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

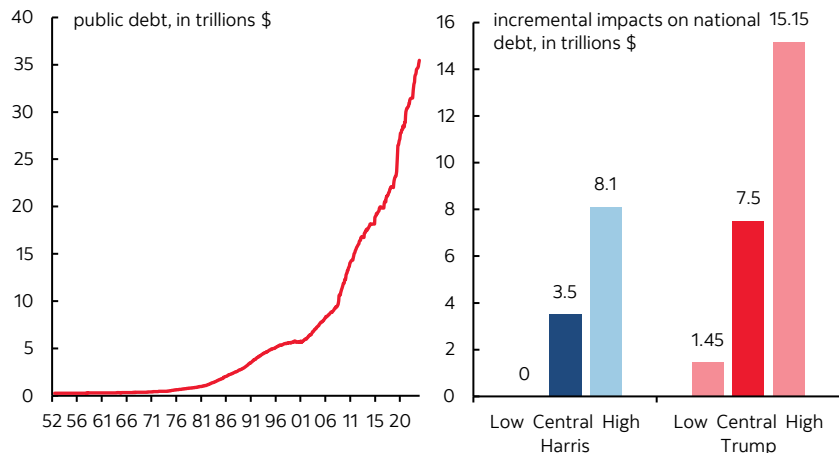
- China expected to announce fiscal stimulus measures...
- ...that will front-run inflation, GDP and other releases
- US earnings season kicks into higher gear
- Canadian CPI the last major reading before the BoC's next decision
- US retail sales expected to post a solid gain
- Can Australia's jobs juggernaut keep it up?
- UK jobs, wages, CPI and retail sales to solidify BoE expectations
- Pricing for another 50bps from the RBNZ to be informed by CPI
- BC's close election precedes tough choices
- ECB expected to cut, remain data dependent
- BCCh is in more of a hurry to ease
- BI unlikely to deliver a repeat surprise
- BSP expected to cut because they said so!
- BoT will probably hold, but there is a case for easing
- Turkey's central bank to retain high policy rate
- Global macro

Global Fiscal Largesse is Only Just Beginning

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Chart of the Week

Debt Dynamics: The Overlooked Issue in the 2024 US Presidential Election



Sources: Scotiabank Economics, Committee for a Responsible Federal Budget.

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

Global Fiscal Largesse is Only Just Beginning

I have cautioned throughout this year that global fiscal policy is going to continue to contest efforts to ease global monetary policy over the full cycle ahead. Pump priming is set against the backdrop of a very different bond market environment that is much more sensitive to debt issuance and inflation than in the prior decade between the GFC and pandemic. That conviction is rising.

The coming week will bring heightened focus upon China’s fiscal plans in the context of already existing fiscal bloat. It’s not outside the scope of possibilities that China will be adding hundreds of billions of dollars of stimulus into its economy with announcements expected soon after this publication goes out.

A new era of fiscal largesse is on the way and being led by the world’s two largest economies. One of them might need it but with serious doubts about its efficacy (China) while the other one (the US) may be playing Russian roulette with the bond market no matter who wins the election on November 5th. They are not alone, with, for example, high odds Canada applies more stimulus into an election.

The most recent attempt to quantify the impact of the Trump and Harris platforms on the US fiscal deficit is shown in chart 1. That was a few tax cut promises ago to boot. Since those projections, Trump has loosely (and foolishly) pledged to allow auto loan interest write-offs on taxes and end double taxation that applies to some Americans abroad perhaps without realizing this would induce more Americans to leave the country. New tax cuts are being pledged each week.

Charts 2 and 3 offer projections for US government debt as a share of GDP under either a Trump or Harris presidency using the sourced Committee’s estimates added to the CBO’s baseline projections for US debt. Under either candidate, the US would be venturing into uncharted waters that will test the country’s reserve currency status. Trump’s plans would be worse, but it’s possible that the Harris plan is understated given her incomplete platform and her historical preference for very expensive initiatives. Both candidates laugh off fiscal rectitude and are behaving in stunningly irresponsible fashion.

China’s announcements will kick off the week, but it will be an otherwise packed agenda. Let’s dig into it.

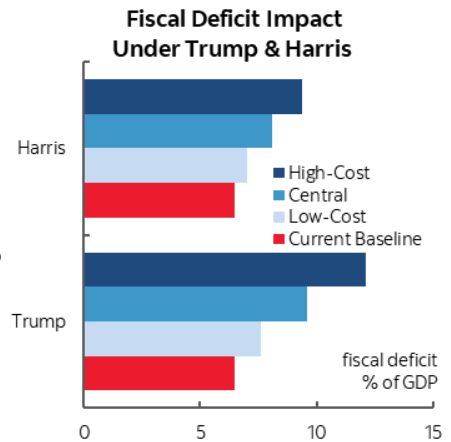
CHINA’S FISCAL ANNOUNCEMENTS TO PRECEDE KEY MACRO REPORTS

China-watchers will be keenly following a planned press conference on Saturday that is to be held by Finance Minister Lan Fo’an at 10am Beijing time, or 10pmET Friday and hence shortly after this publication is distributed. Lan is expected to roll out potential fiscal stimulus measures and guidance on financing including bond issuance. Saturday’s potential fiscal policy announcements are designed to front-run the week’s round of major macroeconomic reports on the health of the overall economy.

The prevailing sense into the announcements is that they are likely to disappoint any expectations for a grand gesture that would meaningfully lean against China’s economic challenges. That sense was fed by the absence of material hints or commitments at this past week’s press conference by the National Development and Reform Commission. Distinguishing new initiatives and issuance plans from previous and forward commitments will be one challenge. Another will be separating programs that may have almost immediate effect from ones that may be phased in over time.

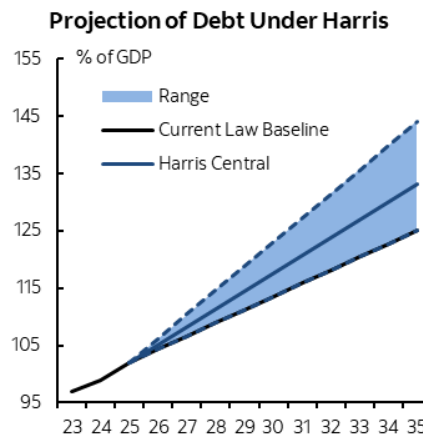
The fiscal stimulus briefing is designed to follow through on the monetary policy and regulatory initiatives that were announced on September 24th. [This](#) note provided a summary of the measures that were undertaken at the time and the potential challenges to meeting success not least of which is the fact that China’s government is already running relatively large fiscal deficits in excess of fiscal targets (chart

Chart 1



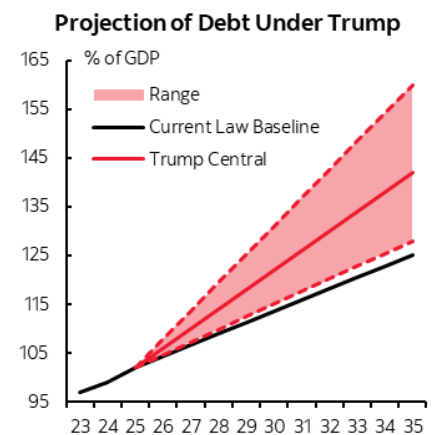
Sources: Scotiabank Economics, Committee for a Responsible Federal Budget.

