Scotiabank

GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

February 6, 2026

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With thanks for research support from: Jaykumar Parmar.

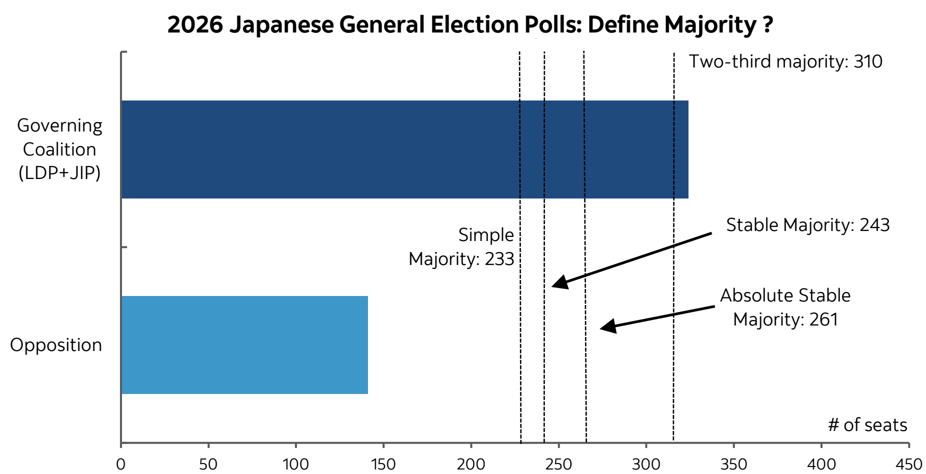
Next Week's Risk Dashboard

- **Japanese election primer — much is at stake for Japan and the world**
- **Warning signs on the US economy…**
- **…include a broad array of deteriorating labour market readings…**
- **…weakness in cap-ex outside of AI…**
- **…as AI pressures costs**
- **Delayed nonfarm payrolls beckon**
- **Why the US job market appears to be teetering…**
- **…and why Powell may be downplaying it**
- **US CPI — hope you're not superstitious**
- **BoC 'minutes' and AI implications**
- **BCRP likely to hold**
- **Ditto for Russia's central bank**
- **Global macro**

Trading Places?

FORECASTS & DATA

Chart of the Week



Sources: Scotiabank Economics, The Asahi Shimbun

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

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Trading Places?

An active week will kick off with Japan's election results that could mark a new dawn for the country and with potentially strong implications for global markets and geopolitical developments over time. The results will quickly give way to key readings on the US economy including the delayed nonfarm payrolls report and another inflation reading that could inform potential expectations for US monetary policy. As Japan's global influence may be rising, there are evidence-based reasons to be concerned about the US job market, investment outside of AI, and AI's potential contributions to inflation risk. Only two central banks will weigh in (Peru, Russia) but a round of Fed-speak around the data releases could be instructive. A few gems exist on the rest of the global line-up but without further ado let's dive into expectations and background for the coming week's major developments.

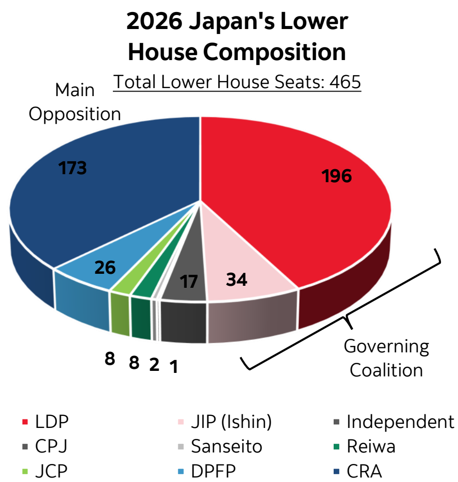
JAPAN'S ELECTION—MUCH AT STAKE FOR JAPAN AND THE WORLD

Japan's snap election will be held on Sunday and could potentially impact local and global markets. Polls open at 7am (Japan Standard Time) and shut at 8pm JST. Results of the record-short 16-day campaign may be known as soon as that evening in Japan, and hence into the Monday morning market openings across Europe and North America given a 14-hour time difference between Tokyo and the Eastern Time Zone.

At stake is the political future of the nascent administration of PM Sanae Takaichi and the futures of all 465 holders of seats in the House of Representatives, the lower chamber of the Diet. Elected in October, she is testing her mettle before the electorate in an effort to secure a majority in support of potentially ambitious plans.

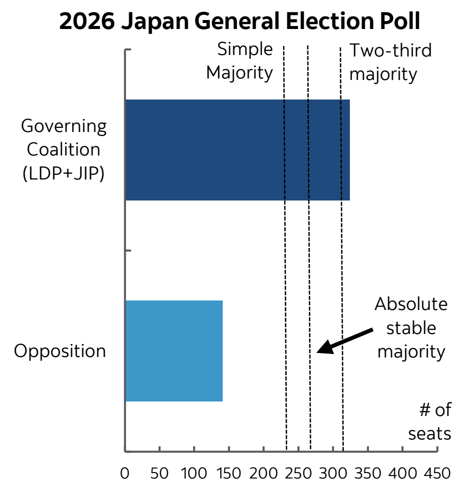
Recall that her Labour Democratic Party and its coalition partner at the time—the Komeito Party—lost their majority in the October 2024 general election and then suffered a further setback by losing the coalition's majority in the House of Councillors—the upper house of the Diet—in July of last year. Former PM Ishiba resigned after initially putting up a fight, paving the way for an LDP leadership contest that Takaichi won with her spirited campaign. Chart 1 shows the present composition of the Lower House by party.

Chart 1



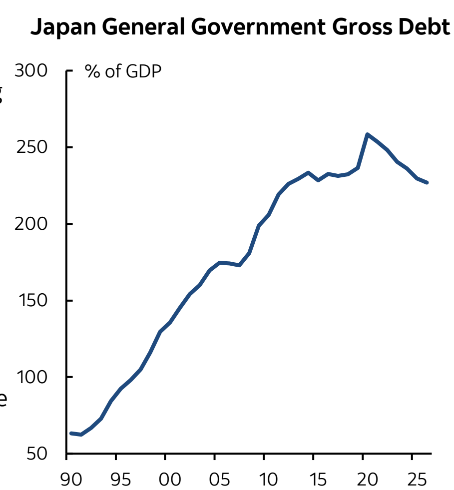
Sources: Scotiabank Economics, Nippon.

Chart 2



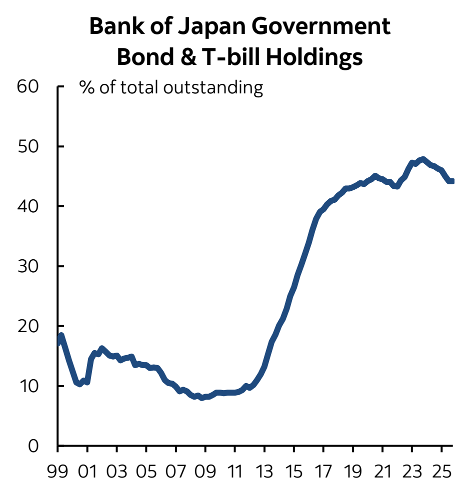
Sources: Scotiabank Economics, The Asahi Shimbun

Chart 3



Source: Scotiabank Economics, IMF.

