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

- US government headed for 11th shutdown in four decades
- US nonfarm payrolls could be a shutdown casualty
- Canadian jobs and wages to further inform inflation pressures
- China PMIs could impact Monday's market open
- Peru's central bank expected to cut again
- RBA, RBI, RBNZ all likely to hold
- CPI: Chile, Colombia, Peru, Switzerland, Australia, Indonesia...
... Philippines, SK, Taiwan, Thailand

Shutting Down

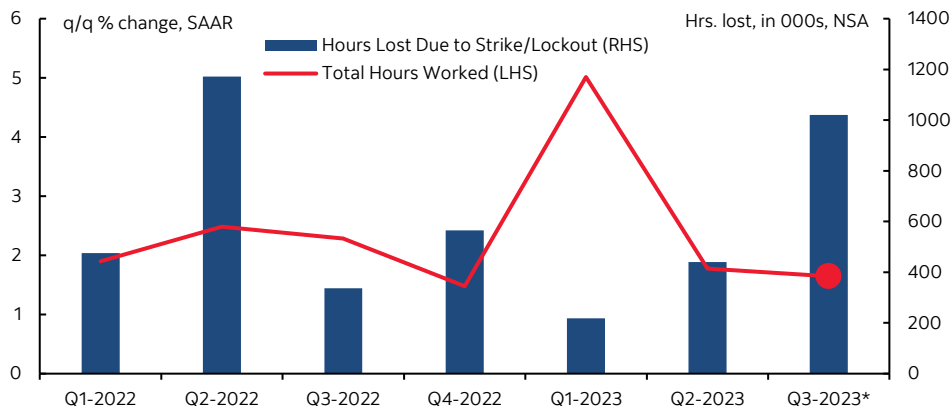
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Chart of the Week

Canadian Economy Looks Solid, Despite Hours Lost Due To Strike !



* Q3-2023 Tracking by assuming September 2023 similar to August 2023.
Sources: Scotiabank Economics, Statistics Canada.

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

Shutting Down

Business as usual for China’s government will still result in the release of a key macroeconomic report to kick off the week while the US demonstrates to the world how not to run a government. How to further jeopardize its credit rating. How not to jeopardize the availability of key information at a sensitive point for the Federal Reserve. How not to place disproportionate power into the hands of an unruly and implacable handful of individuals and their de facto leaders.

Key developments over the coming week that we can say with certainty will still unfold will be the release of China’s PMIs and how they may impact the market tone on Monday, plus Canada’s updates on jobs and wages on Friday, and a wave of global inflation readings in between.

What could dominate the importance of these developments would be key US macroeconomic reports, particularly nonfarm payrolls and wages on Friday. They, among other reports that are scheduled for release over the week, may be postponed for an indeterminate length of time along with core government services.

Frankly, they should make a statute of David Beers and mount it on the steps of Congress. A government that ceases its operations an eleventh possible time in just over forty years—three times since 2018—is clearly experiencing generational dysfunction and polarization.

CANADIAN JOBS—RISING IMBALANCES

Canada will update jobs, wages and other labour market metrics for the month of September on Friday. The readings will further advance understanding of the risks on the path to the Bank of Canada’s posture on October 25th when it rolls a fresh decision plus new forecasts and analysis.

I’ve guesstimated a modest gain of 15,000 workers and a slightly higher unemployment rate.

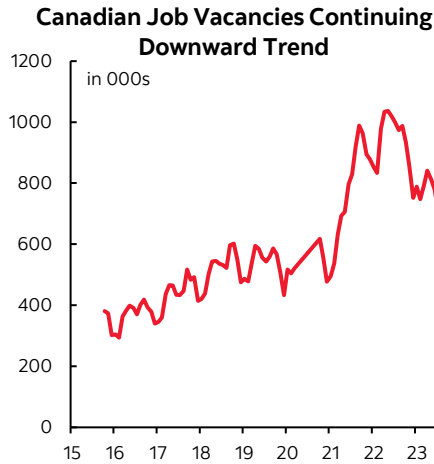
Still relatively elevated job vacancies (chart 1), diminishing but still high job postings (chart 2) and off-the-charts population growth (chart 3) as Canada continues to throw open its doors to new arrivals could make for another strong report after jobs rebounded in August.

What lessens confidence in this tally is how quirky the prior month’s report was. There was a large decline in educational services of 44k employees significantly due to the problems Statcan is having with controlling for shifting seasonality in teacher contracts. This effect might rebound as the school year started, but the 50k rise in self-employed jobs could go the other way and is often treated as relatively soft quality data. The effects of the BC port strike in July might continue to reverse if it wasn’t fully captured into the reference week of August 13th – 19th.

It may be tough to repeat the incredibly strong wage growth that we’ve seen over the prior couple of months (chart 4), although I said the same thing the last time and July’s strong double-digit gain in average hourly earnings on a month-over-month seasonally adjusted and annualized basis led to another similar gain in August.