Chart 2



Sources: Scotiabank Economics, Committee for a Responsible Federal Budget.

Chart 3



Sources: Scotiabank Economics, Committee for a Responsible Federal Budget.

4) plus the moribund state of local government finances. IMF projections for general government debt (all levels) as a share of GDP point toward more than a five-fold increase this century (chart 5). A further mitigating step is that China must avoid creating the kinds of imbalances and excesses that followed large scale stimulus following the Global Financial Crisis that set the stage of China's property market struggles.

What may inform the magnitude of the announced measures will be the government's knowledge of releases that will follow the announcements. Core CPI fell by the most on record for a month of August (chart 6) and so September's reading on Saturday evening eastern time will offer a further assessment of the deflation risks.

Q3 GDP arrives late in the week on Thursday evening and is widely expected to continue to track beneath the government's annual target for 5% growth. Growth of under 1% q/q SA nonannualized is expected.

Other releases will include an update on falling home prices on Thursday (chart 7), plus industrial production, retail sales and the jobless rate all for September that same evening. Trade figures including export growth (Monday) and probably credit growth figures are also expected.

CANADA INFLATION—THE LAST PRE-BOC PRINT MAY NOT MATTER

Canada reports CPI figures for September on Tuesday. It will be the last consequential release ahead of the October 23rd policy decision and full suite of communications including updated forecasts.

At present, markets are on the fence over whether the Bank of Canada will cut by 25bps or 50bps at the October 23rd meeting, but a cut is assured nonetheless. Consensus is somewhat divided on the magnitude of the reduction. As argued [here](#), the job market remains strong while consumer and business surveys of inflation expectations have improved but remain too high on balance. The CPI report will be used to finalize the call.

I've estimated that headline CPI will slip by -0.1% m/m in seasonally unadjusted terms. Since September is often a seasonal down-month of broad prices we have to seasonally adjust the reading which translates into an estimate 0.25% m/m SA rise. In year-over-year terms the rate of inflation is forecast to stay at 2%, unchanged from the prior month.

And none of that matters. Literally. Canada doesn't even have a meaningful inflation-linked bond market since the government's decision to cease issuance and because outstandings are sat on by the longer-term investors like pensions and life cos that snap them up.

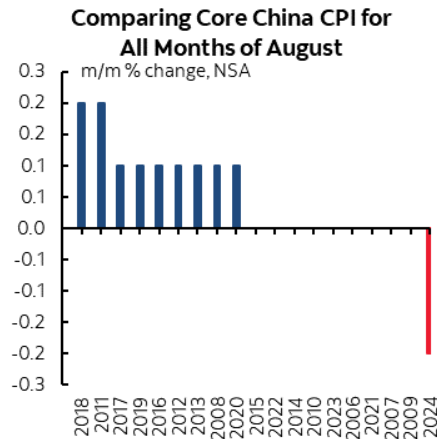
And what matters to the Bank of Canada is evidence on core inflation, especially its preferred trimmed mean and weighted median CPI gauges. Those readings picked up in August and are off their lowest readings from earlier in the year (chart 8).

Chart 4



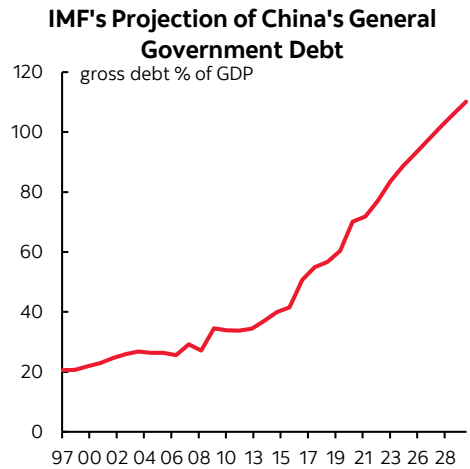
Sources: Scotiabank Economics, National Bureau of Statistics of China.

Chart 6



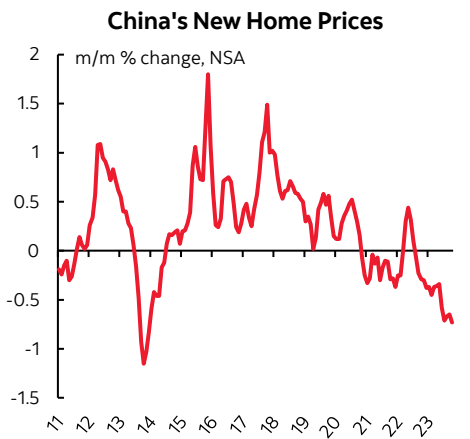
Sources: Scotiabank Economics, China National Bureau of Statistics.

Chart 5



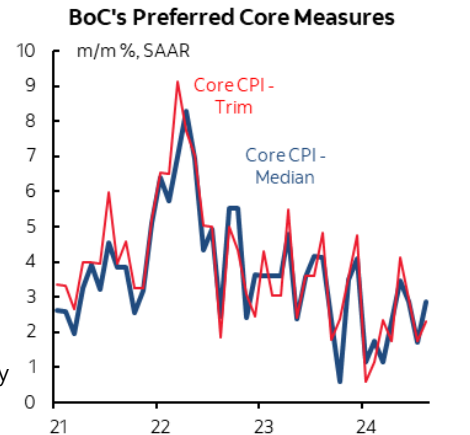
Sources: Scotiabank Economics, IMF.

Chart 7



Sources: Scotiabank Economics, Bloomberg.

Chart 8



Sources: Scotiabank Economics, Statistics Canada.

BoC officials have flagged that there is more work to be done to bring down these core inflation readings which doesn't sound like policy officials who are in a rush to upsize cuts. Unfortunately, it's futile to attempt to forecast the gauges in m/m terms given the extreme sensitivities of the weighted median calculation that is derived from the 50th percentile price in the complete basket and given the trimmed mean measure's sensitivity toward what gets removed each month in the top and bottom 20% of the basket. We don't have the richness of price data to tell.

