beneficiaries. The peso had been materially appreciating through much of the past year until stalling out over recent months and may be vulnerable to further Fed tightening.

GLOBAL MACRO—FRIDAY’S FABULOUS FOUR

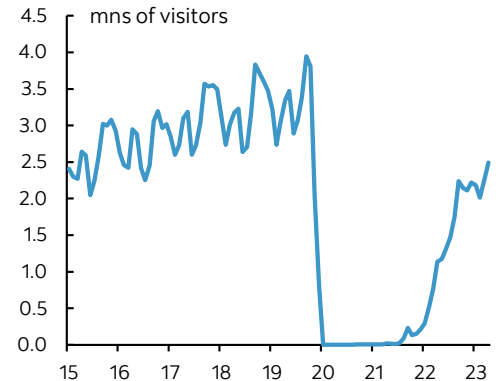
There will be four main economic indicators that will garner most of the week’s attention and all of them arrive on Friday. They speak to conditions in China, the US, Eurozone and Canada. While there will be quite a few other readings across multiple markets over the course of the week, these are the ones that I think deserve the most emphasis.

US Core PCE Inflation—CPI, Only Lighter

The Federal Reserve’s preferred inflation reading for the month of August will be released on Friday along with figures on consumer spending, incomes and the saving rate.

Chart 6

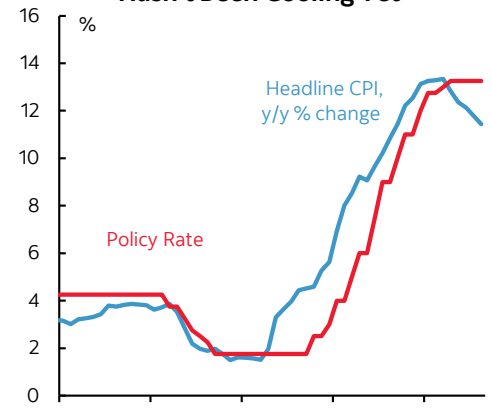
Thailand's Tourism Sector Continuing to Recover



Sources: Scotiabank Economics, Bank of Thailand.

Chart 7

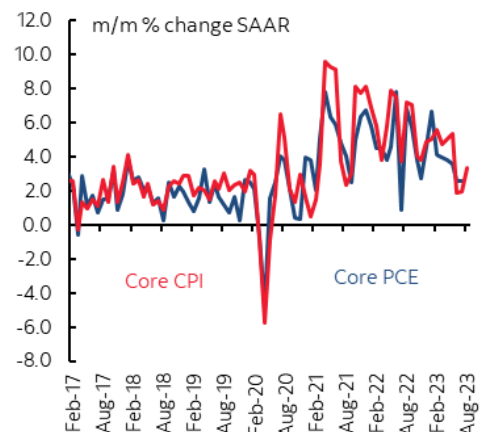
Colombia's Inflation Rate Hasn't Been Cooling Yet



Sources: Scotiabank Economics, Bloomberg.

Chart 8

US Core PCE and CPI Inflation



Sources: Scotiabank Economics, BLS, BEA.

Is China's Economy Bottoming Out?

China will update the state's version of purchasing managers' indices on Friday night, September 29th. An erratic release schedule sometimes sees the data coming out when more people are paying attention and sometimes on the weekends when fewer may be doing so.

It is feasible that slipping the estimates into the weekend with fewer watching could result in a better set of readings flying beneath the radar into the Monday market open. China's efforts to apply policy stimulus may begin to bear more fruit. The composite PMI stopped falling in August's reading following a string of declines dating back to March.

Whether or not September's readings build upon momentum could be impactful to assessments of Q3 GDP growth and how domestic and world markets view downside risks to China's economy.

CANADIAN MORTGAGE RESETS

A common narrative is that Canada has more indebted households than many other countries and hence greater vulnerability to higher borrowing costs than some other countries like the US because of shorter mortgage terms that reset more rapidly than in the US with its very long terms. The combination could derail the economy, limit potential for further rate hikes to control inflation and spark a policy reversal by the Bank of Canada.