Chart 4



Sources: Scotiabank Economics, Bank of Japan.

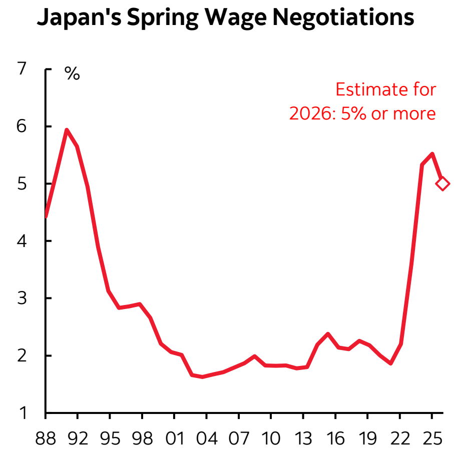
Polls show the LDP and its new coalition partner—the Japan Innovation Party—picking up a growing share of the undecided voters and much better than the prior disastrous elections (chart 2, and Jay Parmar's chart of the week). Two recent polls (**here** and **here**) indicate that Takaichi's high risk bet to capitalize upon her popular momentum may pay off rather handsomely. The polls indicate that over 300 out of the 465 seats in the lower house could be snagged by her coalition, up from 230 going in and hence just shy of a 233-seat simple majority.

Only that in Japan, a majority comes in multiple flavours. A more stable majority is viewed as requiring 243 or more seats that would give the coalition room to chair all permanent lower house committees while ensuring at least parity to opposition committee memberships. An absolute majority is viewed as requiring 261 seats which would enable the coalition to chair and possess a majority of seats in the powerful committees. Further yet would be a 310 super majority that would enable the LDP/JIP coalition to enact changes to Japan's Constitution and override Upper House rulings with a two-thirds vote which matters since the Coalition does not hold enough seats in the Upper House.

Noteworthy is Takaichi's claim she will step down if her coalition does not win a majority but of what size isn't clear.

Depending upon the outcome, we're left with the perennial debate over whether markets will prefer a system of checks and balances or a very strong majority outcome and what may be the range of potential policy outcomes under the various scenarios. They will evaluate the outcome in the context of massive debt (chart 3) and the Bank of Japan's already bloated role in the JGBs market that is more closed than other bond markets (chart 4). Monetary policy independence will be crucial as overdoing it on fiscal stimulus may prompt BoJ Governor Ueda to favour larger rate hikes than the 50bps presently priced into markets for the duration of this year. The upcoming round of Spring "Shunto" wage negotiations with unions that governs under 20% of Japanese workers is expected to register a third year of 5%+ gains (chart 5) which could add to the BoJ's confidence to continue hiking.

Chart 5



Sources: Scotiabank Economics, Ministry of Health, Labor & Welfare.

Much has been written about PM Takaichi regarding her roots, her colourful personality, and her policy leanings. She is tagged by markets as a fiscal expansionist. This may not be fully accurate and her supporters that have known her for a lengthy period describe her as methodical and careful, not reckless.

Still, she is schooled under policy leanings that depict her as a change agent. She cites Margaret Thatcher as a role model and is viewed as a protégé of the late PM Shinzo Abe and his brand of policy measures under the 'Abenomics' rubric that sought expansionist fiscal and monetary policies alongside regulatory reforms. Abenomics' partial success may have only really begun to emerge in the years following his assassination on July 8th, 2022. Can she pull off further demand stimulus and supply side reforms that appease market concerns? Can her curious brand of social conservatism and colourful background win over voters? Will her antagonistic style toward China including overt involvement in Taiwanese politics open the door to greater regional frictions? Is a new Japan rising with a much greater emphasis upon defence spending and increased role in geopolitical affairs?

On fiscal policy, Takaichi's bold 2026 budget (¥122.3 trillion/US$780B) has yet to be approved by Parliament, hence a motivator for an election call. With the clear caution that words may not translate into policy action—or that a strong majority may not elicit further proposals—here are some highlights of what may be at stake in the election.

- Takaichi touts "Responsible active fiscal policy" which risks appearing to markets as Orwellian doublespeak. She maintains that fiscal expansion will be addressed by non-tax revenues and the overhaul of special tax exemptions (trimming subsidies, scaling back preferential corporate tax treatments and expanding non-tax revenues), without resorting to deficit financed bond issuance. However, no clear funding sources are mentioned in the pledges and there are sure to be many special interests in opposition to some of these moves.
- Inflation is the primary focus of the election campaign. A consumption tax cut can be one of the tools, although it comes with a big cost and mixed effects on inflation over time. The opposition party (CRA) favours abolishing the food tax permanently while the LDP is looking for a 2-year exemption. Electricity and gas subsidies, as well as cash supports for households and families with children are also on the table.
- Takaichi seeks to raise the income tax deduction and abolish temporary gasoline and diesel taxes.
- She also seeks to shift growth away from Tokyo and into regional areas of Japan through policies such as the creation of regional industrial clusters.
- On geopolitical matters, Takaichi has placed emphasis upon strengthen the Japan-US alliance, and said that any attack on Taiwan would constitute a "survival-threatening situation" for Japan.
- As an offshoot of geopolitical ambitions, her administration's draft budget seeks a nearly 4% increase in defence spending in 2026 (US$58 billion) to construct more ships and aircraft. Globally, there has perhaps not been a better time for the defence establishment in many decades…

- If she wins the vaunted super majority, then Takaichi seeks to push for Constitutional reform including explicit recognition for the Self-Defense Forces, improved political transparency, and a reduction of the size of the lower house and reformed political funding rules.
- Takaichi's stance on immigration is challenging to an aging population that has struggled with integrating foreign arrivals. She seeks to take a stricter, more rules-based approach including a crack down on illegal stays.
- The LDP's partner—the JIP—has campaigned on cutting down the size of government including a targeted 10% seat reduction in the next Diet.

NONFARM PREVIEW—MOUNTING EVIDENCE OF A DETERIORATING JOB MARKET

The delayed nonfarm payrolls reading for January arrives on Wednesday. I'm more confident in my below consensus reading of 0k after this past week's readings. I think there is more downside than upside risk to 0k. See the earlier preview [here](#) and supplemented by the following points.