US EARNINGS SEASON SWINGS INTO HIGHER GEAR

Almost four-dozen firms listed on the S&P500 will release earnings this week. As usual, the early part of the season is particularly focused upon financials.

Among the key names will be Bank of America, Goldman Sachs and Citigroup (Wednesday), Morgan Stanley and Netflix (Thursday), and Amex (Friday).

CENTRAL BANKS—ECB TO LEAD FURTHER EASING

Six central banks will weigh in fresh decisions this week. One of them—the European Central Bank—could be impactful to global markets, while the rest could be impactful to regional markets. In the wake of strong nonfarm payrolls and core CPI it may also be important to hear from the week's line-up of Fed speakers including Governor Waller's outlook speech on Monday and several regional Presidents.

ECB—Balancing the Risks

Economists are in universal agreement that the ECB will but all of its policy rates by 25bps on Thursday. Markets are largely priced for a 25bps cut as well.

Core CPI inflation has been declining to 2.7% y/y and the latest estimate for core CPI inflation in m/m seasonally unadjusted terms clocked in at the weakest reading for all like months of September (chart 9).

The present deposit facility rate of 3.5% remains in restrictive territory relative to most economists' estimates for the neutral rate that sit at 2¼% or 2½% (chart 10). Policy easing balances the risks of being less restrictive, while nevertheless still restrictive in the face of uncertainties that are likely to keep the forward bias relatively open-ended and data dependent.

BCCh—A Faster Path to Neutral

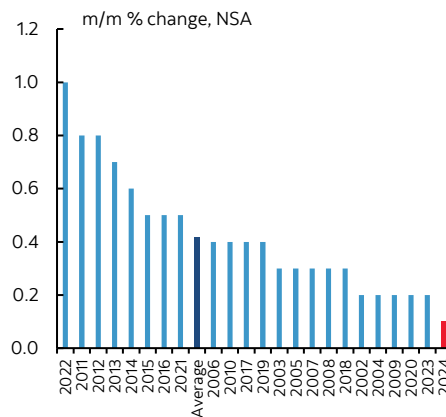
Chile's central bank is expected to cut its overnight rate target by 25bps on Thursday. BCCh said in its September Monetary Policy Report ([here](#)):

“The Board estimates that, if the assumptions of the central scenario of this Report materialize, the reduction of the monetary policy rate towards its neutral level will be somewhat faster than expected in June. This will occur at a pace that will factor in the evolution of the macroeconomic scenario and its implications for the path of inflation.”

Since then, GDP growth has slowed with August recording a decline of -0.2% m/m. Progress on inflation has been a little greater than expected with CPI falling to 4.1% y/y but still above the 2% target. BCCh has said they expect inflation to remain elevated in 2025Q3 at 4.3% before falling to 3% in 2026Q3. Unemployment is continuing to rise (chart 11).

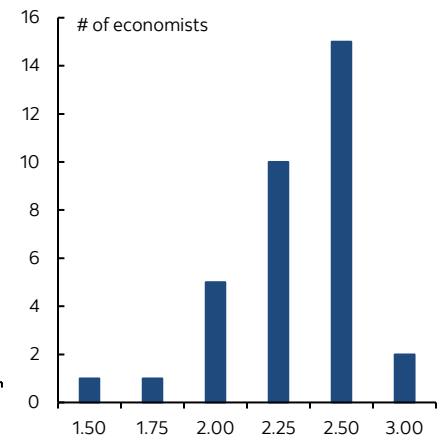
BCCh estimates their neutral policy rate to be between 3½% and 4½%, thus portraying the current 5½% rate as significantly restrictive.

Chart 9
Comparing Eurozone Core CPI for All Months of September



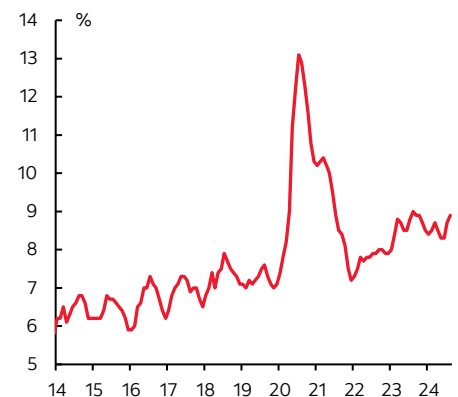
Sources: Scotiabank Economics, Eurostat.

Chart 10
ECB's Neutral Rate Estimates



Sources: Scotiabank Economics, Bloomberg.

Chart 11
Chile's Rising Unemployment Rate



Sources: Scotiabank Economics, Instituto Nacional de Estadística - Chile.

Bank Indonesia—Expected to Avoid Another Surprise Cut

After surprising most economists by cutting 25bps on September 18th, most economists think Bank Indonesia will hold at a reference rate of 6% on Wednesday. Another surprise cut might further destabilize the rupiah that has been among the depreciating Asian FX crosses to the dollar since a) the first BI cut, and b) since the FOMC's 50bps rate cut on the same day.

Philippines Central Bank—What He Said

BSP is expected to follow up on the initial rate cut in August with another 25bps this Wednesday. Why? Because inflation is tumbling (chart 12) and because Governor Remolona said so. In an interview earlier this month, the Governor said:

“Our latest estimates show that even if some risks to inflation materialize, inflation will settle at 3.3% this year, 2.9% next year, and 3.3% in 2026. These are all within the target range of 2–4%. With inflation now on a target-consistent path, we have room for a calibrated shift to a less restrictive monetary policy stance. If the data are as we expect, then you would have the normal easing, which is small steps at a time, baby steps.”

Bank of Thailand—Maybe a Nudge is Needed?

The Bank of Thailand is expected to hold its benchmark rate unchanged at 2.5% on Wednesday with a slim minority in the 25bps cut camp. BoT has not eased monetary policy to date because it was under less pressure to raise it in the past and the present rate is in line with its estimated neutral rate. The risk of a cut, however, is focused upon the fact that headline and core inflation are both running well under 1% y/y which may invite a move toward an easier stance especially given the baht's 10% appreciation to the dollar since early July.

Turkey's Central Bank—Still Sky High

The Central Bank of Turkey is widely expected to hold its one-week repo rate unchanged at 50% on Thursday. Yes 50%. Inflation remains in nosebleed territory at just shy of 50% in terms of headline and core CPI and inflation expectations remain very high (chart 13).