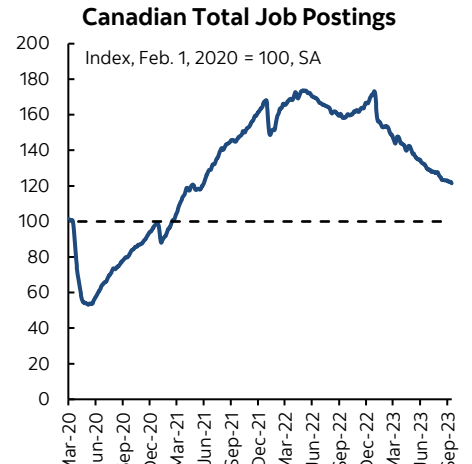
About one-in-three Canadian workers are unionized—triple the US rate—and collective bargaining exercises are driving very strong wage gains that are well above the BoC’s 2% inflation target (chart 5). This is a key distinction when it comes to considering BoC versus Fed dynamics.

Chart 1



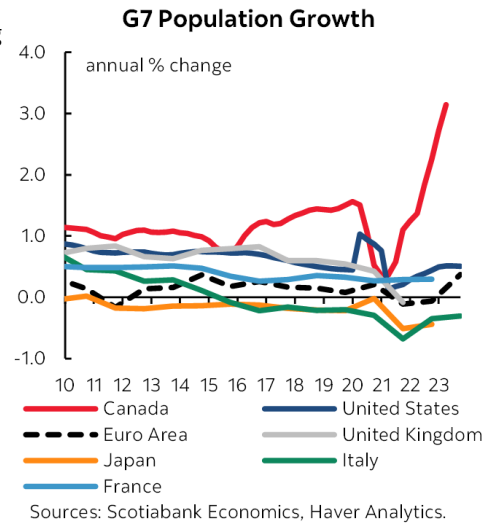
Sources: Scotiabank Economics, Statistics Canada

Chart 2



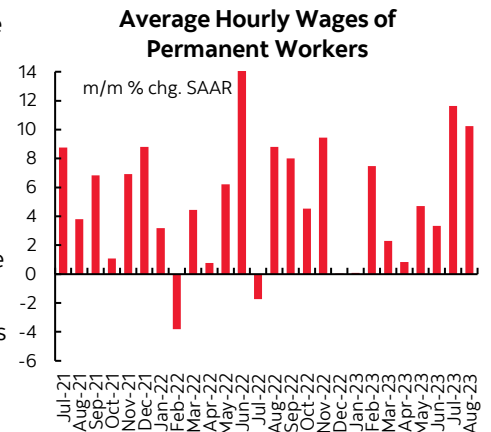
Sources: Scotiabank Economics, Indeed Hiring Lab.

Chart 3



Sources: Scotiabank Economics, Haver Analytics.

Chart 4



Sources: Scotiabank Economics, Statistics Canada, Haver.

That's not just true for the first year of the average 2–4 year contract periods in recent settlements; recent settlements have been establishing multi-year gains 2–3 times the BoC's inflation target. This is a sign of changed behaviour by workers that are engaged in extrapolative behaviour, demanding wage increases well in excess of inflation.

That has been the case throughout the past year (chart 6) despite tumbling worker productivity for which shared blame must be spread across governments, c-suites and workers (chart 7).

Such are perhaps the luxuries associated with an incredibly tight labour market. Canada's job market is tighter than the US at least in terms of the unemployment rate compared to OECD estimates of Canada's natural equilibrium rate of unemployment (chart 8).

This combination of soaring wage gains and tumbling productivity is driving competitive imbalances. It is driving Canadian manufacturing unit labour costs (productivity-adjusted employment costs) to rise faster than in Mexico (chart 9).

What is unlikely to drive wage disinflationary pressures as offsets to aggressive multi-year wage hikes net of tumbling productivity is immigration. The composition of the employment gains is subject to wide intervals of estimates, but generally points to how most of the job growth has gone to born-in-Canada and long-time permanent residents (chart 10). Relatively newer permanent residents have not participated in much of this. Canada has always been challenged with respect to successfully integrating new arrivals and has much work to do in order to get better at it. Further, recall the evidence from the US literature with a suite of studies generally concluding that the immigrant wage elasticity effect is near zero. Variations in immigration over the decades have had negligible effects upon wage growth net of other drivers.