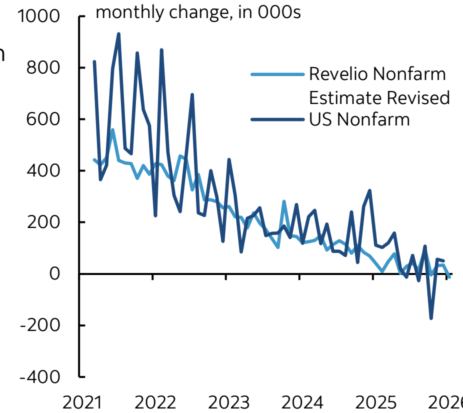
A significant caveat is always that nonfarm is its own beast with its own quirky methods. Confidence bands have risen over the years because of intensifying data deficiencies. Seasonal adjustment factors can be subject to a recency bias (I went with another record low for months of January this time). Birth-death model adjustments create uncertain effects this time. I expect downward revisions, but how much so could impact the jumping off point. Annual benchmarking revisions this time will knock around 900k or so off of last March.

Having said that, a broad array of readings is indicating that the job market is sharply weakening. In no real order are the following observations:

- Revelio's nonfarm proxy fell by -13k in January. It offers limited tracking ability (chart 6).
- ISM-services-employment fell to 50.3 from 51.7 (50 divides contraction below from expansion above).
- ISM-mfrg-employment indicated a slower pace of contraction in manufacturing employment from 44.9 to 48.1, but manufacturing is a small share of total employment.
- Homebase (a measure of hourly paid workers) fell faster in January relative to December. It's not seasonally adjusted but this January and prior months have been tracking the weakest readings since they started in 2020.
- Challenger layoffs climbed to 108.4k last month which was the highest since October. Challenger hiring was the lowest on record for a month of January (the comparator I use because it's seasonally unadjusted data). Charts 7–8.
- initial claims fell between reference periods. This offers the rare glimmer of hope, but claims could operate with a lag and don't reflect hiring per se.

Chart 6

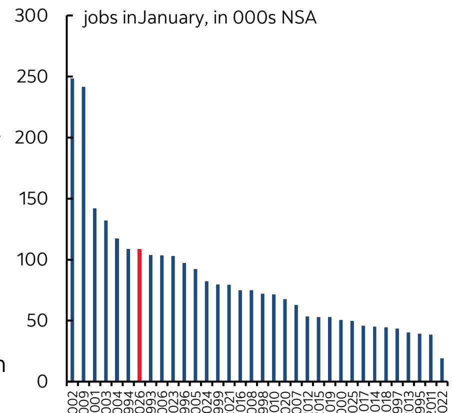
Alternative Nonfarm Tracker Points to Stalled Job Market



Sources: Scotiabank Economics, Revelio Labs, BLS.

Chart 7

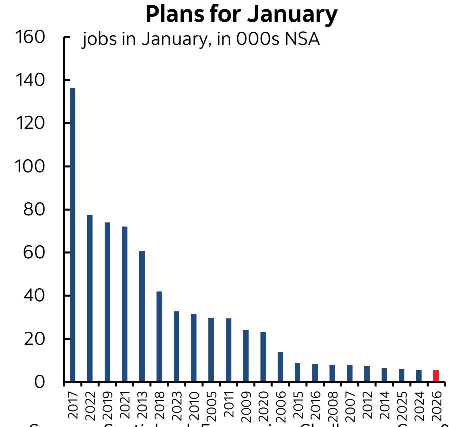
US Challenger Jobs Cuts for January



Sources: Scotiabank Economics, Challenger, Gray & Christmas Inc.

Chart 8

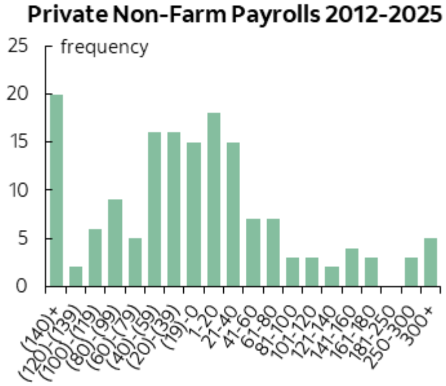
US Challenger Job Hiring Plans for January



Sources: Scotiabank Economics, Challenger, Gray & Christmas Inc.

Chart 9

Differences Between Initial ADP and Private Non-Farm Payrolls 2012-2025

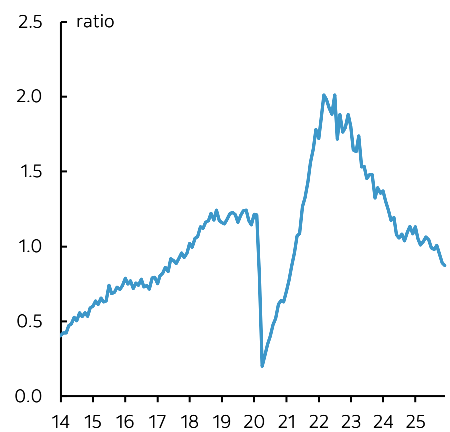


000s; parentheses indicate negative values; positive values indicate ADP overshoots

Sources: Scotiabank Economics, BLS, ADP.

Chart 10

US Job Openings to Unemployed



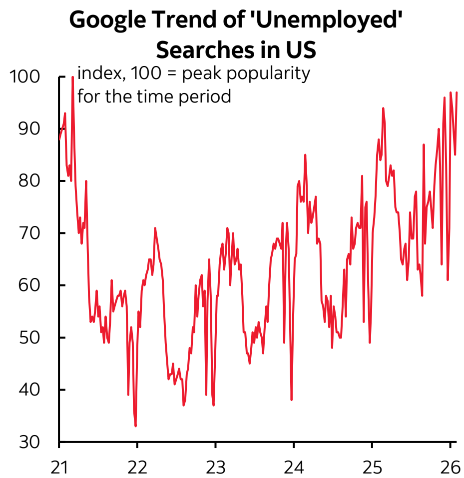
Sources: Scotiabank Economics, BLS.

- continuing claims fell between reference periods which contributes to expectations for a lower unemployment rate derived from the household survey where I went with a downtick, given expectations for continued labour force contraction but moderated jobs in that companion survey.
- ADP private payrolls fell by 22k. There are about 70% odds that the change in private nonfarm payrolls lands at the same or lower number based on historical spreads between *initial* pre-revision readings (chart 9).
- JOLTS job openings plunged to 6.54 million, down almost half a million in December and the lowest reading since the pandemic year of 2020. The openings-to-unemployed ratio is now well below 1.0 for two months, indicating that incremental slack is emerging in the US labour market at the margin as fewer openings are emerging relative to the number of unemployed (chart 10). There is now less than one job opening available per unemployed American.
- Apparently Americans are increasingly concerned (chart 11).
- US consumers are also signalling expectations for a large jump in unemployment in future based on readings within UofM consumer sentiment (chart 12). This is soft sentiment data, but don't necessarily dismiss it. The chart shows a high correlation between what consumers expect to happen to the change in the number of unemployed over the coming year and what actually happens. They are closer to employer guidance on employment conditions than economists and markets.