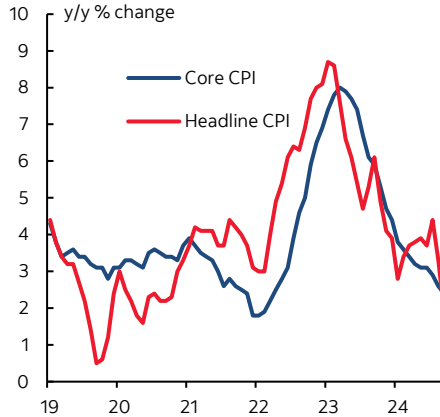
BRITISH COLUMBIA'S ELECTION—CHALLENGES APLENTY

British Columbians go to the polls on Saturday October 19th. Polls indicate a close outcome. The NDP has regained the lead in some popular polls. [This](#) site uses a poll aggregator to show that the parties are neck-and-neck in their shares of the popular vote. The same site translates polling into seat projections that give the chances at a slim majority a touch higher for the NDP than the Conservatives (chart 14), but within wide ranges of possible outcomes. The BC election kicks off a few others with New Brunswick's voters heading to the polls two days later and followed by Saskatchewan's vote on October 28th. Nova Scotia's provincial election is next July, and then Newfoundland and Labrador vote next October. Canada's election could be on or before October 20th next year.

Scotia's Laura Gu penned [this](#) piece as a preview of provincial Fall fiscal updates. Chart 15 shows that of the provinces facing elections this Fall, BC's deficits are the biggest and neither of the two parties offer materially different prospects of repairing them.

Chart 12

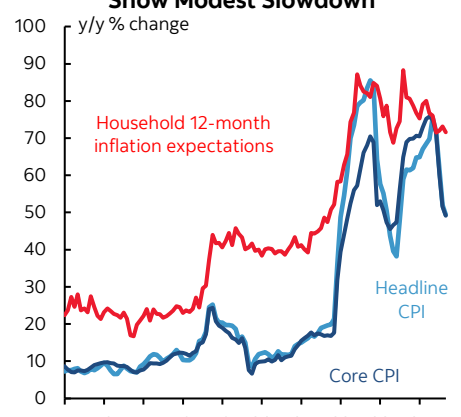
Philippines' Inflation



Sources: Scotiabank Economics, Philippine Statistics Authority.

Chart 13

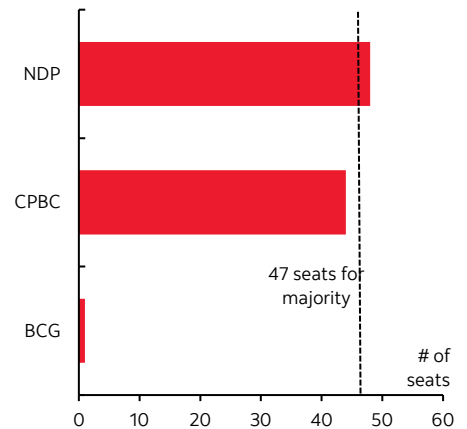
Turkish Inflation Expectations Show Modest Slowdown



Sources: Scotiabank Economics, Turkish Statistical Institute, Haver Analytics.

Chart 14

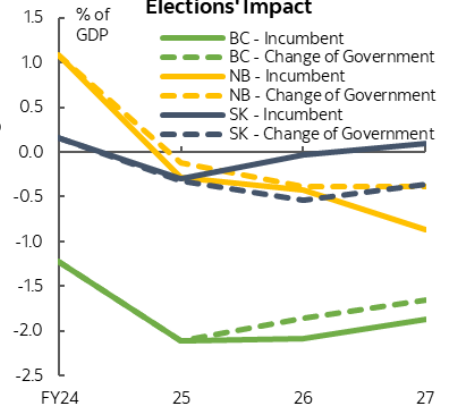
BC Provincial Elections Projections



Sources: Scotiabank Economics, 338 Canada.com.

Chart 15

Provincial Budget Balance Projections - Elections' Impact



Note: not considering the reprofiling of expenditures. Sources: Scotiabank Economics, Statistics Canada, Budget Documents, Party Platforms.

As Laura writes, the ruling NDP party has suggested tax cuts that could reduce revenue by \$2 billion annually, and both NDP and the Conservative Party have signaled a potential removal of B.C.’s carbon tax. Both parties emphasize the natural resource sector in their economic policies but diverge significantly in their climate policies. The Conservative Party plans to reverse the NDP’s electrification agenda, potentially altering the energy sector outlook in B.C. Both parties have committed to increasing funding for housing affordability and healthcare, which could add \$2–3 bn or more to B.C.’s widening deficits over the next fiscal year. While these proposals aim to address key issues, they also risk further deepening the province’s fiscal deficit. Nova Scotia might also face an early election ahead of next summer’s fixed date.

The past year has seen frequent credit actions in a challenging fiscal environment. S&P downgraded British Columbia (B.C.), stripping the province of its triple-A rating and assigning a negative outlook. Moody’s, while still rating B.C. at Aaa, has also placed the province on a negative outlook and is closely monitoring the situation. Despite these downgrades, B.C. maintains a relatively low debt load compared to other provinces.

Consistent with the opening theme of this publication, however, is the fact that many Canadian provinces are well advanced in their issuance plans partly out of fear that the US election will unveil heightened uncertainties.

GLOBAL MACRO—KEY REPORTS FOR THE FED, BOE, RBNZ AND RBA

US (Columbus Day) and Canadian (Thanksgiving) markets will be shut on Monday before a combination of US earnings and a wave of global indicators is unleashed. A lot of key data will arrive in the US, UK, Australia and New Zealand in addition to what has already been cited. Chart 16 summarizes the releases.

US Retail Sales—Could Post a Solid Gain

The key macroeconomic indicator for the US will be Thursday’s retail sales figures for September. A solid gain is expected to be partly fed by a jump in auto sales, a slightly firmer than expected CPI reading including details, and seasonal factors like back-to-school sales. Also keep an eye out for industrial production for September on Thursday that may give up some of the prior month’s strong gain. Weekly initial jobless claims will probably spike higher again on Hurricane effects on Thursday. Housing starts in September wrap it up Friday.

Quiet in Canada After CPI

Canada markets face an otherwise fairly quiet week by way of calendar-based risk aside from CPI. Wholesale trade figures for August will likely decline on Tuesday

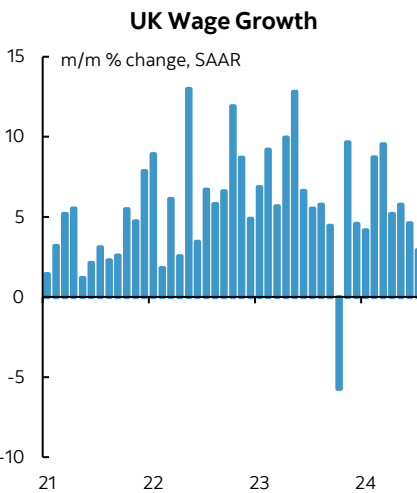
at the same time that CPI arrives, and then existing home sales during September arrive thirty minutes later. Housing starts may rise but manufacturing sales will probably fall for the same month of September when they are updated on Wednesday.

