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GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

July 17, 2026

Contributors

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With thanks for research support from: Jaykumar Parmar.

Risk Dashboard for July 20th-24th

- US-Iran tensions may enter uncharted waters
- AI rivalry to continue driving tech volatility
- Canadian CPI update has little riding on it
- Fighting forest fires with tariffs is rich on so many counts
- ECB faces a sobriety test
- BI likely to hike again
- Turkey's central bank will remain highly restrictive
- Russia's central bank faces a tough choice
- SARB expected to raise its policy rate
- Global macro: PMIs, UK jobs and CPI, Aussie jobs…
- …NZ CPI, Canadian retail sales and PPI, Japanese CPI, SK GDP

Risk Dashboard for July 27th-31st

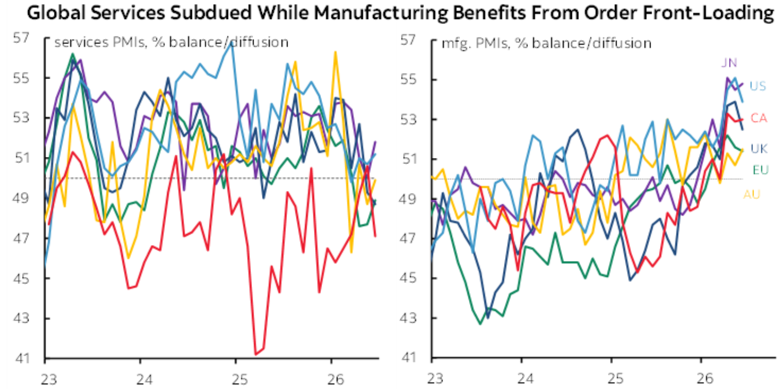
- FOMC—Cliff Diving
- BoJ—He's Back!
- BoE—About that second round
- Canadian GDP—tracking the rebound
- US GDP still resilient
- US core PCE likely to plunge
- BCCH—Slack versus oil
- BanRep—no buyer's remorse on hiking
- Global macro: China PMIs, US macro readings…
- …CPI in EZ, Australia, Japan…
- …GDP in EZ, Mexico

Fighting Fire with Fire (Two Week Edition)

FORECASTS & DATA

Chart of the Week

Global Services Subdued While Manufacturing Benefits From Order Front-Loading



Sources: Scotiabank Economics, Markit, Bloomberg.

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

July 17, 2026

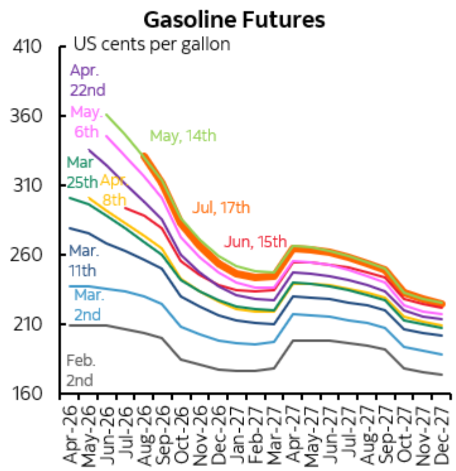
Fighting Fire with Fire (Two Week Edition)

This two-week edition is intended to reach ahead and share views on a round of upcoming pivotal developments across central banks, a lot of data and earnings reports and no doubt geopolitical drivers across asset classes.

Perhaps overshadowing all of the calendar-based developments will be intensifying risks around tech valuations and conflict in the Middle East.

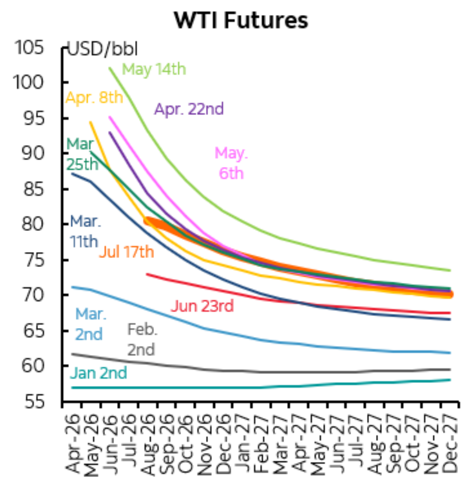
It's more likely hubris than reality, but President Trump's warning about soon bombing civilian assets in Iran would be the biggest escalation to date and puts us into uncharted waters on the conflict including forms of retaliation. The MOU is in ashes and was never sustainable in the first place given Iran's managed irresolution approach to negotiations and given President Trump's poor polling around handling the war. We're now looking at the highest gasoline futures curves of the conflict to date (chart 1) with oil futures approaching prior peaks especially further out in time (chart 2).

Chart 1



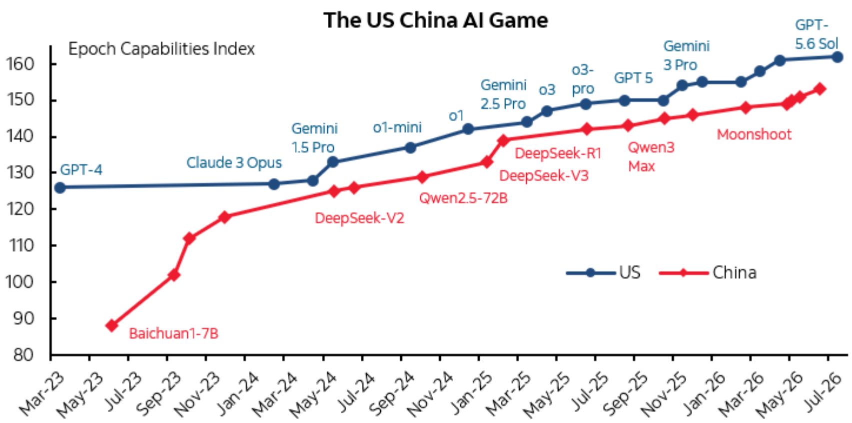
Sources: Scotiabank Economics, Bloomberg.

Chart 2



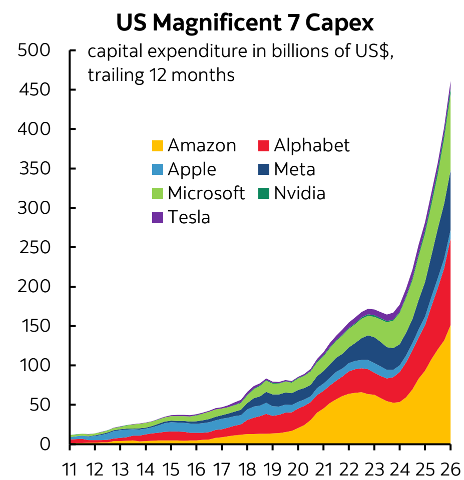
Sources: Scotiabank Economics, Bloomberg.

Chart 3



Epoch Capabilities Index combines scores from many different AI benchmarks into a single "general capability" scale.
Sources: Scotiabank Economics, Epoch AI.

Chart 4



Sources: Scotiabank Economics, Bloomberg.

I wouldn't overreact to AI developments just yet but they'll continue to drive high market volatility. US firms and Chinese firms continue to jostle for leadership in AI and occasionally trade places but the US has generally managed to stay a step ahead with its own bouts of innovation according to measures like the Epoch Capabilities Index (chart 3). Neither system is likely to have much tolerance for widespread job losses in my opinion, but particularly China's uni-party state and much less flexible economy. By contrast, China's capital infusions into AI may be more patient than investors in the US seeking some evidence of monetization of chart 4.

Also watch for developments around Canada-US relations and tariffs as Trump threatens **action** along with Republicans across northern states. Short of building a wall or lining up every fan in the country at the border to keep the smoke out it's unclear what is being proposed as solutions or help. Any US trade actions on this matter would be patently unfair and must be met with a stiff response in my view. Recall Trump's attacks against California's fire prevention tactics he suddenly now alleges should be made greater use of but in the world's second largest country by area with massive forests. The problem is not unique to Canada as many regions of the US are experiencing forest fires and so have parts of Europe and Asia over the years. The US is a massive contributor to global warming as it ranks #2 in the world on GHG emissions behind only China and while there are many possible adjustments that can be made for climate, population etc, it is aggregate GHG emissions that drive global warming (**here**). The Trump administration's environmental policies are worsening global conditions and in total defiance of the science of climate change. Canada was there to help the US with fires in the past including California by sending water bombers and fire fighters; where's the US help now?! Penalizing Canada for what has been caused by governments that have turned a blind eye toward environmental concerns is rich beyond belief.

July 17, 2026

Week of July 20th – 24th 2026

The first week focuses upon a few central bank decisions across majors and EMs (ECB, BI, SARB, Turkey, Russia) plus Canadian inflation, global purchasing managers' indices, Australian jobs, UK jobs, wages and CPI, New Zealand's inflation and South Korea's economy.

CANADIAN INFLATION—NOT MUCH RIDING ON THIS ONE

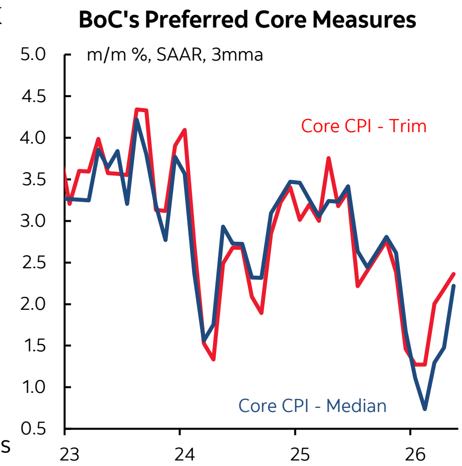
Canada refreshes CPI for the month of June on Monday July 20th. I've estimated a flat headline reading of 0% m/m NSA that would mean an unchanged rate of 3.2% y/y.

