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GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

September 11, 2026

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With thanks for research support from: Jaykumar Parmar.

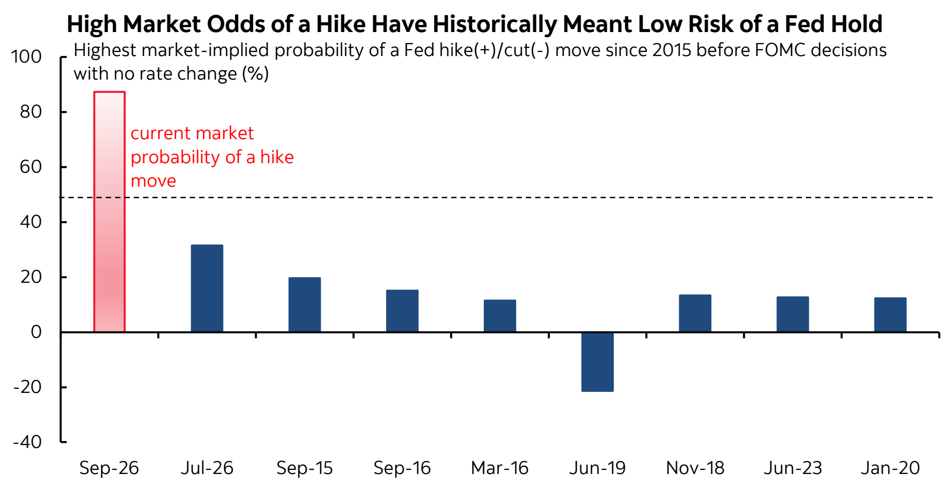
Next Week's Risk Dashboard

- **FOMC — A reluctant forecast**
- **BoJ — Back-to-back?**
- **Canadian CPI — One of two**
- **Will Canada's Investment Summit be bold enough?**
- **BoE — Maybe next time**
- **UK jobs, wages, CPI and retail will crowd the BoE**
- **ECB wage tracker to inform second-round pressures**
- **BCB — Is a halt in the works?**
- **US retail sales could rebound**
- **Tracking China's economy**
- **Should countries retaliate? Does it work?**

Shouldn't, But Probably Will

FORECASTS & DATA

Chart of the Week



Sources: Scotiabank Economics, Bloomberg AI.

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

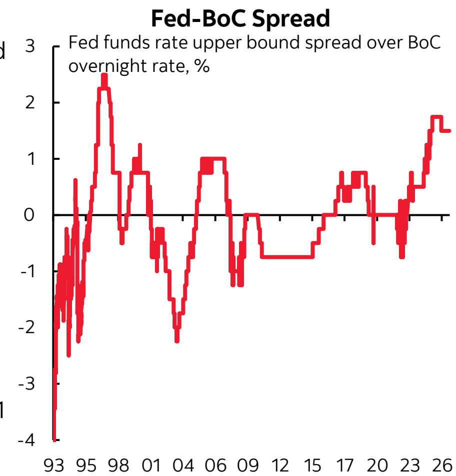
September 11, 2026

Shouldn't, But Probably Will

A fascinating week of developments lies ahead with a cacophony of major global central banks weighing in. They will do so amid high uncertainty over the course of future events in the Middle East and implications for energy prices and other commodities amid efforts to possibly arrange a meeting of Gulf states while satellite imagery shows intensifying movement and development around Pickaxe Mountain's nuclear site in Iran.

Three of the biggest central banks (Fed, BoJ and BoE) will deliver decisions. The Fed and BoJ are expected to hike. Key will be the dance moves put on by Kevin Warsh and Kazuo Ueda and their respective colleagues. While we expect a hike, I don't support the Fed moving in this direction and will explain why.

Chart 1



Sources: Scotiabank Economics, Bloomberg.

As others tighten monetary policy, Canada will focus upon inflation and its investment narrative. CPI will be one of two before the next BoC decision that is increasingly likely to deliver a hike on October 28th but with a lot of runway between now and then. A Fed hike and even wider policy rate spread would amplify pressure on the BoC (chart 1).

PM Carney will lead the Canada Investment Summit starting Monday evening through Tuesday when a who's who of heavy hitters across pensions, asset managers, sovereign wealth funds and other longer-term investors descend upon Toronto. It's an exciting time in Canada. See last week's **weekly** for perspectives on the investment agenda that could be more ambitious than C$1 trillion over the next five years by relating it to key benchmarks. Implementation and execution risks are high.

Throughout it all will be the customary line-up of macro indicators will spread the focus across multiple markets.

I've also offered a defence of retaliation in trade policy by referencing the views of a giant in the economics profession, empirical studies, and my own beliefs.

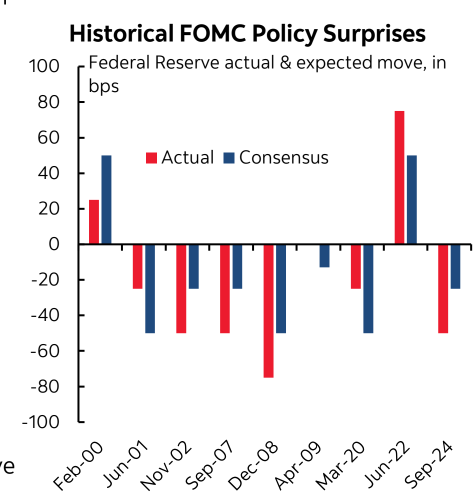
FOMC—A RELUCTANT FORECAST

The FOMC is expected to hike its fed funds target rate range by 25bps with the upper limit of the range rising to 4% on Wednesday. The statement and revised Summary of Economic Projections will be released at 2pmET and Chair Warsh's press conference will begin at 2:30pmET.

I would be surprised if the dot plot did not show an upward shift in the median projection to show another 25bps hike by year-end, but I think it's a stretch to assume the Committee will chase the 50bps of additional hikes being priced over October and December—let alone most of 100bps of total hikes that is priced by about this time next year or so.

The strongest argument for hiking is that Chair Warsh has probably boxed himself in with his high deference to markets. Surprises have happened (chart 2) but more often around sudden shocks (pandemic, GFC, dot com). He is likely to take the roughly 22bps that is priced and deliver on a 25bps hike and with enough support on the Committee. History shows an exceptionally low likelihood of passing on a priced hiked as Jay Parmar's chart of the week illustrates on the cover. To do otherwise would curiously ease financial conditions and go against his hawkish-sounding narrative; if you don't hike when it's priced, then when? If he doesn't hike, then markets may pay less heed to his hawkish laments.