There are some truths to the conventional narrative, but I've long viewed this less alarmingly than other colleagues on the street. The economy should be reasonably well positioned to withstand the effects notwithstanding the valid point that the high level macroeconomic consequences understate the challenges that will be faced by some households and some lenders more than others.

Chart 10 shows our rough estimates of the rolling cumulative amount by which total mortgage payments by all mortgage holders will go up by year through to 2026 expressed as a fraction of disposable income earned by all Canadians frozen at present incomes that I'll revisit in a moment. Chart 11 shows the cumulative increase in mortgage payments as a share of current total consumer spending. By 2026, this approach shows that the cumulative shock to mortgage payments equals about 1% of current nominal disposable income and about 1½% of current consumption.

The shares of income and consumption are likely to be smaller than shown. That's partly because of the assumption that incomes and consumption have been frozen at present levels. Aggregate nominal income is very likely to rise due to inflation, wage adjustments, population and employment gains over time even if a soft patch lies ahead, and possible net transfers from governments.

As Canadian borrowers extend amortization through rising proposals as bankruptcies remain toward record lows, the effects will offset at least some of this payments shock.

A key risk is the outlook for the job market that has thus far outpaced expectations, but there are other risk mitigants that are often unique to the Canadian mortgage system to also consider. One-third of outstanding residential mortgage credit is insured which has pros and cons but is a safety backstop. Banks are well capitalized. Mortgages are not generally put in off-balance sheet conduits that compound high leverage. The funding model is relatively more stable in Canada than other banking systems with less reliance upon core deposits.

Lenders generally have full recourse as opposed to jingle mail mortgages. Lenders and borrowers exist in a system that is often more collaborative in nature. Even in the depths of past shocks like the harsh recession of the early 1990s, Canadians still paid their mortgages as the delinquency ratio remained very low.

Chart 10

Canadian Mortgage Resets' Impact

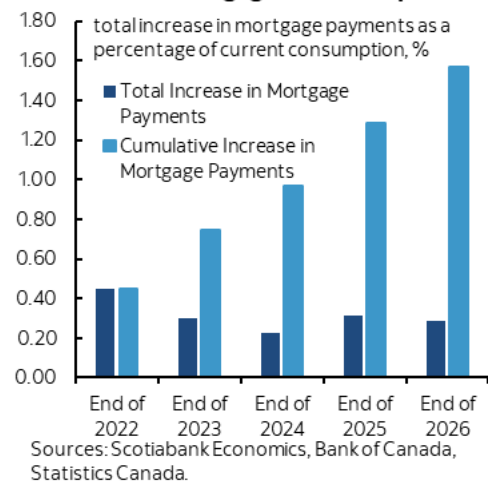
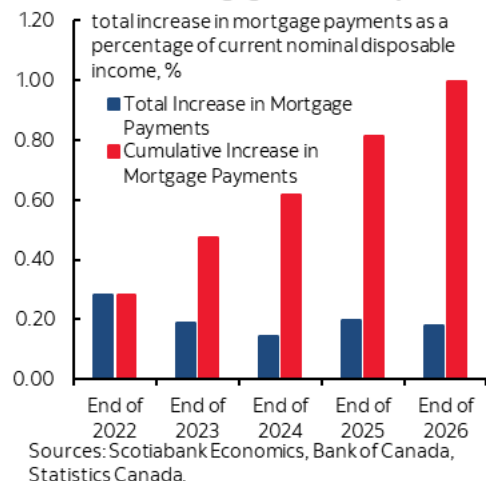