Not a whole lot hangs on this estimate. It's one or two inflation reports before the BoC's next decision on September 2nd. There will also be one more jobs report and Q2 GDP before that decision which itself is a non-MPR meeting. Plus, a whole lot of additional information such as developments in commodity markets.

June is normally a seasonal up-month for prices which matters because the polled estimate is seasonally unadjusted. The dip in gasoline prices may be more than offsetting. The prior month's strong gain in the leisure category of prices—led by a massive rise in travel tour prices—is likely to reverse and be reinforced by a likely drop in airfare. On the upside, I've assumed shelter costs will return as a driver.

Amid wild swings in the tails of the distribution of prices the key will be the central tendency price measures like trimmed mean CPI and weighted median CPI. It's fruitless estimating them in the form that matters for evaluating price pressures at the margin. That form is m/m SAAR, for which we have so little price information relative to the sensitivity to exactly what counts in the measures. These measures have been rebounding from a temporary soft patch in keeping with our long-held expectations (chart 5).

Chart 5



Sources: Scotiabank Economics, Statistics Canada.

CENTRAL BANKS—DOVES A THREATENED SPECIES

Five central banks deliver policy decisions during the week of July 20th–24th. Key may be guidance from the ECB while several EM central banks weigh in with varying responses to global inflation risk.

Bank Indonesia—Likely to Hike

Wednesday's Bank Indonesia decision is expected to deliver another hike but a minority within consensus thinks they could hold at 5.75% after delivering 100bps of hikes since April. Those hikes included two in June starting with an emergency 25bps increase and then another one at the scheduled meeting nine days later and started with a surprise 50bps hike in May that doubled consensus. The point being the usual reminder about this central bank's proclivity toward surprises. One factor that may prompt continued tightening this week is continued depreciation of the rupiah and the bank's stability concerns (chart 6).

Chart 6

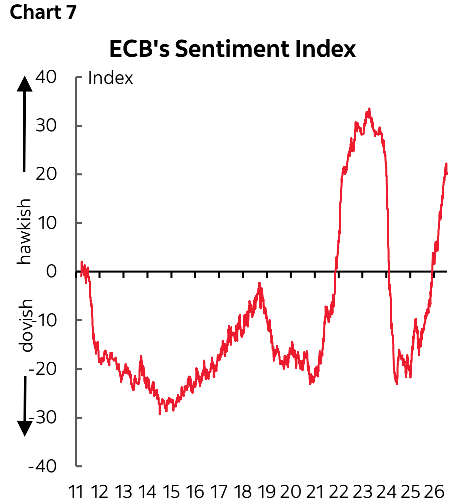
Sources: Scotiabank Economics, Bloomberg.

ECB—A Sobriety Test

Policy adjustments don't need to go in a straight line especially at points of elevated uncertainty. That sentiment appears to be driving market pricing for Thursday's decision to offer a hold at a deposit rate of 2.25% following the 25bps hike that was delivered on June 11th. Consensus also expects a hold.

President Lagarde's last major remark was on July 1st when she noted "I think risks by the way that we have to the upside on inflation and to the downside of growth are probably more broadly balanced than they were a few weeks ago as a result of what we're seeing, which happens at speed."

Chart 7



Sources: Scotiabank Economics, Bloomberg.

Since then, it has been back on for the US war with Iran. WTI and Brent have both risen by about a dozen dollars per barrel. The German 2-year yield has climbed by about a quarter of a percentage point. Somewhat of an offset was the June inflation report that likely buys time for the ECB to further assess conditions given its data dependent mantra; CPI fell -0.1% m/m with core CPI pulling back to 2.4% y/y from the 2.6% prior level that was the highest since April of last year. Still, sentiment gauges clearly show that the hawks largely remain in control (chart 7).

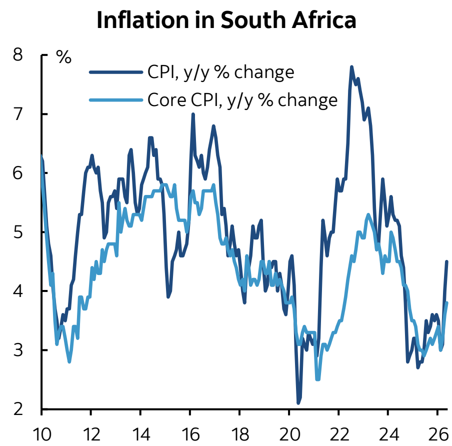
Turkey's Central Bank—The Best Laid Plans…

The Central Bank of Turkey is expected to hold at a one-week repo rate of 37% on Thursday. It halted an easing campaign after January's 100bps cut when the Iran war broke out. The lira has since depreciated by about 8% to the dollar, adding to import price pressures driven by commodities and namely oil.

SARB—Could be a Little, or a Lot

The South African Reserve Bank is widely expected to hike its repo rate by 25bps to 7.25% on Thursday. Inflation is on the rise with May clocking in at 4½% y/y and core at 3.8% y/y ahead of Wednesday's June update (chart 8). It's possible there will be dissenters as there were in the prior month's 4–2 vote to hike. Scenarios that were presented at the prior meeting suggested that tightening could drive the policy rate as high as into the 7–8% range.

Chart 8



Sources: Scotiabank Economics, SARB, Statistics South Africa.

Russia's Central Bank—You Made Your Bed

Friday's decision by the Central Bank of the Russian Federation could be another step down in pace, this time to a halt. The bank has cut 50bps on three occasions this year before downshifting to a quarter point cut in June. Now they may entirely halt easing as inflationary pressures begin to rise once again. Total CPI was up over 6% y/y again in June with core CPI crossing back above 5%. The war direct effects and indirect effects on energy prices—including Ukrainian strikes on Russian refineries—have put upward pressure on the cost of living that may tilt the balance of policy risks toward managing inflation risk and a little away from addressing stumbling economic growth. The Russian economy was flat in Q1 (-0.2% y/y) and growth had been sharply decelerating throughout 2025. The Putin regime made its bed. The public has to suffer the consequences.

GLOBAL MACRO—BEYOND N.A.

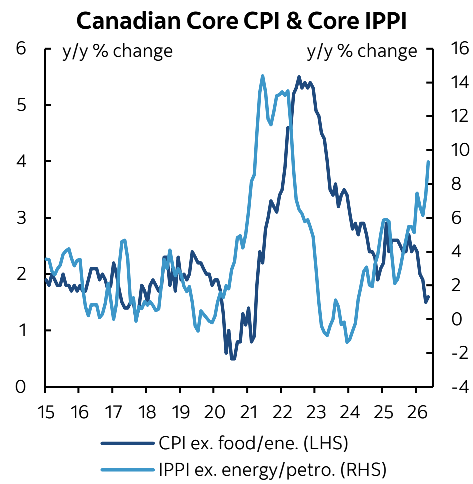
The first week of this two-week issue brings out a number of other potentially high-impact readings from across the global economy but you'll have to look beyond North America for most of them except for updated tracking of Canadian and Mexican consumers.

Canadian Retail Sales and Producer Prices

Canada refreshes retail sales for May and offers preliminary guidance for June on Thursday July 23rd. Statcan guided on June 19th that May's nominal sales were tracking a 1% m/m SA gain. Some of that gain was probably due to higher prices as evidenced by the 0.5% m/m SA rise in CPI and 0.3% gain in CPI ex-food and energy. Watch volumes that strip out price effects.

Canada also updates producer prices for June on Friday July 24th. Key will be industrial prices ex-food and energy given the role that core producer prices play as a leading indicator of consumer price inflation (chart 9).

Chart 9



Sources: Scotiabank Economics, Statistics Canada.

Relatively Quiet in the Rest of N.A.

US markets will primarily focus upon the continuation of the Q2 earnings season in the first week. New home sales during June (July 24th) are likely to rebound.

Mexico refreshes retail sales for May on Tuesday. Sales have been growing at about a 4 ½% y/y nominal pace so far this year but growth is expected to slow.

Global Readings Focus on PMIs, Jobs and Inflation

A batch of global purchasing managers indices will be refreshed with July readings over Thursday July 23rd – Friday the 24th. Japan and Australia kick it off followed by India, the Eurozone, the UK and then the US.

The UK refreshes two key sets of readings this week, one on jobs and wages (Tuesday) and the next on CPI (Wednesday). It also refreshes retail sales during June on Friday. Nothing is priced for the following week's Bank of England decision, but markets are clinging to pricing 1–2 hikes thereafter. Key will be second-round effects of higher commodities amid a pick-up in wage growth (chart 10) but so far there are MPC members who remain highly sceptical that such pressures will be material. Bank of England Deputy Governor Breeden recently sounded against hiking as she downplayed second-round effects of oil on inflation by flagging a soft economy and labour market slack: "Those two things mean that that shock is less likely to become embedded and lead to inflationary dynamics that we might need to lean against."