Chart 2



Sources: Scotiabank Economics, Bloomberg.

Yet I believe that hiking would be policy error. It isn't what the Fed should be doing. The inflation threat is overstated and so is job market resilience.

Regarding nonfarm payrolls, the only reason the report posted a gain of 162k jobs in August was because of a fishy seasonal adjustment factor as argued **here**. If an SA factor close to recent experiences was used instead of the highest factor in the past ten years, then nonfarm would have only risen by an estimated 15k. This move coincided with the fact that Trump's BLS Commissioner took the reins after the July payrolls report.

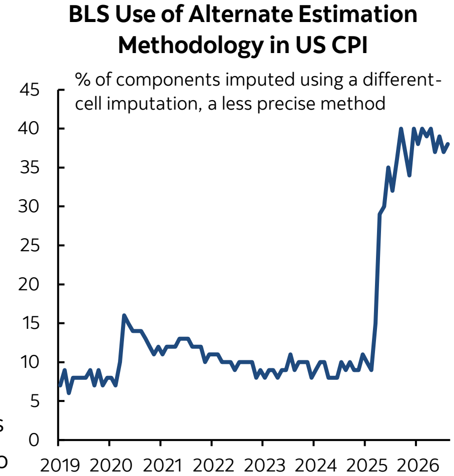
Furthermore, while modest, annual revisions to March 2026 nonfarm payrolls recently surprised lower with -178k jobs removed against expectations for at least that many to be added.

On inflation, there are similar data reliability issues such as a record high share of the basket estimated through proxy methods rather than directly (chart 3).

Nevertheless, a core issue is whether the Fed would tighten at the wrong point when inflation is arguably improving. We are tracking core PCE inflation at 0.2% m/m on a three-month moving average basis during June through August. August figures arrive at month's end, but adjusting core CPI to PCE weights and paired with pertinent producer price categories translates into a 0.18% m/m reading for core PCE. There have been times when this approach has underestimated core PCE given other methodological differences, but it would be a stretch to round up to 0.3—and an even bigger stretch for this to be impactful to the recent trend.

The point is that the measure we once understood to be the FOMC's preferred inflation gauge has been cooling over recent months. It may be premature to declare victory but it's also premature to declare a renewed war.

Chart 3



Sources: Scotiabank Economics, BLS.

More important is that the bulk of the inflationary pressures being witnessed seem to be more about relative price changes rather than generalized inflation. Monetary policy cannot necessarily influence narrow prices; it's a blunt instrument to be targeted toward broader forces.

It can be dangerous and misleading to remove data that could carry important signals. I don't think that's the bigger risk here. The bigger risk lies in misinterpreting what I think is very narrowly based pressure.

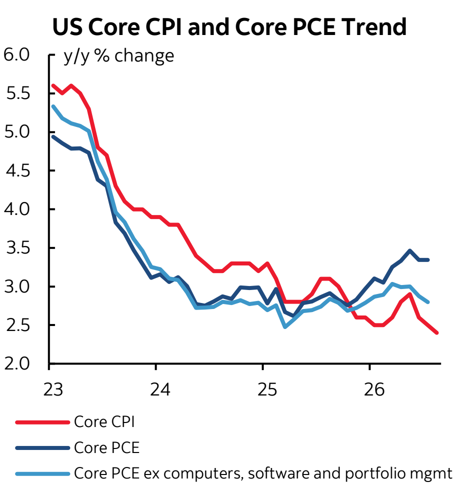
Chart 4 shows that much of the pressure on core PCE inflation has been due to two categories—computers and software that reflects AI-driven expansion, and portfolio management services that may reflect stock market gains and more complicated tax changes. Remove just those two items and core PCE is about half a percentage point lower than reported in y/y terms.

In the latest CPI report, wireless telephone services were up 5.9% m/m SA at a 1.369% weight; removing it would have had core CPI landing on consensus at 0.2% m/m.

Chart 5 shows trimmed mean inflation that removes 16% of the CPI basket in the upper and lower tails of the ranked distribution of prices. Chart 6 shows trimmed mean PCE and weighted median PCE (the 50th percentile price) and how both are well below official core PCE inflation and trending lower toward the 2% headline PCE target. Neither of these central tendency measures of inflation are screaming out to do something about inflation.

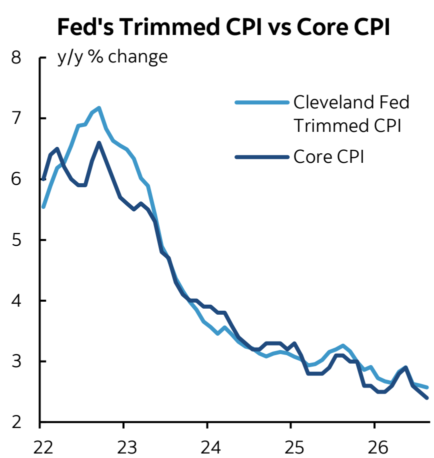
What we also find challenging is understanding what measures of inflation the new Chair prefers. He has thrown open this question—but not the 2% target itself—to be investigated by the five task forces. This uncertainty has been a driver of turmoil across the rates complex.

Chart 4



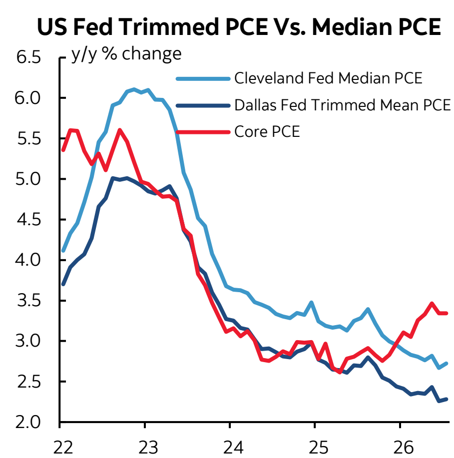
Sources: Scotiabank Economics, BLS, BEA.

Chart 5



Sources: Scotiabank Economics, BLS, Cleveland Fed.

Chart 6



Sources: Scotiabank Economics, Dallas Fed, Cleveland Fed.

Lastly, there was once upon a time when central bankers were forward-looking. We have trouble understanding the FOMC's current model in that regard. It appears highly oriented toward backward-looking data and marked by the Chair's frequent references to the past five years of inflation. Bygones be bygones is not the rallying cry of this Fed which at times almost sounds like it is entertaining more of price level targeting mindset.