Chart 5

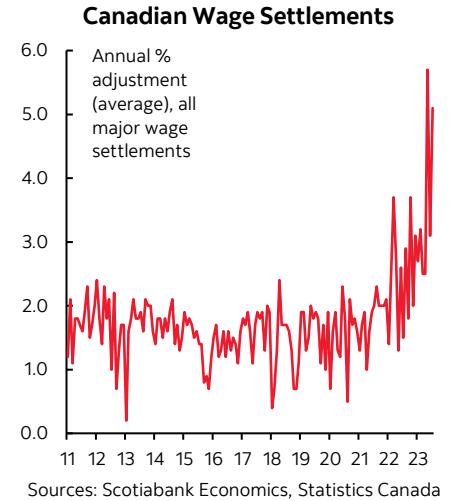


Chart 7

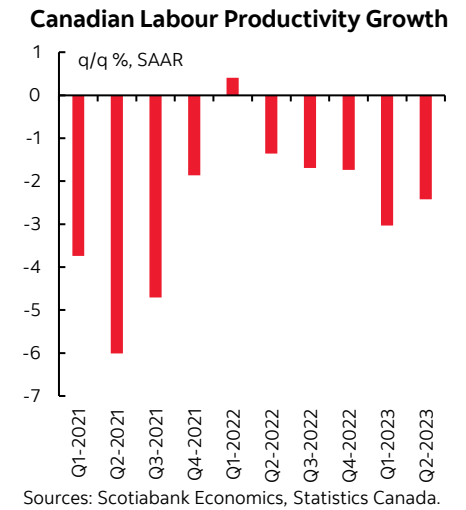


Chart 6

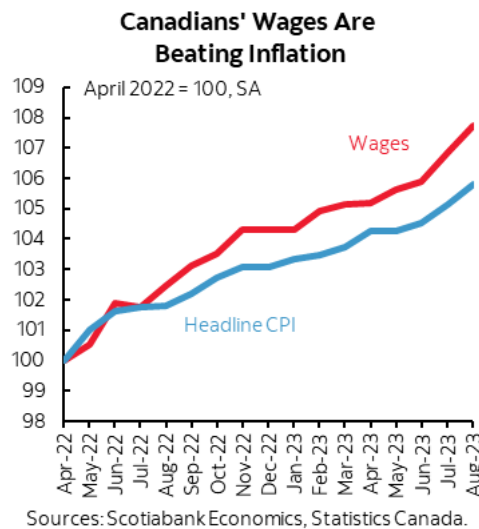


Chart 9

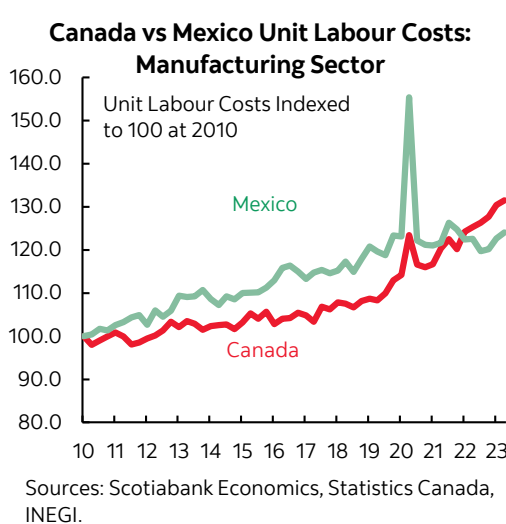


Chart 8

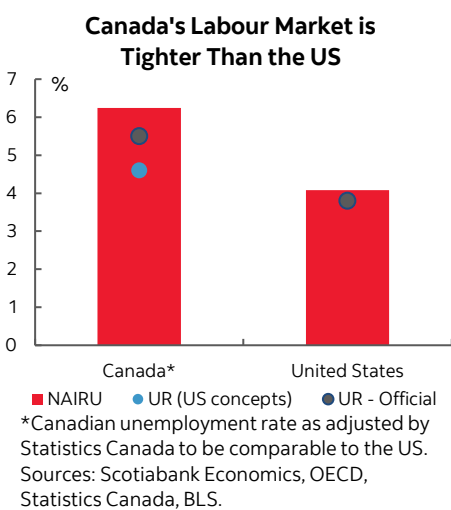
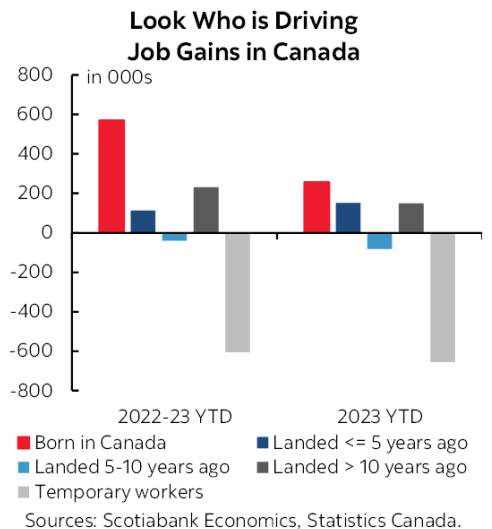


Chart 10



US NONFARM—WE MIGHT NOT GET THEM!

A wave of employment releases over the coming week will culminate in Friday’s nonfarm payrolls and wages for the month of September. I’ve guesstimated a gain of 175k payroll positions and trend wage growth of about 0.3% m/m.