Australia's jobs juggernaut has been on first for some time. Can it keep it up with June's numbers on Wednesday? With the exception of April's 41k drop, every month has seen gains this year although there has been a tilt more toward part-time job creation. Still, while it is off the bottom (chart 11), the unemployment rate remains low at 4.4% but that's partly because the pool of available workers seeking employment has been softening as evidenced by the decline in the labour force participation rate since early 2025.

RBNZ watchers will have a keen eye on Q2 CPI (Monday). Markets are priced for another hike at the next meeting on September 2nd and about a percentage point of hikes through to the middle of next year. A hotter reading compared to the warm trend (chart 12) is very likely given that CPI figures are pushing into the initial effects of the surge in commodity prices due to the Iran war. A nonannualized reading that could be the highest in years would provide ample cover for further tightening.

Japanese CPI inflation on Thursday is likely to closely follow the Tokyo gauge that climbed by three-tenths to 1.7% y/y in June. The BoJ delivers an updated decision the following week (see below).

South Korea's economy and markets are stumbling to say the least. The first high level take on how much so will come with Q2 GDP on Wednesday. Most estimates range from ¼% to ½% q/q nonannualized growth and with probably further weakening ahead as monetary policy tightens and financial conditions tighten. The Kospi has lost one-quarter of its value since late June.

Week of July 27th – 31st 2026

The second week covered by this publication will bring out more of the heavy hitters among global central banks (Fed, BoJ, ECB, BoE) and a pair of LatAm central banks (Chile, Colombia) alongside a wave of global PMIs, GDP reports and inflation updates.

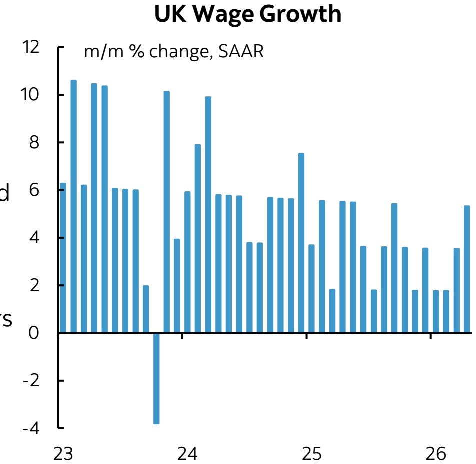
CENTRAL BANKS—WHAT'S THE BIGGER RISK OF POLICY ERROR?

Several central banks will offer policy decisions during the week of July 27th – 31st. The majors are expected to hold but a LatAm bank could hike.

FOMC—Cliff Diving

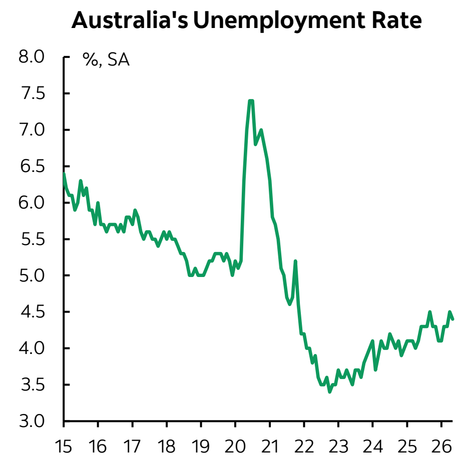
Notwithstanding the possibility of dissenters, no one really expects much out of Wednesday's communications from the Federal Reserve's Open Market Committee. This one will only offer a statement at 2pmET sans forecasts and dots, followed by a press conference thirty minutes later. The next Summary of Economic Projections including a revised dot plot will be delivered at the September 15th–16th meeting. Chair Waller is no fan of explicit forward guidance so we won't hear clear messaging on the next move which will be informed by data, taskforces, geopolitical developments etc.

Chart 10



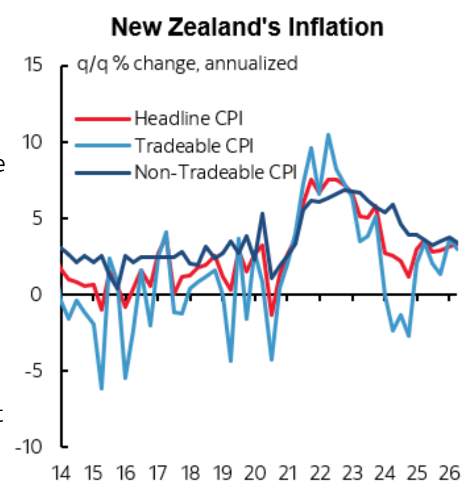
Sources: Scotiabank Economics, UK ONS.

Chart 11



Sources: Scotiabank Economics, Australian Bureau of Statistics.

Chart 12



Sources: Scotiabank Economics, Stats NZ.

July 17, 2026

Consensus unanimously expects a hold and markets are priced for a hold at an upper bound target rate of 3.75%. Markets had been pricing about half of a hike at this meeting at stages throughout the latter half of June and first half of July when we were advising clients to receive OIS pricing. A hike at this meeting never made sense. Why?

Chair Warsh warned that the FOMC will take price stability seriously after years of blowing the 2% target, but also told markets to be patient as the work of his five task forces gradually begins to arrive over the Fall into year-end. Impatiently hiking felt incongruent to guidance to be patient! Markets chose to hear hike and soon and have been back pedalling ever since.

The Committee appears to be divided on whether to move toward any further hikes but particularly this soon. As near as we can tell, the only clear voice in favour of possibly hiking at this meeting was Governor Waller when he spoke the day before weaker than expected US CPI and made his view conditional upon the outcome which likely weakened his case. Other voting members have either argued that policy is well positioned (Governor Jefferson, NY Fed President Williams), or guided that the rate may have to go up depending upon further rounds of data (Governor Cook, Dallas President Logan), or circumspect by flagging a stable but not good job market and how June CPI was encouraging but not enough evidence (Chicago's Goolsbee). Cleveland President Hammack has perhaps been the most strident voice expressing a near-certain opinion that tighter policy is needed to address inflation that she claims is driving "a growing sense of despair."

Note that several of the most hawkish voices on the FOMC vote for four more meetings and then shift into backseat driver roles come January (Logan, Hammack, Kashkari). Some members have been rather silent and not just Governor Powell who has shifted out of the limelight.

Should the Fed eventually opt to tighten, then my belief is that there is higher risk of policy error being committed. Trimmed mean CPI and PCE readings have been recently cooling but more data is needed (chart 13). Nothing can be done about current inflation—much less inflation over the past five years!—given lags of monetary policy actions.

Tightening now could coincide with expected tightening of fiscal policy and its effects on growth (chart 14). If that were to coincide with cooler AI-related spending growth, then the US economy may be vulnerable into next year.

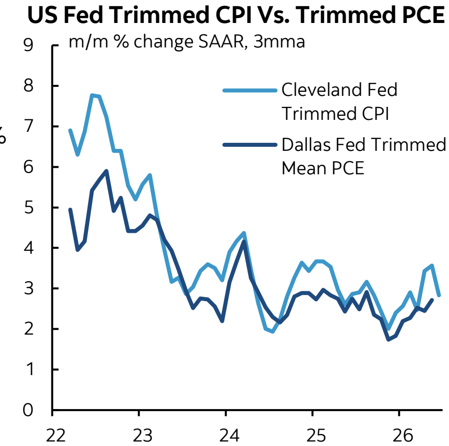
Monetary policy is presently modestly restrictive. Dollar strength mitigates some pass through of import prices.

Second-round inflation pressures from the commodity surge could be constrained by real wage compression and multiple quarters of no growth in disposable incomes that impair purchasing power for everything other than gas and groceries (chart 15). Nominal wage growth vaulted higher out of the pandemic even ending 2022 at 5% y/y once base effect distortions had shaken out; today's wages are up 3.5% y/y.

A negative housing wealth effect and how businesses and wage setting exercises respond may also mitigate pricing power. Cost shocks to US businesses often prompt rationalization of costs including weaker hiring and higher productivity as offsets. It's not like second-round pressures in Europe's economy or even Canada's where unionization rates and collective bargaining are far more pervasive than in the US.

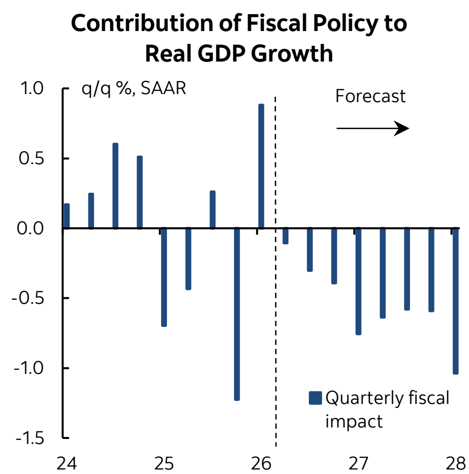
Tightening to counter AI-driven inflation won't work given that tax subsidies swamp the effects of borrowing costs. Some effects on inflation may be maturing such as tariffs but with caution around erratic policies. Profit margins are very high and offer the ability to absorb considerable price pressures. We can't judge the duration of the war but think the incremental effects on commodity price pressures should wane once a new level is established. Today's supply shocks are not like five years ago, nor is a demand surge occurring.