As for why the job market is teetering, I'd rank the reasons in the following order:

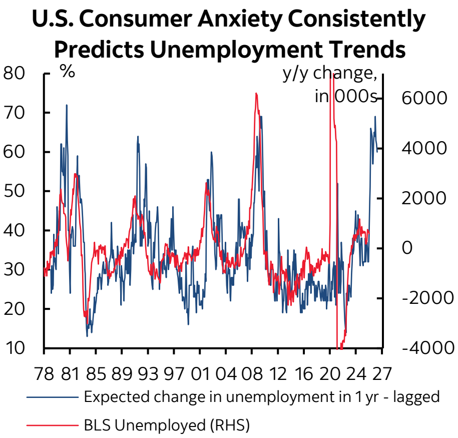
- Tariffs and policy uncertainty: It's no coincidence payrolls were on an upward trend until 'Liberation Day' and then lost momentum. Chart 13 shows actual payroll levels and payroll levels adjusted for revisions yet to be incorporated. Companies are responding by slashing controllable costs like payrolls.
- Immigration policy: I get the need to control borders and the economic case for doing so in terms of planning schools, infrastructure, etc. But it is going too far from the standpoint of the health of the economy.
- I'm sceptical toward AI. The argument is that there may be a shift toward a higher capital:labour ratio in favour of less hiring. That doesn't hold much water. Tech investment is heavy, but tech firings are a limited part of the softening labour market. More important is the opposite argument. Capital investment and jobs can often be cyclically complementary (eg. someone has to operate the drill press) and maybe they are behaving as such but in reverse this time for most of the economy once we take tech out of the picture where there is limited evidence of weakening jobs. The rest of the economy is shrinking both cap-ex ex-tech and jobs.

Chart 11



Sources: Scotiabank Economics, Google Trends.

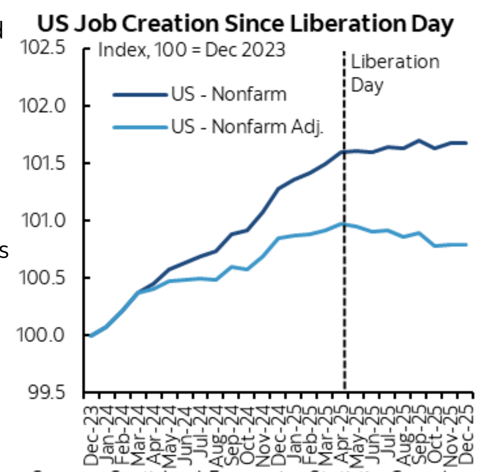
Chart 12



* Note: Y-axis is restricted to exclude observations from the pandemic period

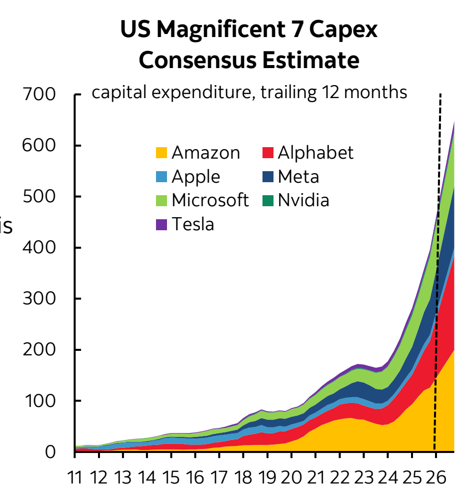
Sources: Scotiabank Economics, U of M., BLS.

Chart 13



Sources: Scotiabank Economics, Statistics Canada, Bureau of Labor Statistics.

Chart 14



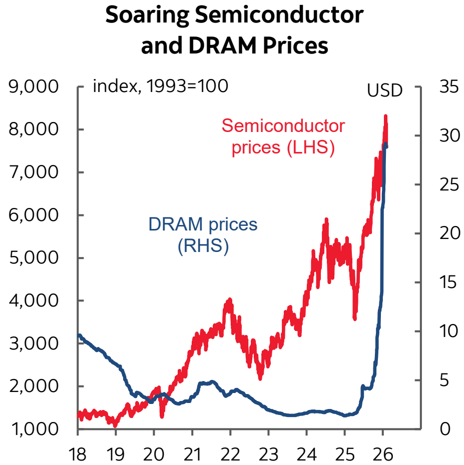
Sources: Scotiabank Economics, Bloomberg.

Further, AI is arguably crowding out other activities at least in the shorter run. The massive explosion of tech spending by just the Mag7 as one sub sample of the activity as shown in chart 14 including 2026 company guidance plus consensus for Nvidia's release on February 25th. This is causing price pressures for others. Semiconductor and DRAM prices are soaring (chart 15) and so are electricity prices (chart 16). On balance, AI is looking to be more of a source of inflation at least in the short-term, with the longer-run effects on productivity and inflation very much open to highly uncertain debate. AI may also face a greater regulatory cost burden in future. AI's explosive investment could also be partly responsible for weak investment ex-AI by crowding out capital budgets elsewhere (chart 17).

There are strong Fed implications to getting this right. In my opinion, the FOMC may have zigged when it should've zagged on the job market in December's statement. Recall that they struck out "downside risks to employment rose in recent months" in favour of "some signs of stabilization. Where??

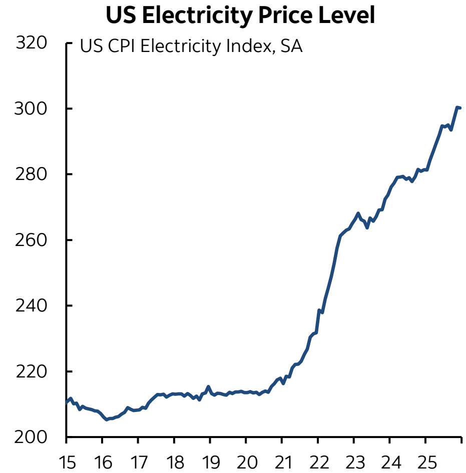
So why is Chair Powell looking through such signs? I'm unsure but think there are a few plausible theories.

Chart 15



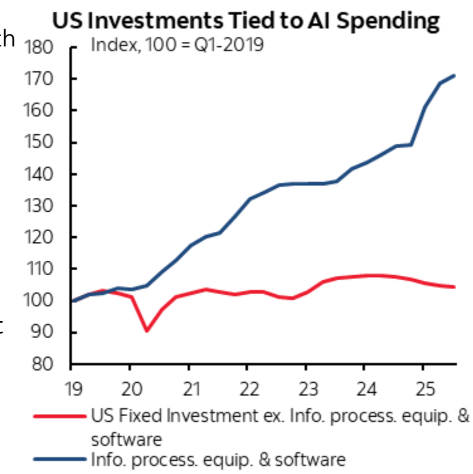
Sources: Scotiabank Economics, Bloomberg.

Chart 16



Sources: Scotiabank Economics, BLS.

Chart 17



Sources: Scotiabank Economics, BEA.