In our view, the current stance of monetary policy in the context of considerations is tight enough to bring inflation back to the 2% inflation target in the medium-term. Our large scale macroeconometric model says so, for one. Our stylized facts and narrative-based approaches reinforce this stance. US fiscal policy is turning toward being a drag effect on growth. The supply side is more likely to be undergoing a positive shock through AI and productivity gains than the negative shock of yesteryear. The forces in play raise our concern about the outlook for the US consumer. The housing market is for all intents and purposes dead in the water.

CANADIAN CPI—ONE OF TWO

Canada refreshes CPI for August on Monday morning. It's one of two CPI reports due before the next Bank of Canada decision on October 29th. The pair of readings could determine the course of action at that meeting while still being dependent upon other data and developments and the degree to which the BoC places emphasis upon refreshed forecasts.

I've estimated a mild 0.1% m/m seasonally unadjusted rise in total CPI that would equal roughly 0.3% m/m SA. The year-over-year rate may accelerate to 3.2% from 3% previously. Gas prices are unlikely to be a meaningful contributor in unadjusted m/m terms. August usually sees little change in unadjusted overall prices compared to more seasonal swings at other times of the year. Key will be whether core services inflation remains hot (chart 7) which some measures suggest might be the case (chart 8).

Key, however, are the core inflation readings. I've roughly estimated 2.2% y/y for traditional core (1.9% prior). The other core readings are impossible to measure in m/m SAAR terms.

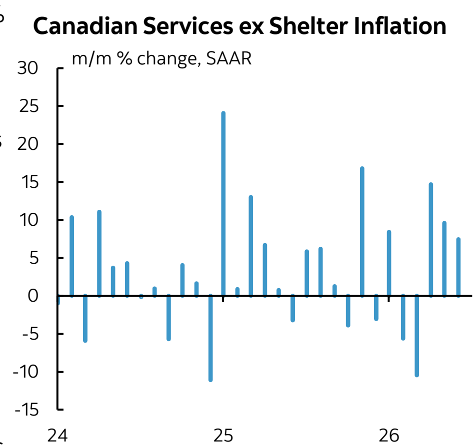
On average core readings have not been soft (charts 9, 10). Traditional core CPI has been above 3% m/m SAAR for three straight months. Weighted median CPI was up by 2.7% m/m SAAR in July but cool for the two prior months after previously accelerating. Trimmed mean CPI was up by 2.8% m/m SAAR in July and is averaging 2.2% m/m SAAR on a 3moMA basis.

In year-over-year terms, total CPI of 3%+, CPI ex-gas of 2% y/y, traditional core at 1.9%, weighted median CPI at 2.0% and trimmed mean CPI at 1.9% are all converging around 2% or higher. A caution is that weighted median and trimmed mean are not spot y/y measures versus compounded m/m readings that turn slowly as new data comes in.

The point is that multiple inflation readings don't really support hanging out at the low end of the neutral rate range for the policy rate. When you're on target or above, you should probably be rebalancing the risks in a careful way toward the middle of the neutral rate range at a minimum.

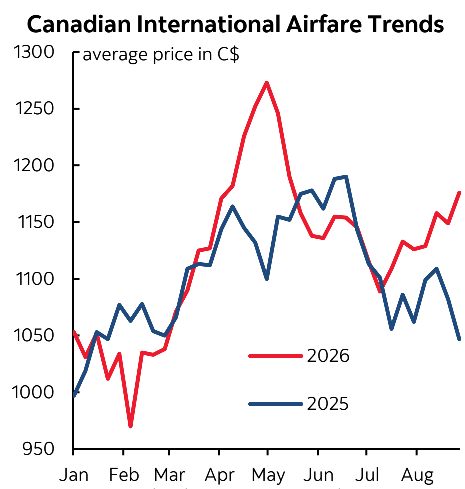
Mind you, when I see shelter CPI at +/-0.053% m/m in seven of the past eight months it kind of raises one's spidey sense toward data reliability.

Chart 7



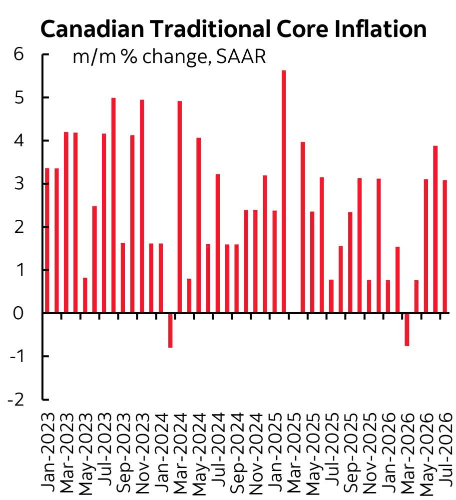
Sources: Scotiabank Economics, Statistics Canada, Haver.

Chart 8



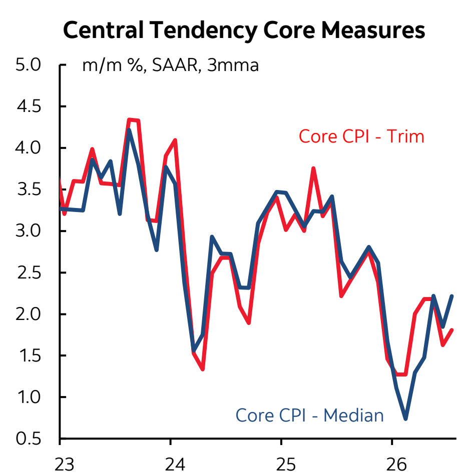
Sources: Scotiabank Economics, Kayak.

Chart 9



Sources: Scotiabank Economics, Statistics Canada.

Chart 10



Sources: Scotiabank Economics, Statistics Canada.

September 11, 2026

On the path to the next BoC decision will also be the fresh consumer and business surveys that have been showing elevated inflation expectations and likely to move higher.

BOJ—BACK-TO-BACK?

Consensus unanimously expects the Bank of Japan to hike by 25bps on Friday. Markets are fully priced for a hike and one more before year-end.