Chart 16

Other Global Macro Indicators (October 14th - October 18th)			
US	CA	CPI	Other Macro
		<u>Monday</u>	
		IN	BZ Economic Activity Index
			CH Credit Figures, Trade
		<u>Tuesday</u>	
Empire Manf.	CPI	NZ	CO IP, Retail Sales
	Existing Home Sales		CO Economic Activity Index, UR
			SK UR
		<u>Wednesday</u>	
	Housing Starts		AU Jobs
	Manf. Sales		
		<u>Thursday</u>	
Retail Sales		JN	Resale Home Prices, GDP, IP
Claims			CH Retail Sales, Jobless Rate
IP			
		<u>Friday</u>	
Housing Starts			CO Economic Activity Index
			MY GDP

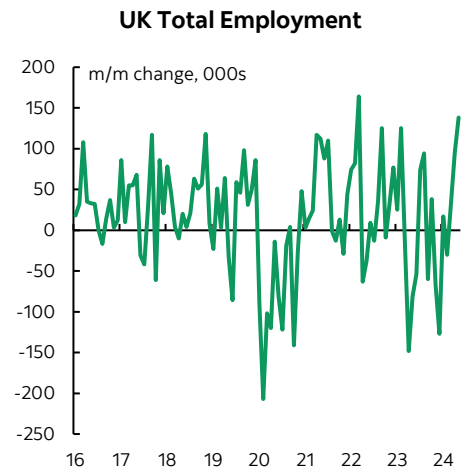
Sources: Scotiabank Economics, Bloomberg.

Chart 17



Sources: Scotiabank Economics, UK ONS.

Chart 18



Sources: Scotiabank Economics, UK ONS.

UK Job Markets & CPI to Inform BoE Expectations

This week’s key UK data on employment conditions and inflation will be set against the backdrop of markets that are mostly priced for another quarter-point Bank Rate cut by the Bank of England on November 7th and less than 50bps cumulatively in November and December.

On Tuesday we’ll get payroll figures for September, total employment stats for August, jobless claims in September and wage growth in August. Wages ex-bonuses have continued to rise well above the rate of inflation, but the rate of growth is sharply decelerating at the margin (chart 17). Employment surged by 233k in June and July combined (chart 18) as payrolls have fallen in each of the past three months.

Then on Friday there will be updates on CPI inflation and retail sales—both for September. Key will be core CPI that has continued to ride at or above seasonal norms in m/m NSA terms as shown for the past couple of months in charts 19–20.

Australia’s Jobs Juggernaut

Can Australia’s job creating machine keep it up? There must indeed be something in the water ‘down under’ given a string of five consecutive large employment gains from April through to August and only one dip this year in March. Wednesday’s update for September will be closely watched against this trend.

Employment is at a record high. Over 1.5 million jobs have been created since just before the pandemic struck. Over 300k jobs have been created year-to-date for an annualized pace of 465k jobs should September to December evolve at a similar average pace as the first eight months. The unemployment rate has risen from a low of 3.5% in late 2022 to 4.2% now because the labour force has expanded by even more than employment. Some of the reason for this labour force expansion has been because the labour force participation rate is at an all-time high of 67.1% and 1.4 percentage points higher than pre-pandemic.

Such a strong performing job market has driven wage growth to be faster in the pandemic-recovery era, although the rates of increase are off the very temporary peak (chart 21).

New Zealand’s Inflation

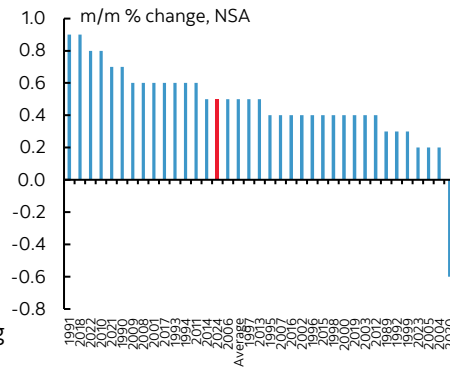
Markets are pricing another 50bps cut by the RBNZ on November 27th as a follow-up to the 50bps cut on October 8th and the opening quarter-point cut on August 13th. Tuesday’s Q3 CPI inflation figures could either reaffirm such pricing or shave it. Key will be the non tradeable CPI measure that is more aligned with the domestic economy. This measure posted the softest q/q seasonally unadjusted rise (+0.9%) for a second calendar quarter since 2020Q2 (chart 22). Should Q3 also prove to be softer than seasonally normal then market pricing could be reinforced.

Latin American markets will be mainly focused upon monthly GDP proxies for August in Brazil (Monday), Peru (Tuesday, and Colombia (Friday).

Other readings to keep an eye out for will include India’s CPI inflation for September (Monday), Japan’s CPI on Thursday that is likely to follow the advance Tokyo release, Q3 GDP figures from Singapore and Malaysia, South Korea’s employment report (Tuesday), and ZEW investor confidence for the Eurozone (Tuesday).

Chart 19

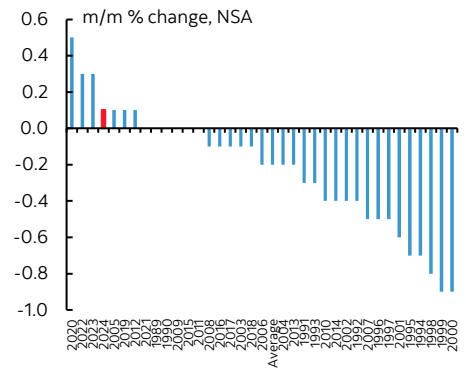
Comparing UK Core CPI for All Months of August



Sources: Scotiabank Economics, UK Office for National Statistics.

Chart 20

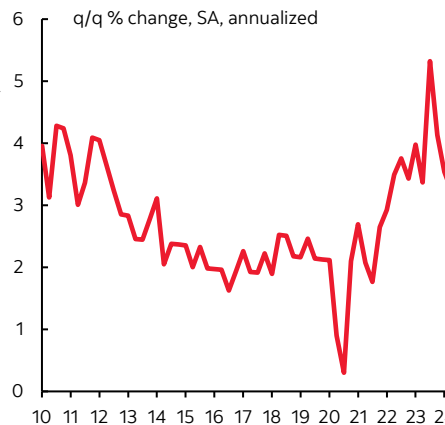
Comparing UK Core CPI for All Months of July



Sources: Scotiabank Economics, UK Office for National Statistics.