Powell appears to lean on some variant of Okun's 'law' given his argument that strong GDP growth could support employment gains and that he believes strong growth can continue. A counter is that strong GDP growth could be productivity driven at the expense of jobs. Another counter is that GDP growth has historically not always coincided with employment growth. For example, growth in nonfarm payrolls started to wane after early 2006 and then payroll levels peaked in early 2008 before GDP cratered later that year.

It's also possible that Powell is misjudging another inflection point.

Perhaps he wants a lot more evidence before being convinced that a weakening job market is not just temporary.

He may be cheerleading. A Fed Chair that rings the alarm on jobs needs to manage markets delicately.

He could be fading jobs weakness because many on the Committee are more worried about inflation.

Perhaps Powell wants any notable further easing to be left up to his successor and doesn't wish to commit Warsh.

There is also the element of moral hazard: bail out other forms of policy risks and you'll get more of it. This, however, supersedes the Fed's judgement over courts, voters, markets, Congress such as it is, etc.

Whatever the reason, I like 3 cuts in our forecast this year, down to 3%, which is a bit more than consensus and markets are expecting on the amount and timing. We have enough evidence that the job market is rolling faster than inflation risk is rising. That may change and there is enormous uncertainty going forward, but this was originally conditioned as a debate around which part of the dual mandate would deteriorate the most and the answer would determine what to do on policy. We're closer to that answer now. Jobs are teetering, even though inflation risk remains and faces upside risk going forward.

US INFLATION—HOPE YOU'RE NOT SUPERSTITIOUS

US CPI for January will be released on Friday February 13th. I hope bondholders are not terribly superstitious, but these days they wouldn't be faulted for putting lucky horseshoes around their desks.

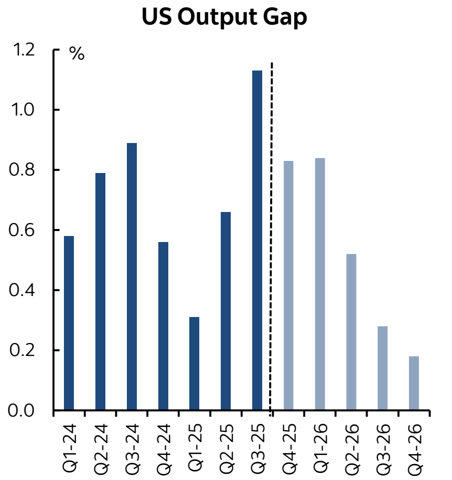
A rise of 0.3% m/m SA is estimated for both headline and core CPI ex-food and energy by most within consensus including Scotia. Core CPI attracts roughly even numbers of estimates in both higher and lower tails. The Cleveland Fed's 'nowcast' for core CPI is tracking 0.2% but is based on very limited inputs. There is probably more downside than upside to my 0.3% estimates.

Seasonally unadjusted changes in headline and core CPI are estimated at 0.4–0.5% m/m NSA. This is based on January normally being a solid seasonal up-month for prices including categories like food prices in the depths of winter across the northern hemisphere. Gasoline prices are tracking a slight weighted decline. So are vehicle prices. Shelter prices are estimated to be up sharply in the same unadjusted fashion that is the seasonal norm for rent adjustments, OER and utilities. Wildcards are core service prices and any further tariff and supply chain pass throughs to core goods prices.

On that note, there are clear upside risks to core CPI in the months ahead. The US economy remains in excess aggregate demand marked by a positive output gap that might shrink if we're right on GDP growth over 2026 (chart 18). It would take a prolonged period of actual GDP growth undershooting potential GDP growth and then lagging effects for this to change in terms of influences on inflation risk. There are growing signs of broadening price pressures once again (chart 19). Chart 20 shows that ISM weighted price indices may have topped out of late but still suggest lagging upside to inflation. December's big spike in core producer prices (0.7% m/m SA, 0.2% consensus) rattled markets on January 30th, but how this passes through to consumer prices is an experiment in motion with some potential upside ahead (chart 21).

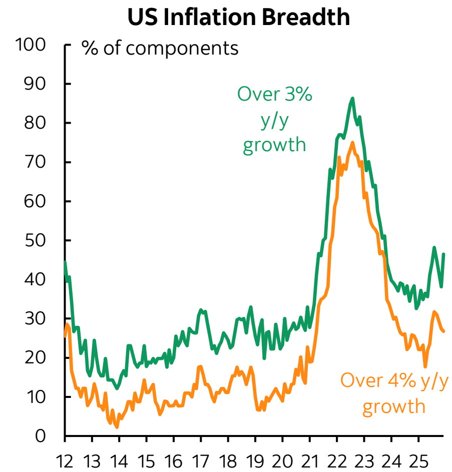
What may either tamp down CPI readings or lessen confidence in the data, however, are the twin effects of deteriorating quality and seasonal adjustments. A record share of the CPI basket that is being estimated by proxy methods is an ongoing source of uncertainty regarding the accuracy of the readings (chart 22). Budget cuts and a failure to pivot toward supplementary means of data collection have harmed the BLS.

Chart 18



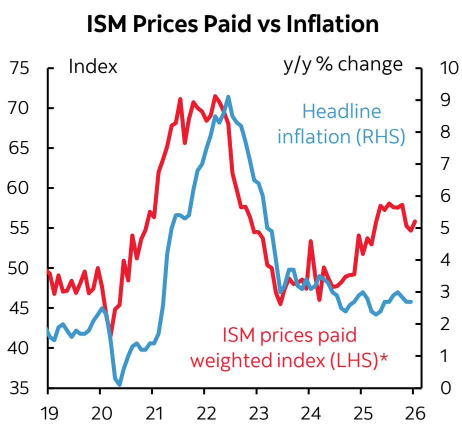
Source: Scotiabank Economics.

Chart 19



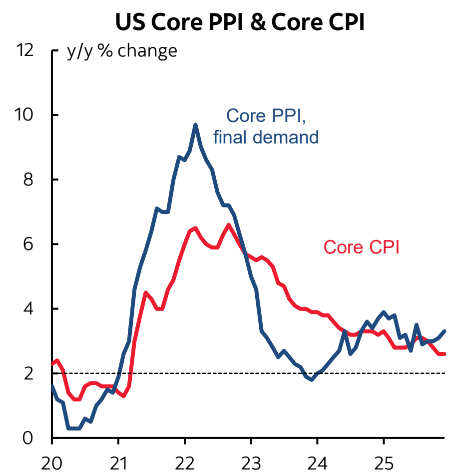
Sources: Scotiabank Economics, BLS.

Chart 20



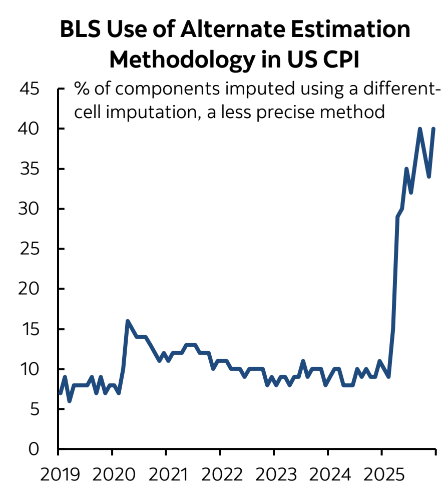
*Weighted at 75% of ISM-services prices paid index and 10% of ISM-mfg. prices paid index.
Sources: Scotiabank Economics, BLS, ISM.