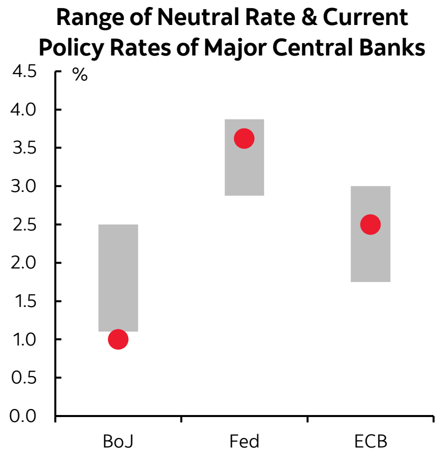
One reason for a hike stems from guidance from Bank of Japan officials. Board member Kazayuki Masu recently said "The Bank will continue to raise the policy interest rate. What is most vital from now on is to ensure that the underlying inflation rate does not significantly exceed 2%."

Board member Hajime Takata shares similar sentiment. Deputy Governor Ryozo Himino recently said "I believe the Bank should continue to raise the policy interest rate." Their speeches are available **here**.

The BoJ constantly emphasizes that the policy rate is below the neutral rate range by contrast to elsewhere (chart 11).

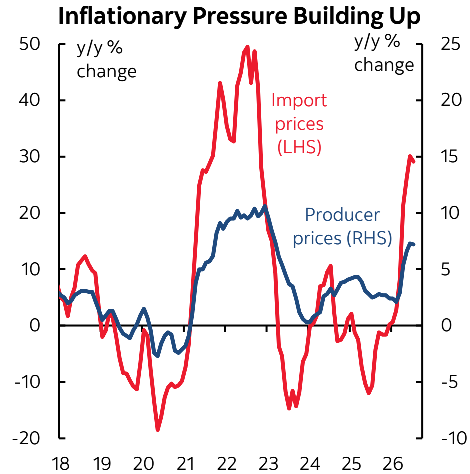
Data also supports further tightening. Tokyo CPI for August was up 1.9% y/y with core measures close to this. Measures like import prices and producer prices are ripping higher (chart 12). Real wage growth continues to accelerate (chart 13). Multiple years of Shunto Spring wage negotiations have been posting solid gains (chart 14). In all, this feeds concern about second-round price pressures.

Chart 11



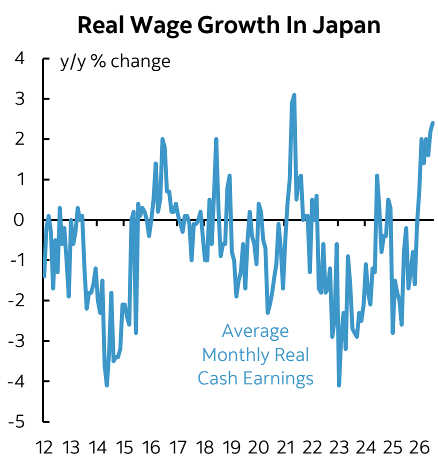
Sources: Scotiabank Economics, BoJ, Federal Reserve, ECB.

Chart 12



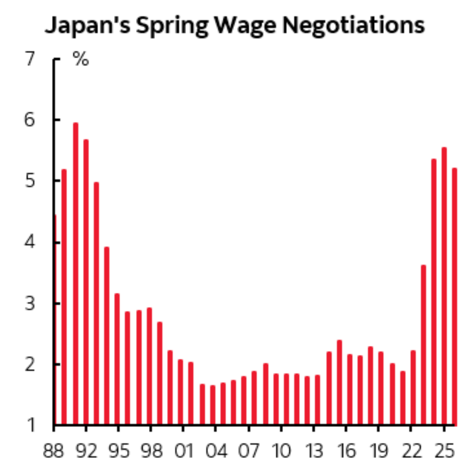
Sources: Scotiabank Economics, Bank of Japan.

Chart 13



Source: Scotiabank Economics, Ministry of Health, Labour and Welfare, Japan.

Chart 14



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

Key will be fresh forecasts that are presented and Governor Ueda's press conference. Verbiage that opens the door to back-to-back moves or a more gradual path may be the most important; gradual and perhaps JGBs and the carry trade are a little more at ease whereas back-to-back moves are not priced.

BOE—MAYBE NEXT TIME

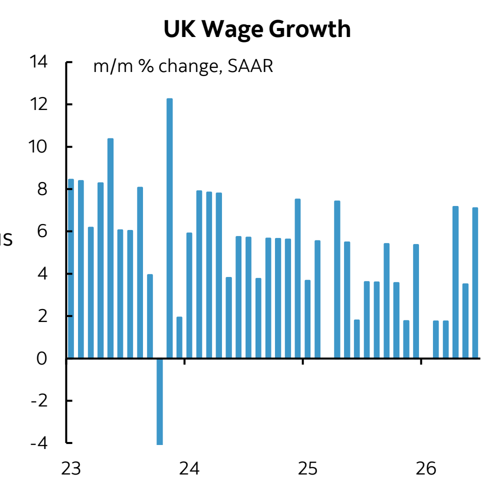
Central bankers have a reputation for moving together as one big herd. Will the Bank of England buck the herd on Thursday by holding? We think so, for now. A hold is 80% priced and consensus is unanimous.

Expect dissenters who are chomping at the bit to hike after the 6–3 hold-hike vote the last time.

Governor Bailey recently sounded patient, however, when he remarked that "We're seeing quite subdued second-round effects. I think we've seen a softening labour market for some time now. I've taken the view that I think we can watch this situation for the moment."

Ultimately it may boil down to a Clint Eastwood line in managing potential pass through of high and rising energy and other commodity prices—do you feel lucky?

Chart 15



Sources: Scotiabank Economics, UK ONS.

Wage growth has accelerated (chart 15) and recent economic indicators suggest that the economy remains resilient.

Still, an upside surprise on August inflation—due just the day before the BoE decision—could tip the balance on guidance with markets already pricing a hike in November and another one in December.

BCB—IS A HALT IN THE WORKS?

Brazil's central bank isn't so much on my bingo card for this week with the bulk of the focus upon the Fed and Bank of Japan, but it is widely expected to go the other direction.

Consensus expects the Selic rate to be cut by 25bps on Wednesday afternoon after the FOMC. It would be the fifth straight cut but would still leave the rate at an elevated 13.75%. From a tight stance, BCB may nevertheless be concerned about soaring energy prices and high inflation expectations while fiscal stimulus hangs in the air around the October 4th elections. It may be prudent for the central bank to strike a more cautious tone toward future moves.

SHOULD COUNTRIES RETALIATE—AND DOES IT WORK?