Chart 11

Canadian Mortgage Resets' Impact



Key Indicators for the week of September 25 – 29

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	09-25	10:30	Dallas Fed. Manufacturing Activity	Sep	--	-13.0	-17.2
US	09-26	09:00	S&P/Case-Shiller Home Price Index (m/m)	Jul	--	0.6	0.9
US	09-26	09:00	S&P/Case-Shiller Home Price Index (y/y)	Jul	--	-0.1	-1.2
US	09-26	10:00	Consumer Confidence Index	Sep	105.0	105.5	106.1
US	09-26	10:00	New Home Sales (000s a.r.)	Aug	695	700.0	714.0
US	09-26	10:00	Richmond Fed Manufacturing Index	Sep	--	-7.0	-7.0
US	09-27	07:00	MBA Mortgage Applications (w/w)	Sep 22	--	--	5.4
MX	09-27	08:00	Trade Balance (US\$ mn)	Aug	--	-1007.5	-881.2
US	09-27	08:30	Durable Goods Orders (m/m)	Aug P	-0.5	-0.5	-5.2
US	09-27	08:30	Durable Goods Orders ex. Trans. (m/m)	Aug P	0.1	0.2	0.4
MX	09-28	08:00	Unemployment Rate (%)	Aug	--	--	3.1
US	09-28	08:30	GDP (q/q a.r.)	2Q T	2.1	2.2	2.1
US	09-28	08:30	GDP Deflator (q/q a.r.)	2Q T	--	2.0	2.0
US	09-28	08:30	Initial Jobless Claims (000s)	Sep 23	205	215.0	201.0
US	09-28	08:30	Continuing Claims (000s)	Sep 16	1670	1675.0	1662.0
US	09-28	10:00	Pending Home Sales (m/m)	Aug	--	-0.4	0.9
MX	09-28	15:00	Overnight Rate (%)	Sep 28	11.25	11.25	11.25
CA	09-29	08:30	Real GDP (m/m)	Jul	0.2	0.1	-0.2
US	09-29	08:30	PCE Deflator (m/m)	Aug	0.5	0.5	0.2
US	09-29	08:30	PCE Deflator (y/y)	Aug	3.5	3.5	3.3
US	09-29	08:30	PCE ex. Food & Energy (m/m)	Aug	0.2	0.2	0.2
US	09-29	08:30	PCE ex. Food & Energy (y/y)	Aug	3.9	3.9	4.2
US	09-29	08:30	Personal Spending (m/m)	Aug	0.4	0.4	0.8
US	09-29	08:30	Personal Income (m/m)	Aug	0.4	0.4	0.2
US	09-29	08:30	Wholesale Inventories (m/m)	Aug P	--	-0.2	-0.2
US	09-29	09:45	Chicago PMI	Sep	--	47.3	48.7
US	09-29	10:00	U. of Michigan Consumer Sentiment	Sep F	--	67.7	67.7

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	09-25	04:00	IFO Business Climate Survey	Sep	85.2	85.7
GE	09-25	04:00	IFO Current Assessment Survey	Sep	88.0	89.0
GE	09-25	04:00	IFO Expectations Survey	Sep	83.0	82.6
GE	09-27	02:00	GfK Consumer Confidence Survey	Oct	-26.0	-25.5
SP	09-28	03:00	CPI (m/m)	Sep P	0.2	0.5
SP	09-28	03:00	CPI (y/y)	Sep P	3.6	2.6
SP	09-28	03:00	CPI - EU Harmonized (m/m)	Sep P	0.5	0.5
SP	09-28	03:00	CPI - EU Harmonized (y/y)	Sep P	3.2	2.4
SP	09-28	03:00	Real Retail Sales (y/y)	Aug	--	7.7
EC	09-28	05:00	Economic Confidence	Sep	92.4	93.3
EC	09-28	05:00	Industrial Confidence	Sep	-10.5	-10.3
GE	09-28	08:00	CPI (m/m)	Sep P	0.3	0.3
GE	09-28	08:00	CPI (y/y)	Sep P	4.6	6.1
GE	09-28	08:00	CPI - EU Harmonized (m/m)	Sep P	0.3	0.4
GE	09-28	08:00	CPI - EU Harmonized (y/y)	Sep P	4.5	6.4
UK	09-28	04:00	Nationwide House Prices (m/m)	Sep	-0.5	-0.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 25 – 29