Chart 21



Sources: Scotiabank Economics, BLS.

Chart 22



Sources: Scotiabank Economics, BLS.

CENTRAL BANKS—TWO DECISIONS, FED REACTIONS, AND BOC'S AI THOUGHTS

Only two regional central banks deliver policy decisions over the coming week, although a wave of Fed-speak could be impactful to global markets and we may gain further insight into how the BoC views AI.

With delayed nonfarm payrolls on Wednesday and US CPI on Friday, this week's line-up of Fed-speak could offer limited early post-data policy leanings ahead of the March 18th FOMC decisions and projections. They may remain guarded, however, as there are two rounds of readings on jobs and inflation before the next meeting. Monday will be a little anticlimactic when Governors Waller and Miran and outgoing Atlanta Fed President Bostic (nonvoting) speak. Cleveland's Hammack (voting) and Dallas President Logan (voting) speak the next day. Potentially more impactful will be the post nonfarm discussions from KC's Schmid (nonvoting) and Governor Bowman on Wednesday, and then Governor Miran (again) and Logan (again) on Thursday. There may be others.

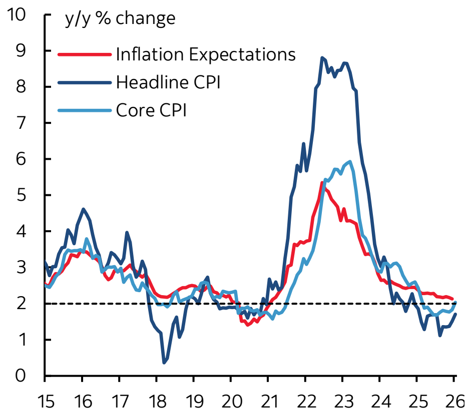
Bank of Canada communications should be relatively light in the wake of the late January decision (recap **here**) and Governor Macklem's recent speech (recap **here**). The Summary of Deliberations to the lead up to the decision on January 28th arrive on Wednesday. Senior

Deputy Governor Rogers speaks on Thursday. Her speech title won't be known until early next week, but the event is titled "The productivity challenge: adoption and infrastructure for AI-powered growth." Oh, this should be good. Everything you ever wanted to know about AI and monetary policy but were afraid to ask. Or something a wee bit shy of that.

Peru's central bank is expected to stay on hold at a reference rate of 4¼% on Thursday. It hasn't budged from there since last September and has held for four consecutive meetings. Inflation remains around the midpoint of the 1–3% inflation target range with headline CPI at 1.7% y/y but core CPI at 2% (chart 23). Economic growth has been volatile including base effect influences on the economic activity index that cooled from 3% y/y in October to 1.7% in November.

Chart 23

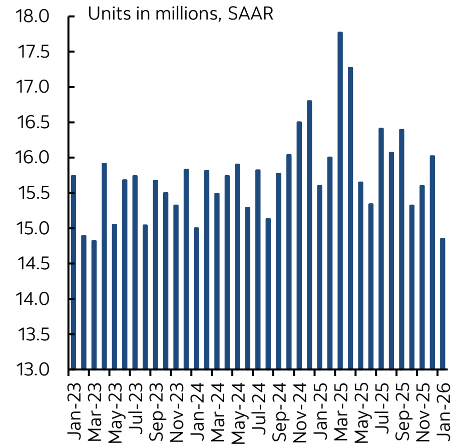
Peru's Inflation & Inflation Expectations



Sources: Scotiabank Economics, Central Bank of Peru.

Chart 25

US Total Vehicle Sales



Sources: Scotiabank Economics, Wards.

Russia's central bank is likely to keep its key rate unchanged at 16% on Friday.

GLOBAL MACRO—OTHER US, UK READINGS

Chart 24 covers the rest of the global line-up of indicators that will be covered in daily notes throughout the week as appropriate.

Key on the US list will be retail sales for December (Tuesday) that will be lifted by vehicle sales (2.7% m/m SA) and holiday sales with a mild offset from gasoline prices (-0.5% m/m SA in CPI). Still, the plunge in auto sales during January may have markets looking through to the next retail tally a month from now. US vehicle sales have been trending lower after an initial rush to front-load purchases before tariffs (chart 25) while Canadian vehicle sales have been much more resilient and posted a strong gain in January. The Employment Cost Index for Q4 (Tuesday) and existing home sales for January (Thursday) that may reflect the plunge in pending home sales and weather effects could also matter to markets.

Chart 24

Other Global Macro Indicators (Feb 9th - Feb 13th)

US	CA	CPI	Other Macro
		Monday	
		MX	NO GDP
			TA Trade
		Tuesday	
ECI		BZ	JN Machine Tool Orders
Trade Price Index		CH	SK UR
Retail Sales			CH PPI
Business Inventories			
		Wednesday	
MBA Mort.	Building Permits		MX IP
Jobs & Wages			IT IP
		Thursday	
Claims		IN	UK GDP, IP, Manf Prod., Trade
Existing Home Sales			
		Friday	
CPI			BZ Retail Sales
			CO Retail Sales
			EC GDP, Employment, Trade
			TA GDP
			IN Trade

Sources: Scotiabank Economics, Bloomberg.

The state of the UK economy will be the main focus overseas. Thursday brings out Q4 GDP that is expected to post modest growth of around 1% q/q SAAR, and December readings for industrial output, services, construction and trade.

CPI readings will also come from China (Tuesday) along with house prices (Thursday), India (Thursday), Argentina (Tuesday), Brazil (Tuesday), Mexico (Monday), Norway (Tuesday) and Switzerland (Friday).