A common argument among economists is that countries should not retaliate against tariffs imposed upon them by hostile trading partners. It imposes harm on the local populace and doesn't work anyway.

I've long argued the opposite in support of reasonable, targeted retaliation in ways that seek to minimize the effects on the retaliating country. Retaliation can make your adversary think twice about the next time they come charging at you by not making it costless for them to do so. Retaliation can fend off demands to sign bad deals you could be stuck with for a very long time at a higher cost than the cost of retaliation. Dealing with adults applies the same principle as dealing with aggressors on the playground.

In fact, none other than Adam Smith supported retaliation as noted in **this** post that was brought to my attention and is drawn from the original text of The Wealth of Nations:

"There may be good policy in retaliations of this kind, when there is a probability that they will procure the repeal of the high duties or prohibitions complained of. The recovery of a great foreign market will generally more than compensate the transitory inconveniency of paying dearer during a short time for some sorts of goods. To judge whether such retaliations are likely to produce such an effect, does not, perhaps, belong so much to the science of a legislator, whose deliberations ought to be governed by general principles, which are always the same, as to the skill of that insidious and crafty animal vulgarly called a statesman or politician, whose councils are directed by the momentary fluctuations of affairs."

I consider one of the greatest classical economists to be good company on this issue.

There is also supporting empirical evidence on the effects of retaliation on US midterm election results drawn from the 2018 experience through a combination of empirical control studies and more circumstantial evidence.

Here is a general article on what happened specifically in districts that Canada targeted in 2018.

This study looked at the effects of retaliatory tariffs by China, Canada, Mexico and the EU on the 2018 midterms and found some evidence. They figured that the Republicans would have lost ten fewer House seats if not for the trade war. They also figure that a one-standard deviation increase in retaliatory tariff exposure reduced the Republican vote share by 1.2 ppts which made the difference in tight districts.

This study argued that Republican candidates in counties highly exposed to retaliation performed 1.4–2.7 ppts worse than they would have otherwise. That could easily make the difference in tight races.

Today may be very different but it's hard to predict how. Trump has record low polling, affordability issues are much more severe than in 2018, tariffs are more prevalent and there are many more complicated issues than just trade wars that the US administration started against multiple countries and regions. I suspect that the overall picture of affordability including retaliatory tariffs as a small subset of this will be a bigger factor in these midterms but it's hard to disentangle the effects.

Perhaps economists who argue against retaliation should respect the evidence, be more open-minded toward conducting further research, and are unaware of Adam Smith's support. It would seem that there is method behind the apparent madness of standing up to US trade aggression.

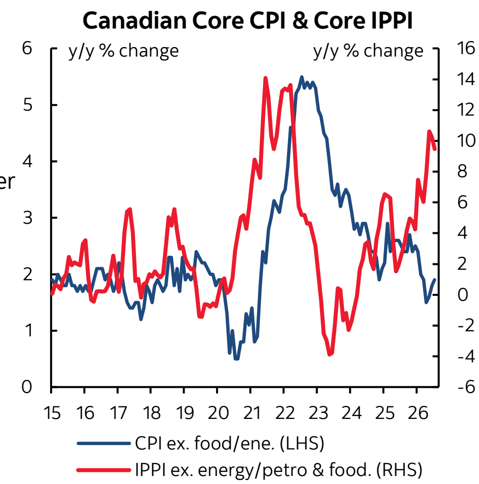
GLOBAL MACRO—IN THE SHADOWS OF CENTRAL BANKS

Central banks will dominate this coming week's attention across global markets but there will still be several nuggets on the global macro calendar. I've partnered with my colleague Jay Parmar on this section.

Canada will mainly focus on CPI and the Investment Summit but there will be a few other minor gauges. Manufacturing sales are expected to post a small decline (Monday) and so is wholesale trade (Tuesday) based on advance Statcan guidance. Home resales during August will try for a fifth straight monthly gain (Tuesday) and housing starts should rebound in August (Wednesday). Producer prices during August may continue to inform the risk of pass through into CPI when they arrive on Thursday (chart 16). Wednesday's not-minutes account of the BoC's recent meeting may be stale after CPI but could inform more of the dialogue around the BoC's recently hawkish pivot.

The Federal Reserve will dominate the tone for US markets and much of the global market tone, but a few other data releases could be influential at the margin. Retail sales during August will be the biggest attention grabber; higher auto sales combined with gasoline prices could drive a rebound from July's disappointment alongside firmer core sales. Industrial output during August is expected to rise at a mild trend pace.

Chart 16



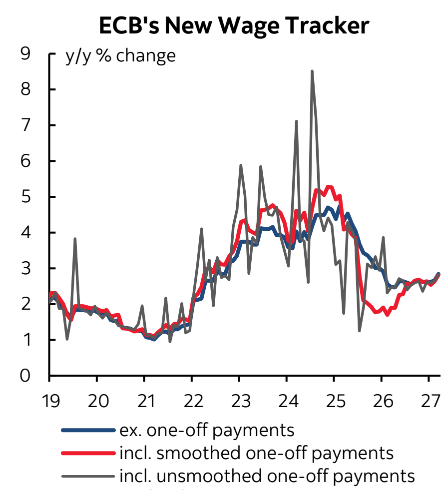
Sources: Scotiabank Economics, Statistics Canada.

The focus at the start of the week will be on China's August activity data, which will provide further insight into third-quarter economic growth after July figures pointed to continued weakness in household spending and private investment. Retail sales are expected to remain subdued, while private investment is likely to soften further. Industrial production, by contrast, has proven more resilient despite disappointing in July and is expected to rebound in August, supported by continued strength in AI-related demand. Meanwhile, home prices are expected to continue declining modestly.

Attention will then shift to the UK labour market report on Tuesday, followed by inflation data on Wednesday, ahead of the Bank of England's policy decision on Thursday. While the data release is unlikely to alter the policy decision itself, the upcoming readings could influence the bank's forward guidance and the degree of hawkishness in its communication.

UK payroll employment is expected to post another decline in August, marking a seventh consecutive monthly drop. In contrast, the lagged Labour Force Survey is expected to show modest employment growth in July, with the unemployment rate holding steady at 4.9%. Emphasis will remain firmly on wage growth, which has averaged around 6% on a three-month annualized basis in recent months.

Chart 17



Sources: Scotiabank Economics, ECB.

August inflation data, due Wednesday, is expected to show a pickup in headline and services inflation, reflecting the pass-through of higher energy prices anticipated by the BoE. The key will be core inflation at the margin after both the June and July readings came in firmer than is typically observed for those months.

