

THE GLOBAL WEEK AHEAD

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Next Week's Risk Dashboard

- Canadian inflation — The BoC already has what it needs
- BoC surveys likely to reveal higher inflation expectations
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- ...while BC Conservatives are sitting pretty into the election...
- ...as both developments could support provincial spreads
- Why Canadian holdings of US government securities have risen
- Global PMIs to inform risks to growth, inflation
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It Will Only Make Canada Stronger

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Chart of the Week

Canada's Surging AI-Related Prices

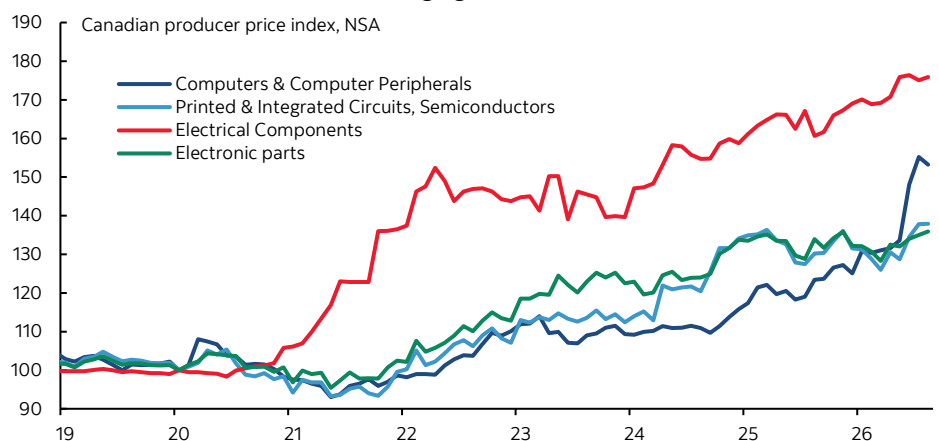


Chart of the Week: Prepared by: Jaykumar Parmar, Senior Economic Analyst.

It Will Only Make Canada Stronger

Six years ago, an aging Madonna called Canada 'boring.' I can't say I've ever been a fan of hers, but readers of a note like this one certainly wouldn't complain about a lack of anything interesting happening on the northern side of Lake Ontario.

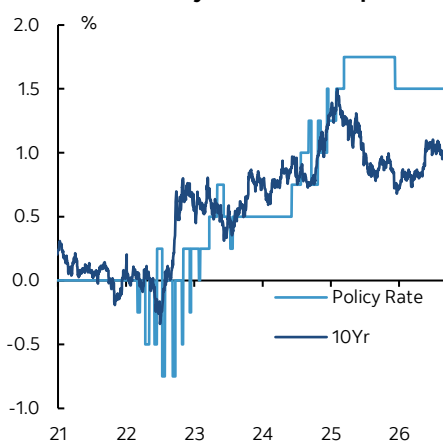
This week will drive home this point as it's basically Canada's turn to shine. There will be two provincial votes coming up including one that is more likely to solidify than divide Confederation, key data, and potentially critical information on the Bank of Canada's next steps. I suspect the country will emerge stronger after this week, putting aside self-immolating regional divisions. With a rock star Prime Minister acting as the poster man of the global resistance to isolationism, bad economics and division while leading rapid changes that have been afoot for some time now, this country is punching well above its typical weight within most circles of meaningful influence.

With the deserved focus, Canada is also attracting odd attention from folks who normally pay little attention to the country. An example is the conspiracy theory that posits that some combination of clandestine and possibly nefarious behaviour has China parking its officially reported US bond holdings in Canada. Canada, of all places!

First, China's falling holdings of longer-dated US Treasuries and agencies probably at least partly reflects a narrowing trade surplus with the US over much of the past five years.

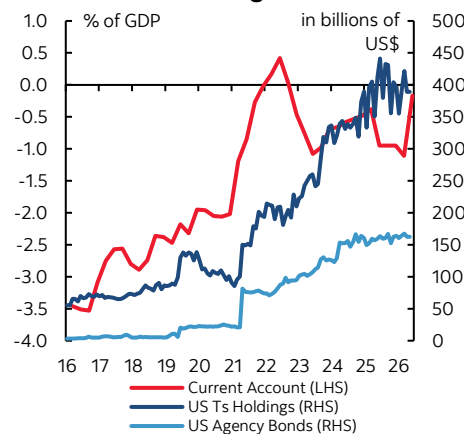
Second, the main reasons for Canada's rising holdings of US Ts and agencies have been the relative attractiveness of US Ts now versus a few years ago (chart 1) and developments in the balance of payments. Canada's move toward a balanced current account position from the wide deficits of years past requires less of a capital account surplus to fund the net outflow of trade and investment income receipts. That isn't incompatible with changes in portfolio and indirect flows that would open up more appetite for US securities with offsets elsewhere (chart 2).