Chart 21

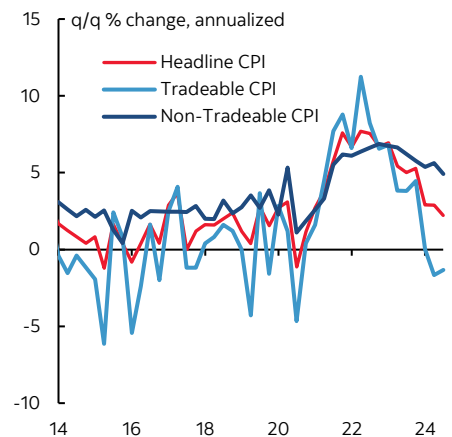
Australia's Wage Growth



Sources: Scotiabank Economics, Australian Bureau of Statistics.

Chart 22

New Zealand's Inflation



Sources: Scotiabank Economics, Stats NZ.

Key Indicators for the week of October 14 – 18

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	10-15	08:30	Core CPI - Median (y/y)	Sep	--	2.3	2.3
CA	10-15	08:30	Core CPI - Trim (y/y)	Sep	--	2.4	2.4
CA	10-15	08:30	CPI, All items (m/m)	Sep	-0.1	-0.2	-0.2
CA	10-15	08:30	CPI, All items (y/y)	Sep	2.0	1.9	2.0
CA	10-15	08:30	CPI, All items (index)	Sep	--	161.5	161.8
CA	10-15	08:30	Wholesale Trade (m/m)	Aug	-1.1	-1.1	0.4
US	10-15	08:30	Empire State Manufacturing Index	Oct	--	3.6	11.5
CA	10-15	09:00	Existing Home Sales (m/m)	Sep	--	--	1.3
CA	10-15	08:30	Core CPI - Common (y/y)	Sep	--	--	2.0
CA	10-15	08:30	CPI SA, All items (m/m)	Sep	--	--	0.1
US	10-16	07:00	MBA Mortgage Applications (w/w)	Oct 11	--	--	-5.1
CA	10-16	08:15	Housing Starts (000s a.r.)	Sep	240	235.0	217.4
CA	10-16	08:30	Manufacturing Shipments (m/m)	Aug	-1.5	-1.5	1.4
US	10-16	08:30	Export Prices (m/m)	Sep	--	-0.7	-0.7
US	10-16	08:30	Import Prices (m/m)	Sep	--	-0.3	-0.3
CA	10-17	08:30	International Securities Transactions (C\$ bn)	Aug	--	--	11.0
US	10-17	08:30	Initial Jobless Claims (000s)	Oct 12	280	245.0	258.0
US	10-17	08:30	Continuing Claims (000s)	Oct 05	1890	--	1861.0
US	10-17	08:30	Philadelphia Fed Index	Oct	--	3.0	1.7
US	10-17	08:30	Retail Sales (m/m)	Sep	0.5	0.3	0.1
US	10-17	08:30	Retail Sales ex. Autos (m/m)	Sep	0.3	0.2	0.1
US	10-17	09:15	Capacity Utilization (%)	Sep	77.9	77.8	78.0
US	10-17	09:15	Industrial Production (m/m)	Sep	-0.2	-0.1	0.8
US	10-17	10:00	Business Inventories (m/m)	Aug	--	0.3	0.4
US	10-17	10:00	NAHB Housing Market Index	Oct	--	43.0	41.0
US	10-17	16:00	Total Net TIC Flows (US\$ bn)	Aug	--	--	156.5
US	10-17	16:00	Net Long-term TIC Flows (US\$ bn)	Aug	--	--	135.4
US	10-18	08:30	Building Permits (000s a.r.)	Sep	--	1460.0	1470.0
US	10-18	08:30	Housing Starts (000s a.r.)	Sep	1460	1350.0	1356.0
US	10-18	08:30	Housing Starts (m/m)	Sep	-0.7	-0.4	9.6

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
UK	10-15	02:00	Average Weekly Earnings (3-month, y/y)	Aug	3.7	4.0
UK	10-15	02:00	Employment Change (3M/3M, 000s)	Aug	238.0	265.0
UK	10-15	02:00	Jobless Claims Change (000s)	Sep	--	23.7
UK	10-15	02:00	ILO Unemployment Rate (%)	Aug	4.1	4.1
FR	10-15	02:45	CPI (m/m)	Sep F	-1.2	-1.2
FR	10-15	02:45	CPI (y/y)	Sep F	1.2	1.2
FR	10-15	02:45	CPI - EU Harmonized (m/m)	Sep F	-1.2	-1.2
FR	10-15	02:45	CPI - EU Harmonized (y/y)	Sep F	1.5	1.5
SP	10-15	03:00	CPI (m/m)	Sep F	-0.6	-0.6
SP	10-15	03:00	CPI (y/y)	Sep F	1.5	1.5
SP	10-15	03:00	CPI - EU Harmonized (m/m)	Sep F	-0.1	-0.1
SP	10-15	03:00	CPI - EU Harmonized (y/y)	Sep F	1.7	1.7
EC	10-15	05:00	Industrial Production (m/m)	Aug	1.8	-0.3
EC	10-15	05:00	Industrial Production (y/y)	Aug	-1.0	-2.2
EC	10-15	05:00	ZEW Survey (Economic Sentiment)	Oct	--	9.3
GE	10-15	05:00	ZEW Survey (Current Situation)	Oct	-84.0	-84.5
GE	10-15	05:00	ZEW Survey (Economic Sentiment)	Oct	10.0	3.6
UK	10-16	02:00	CPI (m/m)	Sep	0.1	0.3
UK	10-16	02:00	CPI (y/y)	Sep	1.9	2.2
UK	10-16	02:00	RPI (m/m)	Sep	0.1	0.6
UK	10-16	02:00	RPI (y/y)	Sep	3.1	3.5
IT	10-16	04:00	CPI - EU Harmonized (y/y)	Sep F	0.8	0.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of October 14 – 18

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
EC	10-17	05:00	CPI (m/m)	Sep F	-0.1	-0.1
EC	10-17	05:00	CPI (y/y)	Sep F	1.8	1.8
EC	10-17	05:00	Euro zone Core CPI Estimate (y/y)	Sep F	2.7	2.7
EC	10-17	05:00	Trade Balance (€ mn)	Aug	--	21231.9
TU	10-17	07:00	Benchmark Repo Rate (%)	Oct 17	50.00	50.00
EC	10-17	08:15	ECB Main Refinancing Rate (%)	Oct 17	3.40	3.65
UK	10-18	02:00	Retail Sales ex. Auto Fuel (m/m)	Sep	-0.3	1.1
UK	10-18	02:00	Retail Sales with Auto Fuel (m/m)	Sep	-0.5	1.0
EC	10-18	04:00	Current Account (€ bn)	Aug	--	39.6
IT	10-18	04:30	Current Account (€ mn)	Aug	--	5370.7