The ECB will also release an updated Wage Tracker on Wednesday, incorporating recently signed collective bargaining agreements. While negotiated wage pressures remained broadly stable in the first half of the year, newly signed agreements amid higher energy costs suggest wage growth is beginning to firm again, reaching around 2.8% by early 2027 (chart 17). Given the prominent role of collective bargaining in Europe, the update will be closely watched for signs that higher commodity prices are feeding into broader wage dynamics and generating second-round inflationary effects.

Key Indicators for the week of September 14 – 18

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	09-14	08:30	Core CPI - Median (y/y)	Aug	--	2.0	2.0
CA	09-14	08:30	Core CPI - Trim (y/y)	Aug	--	1.9	1.9
CA	09-14	08:30	CPI, All items (m/m)	Aug	0.1	0.0	0.5
CA	09-14	08:30	CPI, All items (y/y)	Aug	3.2	3.0	3.0
CA	09-14	08:30	CPI, All items (index)	Aug	--	169.8	169.9
CA	09-14	08:30	Manufacturing Shipments (m/m)	Jul	-0.2	-0.2	0.1
CA	09-14		Core CPI - Common (y/y)	Aug	--	--	2.7
CA	09-14		CPI SA, All items (m/m)	Aug	--	--	0.3
CA	09-15	05:00	Existing Home Sales (m/m)	Aug	--	--	0.5
CA	09-15	08:30	Wholesale Trade (m/m)	Jul	-0.5	--	2.8
US	09-15	08:30	Empire State Manufacturing Index	Sep	--	14.1	20.6
US	09-16	07:00	MBA Mortgage Applications (w/w)	Sep 11	--	--	-2.7
CA	09-16	08:15	Housing Starts (000s a.r.)	Aug	250	235.0	229.1
CA	09-16	08:30	Building Permits (m/m)	Jul	--	--	18.5
US	09-16	08:30	Export Prices (m/m)	Aug	--	--	-1.3
US	09-16	08:30	Import Prices (m/m)	Aug	--	--	-0.4
US	09-16	08:30	Retail Sales (m/m)	Aug	0.9	0.9	-0.6
US	09-16	08:30	Retail Sales ex. Autos (m/m)	Aug	0.6	0.5	-0.3
US	09-16	10:00	Business Inventories (m/m)	Jul	--	0.2	0.0
US	09-16	10:00	NAHB Housing Market Index	Sep	--	34.0	35.0
US	**09-16**	**14:00**	**FOMC Interest Rate Meeting (%)**	**Sep 16**	**4.00**	**3.75**	**3.75**
US	09-16	16:00	Total Net TIC Flows (US$ bn)	Jul	--	--	133.5
US	09-16	16:00	Net Long-term TIC Flows (US$ bn)	Jul	--	--	172.7
CA	09-17	08:30	International Securities Transactions (C$ bn)	Jul	--	--	40.8
CA	09-17	08:30	IPPI (m/m)	Aug	--	--	0.6
CA	09-17	08:30	Raw Materials Price Index (m/m)	Aug	--	--	-2.2
US	09-17	08:30	Building Permits (000s a.r.)	Aug P	--	1410.0	1433.0
US	09-17	08:30	Housing Starts (000s a.r.)	Aug	1320	1315.0	1239.0
US	09-17	08:30	Housing Starts (m/m)	Aug	6.5	6.9	-12.4
US	09-17	08:30	Initial Jobless Claims (000s)	Sep 12	205	--	206.0
US	09-17	08:30	Continuing Claims (000s)	Sep 05	1780	--	1774.0
US	09-17	08:30	Philadelphia Fed Index	Sep	--	28.6	47.4
US	09-17	10:00	Pending Home Sales (m/m)	Aug	--	--	-2.3
US	09-18	09:15	Capacity Utilization (%)	Aug	76.4	76.4	76.3
US	09-18	09:15	Industrial Production (m/m)	Aug	0.2	0.3	0.2
US	09-18	10:00	Leading Indicators (m/m)	Aug	--	0.2	0.2

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
UK	09-15	02:00	Average Weekly Earnings (3-month, y/y)	Jul	3.9	4.1
UK	09-15	02:00	Employment Change (3M/3M, 000s)	Jul	75.0	83.0
UK	09-15	02:00	Jobless Claims Change (000s)	Aug	--	-11.0
UK	09-15	02:00	ILO Unemployment Rate (%)	Jul	5.0	4.9
FR	09-15	02:45	CPI (m/m)	Aug F	0.7	0.7
FR	09-15	02:45	CPI (y/y)	Aug F	2.4	2.4
FR	09-15	02:45	CPI - EU Harmonized (m/m)	Aug F	0.8	0.8
FR	09-15	02:45	CPI - EU Harmonized (y/y)	Aug F	2.7	2.7
SP	09-15	03:00	CPI (m/m)	Aug F	--	0.7
SP	09-15	03:00	CPI (y/y)	Aug F	--	4.3
SP	09-15	03:00	CPI - EU Harmonized (m/m)	Aug F	--	0.6
SP	09-15	03:00	CPI - EU Harmonized (y/y)	Aug F	--	4.5
EC	09-15	05:00	Trade Balance (€ mn)	Jul	--	8574.2
EC	09-15	05:00	ZEW Survey (Economic Sentiment)	Sep	--	31.4