Chart 1
Fed-BoC Policy Rate & 10Yr Spread



Sources: Scotiabank Economics, Bloomberg.

Chart 2
Canadian Holdings of US Bonds



Sources: Scotiabank Economics, Bloomberg, US Treasury.

The US will be quiet this week, except for the politicians, given the final two weeks of midterm campaigning. Several regional central bank decisions, US earnings and limited global data risk will also factor into the week's developments.

CANADIAN INFLATION—ALL THE EVIDENCE THAT'S NEEDED

The last set of inflation readings before the Bank of Canada's next policy decision on October 28th arrives this week. A triple-header includes CPI for September on Monday, followed three hours later by Q3 BoC surveys including measures of inflation expectations, and then three days later by producer prices for the same month.

The suite of readings could be highly impactful to expectations for the October 28th and subsequent decisions by the Bank of Canada.

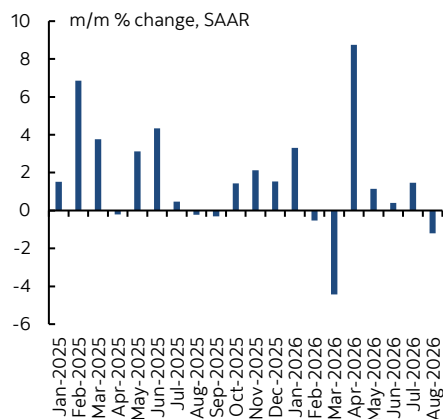
CPI is forecast to post a gain of 0.2% m/m NSA, as per the polling convention, and 3.2% y/y (3.0% prior). Gasoline prices moved higher and food prices will probably contribute very little. Core goods inflation is expected to rebound (chart 3) and core services inflation is expected to remain firm (chart 4).

Canada is also in the early stages of getting tech/AI-fed inflation. Chart 5 highlights one example of this point especially when married to the relatively recent surge in data centers ([here](#)) with hundreds more expected particularly in Alberta. Other examples include rising water charges and electricity prices in CPI.

Canada is also seeing a substitution toward domestic travel by Canadians and by foreigners coming to Canada partly in light of the cheap C\$ (chart 6). The effect is contributing to spiking travel prices (chart 7).

Chart 3

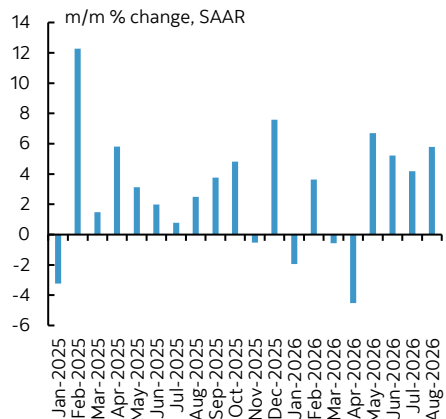
Canadian Core Goods Inflation



Sources: Scotiabank Economics, Statistics Canada, Haver.

Chart 4

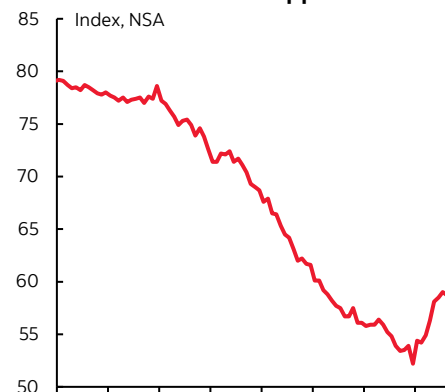
Canadian Service Inflation



Sources: Scotiabank Economics, Statistics Canada, Haver.

Chart 5

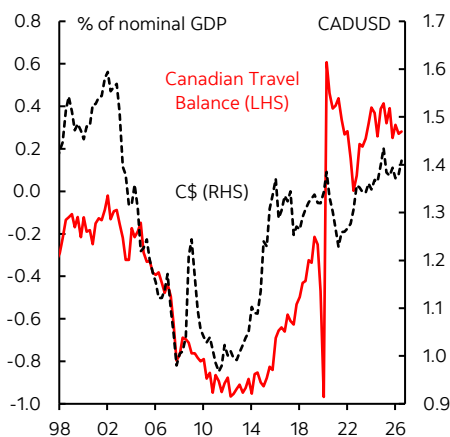
Canada CPI: Computer Equipment, Software & Supplies



Sources: Scotiabank Economics, Statistics Canada.