That is, of course, assuming that the numbers are released. As the US government probably shuts down this weekend, the length of shutdown and whether it extends to Friday and beyond could be highly disruptive to the flow of key US data reports. The Bureau of Labor Statistics would “completely cease operations” in a shutdown. Even post-shutdown, it would take some time for normal activities and the publication of key reports to resume. Whether that affects the FOMC’s next decision on November 1st or not depends critically upon how long a shutdown lasts.

Both the US (chart 11) and Canada (chart 12) are making progress toward rebalancing labour markets. So far, however, it is very one-sided as the charts show that both countries have come down from the top left of the so-called Beveridge curves primarily through reduced job vacancies while the unemployment rates continue to signal tight job markets.

Still, those job openings remain high (chart 13). Weekly filings for employment insurance are very low (chart 14). Mass layoffs have normalized toward pre-pandemic levels compared to when nobody was getting laid off during the most powerful wave of post-pandemic recovery but remain low (chart 15).

These are not the signs of a labour market in trouble. They continue to indicate buoyant activity in tight conditions.

Chart 11

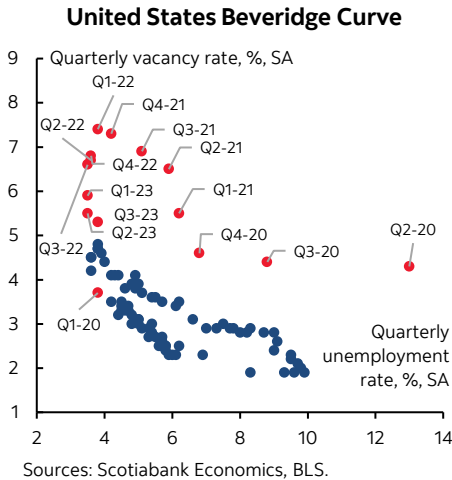


Chart 12

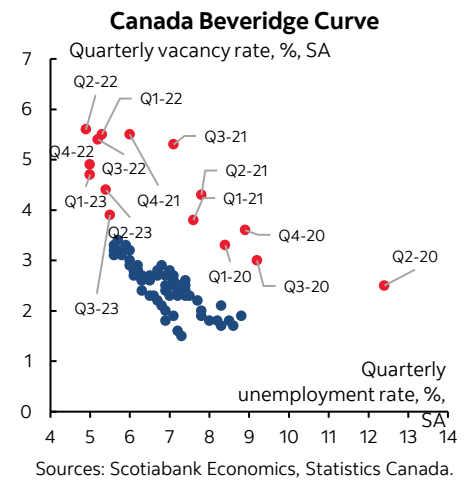


Chart 13

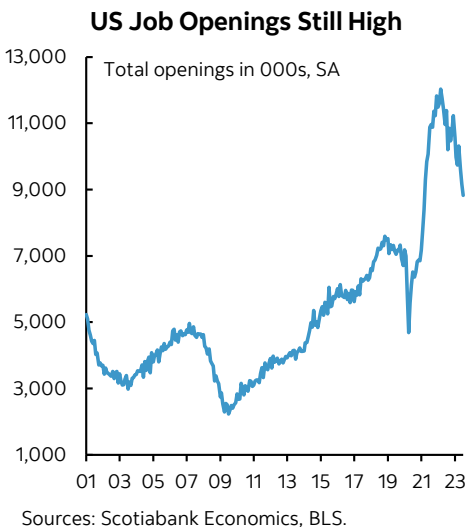


Chart 14

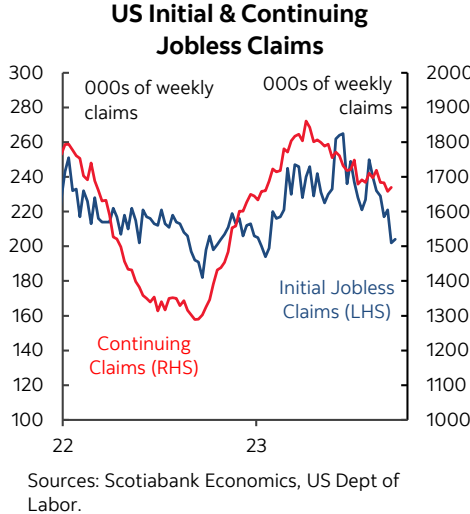
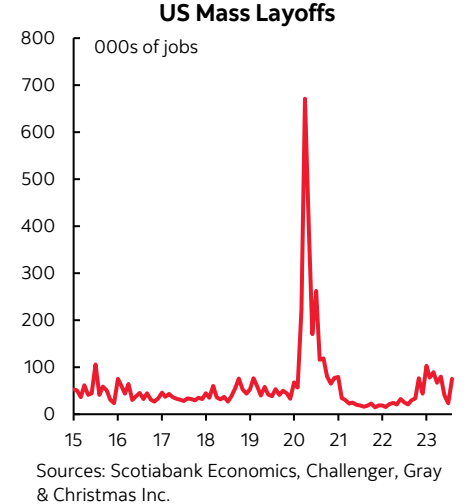


Chart 15



CENTRAL BANKS—MOSTLY STUCK IN HOLDING PATTERNS

Four central banks will deliver policy decisions over the coming week. There are generally low odds that anything any of them will do could impact local, let alone global markets.