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
UK	09-29	02:00	Business Investment (q/q)	2Q F	3.4	3.4
UK	09-29	02:00	Current Account (£ bn)	2Q	-14.3	-10.8
UK	09-29	02:00	GDP (q/q)	2Q F	0.2	0.2
FR	09-29	02:45	Consumer Spending (m/m)	Aug	-0.5	0.0
FR	09-29	02:45	CPI (m/m)	Sep P	-0.3	1.0
FR	09-29	02:45	CPI (y/y)	Sep P	5.1	4.9
FR	09-29	02:45	CPI - EU Harmonized (m/m)	Sep P	-0.3	1.1
FR	09-29	02:45	CPI - EU Harmonized (y/y)	Sep P	5.9	5.7
FR	09-29	02:45	Producer Prices (m/m)	Aug	--	-0.2
GE	09-29	03:55	Unemployment (000s)	Sep	15.0	18.0
GE	09-29	03:55	Unemployment Rate (%)	Sep	5.7	5.7
SP	09-29	04:00	Current Account (€ bn)	Jul	--	3.0
UK	09-29	04:30	Net Consumer Credit (£ bn)	Aug	1.3	1.2
EC	09-29	05:00	Euro zone CPI Estimate (y/y)	Sep	4.5	5.3
IT	09-29	05:00	CPI (m/m)	Sep P	0.0	0.3
IT	09-29	05:00	CPI (y/y)	Sep P	5.3	5.4
IT	09-29	05:00	CPI - EU Harmonized (m/m)	Sep P	1.3	0.2
IT	09-29	05:00	CPI - EU Harmonized (y/y)	Sep P	5.3	5.5

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
SI	09-25	01:00	CPI (m/m)	Aug	--	-0.2
SI	09-25	01:00	CPI (y/y)	Aug	4.0	4.1
JN	09-25	01:30	Nationwide Department Store Sales (y/y)	Aug	--	8.6
SK	09-25	17:00	Consumer Confidence Index	Sep	--	103.1
SK	09-24	20:00	Discount Store Sales (y/y)	Aug	--	2.6
SK	09-24	20:00	Department Store Sales (y/y)	Aug	--	2.1
VN	09-24	22:00	CPI (y/y)	Sep	3.2	3.0
VN	09-24	22:00	Industrial Production (y/y)	Sep	--	2.6
SI	09-26	01:00	Industrial Production (m/m)	Aug	-1.9	4.1
SI	09-26	01:00	Industrial Production (y/y)	Aug	-3.6	-0.9
HK	09-26	04:30	Exports (y/y)	Aug	--	-9.1
HK	09-26	04:30	Imports (y/y)	Aug	--	-7.9
HK	09-26	04:30	Trade Balance (HKD bn)	Aug	--	-30.0
SK	09-26	17:00	Business Survey- Manufacturing	Oct	--	69.0
SK	09-26	17:00	Business Survey- Non-Manufacturing	Oct	--	76.0
CH	09-26	21:30	Industrial Profits YTD (y/y)	Aug	--	-6.7
PH	09-24	12:00	Budget Deficit/Surplus (PHP bn)	Aug	--	-47.8
JN	09-27	01:00	Coincident Index CI	Jul F	--	114.5
JN	09-27	01:00	Leading Index CI	Jul F	--	107.6
JN	09-27	01:00	New Composite Leading Economic Index	Jul F	--	107.6
JN	09-27	02:00	Machine Tool Orders (y/y)	Aug F	--	-17.6
TH	09-27	03:00	BoT Repo Rate (%)	Sep 27	2.5	2.3
AU	09-27	21:30	Retail Sales (m/m)	Aug	0.3	0.5
NZ	09-28	17:00	ANZ Consumer Confidence Index	Sep	--	85.0
JN	09-28	19:30	Jobless Rate (%)	Aug	2.6	2.7
JN	09-28	19:30	Tokyo CPI (y/y)	Sep	2.8	2.9
JN	09-28	19:50	Industrial Production (m/m)	Aug P	-0.8	-1.8
JN	09-28	19:50	Large Retailers' Sales (y/y)	Aug	--	5.5
JN	09-28	19:50	Retail Trade (m/m)	Aug	0.5	2.1
JN	09-28	19:50	Retail Trade (y/y)	Aug	6.4	6.8
JN	09-28	19:50	Industrial Production (y/y)	Aug P	-4.8	-2.3
AU	09-28	21:30	Private Sector Credit (m/m)	Aug	0.3	0.3
AU	09-28	21:30	Private Sector Credit (y/y)	Aug	--	5.3
CH	09-28	21:45	Caixin Flash China Manufacturing PMI	Sep	51.1	51.0
CH	09-28	21:45	Caixin Manufacturing PMI	Sep	51.1	51.0
CH	09-28	21:45	Caixin Services PMI	Sep	--	51.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 25 – 29