Chart 6

Weak CAD to Drive Travel Surplus



Source: Scotiabank Economics, Bloomberg, Statistics Canada.

Chart 7

CA CPI: Travel Services



Sources: Scotiabank Economics, Statistics Canada.

Chart 8

Canadian Core CPI Measures

Month	Weighted Median	Trimmed Mean	Traditional Core
Jan-2026	1.6	1.1	0.8
Feb-2026	1.6	0.6	1.5
Mar-2026	2.7	2.2	-0.8
Apr-2026	2.2	1.7	0.8
May-2026	1.6	2.8	3.1
Jun-2026	1.1	1.1	3.9
Jul-2026	2.7	2.8	3.1
Aug-2026	2.7	2.8	3.9

Sources: Scotiabank Economics, Statistics Canada.

The trickier part involves estimating measures of core inflation. Traditional core inflation has been running at 3% m/m SAAR or higher for four consecutive months and another firm print is anticipated. It's pretty obvious that there is pass through of various cost pressures in readings like that.

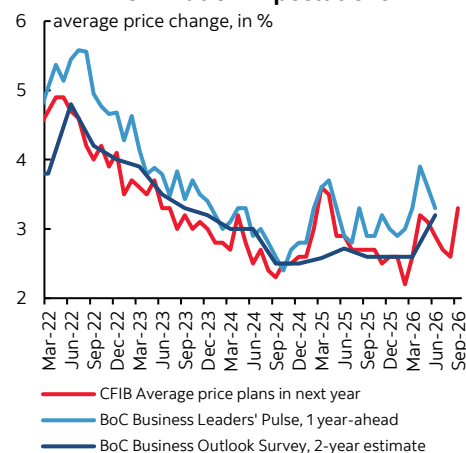
More difficult to anticipate are the trimmed mean and weighted median measures of inflation in month-over-month terms rather than the slow-moving y/y compounded readings. There just isn't the amount of advance data needed to make a reasonable attempt at estimating.

Yet those two measures have also been warm at 2¾% m/m SAAR for the past two months. The three main core measures are shown in chart 8.

In fact, all measures of inflation are on or above the BoC's 2% inflation target. Total CPI is running at 3%+ y/y pending the latest update. Traditional core CPI has been running at 2%+ y/y and 3%+ m/m SAAR for four months as noted. Trimmed mean and weighted median CPI have been running at about 2% y/y on average and warmer in the past couple of months.

Chart 9

Firms' Inflation Expectations



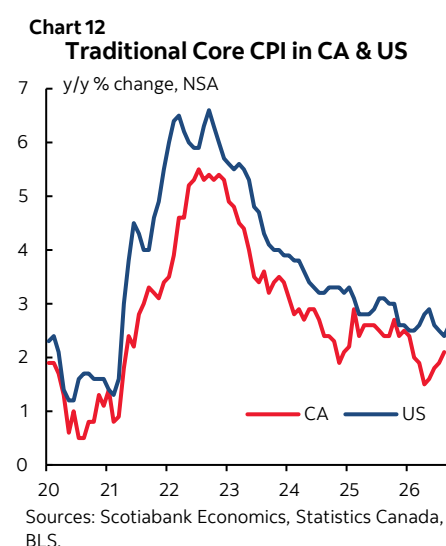
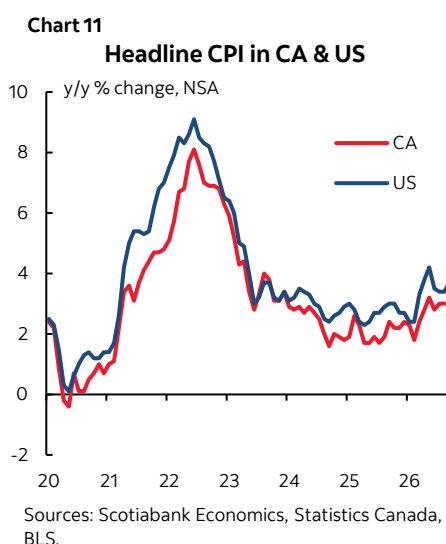
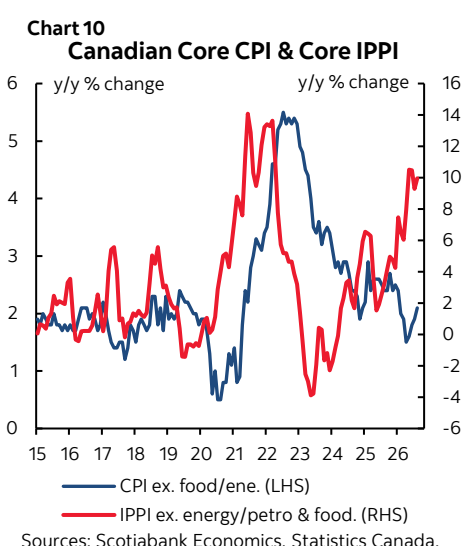
Sources: Scotiabank Economics, CFIB, BoC.