RBA—Hawkish Hold

Australia’s central bank is widely expected to stay on hold at a cash rate target of 4.1% again on Tuesday night (ET). Consensus is close to unanimous and markets have nothing priced in for this decision. Since its last decision to stay on hold in early September, jobs jumped 65k

higher but entirely due to part-time workers. CPI inflation increased to 5.2% y/y for the first uptick since April, but mostly due to transportation and within that energy costs. Traditional core CPI ebbed to 5.5% while trimmed mean CPI was unchanged at 5.6%.

RBNZ—This One Could Get More Interesting

No policy rate change is expected on Wednesday. New Zealand’s central bank is unanimously expected to hold again at a target rate of 5.5%. Since its hold on August 15th, growth has surprised higher, coming in at about 3½% q/q SAAR. That followed two weak quarters. More important are likely to be the next releases for Q3 wage growth at the end of the month, and Q3 CPI on October 16th as they could influence the next decision on November 28th and whether to adjust its forward guidance at the next meeting (chart 16).

Banco Central de Reserva del Peru—It’s Looking Pretty Linear So Far

Peru’s central bank is widely expected to cut its reference rate by 25bps on Thursday. This would be the second reduction following September’s cut that itself followed a holding pattern since the last hike of the cycle was delivered back in January. At its September meeting, the BCP said that its cut “would not necessarily imply a cycle of successive reductions in the interest rate”. Since then, a monthly indicator of economic activity that serves as a guide to GDP growth worsened in July to -1.3% y/y. This weekend’s CPI figures may further inform cut risk and guidance on the bias for the remaining two meetings this year. Peru has been witnessing among the fastest decelerations in inflationary pressures among its neighbours (chart 17).

RBI—Making Progress

India’s central bank is widely expected to stay on hold at a repurchase rate of 6.5% on Friday. Core inflation has continued to ebb to below 5% y/y. The central bank is likely to look through a recent spike in energy and vegetable prices.

GLOBAL MACRO—CHINA’S GOVERNMENT DOESN’T SHUT DOWN

First up by way of global macroeconomics indicators will be this weekend’s release of China’s purchasing managers’ indices for September. They could impact the Asian market open by informing markets about growth momentum in China’s economy in response to various stimulus measures.

A wave of CPI readings will emerge from a collection of mid-sized to smaller economies. Australia and Peru release into Sunday (ET), followed by Indonesia on Monday, Switzerland (Tuesday), South Korea, Thailand and the Philippines on Wednesday, Taiwan on Thursday and both Chile and Colombia on Friday.

Canada will update trade figures for August on Thursday that we’ll use to update quarterly GDP tracking.

How much US data actually sees the light of day this week will depend in part on the likelihood of a lengthy government shutdown. Reuters assembled [this](#) handy list as a reference. Construction spending (Monday), JOLTS job openings (Tuesday), factory orders (Wednesday), weekly initial jobless claims (Thursday) and part of the vehicle sales tally (Tuesday) will all be held up by a shutdown. ISM-manufacturing (Monday) could further stabilize (chart 18) and then comes ISM-services (Wednesday) plus ADP private payrolls (Wednesday) and the Challenger mass layoffs tally (Thursday) all of which will be unaffected by a shutdown.

Eurozone macro calendars will be lightly populated with the main focus upon German exports (Thursday) and factory orders (Friday). Asia-Pacific markets will primarily consider Japan’s Q3 Tankan report (Sunday ET). LatAm markets face light data risk with just manufacturing PMIs from Mexico and Brazil on Monday and the Brazilian composite PMI on Wednesday.