Chart 13



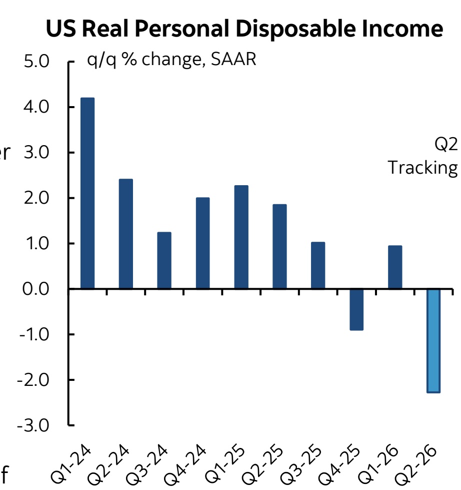
Sources: Scotiabank Economics, Dallas Fed, Cleveland Fed.

Chart 14



Sources: Scotiabank Economics, Hutchins Center.

Chart 15



Sources: Scotiabank Economics, BEA.

How AI may influence jobs, growth and inflation in future remains highly uncertain but I'm of the view it will damage jobs before stabilizing. Also note that annual benchmarking revisions to nonfarm payrolls arrive before the September FOMC.

In short, I'm of the belief that the Fed needs to be very careful with data dependency that amounts to walking forward while looking backward. They're at high risk of walking off a cliff.

BoJ—He's Back!

Governor Ueda is expected to return from his hospitalization and chair this Friday's press conference after the Bank of Japan's latest decision. Welcome back!

No change is expected and guidance may remain hawkish but noncommittal on timing future possible tightening. Markets begin to price material risk of another hike by the October 30th meeting and then have almost a full hike priced by December.

This will be a forecast meeting, however, which means that forward guidance could be informed by revised paths for GDP growth and inflation. Anonymous sources have told newswires that growth may be revised up partly on evidence of resilience but also tech influences, while more positively reassessing guidance about downside risks. Renewed intensification of the US war with Iran may prompt the central bank to revise up inflation forecasts.

BoE—Round Two!

The Bank of England is widely expected to stay on hold on July 30th. Markets are pricing material chance of a hike in Bank Rate by the September 17th meeting and over a hike by the November meeting.

MPC members have been deeply divided toward tightening prospects with the main message being one of patience as further information is gathered. Growth has been weak and a soft labour market points to some slack. Updates on CPI, jobs and wages before the meeting may further inform the bias. Bank of England Deputy Governor Breeden recently sounded against hiking as she downplayed second-round effects of oil on inflation by flagging a soft economy and labour market slack: "Those two things mean that that shock is less likely to become embedded and lead to inflationary dynamics that we might need to lean against."

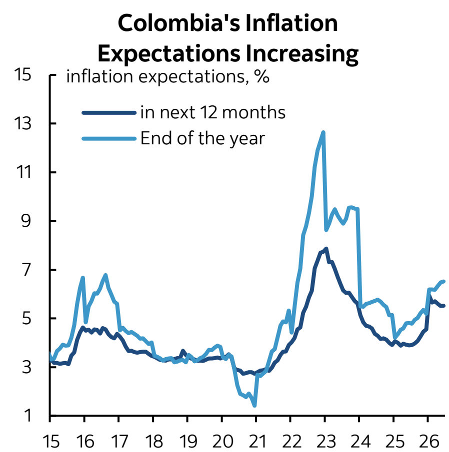
BCCh—Slack Versus Oil

Banco Central de Chile is widely expected to stay on hold at an overnight rate of 4.5% on July 28th. Guidance from the prior meeting on June 16th when a moderately dovish tone was struck may be stale by now given the reescalation of risks in the Middle East and commodity markets. Since that meeting, inflation accelerated to 4.3% y/y but mostly on headline influences as core CPI and inflation expectations are generally anchored. A weak economy that contracted by 0.3% q/q SA in Q1 and remains soft in Q2 alongside a high and rising unemployment rate of 9.4% are likely to continue to dominate neutral/dovish guidance.

BanRep—No Buyer's Remorse

Colombia's central bank is unlikely to have buyer's remorse after hiking its policy rate by more than expected on June 30th when it raised the overnight rate by 75bps to 12%. The decision on Friday July 31st is likely to add more to policy tightening and could be another up-sized move. Headline and core inflation remain above the 2–4% target, exceeding 6%, while inflation expectations stay high (chart 16). The main focus will be on signals regarding further policy tightening.

Chart 16



Sources: Scotiabank Economics, Banco Central de la Republica de Colombia.

CANADIAN GDP—TRACKING THE REBOUND

GDP growth for May with preliminary guidance for GDP arrives on July 31st. Like inflation, there won't be a whole lot riding on this set of numbers in terms of policy implications.

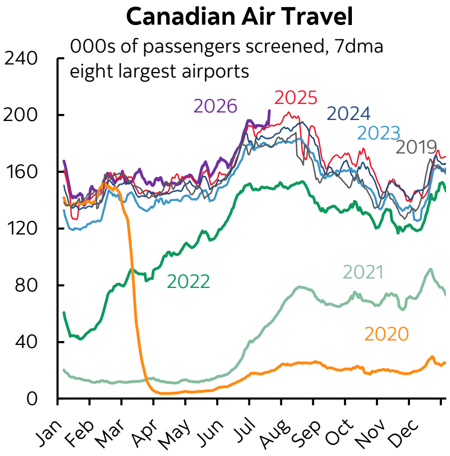
Statcan had previously guided back on June 30th that GDP growth was tracking 0.1% m/m SA in May. A simple linear regression that I run against high frequency readings points to a little firmer growth of about 0.2%. Hours worked were up by a whopping 0.6% m/m SA. Housing starts slipped after a massive prior gain such that construction GDP may grow with lagging spending, and there were other positive signs on balance across other traditional readings. Less traditional readings for the services sector were rather strong including flights (chart 17) and restaurant bookings that temporarily surged in the two biggest cities (chart 18).

As for June, there is precious little to go by, such as a 0.2% m/m rise in hours worked that would indicate further growth given GDP is hours times labour productivity. Services remained buoyant.

For the overall quarter, Canada's economy could be tracking at around 2¼% q/q SAAR using monthly production-side GDP accounts.

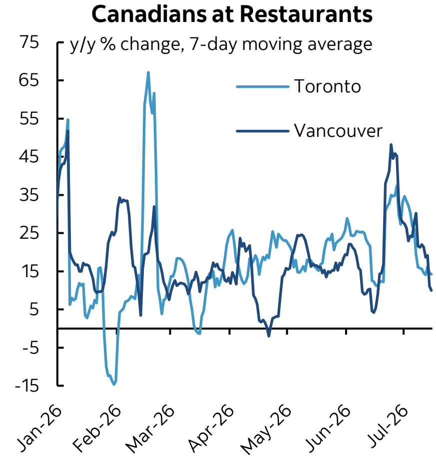
Canada also reports SEPH payrolls for May on July 30th. It lags well behind the more widely followed Labour Force Survey, is frequently revised in a major way and by definition excludes off-payroll firms that are a big source of employment in Canada.

Chart 17



Sources: Scotiabank Economics, CATSA.

Chart 18



Sources: Scotiabank Economics, OpenTable.

GLOBAL MACRO—GLOBAL GROWTH AND INFLATION IN FOCUS

A wave of global macro reports not already covered will include Q2 GDP growth from the US, Eurozone and Mexico, China's PMIs, inflation reports from the US, Eurozone, Japan and Australia. My colleague Jay Parmar and I put our noggins together on what follows.

US—Q2 GDP and PCE the Focal Points

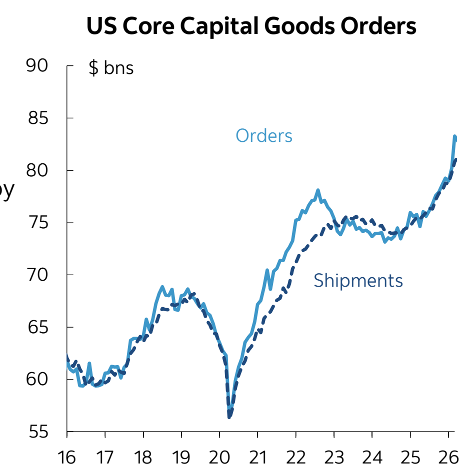
US markets start the week with Monday's durable goods orders report, expected to bounce back after last month's drop due to transportation orders. Airplane orders from Boeing surged. Core durable and capital goods orders should stay strong, backed by robust US business investment. Total equipment spending tax write-offs under the BBB are subsidizing capital goods orders to the moon (chart 19) with the questions being a) is activity being brought forward, and b) what happens when the subsidies wane?

Tuesday brings June's advance goods trade report and the May house price index update, followed by the consumer confidence report on Wednesday, which is expected to show a modest improvement in July.

On Thursday, the BEA will provide a first early look at the US's Q2 economic growth performance with the key focus on the household consumption, investments and international trade considering that fiscal policy is expected to lose its positive effect on growth. Growth of around 2% q/q SAAR is expected. The personal consumption expenditure report will be the key amid no real income growth as higher prices reduce the purchasing power.

Also on Thursday will be the release of June PCE inflation data. Total prices are expected to fall by -0.2 % m/m SA given what we know about core CPI, methodological differences, and core producer prices. Core prices are expected to be flat (0% m/m SA) also given similar information. June's CPI report was much softer than expected (recap here).

Chart 19



Sources: Scotiabank Economics, US Census Bureau.