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

Key Indicators for the week of September 14 – 18

EUROPE *(continued from previous page)*

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	09-15	05:00	ZEW Survey (Current Situation)	Sep	-54.1	-61.1
GE	09-15	05:00	ZEW Survey (Economic Sentiment)	Sep	42.3	34.2
UK	09-16	02:00	CPI (m/m)	Aug	0.5	0.3
UK	09-16	02:00	CPI (y/y)	Aug	3.1	2.9
UK	09-16	02:00	RPI (m/m)	Aug	0.7	0.6
UK	09-16	02:00	RPI (y/y)	Aug	3.5	3.2
IT	09-16	04:00	CPI (m/m)	Aug F	--	0.5
IT	09-16	04:00	CPI (y/y)	Aug F	--	3.3
IT	09-16	04:00	CPI - EU Harmonized (m/m)	Aug F	--	0.1
IT	09-16	04:00	CPI - EU Harmonized (y/y)	Aug F	--	3.2
EC	09-16	05:00	Industrial Production (m/m)	Jul	-0.5	0.0
EC	09-16	05:00	Industrial Production (y/y)	Jul	-0.3	0.1
EC	09-16	05:00	Labour Costs (y/y)	2Q F	--	3.1
EC	09-17	05:00	CPI (m/m)	Aug F	0.4	0.4
EC	09-17	05:00	CPI (y/y)	Aug F	3.3	3.3
EC	09-17	05:00	Euro zone Core CPI Estimate (y/y)	Aug F	2.4	2.4
UK	**09-17**	**07:00**	**BoE Policy Announcement (%)**	**Sep 17**	**3.8**	**3.75**
UK	09-17	19:01	GfK Consumer Confidence Survey	Sep	-15.0	-14.0
GE	09-18	02:00	Producer Prices (m/m)	Aug	0.4	1.1
UK	09-18	02:00	Retail Sales ex. Auto Fuel (m/m)	Aug	-0.2	-0.9
UK	09-18	02:00	Retail Sales with Auto Fuel (m/m)	Aug	-0.3	-0.5
EC	09-18	04:00	Current Account (€ bn)	Jul	--	35.1
IT	09-18	04:00	Current Account (€ mn)	Jul	--	5838.8

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	09-14	00:30	Capacity Utilization (m/m)	Jul	--	4.1
JN	09-14	00:30	Industrial Production (m/m)	Jul F	--	0.1
JN	09-14	00:30	Industrial Production (y/y)	Jul F	--	4.1
IN	09-14	02:30	Monthly Wholesale Prices (y/y)	Aug	9.9	9.8
HK	09-14	04:30	Industrial Production (y/y)	2Q	--	3.1
IN	09-14	06:30	CPI (y/y)	Aug	4.86	4.45
CH	09-14	22:00	Fixed Asset Investment YTD (y/y)	Aug	-7.1	-6.7
CH	09-14	22:00	Industrial Production (y/y)	Aug	4.8	4.5
CH	09-14	22:00	Retail Sales (y/y)	Aug	0.8	0.6
JN	09-15	00:30	Tertiary Industry Index (m/m)	Jul	0.4	-0.2
JN	09-15	19:50	Machine Orders (m/m)	Jul	-1.0	9.7
JN	09-15	19:50	Merchandise Trade Balance (¥ bn)	Aug	-1054.4	-638.3
JN	09-15	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Aug	-978.6	-686.0
JN	09-15	19:50	Merchandise Trade Exports (y/y)	Aug	18.2	23.2
JN	09-15	19:50	Merchandise Trade Imports (y/y)	Aug	26.1	27.9
IN	09-15		Exports (y/y)	Aug	--	19.6
IN	09-15		Imports (y/y)	Aug	--	17.5
PH	09-15		Overseas Remittances (y/y)	Jul	2.0	1.7
NZ	09-16	18:45	GDP (q/q)	2Q	0.1	0.8
NZ	09-16	18:45	GDP (y/y)	2Q	2.2	1.5
SI	09-16	20:30	Exports (y/y)	Aug	35.2	24.2
JN	09-16		Nationwide Department Store Sales (y/y)	Aug	--	5.1
HK	09-17	04:30	Unemployment Rate (%)	Aug	--	3.7
SK	09-17	17:00	PPI (y/y)	Aug	--	7.7
NZ	09-17	18:45	Trade Balance (NZD mn)	Aug	--	-1948.6
NZ	09-17	18:45	Exports (NZD bn)	Aug	--	7391.3
NZ	09-17	18:45	Imports (NZD bn)	Aug	--	9339.9
JN	09-17	19:30	National CPI (y/y)	Aug	2.0	1.9
TA	**09-17**		**Benchmark Interest Rate**	**Sep 17**	**2.0**	**2.0**

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

Key Indicators for the week of September 14 – 18

ASIA PACIFIC *(continued from previous page)*

Country	Date	Time	Indicator	Period	Consensus	Latest
MA	09-18	00:00	CPI (y/y)	Aug	1.8	1.8
MA	09-18	00:00	Exports (y/y)	Aug	37.6	38.1
MA	09-18	00:00	Imports (y/y)	Aug	32.0	36.4
MA	09-18	00:00	Trade Balance (MYR bn)	Aug	27.2	22.5
PH	09-18		Balance of Payments (US$ mn)	Aug	--	-1470.0

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	09-15	08:00	Retail Sales (m/m)	Jul	--	0.0	0.5
BZ	09-15	08:00	Retail Sales (y/y)	Jul	--	2.5	2.9
PE	09-15	11:00	Economic Activity Index NSA (y/y)	Jul	--	1.8	1.8
PE	09-15	11:00	Unemployment Rate (%)	Aug	--	--	4.7
BZ	09-16	08:00	Economic Activity Index SA (m/m)	Jul	--	--	-0.6
BZ	09-16	08:00	Economic Activity Index NSA (y/y)	Jul	--	--	2.4
CO	09-16	11:00	Retail Sales (y/y)	Jul	--	--	14.7
BZ	**09-16**	**17:30**	**SELIC Target Rate (%)**	**Sep 16**	**13.75**	**13.75**	**14.00**

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

Global Auctions for the week of September 14 – 18

NORTH AMERICA

Country	Date	Time	Event
US	09-15	13:00	U.S. To Sell USD13 Bln 20-Year Bond Reopening
CA	09-17	12:00	Canada to Sell 30 Year Bonds
US	09-17	13:00	U.S. To Sell USD19 Bln 10-Year TIPS Reopening

EUROPE

Country	Date	Time	Event
GE	09-15	05:30	Germany to Sell EU5 Billion of 2.7% 2028 Bonds
FI	09-15	06:00	Finland to Sell Bonds
DE	09-16	04:15	Denmark to Sell Bonds
NO	09-16	05:00	Norway to Sell Bonds
SW	09-16	05:00	Sweden to Sell SEK5 Billion of 2.75% 2037 Bonds
GR	09-16	05:00	Greece to Sell Bonds
GE	09-16	05:30	Germany to Sell Bonds
SP	09-17	04:30	Spain to Sell Bonds
FR	09-17	05:50	France to Sell I/L Bonds
IC	09-18	07:00	Iceland to Sell Bonds

ASIA PACIFIC

Country	Date	Time	Event
CH	09-13	23:35	China to Sell Bonds
JN	09-14	23:35	Japan to Sell 20-Year Bonds
CH	09-15	22:35	China To Sell 30-Year Additional Bonds
CH	09-15	23:35	China to Sell 73 Billion Yuan 2.14% 2056 Bonds

LATIN AMERICA

Country	Date	Time	Event
No Scheduled Auctions			

Sources: Bloomberg, Scotiabank Economics.