Chart 16

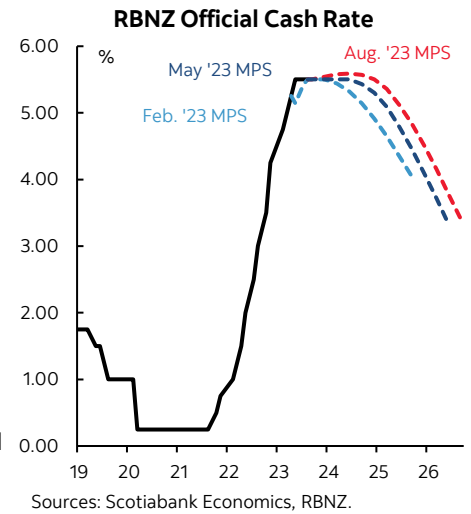


Chart 17

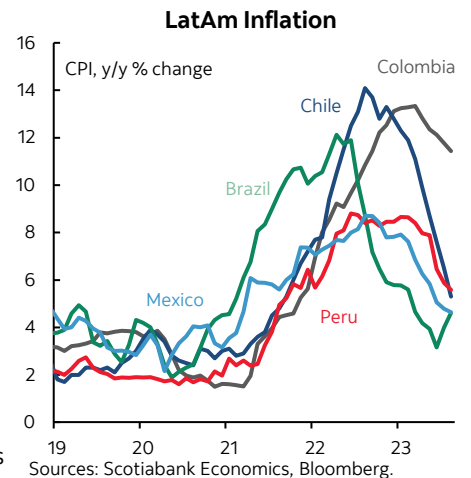
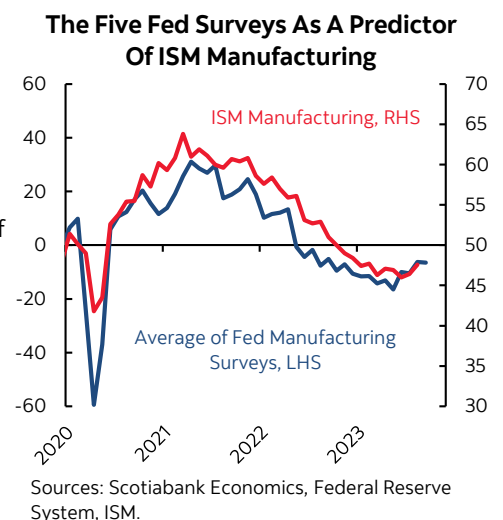


Chart 18



Key Indicators for the week of October 2 – 6

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	10-02	10:00	Construction Spending (m/m)	Aug	0.4	0.6	0.7
US	10-02	10:00	ISM Manufacturing Index	Sep	47.0	47.7	47.6
US	10-03	10:00	JOLTS Job Openings (000s)	Aug	--	8829.5	8827.0
US	10-03	09:00	Total Vehicle Sales (mn a.r.)	Sep	15.4	15.4	15.0
US	10-04	07:00	MBA Mortgage Applications (w/w)	Sep 29	--	--	-1.3
US	10-04	08:15	ADP Employment Report (000s m/m)	Sep	200	157.5	177.0
US	10-04	10:00	Factory Orders (m/m)	Aug	0.3	0.3	-2.1
US	10-04	10:00	ISM Non-Manufacturing Composite	Sep	54.0	53.5	54.5
CA	10-05	08:30	Merchandise Trade Balance (C\$ bn)	Aug	--	-1.4	-1.0
US	10-05	08:30	Initial Jobless Claims (000s)	Sep 30	210	210.0	204.0
US	10-05	08:30	Continuing Claims (000s)	Sep 23	1680	--	1670.0
US	10-05	08:30	Trade Balance (US\$ bn)	Aug	-59.0	-64.3	-65.0
CA	10-06	08:30	Employment (000s m/m)	Sep	15	20.0	39.9
CA	10-06	08:30	Unemployment Rate (%)	Sep	5.6	5.6	5.5
US	10-06	08:30	Average Hourly Earnings (m/m)	Sep	0.3	0.3	0.2
US	10-06	08:30	Average Hourly Earnings (y/y)	Sep	4.3	4.3	4.3
US	10-06	08:30	Average Weekly Hours	Sep	--	34.4	34.4
US	10-06	08:30	Nonfarm Employment Report (000s m/m)	Sep	175.0	168.0	187.0
US	10-06	08:30	Unemployment Rate (%)	Sep	3.7	3.7	3.8
US	10-06	15:00	Consumer Credit (US\$ bn m/m)	Aug	--	11.7	10.4
US	10-06	08:30	Household Employment Report (000s m/m)	Sep	--	--	222.0

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
IT	10-02	03:45	Manufacturing PMI	Sep	45.8	45.4
FR	10-02	03:50	Manufacturing PMI	Sep F	43.6	43.6
GE	10-02	03:55	Manufacturing PMI	Sep F	39.8	39.8
EC	10-02	04:00	Manufacturing PMI	Sep F	43.4	43.4
UK	10-02	04:30	Manufacturing PMI	Sep F	44.2	44.2
EC	10-02	05:00	Unemployment Rate (%)	Aug	6.4	6.4
IT	10-02	03:00	Budget Balance (€ bn)	Sep	--	2.1
IT	10-02	03:00	Budget Balance YTD (€ bn)	Sep	--	-79.2
FR	10-03	02:45	Central Government Balance (€ bn)	Aug	--	-169.0
IT	10-04	03:45	Services PMI	Sep	50.1	49.8
FR	10-04	03:50	Services PMI	Sep F	43.9	43.9
GE	10-04	03:55	Services PMI	Sep F	49.8	49.8
EC	10-04	04:00	Composite PMI	Sep F	47.1	47.1
EC	10-04	04:00	Services PMI	Sep F	48.4	48.4
UK	10-04	04:30	Official Reserves Changes (US\$ bn)	Sep	--	-1472.0
UK	10-04	04:30	Services PMI	Sep F	47.2	47.2
EC	10-04	05:00	PPI (m/m)	Aug	0.6	-0.5
EC	10-04	05:00	Retail Trade (m/m)	Aug	-0.5	-0.2
RU	10-04	12:00	Real GDP (y/y)	2Q F	4.90	4.90
FR	10-05	02:45	Industrial Production (m/m)	Aug	-0.5	0.8
FR	10-05	02:45	Industrial Production (y/y)	Aug	--	0.0
FR	10-05	02:45	Manufacturing Production (m/m)	Aug	--	0.7
SP	10-05	03:00	Industrial Output NSA (y/y)	Aug	-2.4	-1.8
UK	10-05	04:30	PMI Construction	Sep	50.0	50.8
GE	10-06	02:00	Factory Orders (m/m)	Aug	1.5	-11.7
FR	10-06	02:45	Current Account (€ bn)	Aug	--	-2045.0
FR	10-06	02:45	Trade Balance (€ mn)	Aug	--	-8089.3