China PMIs—Slow Growth

In China, attention will turn to the release of the official July Purchasing Managers' Indices (PMIs) on Thursday. Since March, the headline PMI readings have shown signs of very slight improvement, generally stabilizing just above the 50-point threshold that separates expansion from contraction and hence in slow growth territory. However, the underlying details remain less encouraging. Manufacturing activity has been supported primarily by gains in production and new orders, with strength concentrated in export-oriented and AI-related industries. Meanwhile, expansion in the services sector has relied heavily on elevated business activity expectations rather than broad-based demand. As a result, the July report-providing the first snapshot of economic conditions in Q3-will likely see investors focus more on the underlying components than on the headline figures themselves.

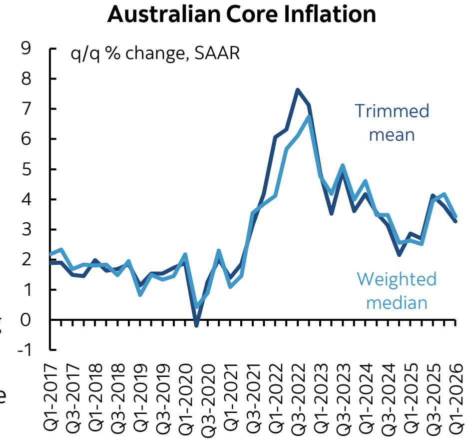
Inflation Updates—Australia, Eurozone, Japan

In Australia, the focus will be on the Q2 inflation report due on Tuesday, which will provide policymakers with an important update on price pressures following recent oil price volatility. Prior quarters have been warm but had temporarily depicted a bit of progress (chart 20).

Monthly trimmed mean inflation data through May suggest core inflation is running at around 3.6% y/y, above the 2–3% target range. While the Reserve Bank of Australia expects inflation to remain elevated in the near term, the key question is the extent to which higher commodity and energy costs are being passed through to consumers. The RBA has previously noted that "there are signs that some firms experiencing cost pressures are increasing the prices of their goods and services and others are looking to do so," highlighting concerns about broader inflation pass-through. As a result, policymakers will remain alert to any renewed acceleration in underlying inflation.

Additionally, Tokyo's July inflation report is scheduled for release on Thursday, followed by the Eurozone inflation report on Friday that could reverse the prior month's improvement given rising energy prices amid renewed conflict in the Middle East. Given that both reports will be released after their respective central bank decisions, their immediate impact is expected to be limited. The next monetary policy meetings are in September, by which time another inflation update will be available.

Chart 20



Sources: Scotiabank Economics, Australian Bureau of Statistics.

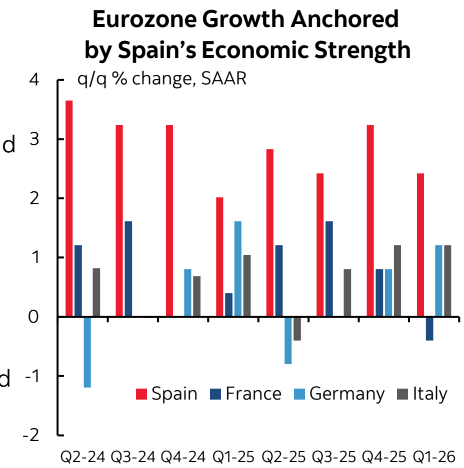
GDP Round-Up

Finally, attention will turn to the advance Q2 GDP releases from the Eurozone and Mexico on Thursday, which will provide an early assessment of the economic impact of the global oil price shock and the resulting supply disruptions stemming from the Middle East conflict.

Following flat growth in Q1, Eurozone GDP is expected to expand modestly by 0.2% q/q SA in Q2. The conflict in the Middle East has weighed on growth momentum, reducing purchasing power and consumer confidence. Soft survey data suggest the economy remains in contraction territory, driven primarily by weakness in the services sector, while manufacturing activity has remained in expansionary territory, supported by stock building. Why is Spain the target of Trump's envy? It's not just football (aka soccer), as Spain's economy have been red hot and outperforming rivalling the US on growth (chart 21).

In terms of the growth composition, the Eurozone economy is once again expected to be anchored by Spain's relative strength among the four largest economies, although growth is projected to slow to 0.4% q/q. France is expected to grow by 0.1%, while Germany and Italy are anticipated to remain broadly flat.

Chart 21



Sources: Scotiabank Economics, Bloomberg.

Meanwhile, Mexico's economy is expected to rebound by 0.6% q/q SA in Q2, following a 0.6% contraction in Q1. Given that the Q1 decline was broad-based across major sectors and, according to Banxico, "notably greater than anticipated," the focus will be on the pace of the recovery as previous rate cuts begin to support activity. However, uncertainty surrounding U.S. trade policy is expected to continue weighing on manufacturing activity and business confidence.

Key Indicators for the week of July 20 – 24

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	07-20	08:30	Core CPI - Median (y/y)	Jun	--	--	2.1
CA	07-20	08:30	Core CPI - Trim (y/y)	Jun	--	--	2.0
CA	07-20	08:30	CPI, All items (m/m)	Jun	0.0	-0.2	1.0
CA	07-20	08:30	CPI, All items (y/y)	Jun	3.2	3.0	3.2
CA	07-20	08:30	CPI, All items (index)	Jun	--	169.3	169.6
CA	07-20	08:30	Core CPI - Common (y/y)	Jun	--	--	2.7
CA	07-20	08:30	CPI SA, All items (m/m)	Jun	--	--	0.5
US	07-20	10:00	Leading Indicators (m/m)	Jun	--	-0.1	0.1
MX	07-21	08:00	Retail Sales (INEGI) (y/y)	May	--	--	4.4
US	07-22	07:00	MBA Mortgage Applications (w/w)	Jul. 17	--	--	-2.7
MX	07-23	08:00	Bi-Weekly Core CPI (% change)	Jul 15	--	--	0.0
MX	07-23	08:00	Bi-Weekly CPI (% change)	Jul 15	--	--	-0.2
MX	07-23	08:00	Global Economic Indicator IGAE (y/y)	May	--	--	2.3
CA	07-23	08:30	Retail Sales (m/m)	May	1.0	1.0	0.5
CA	07-23	08:30	Retail Sales ex. Autos (m/m)	May	--	--	0.1
US	07-23	08:30	Initial Jobless Claims (000s)	Jul. 18	210	213.5	208.0
US	07-23	08:30	Continuing Claims (000s)	Jul. 11	1810	--	1805.0
MX	07-24	08:00	Unemployment Rate (%)	Jun	--	--	2.8
CA	07-24	08:30	IPPI (m/m)	Jun	--	--	1.2
CA	07-24	08:30	Raw Materials Price Index (m/m)	Jun	--	--	0.7
US	07-24	10:00	New Home Sales (000s a.r.)	Jun	620	615.0	580.0

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	07-20	02:00	Producer Prices (m/m)	Jun	-0.4	0.3
UK	07-21	02:00	Average Weekly Earnings (3-month, y/y)	May	4.5	4.4
UK	07-21	02:00	Employment Change (3M/3M, 000s)	May	80.0	100.0
UK	07-21	02:00	Jobless Claims Change (000s)	Jun	--	31.2
UK	07-21	02:00	PSNB ex. Interventions (£ bn)	Jun	--	23.3
UK	07-21	02:00	Public Finances (PSNCR) (£ bn)	Jun	--	24.1
UK	07-21	02:00	Public Sector Net Borrowing (£ bn)	Jun	18.5	23.3
UK	07-21	02:00	ILO Unemployment Rate (%)	May	4.9	4.9
EC	07-21	05:00	ZEW Survey (Economic Sentiment)	Jul	--	9.5
GE	07-21	05:00	ZEW Survey (Current Situation)	Jul	-77.3	-81.0
GE	07-21	05:00	ZEW Survey (Economic Sentiment)	Jul	18.0	10.5
UK	07-22	02:00	CPI (m/m)	Jun	0.1	0.2
UK	07-22	02:00	CPI (y/y)	Jun	2.7	2.8
UK	07-22	02:00	RPI (m/m)	Jun	0.3	0.2
UK	07-22	02:00	RPI (y/y)	Jun	3.0	3.1
TU	**07-23**	**07:00**	**Benchmark Repo Rate (%)**	**Jul 23**	**37.00**	**37.00**
EC	**07-23**	**08:15**	**ECB Main Refinancing Rate (%)**	**Jul 23**	**2.40**	**2.40**
EC	07-23	10:00	Consumer Confidence	Jul P	-17.0	-17.7
UK	07-23	19:01	GfK Consumer Confidence Survey	Jul	-21.0	-23.0
GE	07-24	02:00	GfK Consumer Confidence Survey	Aug	-28.5	-29.2
UK	07-24	02:00	Retail Sales ex. Auto Fuel (m/m)	Jun	-0.3	1.2
UK	07-24	02:00	Retail Sales with Auto Fuel (m/m)	Jun	0.0	1.2
FR	07-24	03:15	Manufacturing PMI	Jul P	51.0	51.2
FR	07-24	03:15	Services PMI	Jul P	47.5	46.8
GE	07-24	03:30	Manufacturing PMI	Jul P	50.5	50.3
GE	07-24	03:30	Services PMI	Jul P	49.0	48.6
EC	07-24	04:00	Composite PMI	Jul P	50.2	50.0
EC	07-24	04:00	Manufacturing PMI	Jul P	51.5	51.4
EC	07-24	04:00	Services PMI	Jul P	49.9	49.4
UK	07-24	04:30	Manufacturing PMI	Jul P	52.0	52.5
UK	07-24	04:30	Services PMI	Jul P	49.3	48.8
RU	**07-24**	**06:30**	**One-Week Auction Rate (%)**	**Jul 24**	**14.00**	**14.25**