ASIA PACIFIC (continued from previous page)

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
JN	09-29	01:00	Consumer Confidence	Sep	36.2	36.2
JN	09-29	01:00	Housing Starts (y/y)	Aug	-8.8	-6.7
TH	09-29	03:00	Current Account Balance (US\$ mn)	Aug	500.0	-445.0
TH	09-29	03:30	Exports (y/y)	Aug	--	-5.5
TH	09-29	03:30	Imports (y/y)	Aug	--	-12.0
TH	09-29	03:30	Trade Balance (US\$ mn)	Aug	--	355.0
HK	09-29	04:30	Retail Sales - Value (y/y)	Aug	--	16.5
HK	09-29	04:30	Retail Sales - Volume (y/y)	Aug	--	14.0
IN	09-29	06:30	Fiscal Deficit (INR Crore)	Aug	--	154223.00
CH	09-29	21:30	Manufacturing PMI	Sep	50.2	49.7
CH	09-29	21:30	Non-manufacturing PMI	Sep	51.5	51.0
HK	09-28	21:00	Govt Monthly Budget Surp/Def (HKD bn)	Aug	--	-41.8
IN	09-28	23:30	Current Account Balance	2Q	-8.90	-1.34

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>
BZ	09-25	07:30	Current Account (US\$ mn)	Aug	--	-1700.0	-3605.5
BZ	09-26	08:00	IBGE Inflation IPCA-15 (m/m)	Sep	--	0.4	0.3
BZ	09-26	08:00	IBGE Inflation IPCA-15 (y/y)	Sep	--	5.0	4.2
CL	09-29	08:00	Industrial Production (y/y)	Aug	--	-4.0	-3.9
CL	09-29	08:00	Retail Sales (y/y)	Aug	-7.0	-9.0	-10.1
CL	09-29	08:00	Unemployment Rate (%)	Aug	8.9	8.9	8.8
CO	09-29	11:00	Urban Unemployment Rate (%)	Aug	--	--	9.8
CO	09-29	14:00	Overnight Lending Rate (%)	Sep 29	13.25	13.25	13.25

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of September 25 – 29

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-26	11:30	U.S. To Sell USD48 Bln 2-Year Notes
CA	09-27	12:00	Canada to Sell C\$3 Billion of 3.25% 2033 Bonds
CA	09-27	12:00	Canada to Sell 10 Year Bonds
US	09-27	13:00	U.S. To Sell USD49 Bln 5-Year Notes
US	09-28	13:00	U.S. To Sell USD37 Bln 7-Year Notes

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-25	05:30	EU to Sell Bonds
NE	09-26	04:00	Netherlands to Sell Up to EU2.5B of 2.5% 2033 Bonds
IT	09-26	05:00	Italy to Sell Up to EU3 Billion of 3.6% 2025 Bonds
EN	09-26	05:00	U.K. to Sell GBP3 Billion of 0.875% 2033 Bonds
GE	09-26	05:30	Germany to Sell EU4 Billion of 2.4% 2028 Bonds
SW	09-27	05:00	Sweden to Sell SEK1.5 Billion of 1.75% 2033 Bonds
EN	09-27	05:00	U.K. to Sell 1 ¼% 2073 Bonds
SW	09-27	05:00	Sweden to Sell SEK1 Billion of 0.125% 2031 Bonds
GE	09-27	05:30	Germany to Sell EU4 Billion of 2.6% 2033 Bonds
IT	09-28	05:00	Italy to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	09-27	23:35	Japan to Sell 2-Year Bonds
AU	09-28	21:00	Australia to Sell A\$800 Million 2.25% 2028 Bonds