Key in terms of the BoC's surveys will be whether their measures of inflation expectations follow fresher, higher frequency readings such as the CFIB small business measure that have moved higher (chart 9).

Core producer prices will matter because they've been sending up smoke signals on inflation risk for quite a while (chart 10). Movements in producer prices ex-food and energy serve as a leading indicator of core consumer price inflation and could well partially explain the recently warmer readings with potentially more to come.

There is also the matter of how Canadian inflation is not an exclusively Canadian phenomenon. Canada and the US are still tightly integrated economies and supply chains reflect this point – notwithstanding the Trump administration's attempts to cause harm. As a result, Canadian and US headline and core CPI inflation tend to be highly correlated (charts 11, 12). As the US grapples with at least a temporary outburst of inflationary pressures, Canada is likely to do so as well.

Whatever happens, it won't change my opinion that smoothed inflation is on or above the BoC's 2% target, so why is the policy rate at the lower bound of the neutral rate range and zero if not negative in real terms? If the BoC is serious about its inflation target, then it has some work to do.



VOTES IN ALBERTA AND BC

The week will start with one important provincial vote and end by transitioning to another.

Alberta Likely to Vote 'Remain'

First up is Alberta's 10 referenda questions that are nicely summarized [here](#). The most important is the one that asks "Should Alberta remain a province of Canada, or should the government of Alberta commence the legal process required under the Canadian Constitution to hold a binding provincial referendum on whether or not Alberta should separate from Canada?"

Phew. What a mouthful, and it has been said that the question is too convoluted, wordy, and potentially confusing to some of the voters.

Elections Alberta notes that the ballots will be counted and reported starting with the most important question on separation first. Media outlets will begin coverage after polls close at 9pmET (7pmMT). By law, this large number of questions is given 48 hours for a completed count. Further details are [here](#).

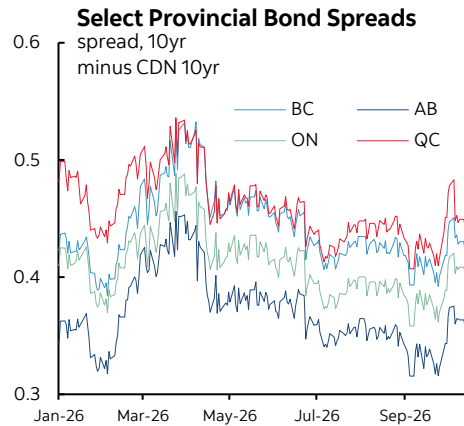
Turnout is key and so far it appears to be high based upon advance polling and mail-ins. Advance voting extended over Tuesday October 13th to Saturday October 17th. Hundreds of thousands have already voted including 658,000 who requested mail-in ballots, 491k who have already sent them in as of this past Wednesday, and half a million who have voted in advance voting so far. That's about one-quarter of Alberta's voting age population (491k + 500k). Elections Alberta is expecting turnout of 85%.

A polling aggregator site estimates that 76% of Albertans will choose to remain with individual polls indicating a strong majority in favour of 'remain.'

We hope so as argued for months ([here](#)).

Alberta is landlocked and needs collaboration from its neighbours on key matters such as oil pipelines. Alberta would probably be in a weaker position to negotiate trade and investment agreements outside of Canada than within. Alberta does not have its own currency and would struggle if it ever chose to establish one's credibility. Alberta has no independent central bank. Alberta would have to negotiate the share of federal debts it takes with it. Alberta would likely suffer a negative confidence shock across investors. Alberta, in other words, would likely fare worse than Brexit in the absence of some shock absorbers. Further, "Alberta's" land could be contested as not being its own. And Alberta under some future scenario marked by plunging oil prices would have no national safety net to fall back into.