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

Key Indicators for the week of July 20 – 24

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
NZ	07-19	18:45	Trade Balance (NZD mn)	Jun	--	800.0
NZ	07-19	18:45	Exports (NZD bn)	Jun	--	8876.7
NZ	07-19	18:45	Imports (NZD bn)	Jun	--	8076.7
CH	07-19	21:00	PBoC Loan Prime Rate 1-Year (%)	Jul 20	3.0	3.0
MA	07-20	00:00	Exports (y/y)	Jun	47.3	45.3
MA	07-20	00:00	Imports (y/y)	Jun	23.3	14.1
MA	07-20	00:00	Trade Balance (MYR bn)	Jun	43.3	40.4
NZ	07-20	18:45	Consumer Prices (q/q)	2Q	1.4	0.9
NZ	07-20	18:45	Consumer Prices (y/y)	2Q	4.0	3.1
PH	07-20		Balance of Payments (US$ mn)	Jun	--	131.0
TA	07-21	04:00	Export Orders (y/y)	Jun	49.6	47.2
HK	07-21	04:30	CPI (y/y)	Jun	2.2	2.0
SK	07-21	17:00	PPI (y/y)	Jun	--	8.5
JN	07-21	19:50	Merchandise Trade Balance (¥ bn)	Jun	-119.9	-391.8
JN	07-21	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Jun	-538.7	-90.4
JN	07-21	19:50	Merchandise Trade Exports (y/y)	Jun	17.9	16.8
JN	07-21	19:50	Merchandise Trade Imports (y/y)	Jun	21.1	12.5
TH	07-21		Customs Exports (y/y)	Jun	14.7	10.6
TH	07-21		Customs Imports (y/y)	Jun	35.0	35.1
TH	07-21		Customs Trade Balance (US$ mn)	Jun	-4098.0	-5711.4
MA	07-22	03:00	Foreign Reserves (US$ bn)	Jul 15	--	132.6
ID	**07-22**	**03:20**	**BI 7-Day Reverse Repo Rate (%)**	**Jul 22**	**5.88**	**5.75**
TA	07-22	04:00	Unemployment Rate (%)	Jun	3.3	3.3
SK	07-22	19:00	GDP (q/q)	2Q A	0.4	1.8
SK	07-22	19:00	GDP (y/y)	2Q A	3.5	3.8
AU	07-22	21:30	Employment (000s)	Jun	15.0	40.3
AU	07-22	21:30	Unemployment Rate (%)	Jun	4.4	4.4
SI	07-23	01:00	CPI (m/m)	Jun	--	0.7
SI	07-23	01:00	CPI (y/y)	Jun	2.0	1.8
TA	07-23	04:00	Industrial Production (y/y)	Jun	17.3	11.8
JN	07-23	19:30	National CPI (y/y)	Jun	1.7	1.5
JN	07-23	20:30	Markit/JMMA Manufacturing PMI	Jul P	--	54.8
PH	07-23		Budget Deficit/Surplus (PHP bn)	Jun	--	-198.5

LATIN AMERICA

Country	Date	Time	Indicator	Period	Consensus	Latest	Latest
CO	07-21	11:00	Trade Balance (US$ mn)	May	--	-1200	-1760.8

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

Global Auctions for the week of July 20 – 24

NORTH AMERICA

Country	Date	Time	Event
CA	07-22	12:00	Canada to Sell C$5 Billion of 3.5% 2036 Bonds
US	07-22	01:00	U.S. To Sell USD13 Bln 20-Year Bond Reopening
US	07-23	01:00	U.S. To Sell USD21 Bln 10-Year TIPS

EUROPE

Country	Date	Time	Event
UK	07-21	05:00	UK to Sell GBP5 Billion of 4% 2029 Bonds
GE	07-21	05:30	Germany to Sell EU6 Billion of 2031 Bonds
GE	07-22	05:30	Germany to Sell EU1 Billion of 3.4% 2047 Bonds
GE	07-22	05:30	Germany to Sell EU1 Billion of 2.6% 2041 Bonds

ASIA PACIFIC

Country	Date	Time	Event
CH	07-21	10:35	China To Sell 10-Year Additional Bonds
JN	07-21	11:35	Japan to Sell 40-Year Bonds
CH	07-21	11:35	China to Sell 90 Billion Yuan 1.72% 2036 Bonds
CH	07-23	10:35	China To Sell 10-Year Additional Bonds
CH	07-23	10:35	China To Sell 5-Year New Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of July 20 – 24

NORTH AMERICA

Country	Date	Time	Event
US	07-18		Fed's External Communications Blackout

EUROPE

Country	Date	Time	Event
EC	07-16		ECB's Pre-Rate Decision Quiet Period
EC	07-21	04:00	ECB Bank Lending Survey
EC	**07-23**	**08:15**	**ECB Deposit Facility Rate**
EC	**07-23**	**08:15**	**ECB Main Refinancing Rate**
EC	**07-23**	**08:15**	**ECB Marginal Lending Facility**
EC	07-23	08:45	ECB President Christine Lagarde Holds Press Conference
EC	07-24	04:00	ECB Survey of Professional Forecasters
EC	07-24	04:00	ECB 1 Year CPI Expectations
EC	07-24	04:00	ECB 3 Year CPI Expectations
EC	07-24	11:30	ECB's Lane Speaks at MacGill Summer School 2026 in Donegal

ASIA PACIFIC

Country	Date	Time	Event
CH	07-19	21:00	1-Year Loan Prime Rate
CH	07-19	21:00	5-Year Loan Prime Rate
SL	**07-21**	**22:00**	**CBSL Overnight Policy Rate**
ID	**07-22**	**03:20**	**BI-Rate**
KZ	**07-24**	**03:00**	**Key Rate**

LATIN AMERICA

Country	Date	Time	Event
PY	**07-23**		**Monetary Policy Rate**

Sources: Bloomberg, Scotiabank Economics.

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	2.25	September 2, 2026	2.25	2.25
Federal Reserve – Federal Funds Target Rate	3.75	July 29, 2026	3.75	3.75
Banco de México – Overnight Rate	6.50	August 6, 2026	6.50	6.50

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.40	July 23, 2026	2.40	2.40
European Central Bank – Marginal Lending Facility Rate	2.65	July 23, 2026	2.65	2.65
European Central Bank – Deposit Facility Rate	2.25	July 23, 2026	2.25	2.25
Bank of England – Bank Rate	3.75	July 30, 2026	3.75	3.75
Swiss National Bank – Sight Deposit Rate	0.00	September 24, 2026	0.00	0.00
Central Bank of Russia – One-Week Auction Rate	14.25	July 24, 2026	14.00	14.00
Sweden Riksbank – Repo Rate	1.75	August 20, 2026	1.75	1.75
Norges Bank – Deposit Rate	4.25	August 13, 2026	4.25	4.25
Central Bank of Turkey – Benchmark Repo Rate	37.00	July 23, 2026	37.00	37.00

European Central Bank (ECB): The European Central Bank is expected to keep policy rates unchanged on Thursday as it cautiously balances upside inflation risks against downside growth risks amid elevated global uncertainty. While likely to maintain a hawkish bias given high commodity prices, June's softer inflation reading gives policymakers scope to proceed in a "measured" manner rather than deliver back-to-back rate hikes. The ECB's previous scenario analysis implied around 60bps of further tightening, leading markets to price in another 25bp rate hike in September. **Central Bank of Russia:** The Central Bank of Russia's monetary policy meeting on Friday is expected to be closely contested, with market consensus split between keeping rates unchanged and delivering a more measured 25bp rate cut. At its previous meeting, the bank opted for a smaller-than-anticipated reduction as inflationary pressures remained elevated, driven by expansionary fiscal policy and supply-side constraints stemming from reduced fuel production. These factors suggest that policymakers may have limited room to continue easing aggressively, supporting expectations that any further rate cuts will be gradual and highly data-dependent. **Central Bank of Turkey:** The Central Bank of Turkey is widely anticipated to keep its benchmark repo rate steady at 37% on Thursday, following a resurgence in the conflict that caused oil prices to rise, increasing the risk of higher inflation. While the underlying inflation trend and inflation expectations have slightly eased over the past few months, the renewed upward risk will require continued monitoring of the disinflation process. Additionally, the lira keeps weakening, which adds more pressure.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	1.00	July 31, 2026	1.00	1.00
Reserve Bank of Australia – Cash Rate Target	4.35	August 11, 2026	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	2.50	September 1, 2026	2.75	2.75
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	August 5, 2026	5.25	5.25
Bank of Korea – Base Rate	2.75	August 27, 2026	2.75	2.75
Bank of Thailand – Repo Rate	1.00	August 26, 2026	1.00	1.00
Bank Negara Malaysia – Overnight Policy Rate	2.75	September 3, 2026	2.75	2.75
Bank Indonesia – BI-Rate	5.75	July 22, 2026	6.00	6.00
Central Bank of Philippines – Overnight Borrowing Rate	4.75	August 27, 2026	4.75	4.75

Bank Indonesia (BI): Despite increasing rates by 100 bps since May to stabilize the rupiah, the currency appears to have weakened further, reaching record low levels. Consequently, the consensus supports an additional 25 basis point rate hike on Wednesday to bolster the rupiah, even though inflation remains within the central bank's 1.5–3.5% target range.