Events for the week of September 7 – 11

NORTH AMERICA

Country	Date	Time	Event
CA	09-16	13:30	Bank of Canada Summary of Deliberations
US	**09-16**	**14:00**	**FOMC Rate Decision**
US	09-16	14:00	Fed Interest on Reserve Balances Rate
US	09-16	14:00	Fed Reverse Repo Rate

EUROPE

Country	Date	Time	Event
EC	09-12	06:15	ECB's Lagarde Speaks in Épreville-en-Lieuvin, France
EC	09-15	10:00	ECB's Cipollone Speaks in Frankfurt
EC	09-15		ECB's Reinesch Speaks in Luxembourg
EC	09-16	04:00	ECB Wage Tracker
EC	09-16	08:15	ECB's Vujcic Speaks in Frankfurt
EC	09-17	06:00	ECB's Rehn Speaks in London
UK	**09-17**	**07:00**	**Bank of England Bank Rate**
EC	09-17	08:15	ECB's Lane Speaks in Frankfurt
EC	09-18	04:00	ECB 1 Year CPI Expectations
EC	09-18	04:00	ECB 3 Year CPI Expectations

ASIA PACIFIC

Country	Date	Time	Event
AU	09-13	22:30	RBA's Hunter-Fireside Chat
PK	**09-14**		**SBP Rate Decision (Target)**
UZ	**09-16**		**Key Rate**
TA	**09-16**		**CBC Benchmark Interest Rate**
AU	09-17	19:30	RBA's Bullock-Testimony
JN	09-17		**BOJ Target Rate**

LATIN AMERICA

Country	Date	Time	Event
BZ	**09-16**	**17:30**	**Selic 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	October 28, 2026	2.25	2.25
Federal Reserve – Federal Funds Target Rate	3.75	September 16, 2026	4.00	3.75
Banco de México – Overnight Rate	6.50	September 24, 2026	6.50	6.50

Federal Open Market Committee (FOMC): The FOMC is expected to hike its policy rate by 25bps to 4.00% on Wednesday. The latest CPI release has prompted a growing number of economists to shift their forecasts toward a 25bp rate hike. Markets are now pricing around 90% chance of a 25bp increase this week and a further 25bp hike by year-end. Attention will also focus on the updated economic projections and dot plot released alongside the policy statement at 2:00 pm EST, followed by Chair Warsh's press conference at 2:30 pm EST.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.65	October 29, 2026	2.65	2.65
European Central Bank – Marginal Lending Facility Rate	2.90	October 29, 2026	2.90	2.90
European Central Bank – Deposit Facility Rate	2.50	October 29, 2026	2.50	2.50
Bank of England – Bank Rate	3.75	September 17, 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	14.00	October 23, 2026	14.00	14.00
Sweden Riksbank – Repo Rate	1.75	September 24, 2026	1.75	1.75
Norges Bank – Deposit Rate	4.25	September 24, 2026	4.25	4.25
Central Bank of Turkey – Benchmark Repo Rate	37.00	October 22, 2026	37.00	37.00

Bank of England (BoE): The Bank of England is unanimously expected to keep Bank Rate unchanged at 3.75% on Thursday, with markets pricing in around a 20% chance of a rate hike. At its previous meeting, the Monetary Policy Committee voted 6–3 to keep rates unchanged, compared with expectations for a 7–2 split. While the bank acknowledged that there was "little evidence so far to suggest such effects" and that "there have continued to be clear signs of underlying disinflation in recent data," developments since then have strengthened the case for caution. Energy prices have risen back above the US$100 per barrel mark, while three-month average wage growth remains elevated at around 6%, raising the risk of second-round inflationary effects. In addition, economic growth remained resilient through July. The bank will receive another set of inflation and labour market data ahead of the meeting. While these releases are unlikely to alter the policy decision itself, they could influence the bank's forward guidance and the degree of hawkishness in its communication. Markets will be closely watching for any signals that policymakers are becoming more comfortable with a November rate hike.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	1.00	September 18, 2026	1.25	1.25
Reserve Bank of Australia – Cash Rate Target	4.35	September 29, 2026	4.35	4.35
Reserve Bank of New Zealand – Cash Rate	2.75	October 27, 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	October 7, 2026	5.25	5.25
Bank of Korea – Base Rate	3.00	October 22, 2026	3.00	3.00
Bank of Thailand – Repo Rate	1.00	October 28, 2026	1.00	1.00
Bank Negara Malaysia – Overnight Policy Rate	2.75	November 5, 2026	2.75	2.75
Bank Indonesia – BI-Rate	5.75	September 23, 2026	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	5.00	October 22, 2026	5.00	5.00

Bank of Japan (BoJ): The Bank of Japan is unanimously expected to deliver a 25bp rate hike on Friday, a move that is fully priced in by markets. Persistent inflation, positive real wage growth following back-to-back spring wage settlements of more than 5%, and solid economic momentum strengthen the case for the BoJ to continue normalizing monetary policy. Beyond the rate decision itself, the key question is how quickly the bank intends to proceed with further normalization. Markets will therefore closely scrutinize the BoJ's forward guidance, if any, and updated forecasts for signals on the expected path of policy rates.

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	14.00	September 16, 2026	13.75	13.75
Banco Central de Chile – Overnight Rate	4.50	October 27, 2026	4.50	4.50
Banco de la República de Colombia – Lending Rate	12.00	September 30, 2026	12.00	12.00
Banco Central de Reserva del Perú – Reference Rate	4.25	October 7, 2026	4.25	4.25

Banco Central do Brasil: Banco Central do Brasil is unanimously expected to continue its monetary easing cycle by lowering the Selic rate to 13.75% on Wednesday, marking a fifth consecutive rate cut. While the central bank has gained some relief from slowing inflation, a stable exchange rate, and moderating economic activity, upside risks to inflation are becoming more prominent. Inflation expectations remain de-anchored, while global energy prices have returned to elevated levels. In addition, the labour market remains tight, and the upcoming federal elections has prompted the rollout of fiscal stimulus measures. As a result, the key focus will be whether the central bank adopts a more hawkish tone to signal a slower pace of monetary easing going forward.

AFRICA

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

Sources: Bloomberg, Scotiabank Economics.