LATIN AMERICA

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

Events for the week of September 25 – 29

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09-25	18:00	Fed's Kashkari Speaks
US	09-26	13:30	Fed's Bowman Delivers Welcoming Remarks
US	09-28	09:00	Fed's Goolsbee Speaks at Peterson Institute in Washington
US	09-28	13:00	Fed's Cook Speaks at Minorities in Banking Forum
MX	09-28	15:00	Overnight Rate
US	09-28	16:00	Fed's Powell Hosts Town Hall With Educators
US	09-28	19:00	Fed's Barkin Gives Speech on Monetary Policy Outlook
US	09-29	12:45	Fed's Williams to Speak on Monetary Policy

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09-25	03:00	ECB's Villeroy speaks
EC	09-26	03:00	ECB's Lane speaks
EC	09-26	03:00	ECB's Simkus Speaks
SW	09-26	12:00	Riksbank's Jansson speech at Unga Aktiesparare
SW	09-28	04:15	Riksbank's Floden speech at Kreditföreningen
EC	09-28	10:00	ECB's Holzmann Speaks
SW	09-28	10:45	Riksbank's Breman on panel about climate change
EC	09-29	03:40	ECB's Lagarde Speaks

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	09-25	00:00	RBA's Jones-Panel
JN	09-26	19:50	BOJ Minutes of July Meeting
TH	09-27	03:00	BoT Benchmark Interest Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
BZ	09-26	07:30	Central Bank Meeting Minutes
GU	09-27		Leading Interest Rate
MX	09-28	15:00	Overnight Rate
CO	09-29	14:00	Overnight Lending Rate
TR	09-29		Central Bank Repurchase 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	5.00	October 25, 2023	5.00	5.00
Federal Reserve – Federal Funds Target Rate	5.50	November 1, 2023	5.50	5.50
Banco de México – Overnight Rate	11.25	September 28, 2023	11.25	11.25

Banco de Mexico: Banco de Mexico had signaled a hawkish stance in the last meeting and is expected to hold its overnight rate at 11.25% on Thursday. However, the Fed's hawkish hold may complicate the outlook for Mexico's central bank.

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	4.50	October 26, 2023	4.50	4.50
European Central Bank – Marginal Lending Facility Rate	4.75	October 26, 2023	4.75	4.75
European Central Bank – Deposit Facility Rate	4.00	October 26, 2023	4.00	4.00
Bank of England – Bank Rate	5.25	November 2, 2023	5.50	5.50
Swiss National Bank – Sight Deposit Rate	1.75	December 14, 2023	1.75	1.75
Central Bank of Russia – One-Week Auction Rate	13.00	October 27, 2023	13.00	13.00
Sweden Riksbank – Repo Rate	4.00	November 23, 2023	4.00	4.00
Norges Bank – Deposit Rate	4.25	November 2, 2023	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	30.00	October 26, 2023	n/a	30.00

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	October 31, 2023	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	4.10	October 2, 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	October 15, 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	2.50	2.50
Bank Negara Malaysia – Overnight Policy Rate	3.00	November 2, 2023	3.00	3.00
Bank Indonesia – 7-Day Reverse Repo Rate	5.75	October 19, 2023	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	6.25	November 16, 2023	6.25	6.25

Bank of Thailand: The BoT might hike its policy rate on Wednesday by 25bps to 2.50% with a minority expecting a pause. Core inflation has been slowing down at the margin and the bank had guided last meeting that the end of the hiking cycle was approaching.

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	12.75	November 1, 2023	12.75	12.75
Banco Central de Chile – Overnight Rate	9.50	October 26, 2023	8.75	n/a
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	7.50	October 5, 2023	7.50	7.50

Banco de la Republica de Colombia: Higher than expected inflation and slowing GDP growth might result in Banco de la Republica de Colombia holding its overnight rate at 13.25% on Friday

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	November 23, 2023	8.25	8.25

Sources: Bloomberg, Scotiabank Economics.

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