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	14.25	August 5, 2026	14.00	14.00
Banco Central de Chile – Overnight Rate	4.50	July 28, 2026	4.50	4.50
Banco de la República de Colombia – Lending Rate	12.00	July 31, 2026	12.25	12.25
Banco Central de Reserva del Perú – Reference Rate	4.25	August 13, 2026	4.25	4.25

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	7.00	July 23, 2026	7.25	7.25

South African Reserve Bank (SARB): Following a 25bp increase in May, the South African Reserve Bank is expected to raise rates by another 25bps on Thursday due to rising inflation expectations, which stand at 4.4% for this year and 3.9% for next year, with household expectations nearing 6%. Headline inflation (4.5%) and core inflation (3.8%) have exceeded SARB's 3% target, and the renewed escalation of the war has pushed the oil curves back up to $80+ per barrel, thereby raising the risk of higher inflation.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of July 27 – 31

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	07-27	08:00	Trade Balance (US$ mn)	Jun	--	--	2259.2
US	07-27	08:30	Durable Goods Orders (m/m)	Jun P	3.5	--	-4.5
US	07-27	08:30	Durable Goods Orders ex. Trans. (m/m)	Jun P	1.0	--	1.4
US	07-27	10:30	Dallas Fed. Manufacturing Activity	Jul	--	--	0.0
US	07-28	08:30	Wholesale Inventories (m/m)	Jun P	--	--	0.1
US	07-28	08:30	Advance Goods Trade Balance	Jun	--	--	-105.9
US	07-28	08:30	Advance Goods Imports (m/m)	Jun	--	--	4.0
US	07-28	08:30	Advance Goods Exports (m/m)	Jun	--	--	-5.3
US	07-28	09:00	S&P/Case-Shiller Home Price Index (m/m)	May	0.0	--	0.0
US	07-28	09:00	S&P/Case-Shiller Home Price Index (y/y)	May	0.7	--	1.1
US	07-28	10:00	Consumer Confidence Index	Jul	92.0	--	91.2
US	07-28	10:00	Richmond Fed Manufacturing Index	Jul	--	--	4.0
US	**07-29**	**14:00**	**FOMC Interest Rate Meeting (%)**	**Jul 29**	**3.75**	**3.75**	**3.75**
MX	07-30	08:00	GDP (q/q)	2Q P	--	--	-0.6
MX	07-30	08:00	GDP (y/y)	2Q P	--	--	0.2
US	07-30	08:30	GDP (q/q a.r.)	2Q A	2.0	--	2.1
US	07-30	08:30	GDP Deflator (q/q a.r.)	2Q A	--	--	3.6
US	07-30	08:30	PCE Deflator (m/m)	Jun	-0.2	-0.1	0.4
US	07-30	08:30	PCE Deflator (y/y)	Jun	3.6	3.6	4.1
US	07-30	08:30	PCE ex. Food & Energy (m/m)	Jun	0.0	0.1	0.3
US	07-30	08:30	PCE ex. Food & Energy (y/y)	Jun	3.1	3.3	3.4
US	07-30	08:30	Personal Spending (m/m)	Jun	0.3	--	0.7
US	07-30	08:30	Personal Income (m/m)	Jun	0.1	--	0.7
US	07-30	08:30	Initial Jobless Claims (000s)	Jul. 25	215	--	208.0
US	07-30	08:30	Continuing Claims (000s)	Jul. 18	1815	--	1805.0
CA	07-31	08:30	Real GDP (m/m)	May	0.2	--	0.5
US	07-31	08:30	Employment Cost Index (q/q)	2Q	0.7	--	0.9
US	07-31	09:45	Chicago PMI	Jul	--	--	56.7

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	07-27	04:00	IFO Business Climate Survey	Jul	--	85.6
GE	07-27	04:00	IFO Current Assessment Survey	Jul	--	87.0
GE	07-27	04:00	IFO Expectations Survey	Jul	--	84.1
GE	07-27		Retail Sales (m/m)	Jun	--	1.1
IR	07-27		Real GDP (q/q)	2Q P	--	-7.0
SP	07-28	03:00	Real Retail Sales (y/y)	Jun	--	-0.4
SP	07-28	03:00	Unemployment Rate (%)	2Q	--	10.8
GE	07-28		Real GDP (q/q)	2Q P	--	0.3
UK	07-29	04:30	Net Consumer Credit (£ bn)	Jun	--	1.7
FR	07-30	01:30	Consumer Spending (m/m)	Jun	--	0.5
FR	07-30	01:30	GDP (q/q)	2Q P	--	-0.1
SP	07-30	03:00	Real GDP (q/q)	2Q P	--	0.6
IT	07-30	04:00	Real GDP (q/q)	2Q P	--	0.3
PO	07-30	04:30	Real GDP (q/q)	2Q P	--	0.00
EC	07-30	05:00	Economic Confidence	Jul	--	95.0
EC	07-30	05:00	GDP (q/q)	2Q A	--	0.0
EC	07-30	05:00	Industrial Confidence	Jul	--	-7.7
EC	07-30	05:00	Unemployment Rate (%)	Jun	--	6.2
UK	07-30	07:00	BoE Policy Announcement (%)	Jul 30	--	3.8
GE	07-30	08:00	CPI (m/m)	Jul P	--	-0.3
GE	07-30	08:00	CPI (y/y)	Jul P	--	2.3
GE	07-30	08:00	CPI - EU Harmonized (m/m)	Jul P	--	-0.2
GE	07-30	08:00	CPI - EU Harmonized (y/y)	Jul P	--	2.4
UK	07-30		Nationwide House Prices (m/m)	Jul	--	0.0
FR	07-31	02:45	CPI (m/m)	Jul P	--	-0.3
FR	07-31	02:45	CPI (y/y)	Jul P	--	1.8
FR	07-31	02:45	CPI - EU Harmonized (m/m)	Jul P	--	-0.3
FR	07-31	02:45	CPI - EU Harmonized (y/y)	Jul P	--	2.0
FR	07-31	02:45	Producer Prices (m/m)	Jun	--	-0.3
GE	07-31	03:55	Unemployment (000s)	Jul	--	-1.0
GE	07-31	03:55	Unemployment Rate (%)	Jul	--	6.3
SP	07-31	04:00	Current Account (€ bn)	May	--	1.9
EC	07-31	05:00	Euro zone CPI Estimate (y/y)	Jul P	--	2.8

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

Key Indicators for the week of July 27 – 31

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
CH	07-26	21:30	Industrial Profits YTD (y/y)	Jun	--	21.1
SK	07-26		Discount Store Sales (y/y)	Jun	--	-5.1
SK	07-26		Department Store Sales (y/y)	Jun	--	24.5
JN	07-27	01:00	Coincident Index CI	May F	--	118.5
JN	07-27	01:00	Leading Index CI	May F	--	116.8
JN	07-27	01:00	New Composite Leading Economic Index	May F	--	116.8
SI	07-27	01:00	Industrial Production (m/m)	Jun	--	-0.7
SI	07-27	01:00	Industrial Production (y/y)	Jun	--	13.0
HK	07-27	04:30	Exports (y/y)	Jun	--	40.8
HK	07-27	04:30	Imports (y/y)	Jun	--	42.0
HK	07-27	04:30	Trade Balance (HKD bn)	Jun	--	-44.2
SK	07-27	17:00	Consumer Confidence Index	Jul	--	106.6
IN	07-28	06:30	Industrial Production (y/y)	Jun	--	5.10
AU	07-28	21:30	Consumer Prices (q/q)	2Q	--	1.4
JN	07-29	02:00	Machine Tool Orders (y/y)	Jun F	--	52.8
PH	07-29	21:00	Exports (y/y)	Jun	--	7.6
PH	07-29	21:00	Imports (y/y)	Jun	--	21.9
PH	07-29	21:00	Trade Balance (US$ mn)	Jun	--	-5480.0
AU	07-29	21:30	Building Approvals (m/m)	Jun	--	-1.1
JN	07-30	01:00	Consumer Confidence	Jul	--	33.8
NZ	07-30	18:00	ANZ Consumer Confidence Index	Jul	--	91.3
SK	07-30	19:00	Industrial Production (m/m)	Jun	--	-3.0
SK	07-30	19:00	Industrial Production (y/y)	Jun	--	-0.9
SK	07-30	19:00	Cyclical Leading Index Change	Jun	--	0.7
JN	07-30	19:30	Jobless Rate (%)	Jun	--	2.5
JN	07-30	19:30	Tokyo CPI (y/y)	Jul	--	1.7
JN	07-30	19:50	Large Retailers' Sales (y/y)	Jun	--	5.0
JN	07-30	19:50	Retail Trade (m/m)	Jun	--	1.7
JN	07-30	19:50	Retail Trade (y/y)	Jun	--	5.0
AU	07-30	21:30	Private Sector Credit (m/m)	Jun	--	0.7
AU	07-30	21:30	Private Sector Credit (y/y)	Jun	--	8.2
AU	07-30	21:30	Producer Price Index (q/q)	2Q	--	0.4
AU	07-30	21:30	Producer Price Index (y/y)	2Q	--	3.0
CH	07-30	21:30	Manufacturing PMI	Jul	--	50.3
CH	07-30	21:30	Non-manufacturing PMI	Jul	--	50.2
SI	07-30		Unemployment Rate (%)	Jun	--	2.0
JN	07-31	01:00	Housing Starts (y/y)	Jun	--	33.9
TH	07-31	03:00	Current Account Balance (US$ mn)	Jun	--	-6432.0
TH	07-31	03:30	Exports (y/y)	Jun	--	9.8
TH	07-31	03:30	Imports (y/y)	Jun	--	34.5
TH	07-31	03:30	Trade Balance (US$ mn)	Jun	--	-2632.0
TA	07-31	04:00	Real GDP (y/y)	2Q A	--	14.6
HK	07-31	04:30	Real GDP (q/q)	2Q A	--	2.9
HK	07-31	04:30	Real GDP (y/y)	2Q A	--	5.9
SK	07-31	20:00	Exports (y/y)	Jul	--	70.7
SK	07-31	20:00	Imports (y/y)	Jul	--	30.0
SK	07-31	20:00	Trade Balance (US$ mn)	Jul	--	36088.0
PH	07-31		Bank Lending (y/y)	Jun	--	12.5