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	10-01	20:00	Nationwide Department Store Sales (y/y)	Sep	--	3.9
SI	10-13	20:00	Real GDP (y/y)	3Q A	3.8	2.9
SI	10-13	20:00	GDP (q/q)	3Q A	3.8	2.9
IN	10-14	02:30	Monthly Wholesale Prices (y/y)	Sep	2.0	1.3
CH	10-14	03:00	Exports (y/y)	Sep	6.0	8.7
CH	10-14	03:00	Imports (y/y)	Sep	0.6	0.5
CH	10-14	03:00	Trade Balance (USD bn)	Sep	91.4	91.0
IN	10-14	08:00	CPI (y/y)	Sep	5.11	3.65
PH	10-14	21:00	Overseas Remittances (y/y)	Aug	3.0	3.1
IN	10-14	23:30	Exports (y/y)	Sep	--	-9.3
IN	10-14	23:30	Imports (y/y)	Sep	--	3.3
ID	10-15	00:00	Exports (y/y)	Sep	7.7	7.1
ID	10-15	00:00	Imports (y/y)	Sep	11.8	9.5
ID	10-15	00:00	Trade Balance (US\$ mn)	Sep	2827.5	2899.7
JN	10-15	00:30	Capacity Utilization (m/m)	Aug	--	2.5
JN	10-15	00:30	Industrial Production (m/m)	Aug F	--	-3.3
JN	10-15	00:30	Industrial Production (y/y)	Aug F	--	-4.9
NZ	10-15	17:45	Consumer Prices (q/q)	3Q	0.7	0.4
NZ	10-15	17:45	Consumer Prices (y/y)	3Q	2.2	3.3
SK	10-15	19:00	Unemployment Rate (%)	Sep	2.6	2.4
JN	10-15	19:50	Machine Orders (m/m)	Aug	-0.1	-0.1
PH	10-16	03:00	Overnight Borrowing Rate (%)	Oct 16	6.00	6.25
TH	10-16	03:00	BoT Repo Rate (%)	Oct 16	2.50	2.50
ID	10-16	03:20	BI 7-Day Reverse Repo Rate (%)	Oct 16	6.00	6.00
JN	10-16	19:50	Merchandise Trade Balance (¥ bn)	Sep	-257.7	-703.2
JN	10-16	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Sep	-496.6	-595.9
JN	10-16	19:50	Merchandise Trade Exports (y/y)	Sep	0.7	5.5
JN	10-16	19:50	Merchandise Trade Imports (y/y)	Sep	2.5	2.3
AU	10-16	20:30	Employment (000s)	Sep	25.0	47.5
AU	10-16	20:30	Unemployment Rate (%)	Sep	4.2	4.2
SI	10-16	20:30	Exports (y/y)	Sep	9.3	10.7
JN	10-17	00:30	Tertiary Industry Index (m/m)	Aug	-0.3	1.4
JN	10-17	19:30	National CPI (y/y)	Sep	2.5	3.0
PH	10-17	21:00	Balance of Payments (US\$ mn)	Sep	--	88.0
CH	10-17	22:00	Fixed Asset Investment YTD (y/y)	Sep	3.3	3.4
CH	10-17	22:00	Industrial Production (y/y)	Sep	4.6	4.5
CH	10-17	22:00	Real GDP (y/y)	3Q	4.6	4.7
CH	10-17	22:00	Retail Sales (y/y)	Sep	2.5	2.1
MA	10-18	00:00	Exports (y/y)	Sep	7.0	12.1
MA	10-18	00:00	Imports (y/y)	Sep	21.1	26.2
MA	10-18	00:00	Trade Balance (MYR bn)	Sep	10.9	5.7
MA	10-18	00:00	GDP (y/y)	3Q A	5.2	5.9
HK	10-18	04:30	Unemployment Rate (%)	Sep	3.0	3.0

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of October 14 – 18

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	10-14	08:00	Economic Activity Index SA (m/m)	Aug	--	--	-0.4
BZ	10-14	08:00	Economic Activity Index NSA (y/y)	Aug	--	--	5.3
CO	10-15	11:00	Retail Sales (y/y)	Aug	--	--	1.6
PE	10-15	11:00	Economic Activity Index NSA (y/y)	Aug	--	3.4	4.5
PE	10-15	11:00	Unemployment Rate (%)	Sep	--	--	6.1
CL	10-17	17:00	Nominal Overnight Rate Target (%)	Oct 17	5.25	5.25	5.50

Global Auctions for the week of October 14 – 18

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	10-17	12:00	Canada to Sell C\$5 Billion of 3.25% 2034 Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
UK	10-15	05:00	U.K. to Sell GBP2.25 Billion of 4.375% 2054 Bonds
FI	10-15	06:00	Finland to Sell Bonds
GR	10-16	05:00	Greece to Sell Bonds
NO	10-16	05:00	Norway to Sell Bonds
UK	10-16	05:00	U.K. to Sell GBP3.5 Billion of 4% 2031 Bonds
GE	10-16	05:30	Germany to Sell Bonds
SP	10-17	04:30	Spain to Sell Bonds
FR	10-17	04:50	France to Sell Bonds
IC	10-18	07:00	Iceland to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	10-13	20:00	Australia to Sell A\$300 Million 1.75% 2051 Bonds
CH	10-13	22:35	China to Sell Bonds
AU	10-14	20:00	Australia to Sell A\$100M 0.25% 2032 Inflation-Linked Bonds
AU	10-15	20:00	Australia to Sell A\$700 Million 3.75% 2034 Bonds
CH	10-15	22:35	China to Sell Bonds
AU	10-17	20:00	Australia to Sell A\$500 Million 4.75% 2027 Bonds
CH	10-17	22:35	China Plans to Sell 20 Year Bonds (Special)

LATIN AMERICA

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

Events for the week of October 14 – 18

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	10-14	09:00	Fed's Kashkari Participates in Panel Discussion
US	10-14	15:00	Fed's Waller Speaks on the Economic Outlook
US	10-14	17:00	Fed's Kashkari Participates in Fireside Chat
US	10-15	11:30	Fed's Daly Gives Keynote Remarks
US	10-15	13:00	Fed's Kugler Participates in Moderated Discussion
US	10-17	11:00	Fed's Goolsbee Gives Opening Remarks
US	10-18	10:00	Fed's Kashkari Moderates Panel
US	10-18	10:00	Fed's Kashkari Moderates Panel Event
US	10-18	12:10	Fed's Waller Speaks on Decentralized Finance