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of October 2 – 6

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	10-01	19:50	Tankan All Industries Index	3Q	13.5	13.4
JN	10-01	19:50	Tankan Manufacturing Index	3Q	6.0	5.0
JN	10-01	19:50	Tankan Non-Manufacturing Index	3Q	24.0	23.0
JN	10-01	20:30	Markit/JMMA Manufacturing PMI	Sep F	--	48.6
ID	10-02	00:00	CPI (y/y)	Sep	2.2	3.3
ID	10-02	00:00	CPI (m/m)	Sep	0.1	0.0
ID	10-02	00:00	Core CPI (y/y)	Sep	2.1	2.2
TH	10-02	03:30	Business Sentiment Index	Sep	--	48.9
JN	10-02	19:50	Monetary Base (y/y)	Sep	1.6	1.2
AU	10-02	20:30	Building Approvals (m/m)	Aug	2.8	-8.1
AU	10-02	20:30	ANZ Job Advertisements (m/m)	Sep	--	1.9
AU	10-02	23:30	RBA Cash Target Rate (%)	Oct 3	4.10	4.10
SI	10-03	09:00	Purchasing Managers Index	Sep	--	49.9
SK	10-03	19:00	Industrial Production (m/m)	Aug	-0.1	-2.0
SK	10-03	19:00	Industrial Production (y/y)	Aug	-5.8	-8.0
SK	10-03	19:00	Cyclical Leading Index Change	Aug	--	0.4
NZ	10-03	21:00	RBNZ Official Cash Rate (%)	Oct 4	5.50	5.50
SK	10-04	19:00	CPI (m/m)	Sep	0.3	1.0
SK	10-04	19:00	CPI (y/y)	Sep	3.4	3.4
AU	10-04	20:30	Trade Balance (AUD mn)	Aug	8749.0	8039.0
HK	10-04	20:30	Purchasing Managers Index	Sep	--	49.8
PH	10-04	21:00	CPI (y/y)	Sep	5.3	5.3
PH	10-04	21:00	CPI (m/m)	Sep	0.4	1.1
TH	10-04	23:30	CPI (y/y)	Sep	0.8	0.9
TH	10-04	23:30	CPI (m/m)	Sep	-0.2	0.6
TH	10-04	23:30	Core CPI (y/y)	Sep	0.7	0.8
SI	10-05	01:00	Retail Sales (m/m)	Aug	--	0.6
SI	10-05	01:00	Retail Sales (y/y)	Aug	--	1.1
TA	10-05	04:00	CPI (y/y)	Sep	2.4	2.5
JN	10-05	19:30	Household Spending (y/y)	Aug	-3.9	-5.0
PH	10-05	21:00	Unemployment Rate (%)	Aug	--	4.8
SI	10-04	21:00	Foreign Reserves (US\$ mn)	Sep	--	337251.5
IN	10-06	00:30	Repo Rate (%)	Oct 6	6.50	6.50
IN	10-06	00:30	Cash Reserve Ratio (%)	Oct 6	4.50	4.50
MA	10-06	03:00	Foreign Reserves (US\$ bn)	Sep 29	--	111.5

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
PE	10-01	11:00	Consumer Price Index (m/m)	Sep	0.3	--	0.4
PE	10-01	11:00	Consumer Price Index (y/y)	Sep	5.3	5.4	5.6
CL	10-02	07:30	Economic Activity Index SA (m/m)	Aug	--	-0.2	0.3
CL	10-02	07:30	Economic Activity Index NSA (y/y)	Aug	-0.5	-0.2	1.8
BZ	10-02	09:00	PMI Manufacturing Index	Sep	--	--	50.1
BZ	10-02	14:00	Trade Balance (FOB) - Monthly (US\$ mn)	Sep	--	9100.0	9766.9
BZ	10-03	08:00	Industrial Production SA (m/m)	Aug	--	0.5	-0.6
BZ	10-03	08:00	Industrial Production (y/y)	Aug	--	1.1	-1.1
PE	10-05	19:00	Reference Rate (%)	Oct 5	7.50	7.3	7.50
CO	10-06	19:00	Consumer Price Index (m/m)	Sep	--	0.6	0.7
CO	10-06	19:00	Consumer Price Index (y/y)	Sep	--	11.0	11.4