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	07-28	07:30	Current Account (US$ mn)	Jun	--	--	-3185.2
BZ	07-28	08:00	IBGE Inflation IPCA-15 (m/m)	Jul	--	--	0.4
BZ	07-28	08:00	IBGE Inflation IPCA-15 (y/y)	Jul	--	--	4.8
CL	**07-28**	**18:00**	**Nominal Overnight Rate Target (%)**	**Jul 28**	**4.50**	**--**	**4.50**
CL	07-31	09:00	Industrial Production (y/y)	Jun	--	--	-7.2
CL	07-31	09:00	Retail Sales (y/y)	Jun	--	--	4.8
CL	07-31	09:00	Unemployment Rate (%)	Jun	--	--	9.4
CO	07-31	11:00	Urban Unemployment Rate (%)	Jun	--	--	8.5
CO	**07-31**	**14:00**	**Overnight Lending Rate (%)**	**Jul 31**	**--**	**--**	**12.00**

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

Global Auctions for the week of July 27 – 31

NORTH AMERICA

Country	Date	Time	Event
US	07-27	01:00	U.S. To Sell 5-Year Notes
US	07-27	01:00	U.S. To Sell 2-Year Notes
US	07-28	01:00	U.S. To Sell 7-Year Notes
CA	07-30	12:00	Canada to Sell 5 Year Bonds

EUROPE

Country	Date	Time	Event
NE	07-28	04:00	Netherlands to Sell Bonds
IT	07-28	05:00	Italy to Sell I/L Bonds
GE	07-29	05:30	Germany to Sell EU6 Billion of 10-year Bonds
IT	07-30	05:00	Italy to Sell Bonds

ASIA PACIFIC

Country	Date	Time	Event
JN	07-29	11:35	Japan to Sell 2-Year Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of July 27 – 31

NORTH AMERICA

Country	Date	Time	Event
CA	07-29	13:30	Bank of Canada Summary of Deliberations
US	**07-29**	**14:00**	**FOMC Rate Decision**
US	07-29	14:00	Fed Interest on Reserve Balances Rate
US	07-29	14:00	Fed Reverse Repo Rate

EUROPE

Country	Date	Time	Event
EC	07-29	04:00	ECB Wage Tracker
UK	**07-30**	**07:00**	**Bank of England Bank Rate**
SZ	07-31	01:15	SNB Publishes 1H Results

ASIA PACIFIC

Country	Date	Time	Event
AU	07-29	18:40	RBA's Hunter-Fireside Chat
UZ	**07-29**		**Key Rate**
JN	**07-30**		**BOJ Target Rate**

LATIN AMERICA

Country	Date	Time	Event
CL	**07-28**	**18:00**	**Overnight Rate Target**
CO	**07-31**	**14:00**	**Overnight Lending Rate**
DR	**07-31**		**Overnight Rate**

Sources: Bloomberg, Scotiabank Economics.

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	2.25	September 2, 2026	2.25	2.25
Federal Reserve – Federal Funds Target Rate	3.75	July 29, 2026	3.75	3.75
Banco de México – Overnight Rate	6.50	August 6, 2026	6.50	6.50

Federal Open Market Committee (FOMC): The Federal Reserve is widely anticipated to keep its policy rate unchanged on Wednesday as it adopts a wait-and-see strategy, waiting for more economic data before its September meeting, when it will release an updated economic forecast. The monetary policy statement is scheduled for release at 2pm EST, with no anticipated major changes, followed by Chair Warsh's press conference at 2:30pm EST. This meeting will not include updated forecasts or new dot plots. Given his recent testimony before the House and Senate, the press conference is not anticipated to yield significant developments.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.40	July 23, 2026	2.40	2.40
European Central Bank – Marginal Lending Facility Rate	2.65	July 23, 2026	2.65	2.65
European Central Bank – Deposit Facility Rate	2.25	July 23, 2026	2.25	2.25
Bank of England – Bank Rate	3.75	July 30, 2026	3.75	3.75
Swiss National Bank – Sight Deposit Rate	0.00	September 24, 2026	0.00	0.00
Central Bank of Russia – One-Week Auction Rate	14.25	July 24, 2026	14.00	14.00
Sweden Riksbank – Repo Rate	1.75	August 20, 2026	1.75	1.75
Norges Bank – Deposit Rate	4.25	August 13, 2026	4.25	4.25
Central Bank of Turkey – Benchmark Repo Rate	37.00	July 23, 2026	37.00	37.00

Bank of England (BoE): The Bank of England is expected to keep Bank Rate unchanged at 3.75% on Thursday while maintaining a hawkish bias amid elevated global uncertainty and volatile energy markets, which risks keeping energy costs higher for longer. In recent remarks, Deputy Governor Breeden downplayed the risk of second-round inflation effects from higher oil prices, citing a soft economy and increasing labour market slack: "Those two things mean that that shock is less likely to become embedded and lead to inflationary dynamics that we might need to lean against." However, fresh inflation and labour market data are due in the week ahead of the meeting and could further supplement policymakers' assessment of balance of risk. As a result, the bank is expected to remain on hold while continuing to assess the risks of higher energy prices feeding into broader inflation. Markets will also look for this assessment to be reflected in the bank's updated forecasts in the Monetary Policy Report.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	1.00	July 31, 2026	1.00	1.00
Reserve Bank of Australia – Cash Rate Target	4.35	August 11, 2026	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	2.50	September 1, 2026	2.75	2.75
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	August 5, 2026	5.25	5.25
Bank of Korea – Base Rate	2.75	August 27, 2026	2.75	2.75
Bank of Thailand – Repo Rate	1.00	August 26, 2026	1.00	1.00
Bank Negara Malaysia – Overnight Policy Rate	2.75	September 3, 2026	2.75	2.75
Bank Indonesia – BI-Rate	5.75	July 22, 2026	6.00	6.00
Central Bank of Philippines – Overnight Borrowing Rate	4.75	August 27, 2026	4.75	4.75

Bank of Japan (BoJ): Following a 25bp increase at its previous meeting, the bank is expected to seek another opportunity to raise its policy rate, with markets anticipating this by the end of the year. Despite the impact of the Middle East conflict, economic growth has remained modest, supported by strong corporate profits, a tight labour market, rising real wages, and accommodative fiscal policy. While inflation has eased to just below 2%, the full impact of higher energy prices has yet to reach consumers due to government subsidies. Meanwhile, producer prices are rising at nearly 7% y/y, import prices remain elevated, and yen weakness continues to add inflationary pressure. As such, the BoJ is likely to retain its tightening bias and raise rates when conditions warrant. The bank will also release updated economic projections, with particular focus on any revisions to its growth and inflation outlooks.

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	14.25	August 5, 2026	14.00	14.00
Banco Central de Chile – Overnight Rate	4.50	July 28, 2026	4.50	4.50
Banco de la República de Colombia – Lending Rate	12.00	July 31, 2026	12.50	12.50
Banco Central de Reserva del Perú – Reference Rate	4.25	August 13, 2026	4.25	4.25

Banco Central de Chile (BCCh): The Central Bank of Chile is expected to keep its policy rate at 4.50% in Tuesday's meeting due to slower economic activity and labour market conditions. The Board previously noted that inflation risks are moving toward balance, with rates likely steady until September 2027. May's weaker economic data and a 9.4% unemployment rate have led markets to consider possible easing. Despite slightly higher recent inflation, core inflation and expectations remain well-anchored. With Middle East uncertainties, the bank will maintain its meeting-by-meeting strategy and continue to evaluate the balance of risks as new data and events emerge. **Banco de la República de Colombia:** In June, the Colombian central bank resumed tightening monetary policy with a larger-than-expected 75bps increase due to rising inflation pressures. With lack of forward guidance and ongoing inflation risks, the upcoming meeting is anticipated to be closely watched, with consensus expecting about a 50bps hike on Friday. Both headline and core inflation remain above the 2–4% target, exceeding 6%, while inflation expectations stay high. The main focus will be on signals regarding further policy tightening.

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	7.00	July 23, 2026	7.25	7.25

Sources: Bloomberg, Scotiabank Economics.