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
UK	10-14	02:30	BOE's Dhingra Speaks
EC	10-14	03:00	ECB's Villeroy speaks in Paris
EC	10-15	02:15	ECB's Nagel Speaks
SW	10-15	03:00	Riksbank Executive Board in parliament hearing
EC	10-15	04:00	ECB Bank Lending Survey
EC	10-16	14:40	ECB's Lagarde Speaks
EC	10-17	08:15	ECB Deposit Facility Rate
EC	10-17	08:15	ECB Main Refinancing Rate
EC	10-17	08:15	ECB Marginal Lending Facility
EC	10-17	08:45	ECB President Christine Lagarde Holds Press Conference
NO	10-17	09:00	Norges Bank Governor Bache Speech
UK	10-17	16:00	BOE's Sam Woods Speaks
EC	10-18	04:00	ECB Survey of Professional Forecasters
EC	10-18	04:00	ECB Survey of Professional Forecasters

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NZ	10-13	16:15	RBNZ Governor Orr Speaks on Maori Access to Capital
SI	10-13	20:00	Singapore MAS Oct. 2024 Monetary Policy Statement
NZ	10-14	18:00	RBNZ Deputy Governor Speaks on Financial Stability
AU	10-15	18:00	RBA's Hunter-Speech
NZ	10-15	18:45	RBNZ Assistant Governor Silk Speaks on Policy Transmission
JN	10-15	21:30	BOJ Board Adachi Speech in Kagawa
TH	10-16	03:00	BoT Benchmark Interest Rate
PH	10-16	03:00	BSP Overnight Borrowing Rate
PH	10-16	03:00	BSP Standing Overnight Deposit Facility Rate
ID	10-16	03:20	BI-Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CL	10-17	17:00	Overnight Rate Target

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	4.25	October 23, 2024	4.00	4.00
Federal Reserve – Federal Funds Target Rate	5.00	November 7, 2024	4.75	4.75
Banco de México – Overnight Rate	10.50	November 14, 2024	10.25	10.25

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	3.65	October 17, 2024	3.40	3.40
European Central Bank – Marginal Lending Facility Rate	3.90	October 17, 2024	3.65	3.65
European Central Bank – Deposit Facility Rate	3.50	October 17, 2024	3.25	3.25
Bank of England – Bank Rate	5.00	November 7, 2024	4.75	4.75
Swiss National Bank – Sight Deposit Rate	1.00	December 12, 2024	1.00	1.00
Central Bank of Russia – One-Week Auction Rate	19.00	October 25, 2024	19.00	19.00
Sweden Riksbank – Repo Rate	3.25	November 7, 2024	3.00	3.00
Norges Bank – Deposit Rate	4.50	November 7, 2024	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	50.00	October 17, 2024	50.00	50.00

European Central Bank (ECB): The European Central Bank is expected to cut its policy rate by 25bps on Thursday, following weaker September PMI data, adding to the board members' concerns about weak economic growth and the economic outlook. Inflation, on the other hand, slowed down in September, as expected, due to volatility in energy prices, but September's NSA core inflation was warmer than a typical month of September. However, the account of ECB's September meeting suggested that the "core inflation requires continued attention". Therefore, members are expected to follow its data-dependent path and be more vigilant about the core and service inflation trend in Q4, alongside the negotiated wage growth data for Q3 to be released in November before gaining further confidence on the pace of the rate cuts. **Central Bank of Turkey:** The Central Bank of Turkey is expected to hold its benchmark repo rate at 50% on Thursday and remain data-dependent until it gains further confidence that inflation expectations are well anchored. At its last meeting, the bank turned less hawkish or a bit dovish by removing explicit reference to further tightening, which resulted in talk of the start of an easing cycle. Since then, inflation has slowed but was higher than the central bank's expectation. On the other hand, household inflation expectations are still elevated and show a modest slowdown.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	0.25	October 31, 2024	0.25	0.25
Reserve Bank of Australia – Cash Rate Target	4.35	November 4, 2024	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	4.75	November 26, 2024	4.75	4.75
People's Bank of China – 1-Year Medium-Term Lending Facility Rate	2.00	October 25, 2024	2.00	2.00
Reserve Bank of India – Repo Rate	6.50	December 5, 2024	6.50	6.50
Bank of Korea – Base Rate	3.50	November 28, 2024	3.25	3.25
Bank of Thailand – Repo Rate	2.50	October 16, 2024	2.50	2.50
Bank Negara Malaysia – Overnight Policy Rate	3.00	November 6, 2024	3.00	3.00
Bank Indonesia – BI-Rate	6.00	October 16, 2024	6.00	6.00
Central Bank of Philippines – Overnight Borrowing Rate	6.25	October 16, 2024	6.00	6.00

Bank of Thailand (BoT): The Bank of Thailand is expected to keep its repo rate unchanged on Wednesday at 2.50%, which it sees as its neutral rate. The bank expects the economy to expand, driven by tourism and domestic demand, and inflation to gradually return to the 1-3% target range by the end of 2024. **Bank Indonesia (BI):** After a surprise 25bps rate cut at its last meeting, Bank Indonesia is expected to hold its BI rate at 6% on Wednesday amidst the sharp depreciation of the rupiah following the strengthening of the dollar due to the escalation of Middle East tensions. However, there's a small chance of a 25bps rate cut considering inflation is slowing further toward the lower end of the target range. **Central Bank of Philippines:** After an unexpected rate cut of 25bps at its August meeting, the Central Bank of the Philippines is expected to reduce its overnight borrowing rate further by 25bps on Wednesday after both headline and core inflation slowed down and are now within the 2-4% target range. BSP Governor Remolona, in a recent interview, conveyed that "with inflation now on a target-consistent path, we have room for a calibrated shift to a less restrictive monetary policy stance," and now expects two more 25bps cuts this year."

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	10.75	November 6, 2024	11.25	11.25
Banco Central de Chile – Overnight Rate	5.50	October 17, 2024	5.25	5.25
Banco de la República de Colombia – Lending Rate	10.25	October 31, 2024	9.75	9.75
Banco Central de Reserva del Perú – Reference Rate	5.25	November 7, 2024	5.00	5.00

Banco Central de Chile: Banco Central de Chile is expected to reduce its overnight rate by 25bps on Thursday after conveying that "the reduction of the MPR towards its neutral level will be somewhat faster than expected in June" amidst weakening domestic demand, anchored inflation expectations, and rising unemployment rate. In addition, headline inflation has been slowing down towards the 3% inflation target.

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	8.00	November 21, 2024	7.75	7.75

Sources: Bloomberg, Scotiabank Economics.

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