February 6, 2026

Key Indicators for the week of February 9 – 13

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	02-09	07:00	Bi-Weekly Core CPI (% change)	Jan 31	--	0.3	0.4
MX	02-09	07:00	Bi-Weekly CPI (% change)	Jan 31	--	0.2	0.3
MX	02-09	07:00	Consumer Prices (m/m)	Jan	--	0.4	0.3
MX	02-09	07:00	Consumer Prices (y/y)	Jan	--	3.8	3.7
MX	02-09	07:00	Consumer Prices Core (m/m)	Jan	--	0.6	0.4
US	02-10	08:30	Employment Cost Index (q/q)	4Q	0.8	0.8	0.8
US	02-10	08:30	Export Prices (m/m)	Dec	--	--	0.0
US	02-10	08:30	Import Prices (m/m)	Dec	--	--	-0.1
US	02-10	08:30	Retail Sales (m/m)	Dec	0.4	0.4	0.6
US	02-10	08:30	Retail Sales ex. Autos (m/m)	Dec	0.2	0.4	0.5
US	02-10	10:00	Business Inventories (m/m)	Nov	--	0.2	0.3
MX	02-11	07:00	Industrial Production (m/m)	Dec	--	--	0.6
MX	02-11	07:00	Industrial Production (y/y)	Dec	--	2.0	-0.8
US	02-11	07:00	MBA Mortgage Applications (w/w)	Feb 06	--	--	-8.9
CA	02-11	08:30	Building Permits (m/m)	Dec	--	--	-13.1
US	02-11	08:30	Average Hourly Earnings (m/m)	Jan	0.2	0.3	0.3
US	02-11	08:30	Average Hourly Earnings (y/y)	Jan	3.5	3.7	3.8
US	02-11	08:30	Average Weekly Hours	Jan	--	34.2	34.2
US	02-11	08:30	Nonfarm Employment Report (000s m/m)	Jan	0	70	50
US	02-11	08:30	Unemployment Rate (%)	Jan	4.3	4.4	4.4
US	02-11	08:30	Household Employment Report (000s m/m)	Jan	--	--	232
US	02-11	14:00	Treasury Budget (US$ bn)	Jan	--	--	-144.7
US	02-12	08:30	Initial Jobless Claims (000s)	Feb 07	210	--	231.0
US	02-12	08:30	Continuing Claims (000s)	Jan 31	1850	--	1844.0
US	02-12	10:00	Existing Home Sales (mn a.r.)	Jan	4.2	4.2	4.4
US	02-12	10:00	Existing Home Sales (m/m)	Jan	-3.5	-3.2	5.1
US	02-13	08:30	CPI (m/m)	Jan	0.3	0.3	0.3
US	02-13	08:30	CPI (y/y)	Jan	2.5	2.5	2.7
US	02-13	08:30	CPI (index)	Jan	--	325.6	324.1
US	02-13	08:30	CPI ex. Food & Energy (m/m)	Jan	0.3	0.3	0.2
US	02-13	08:30	CPI ex. Food & Energy (y/y)	Jan	2.5	2.5	2.6

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
NO	02-09	02:00	GDP (q/q)	4Q	--	1.10
IT	02-11	04:00	Industrial Production (m/m)	Dec	-0.5	1.5
UK	02-12	02:00	Business Investment (q/q)	4Q P	--	1.5
UK	02-12	02:00	GDP (q/q)	4Q P	0.2	0.1
UK	02-12	02:00	Index of Services (m/m)	Dec	0.1	0.3
UK	02-12	02:00	Industrial Production (m/m)	Dec	0.0	1.1
UK	02-12	02:00	Manufacturing Production (m/m)	Dec	-0.1	2.1
UK	02-12	02:00	Visible Trade Balance (£ mn)	Dec	--	-23711.0
PD	02-12	04:00	GDP (y/y)	4Q P	4.00	3.80
GE	02-12		Current Account (€ bn)	Dec	--	15.1
SP	02-13	03:00	CPI (m/m)	Jan F	-0.4	-0.4
SP	02-13	03:00	CPI (y/y)	Jan F	2.4	2.4
SP	02-13	03:00	CPI - EU Harmonized (m/m)	Jan F	-0.7	-0.7
SP	02-13	03:00	CPI - EU Harmonized (y/y)	Jan F	2.5	2.5
EC	02-13	05:00	Employment (q/q)	4Q P	--	0.2
EC	02-13	05:00	GDP (q/q)	4Q P	0.3	0.3
EC	02-13	05:00	Trade Balance (€ mn)	Dec	--	9895.9
RU	**02-13**	**05:30**	**One-Week Auction Rate (%)**	**Feb 13**	**16.00**	**16.00**

Forecasts at time of publication.
Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of February 9 – 13

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	02-08	18:50	Bank Lending (y/y)	Jan	--	4.4
JN	02-08	18:50	Current Account (¥ bn)	Dec	1081.2	3674.1
JN	02-08	18:50	Trade Balance - BOP Basis (¥ bn)	Dec	307.2	625.3
ID	02-08	22:00	Consumer Confidence Index	Jan	--	123.5
MA	02-08	23:00	Industrial Production (y/y)	Dec	4.5	4.3
TH	02-08		Consumer Confidence Economic	Jan	--	45.5
MA	02-09	02:00	Foreign Reserves (US$ bn)	Jan 30	--	125.6
TA	02-09	03:00	Exports (y/y)	Jan	55.7	43.4
TA	02-09	03:00	Imports (y/y)	Jan	42.8	14.9
TA	02-09	03:00	Trade Balance (US$ bn)	Jan	18.3	19.4
JN	02-09	18:50	Japan Money Stock M2 (y/y)	Jan	--	1.7
JN	02-09	18:50	Japan Money Stock M3 (y/y)	Jan	--	1.1
PH	02-09		Bank Lending (y/y)	Dec	--	10.8
JN	02-10	01:00	Machine Tool Orders (y/y)	Jan P	--	10.9
SK	02-10	18:00	Unemployment Rate (%)	Jan	3.2	4.0
CH	02-10	20:30	CPI (y/y)	Jan	0.4	0.8
CH	02-10	20:30	PPI (y/y)	Jan	-1.5	-1.9
IN	02-12	05:30	CPI (y/y)	Jan	2.60	1.33
NZ	02-12	16:30	Business NZ PMI	Jan	--	56.1
MA	02-12	23:00	Current Account Balance (MYR mns)	4Q	13.3	12237.7
MA	02-12	23:00	Annual GDP (y/y)	2025 F	4.9	4.9
MA	02-12	23:00	GDP (y/y)	4Q F	5.7	5.7
TA	02-13	03:00	Real GDP (y/y)	4Q P	12.7	12.7
IN	02-13		Exports (y/y)	Jan	--	1.9
IN	02-13		Imports (y/y)	Jan	--	8.8

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	02-10	07:00	IBGE Inflation IPCA (m/m)	Jan	--	0.3	0.3
BZ	02-10	07:00	IBGE Inflation IPCA (y/y)	Jan	--	4.4	4.3
PE	**02-12**	**18:00**	**Reference Rate (%)**	**Feb 12**	**4.25**	**--**	**4.25**
BZ	02-13	07:00	Retail Sales (m/m)	Dec	--	0.3	1.0
BZ	02-13	07:00	Retail Sales (y/y)	Dec	--	3.6	1.3
CO	02-13	10:00	Retail Sales (y/y)	Dec	--	--	7.5

Forecasts at time of publication.
Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of February 9 – 13

NORTH AMERICA

Country	Date	Time	Event
US	02-10	13:00	U.S. To Sell USD58 Bln 3-Year Notes
CA	02-11	12:00	Canada to Sell C$6 Billion of 2.5% 2028 Bonds
US	02-11	13:00	U.S. To Sell USD42 Bln 10-Year Notes
US	02-12	13:00	U.S. To Sell USD25 Bln 30-Year Bonds