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of October 2 – 6

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	10-04	12:00	Canada to Sell 2 Year Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AS	10-03	05:00	Austria to sell Bonds
UK	10-03	05:00	U.K. to Sell GBP2.25 Billion of 1.5% 2053 Bonds
AS	10-03	05:00	Austria Bond Auction
DE	10-04	04:15	Denmark to Sell Bonds
UK	10-04	05:00	UK to Sell 3.5% 2025 Bonds
GE	10-04	05:30	Germany to Sell EU3 Billion of 2.4% 2030 Bonds
SP	10-05	04:30	Spain to Sell Bonds
FR	10-05	04:50	France to Sell Bonds
SW	10-05	05:00	Sweden to Sell I/L Bonds
IC	10-06	07:00	Iceland to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	10-02	23:35	Japan to Sell 10-Year Bonds
JN	10-04	23:35	Japan to Sell 30-Year Bonds

LATIN AMERICA

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

Events for the week of October 2 – 6

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	10-02	13:30	Fed's Williams Moderates Discussion on Climate Risk
US	10-03	08:00	Fed's Bostic Speaks on Economic Outlook, Inflation
US	10-05	12:00	Fed's Daly Speaks at Economic Club of New York

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SW	10-02	03:30	Riksbank Minutes From September Monetary Policy Meeting
UK	10-02	11:00	BOE's Catherine Mann speaks
EC	10-03	02:00	ECB's Simkus Speaks
EC	10-03	02:10	ECB's Lane Speaks
SW	10-03	04:15	Riksbank's Bunge Speaks at Conference in Lithuania
EC	10-03	04:35	ECB's Lane, Riksbank's Bunge Participate in Panel Discussion
EC	10-04	04:00	ECB's Lagarde Speaks
IC	10-04	04:30	7-Day Term Deposit Rate
EC	10-04	10:00	ECB's Panetta Chairs Panel
UK	10-05	04:30	BOE releases decision maker panel survey
EC	10-05	05:45	BOE's Broadbent, Riksbank's Breman, ECB's Lane on Panel
UK	10-05	05:45	BOE's Broadbent speaks
EC	10-05	09:45	ECB's Guindos Chairs Conference Session

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	10-01	19:50	BOJ Summary of Opinions (Sept. MPM)
AU	10-02	23:30	RBA Cash Rate Target
NZ	10-03	21:00	RBNZ Official Cash Rate
NZ	10-03	21:00	RBNZ Monetary Policy Review
SL	10-04	22:00	CBSL Standing Deposit Rate
SL	10-04	22:00	CBSL Standing Lending Rate
SL	10-05	00:00	Foreign Reserves
IN	10-06	00:30	RBI Cash Reserve Ratio
IN	10-06	00:30	RBI Repurchase Rate
KZ	10-06	02:00	Key Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
DR	09-30		Overnight Rate
KN	10-03		Benchmark Interest Rate
CO	10-04	18:00	Colombia Monetary Policy Minutes
PE	10-05	19:00	Reference Rate
UR	10-05		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	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	November 9, 2023	11.25	11.25

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	5.25	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	4.25	4.50
Central Bank of Turkey – Benchmark Repo Rate	30.00	October 26, 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	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	2.50	November 29, 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

RBA: After maintaining its cash rate at its last meeting, the RBA is expected to hold its rate at 4.10% on Monday amidst below-trend growth and somewhat milder but still hot core inflation. **RBNZ:** The RBNZ is expected to hold its cash rate on Tuesday with the central bank forecasting the cash rate to peak where it is at 5.50%. At its last meeting, RBNZ had mentioned that inflation remains too high and the policy rates have to stay at a restrictive level to tame inflation. **RBI:** The RBI is unanimously expected to hold its repo rate at 6.50% after inflation concerns resurfaced led by a vegetable price shock. The latest CPI print shows headline inflation at 6.8% y/y in September after spiking to 7.4% y/y in August, above the bank's upper limit of inflation target range.

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	12.25	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	October 31, 2023	13.25	13.25
Banco Central de Reserva del Perú – Reference Rate	7.50	October 5, 2023	7.50	7.50

Banco Central de Reserva del Perú: At its last meeting, Banco Central de Reserva del Peru had cut its benchmark rate by 25bps but mentioned that the rate cut "would not necessarily imply a cycle of successive reductions in the interest rate". Scotia's Peru team expects two more cuts in the next three BCRP meetings with a hold at its next meeting on Thursday.

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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