EUROPE

Country	Date	Time	Event
NE	02-10	04:00	Netherlands to Sell Up to EU2B of 3.25% 2044 Bonds
UK	02-10	05:00	UK to Sell GBP3.75 Billion of 4.125% 2031 Bonds
AS	02-10	05:00	Austria to Sell Bonds
GE	02-10	05:30	Germany to Sell Bonds
NO	02-11	05:00	Norway to Sell Bonds
GR	02-11	05:00	Greece to Sell Bonds
SZ	02-11	05:00	Switzerland to Sell Bonds
SW	02-11	05:00	Sweden to Sell Bonds
UK	02-11	05:00	UK to Sell GBP300 Million of 4.25% 2049 Bonds
GE	02-11	05:30	Germany to Sell Bonds
IT	02-12	05:00	Italy to Sell Bonds

ASIA PACIFIC

Country	Date	Time	Event
AU	02-09	19:00	Australia to Sell A$300 Million 2.75% 2041 Bonds
JN	02-09	22:35	Japan to Sell 10-Year Linker Bonds
CH	02-09	22:35	China to Sell 130 Billion Yuan 1.66% 2032 Bonds
AU	02-10	19:00	Australia to Sell A$700 Million 3.75% 2037 Bonds
AU	02-12	19:00	Australia to Sell A$1 Billion 2.5% 2030 Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of February 9 – 13

NORTH AMERICA

Country	Date	Time	Event
US	02-09	13:30	Fed's Waller Speaks on Digital Assets
US	02-09	15:15	Fed's Bostic Speaks in Moderated Conversation
US	02-10	12:00	Fed's Hammack Speaks on Banking and Economic Outlook
US	02-10	13:00	Fed's Logan Speaks at Asset Management Derivatives Forum
CA	02-11	13:30	Bank of Canada Summary of Deliberations
CA	02-12	08:45	BoC Senior Deputy Governor Rogers Speaks in Toronto
US	02-12	19:00	Fed's Logan Gives Opening Remarks
US	02-12	19:05	Fed's Miran Speaks in Moderated Discussion

EUROPE

Country	Date	Time	Event
UK	02-08	01:40	BOE's Andrew Bailey Speaks
SZ	02-09	04:00	Domestic Sight Deposits CHF
SZ	02-09	04:00	Total Sight Deposits CHF
EC	02-09	07:00	ECB's Lane Speaks in Ireland
EC	02-09	11:00	ECB's Nagel Speaks on Inflation
EC	02-09	11:00	ECB's Lagarde Speaks in EU Parliament in Strasbourg
UK	02-09	14:30	BOE's Catherine Mann Speaks
EC	02-11	05:20	ECB's Cipollone Speaks in Frankfurt
EC	02-11	12:00	ECB's Schnabel Speaks in Vienna
EC	02-12	04:00	ECB's Cipollone Speaks in Rome
EC	02-12	10:50	ECB's Radev, Stournaras, Lane Speak in Sofia
EC	02-12	14:30	ECB's Nagel Speaks in London
UK	02-13	07:00	BOE's Huw Pill Speaks

ASIA PACIFIC

Country	Date	Time	Event
AU	02-10	20:30	RBA's Hauser-Fireside Chat
AU	02-11	17:00	RBA-Senate Testimony
AU	02-11	23:45	RBA's Hunter-Speech
JN	02-12		BOJ Board Member Tamura Speech in Kanagawa

LATIN AMERICA

Country	Date	Time	Event
PE	02-12	18:00	Reference Rate

Sources: Bloomberg, Scotiabank Economics.

February 6, 2026

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	2.25	March 18, 2026	2.25	2.25
Federal Reserve – Federal Funds Target Rate	3.75	March 18, 2026	3.50	3.75
Banco de México – Overnight Rate	7.00	March 26, 2026	7.00	7.00

Bank of Canada (BoC): The Bank of Canada will release the summary of Governing Council monetary policy deliberations leading up to its January 28th communications on Wednesday at 1:30 p.m. EST.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.15	March 19, 2026	2.15	2.15
European Central Bank – Marginal Lending Facility Rate	2.40	March 19, 2026	2.40	2.40
European Central Bank – Deposit Facility Rate	2.00	March 19, 2026	2.00	2.00
Bank of England – Bank Rate	3.75	March 19, 2026	3.50	3.50
Swiss National Bank – Sight Deposit Rate	0.00	March 19, 2026	0.00	0.00
Central Bank of Russia – One-Week Auction Rate	16.00	February 13, 2026	16.00	16.00
Sweden Riksbank – Repo Rate	1.75	March 19, 2026	1.75	1.75
Norges Bank – Deposit Rate	4.00	March 26, 2026	4.00	4.00
Central Bank of Turkey – Benchmark Repo Rate	37.00	March 12, 2026	37.00	37.00

Central Bank of Russia: Consensus expects the Central Bank of Russia to hold its one-week auction rate at 16% on Friday, though some see a chance of a 25bps cut. Elevated inflation expectations—still hovering around 13% despite easing inflation—argue for caution. In addition, the central bank governor has previously noted that a rate hold was discussed at the last meeting and indicated that a pause in the policy rate maybe warranted.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	0.75	March 19, 2026	0.75	0.75
Reserve Bank of Australia – Cash Rate Target	3.85	March 16, 2026	3.85	3.85
Reserve Bank of New Zealand – Cash Rate	2.25	February 17, 2026	2.25	2.25
People's Bank of China – 7-Day Reverse Repo Rate	1.40	TBA	1.40	1.40
Reserve Bank of India – Repo Rate	5.25	April 8, 2026	5.25	5.25
Bank of Korea – Base Rate	2.50	February 26, 2026	2.50	2.50
Bank of Thailand – Repo Rate	1.25	February 25, 2026	1.25	1.25
Bank Negara Malaysia – Overnight Policy Rate	2.75	March 5, 2026	2.75	2.75
Bank Indonesia – BI-Rate	4.75	February 19, 2026	4.75	4.75
Central Bank of Philippines – Overnight Borrowing Rate	4.50	February 19, 2026	4.50	4.50

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	15.00	March 18, 2026	15.00	15.00
Banco Central de Chile – Overnight Rate	4.50	March 24, 2026	4.25	4.50
Banco de la República de Colombia – Lending Rate	10.25	March 31, 2026	10.25	10.25
Banco Central de Reserva del Perú – Reference Rate	4.25	February 12, 2026	4.25	4.25

Banco Central de Reserva del Peru: The Banco Central de Reserva del Perú is expected to keep its reference rate unchanged at 4.25% on Thursday. The central bank is likely to be comfortable maintaining the current stance, as inflation expectations are close to the 2% target, with both headline and core inflation hovering around that level. At the same time, economic activity continues to show solid momentum.

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	6.75	March 26, 2026	6.50	6.50

Sources: Bloomberg, Scotiabank Economics.