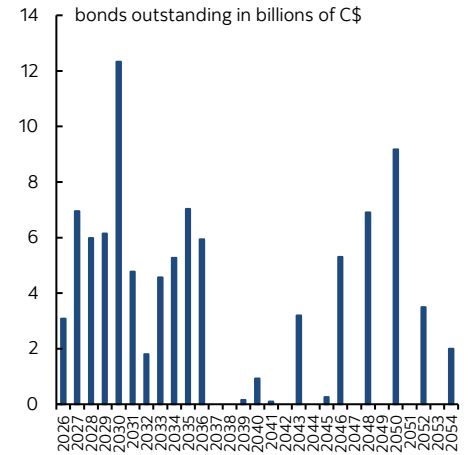
Chart 13



Sources: Scotiabank Economics, Bloomberg.

Chart 14

Province of Alberta Debt Distribution



Sources: Scotiabank Economics, Bloomberg.

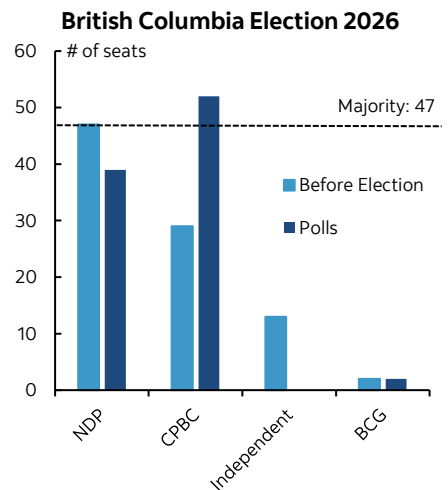
Sweeping away such uncertainty could mildly benefit Alberta spreads, but they're already the tightest among the provinces over comparable maturity 10-year Canadas (chart 13). A low probability high impact surprise could be greeted very negatively by Alberta bondholders. The province's debt is distributed across a range of maturities but there is still a lot of short-term debt to be rolled over in coming years (chart 14).

Left stinging in terms of the relationship is US political interference in support of separatists and meddling by people like Elon Musk. A 'remain' vote would bat away this foreign interference.

BC Election—Why?

This will be the final week of campaigning in BC ahead of the vote on Saturday October 24th. It's feeling like a replay of when Ontario Liberal Premier Peterson called an early election back in 1990 —only to lose to the left wing NDP under Bob Rae and his finance minister, nicknamed 'pink Floyd'.

Chart 15



Sources: Scotiabank Economics, 338canada.com.

That could be where the parallel stops. This time it was an NDP Premier—David Eby—who called an early election and the provincial Conservatives are polling favourably with a majority within reach ([here](#)). The CPBC party is ahead in the polls (chart 15) and seat mapping portrays a high chance at a majority.

[This](#) site offers a decent summary of the party platforms. The Conservatives offer a tax cut, greater cooperation on pipelines and various other nuggets.

BC's spreads have been close to Quebec's as the widest over Canadian 10-year bonds among the biggest four provinces (see earlier chart). Under Premier Eby's administration, BC has been

downgraded eight times in total by the main credit rating agencies. Pending an interim update and the next Spring budget, BC's finances have been deteriorating and marked by rising deficits (chart 16) and net debt (chart 17).

In fairness to the province, however, it has been battered by various factors such as US tariffs on its lumber industry and a weak N.A. housing market. Our latest forecast expects BC real GDP to grow by only 0.7% this year before perhaps accelerating next year.

CENTRAL BANKS—OPENING ACTS

Five regional central banks weigh in with decisions this week as the FOMC slips into blackout followed by the BoC doing likewise. This week's decisions will be a warm-up act to the start of another round of decisions from the world's biggest central banks. A possible mixture of hikes, holds and cuts could emerge.

Bank Indonesia—Divided Consensus as Rupiah and Stocks Tumble

About two-thirds of consensus expect no rate change to Bank Indonesia's reference rate while one-third expect a hike to be delivered on Wednesday. Welcome to the notoriously Wild West of central banking where no guidance and random actions are commonplace and perhaps more acceptable for an EM central bank than the world's most influential one. Rupiah weakness adds to imported commodity pressures on inflation. New information includes a warning from MSCI Inc. that Indonesia's emerging-market status was being questioned which could see it removed from global benchmarks. Indonesia's stock market sank on the news.

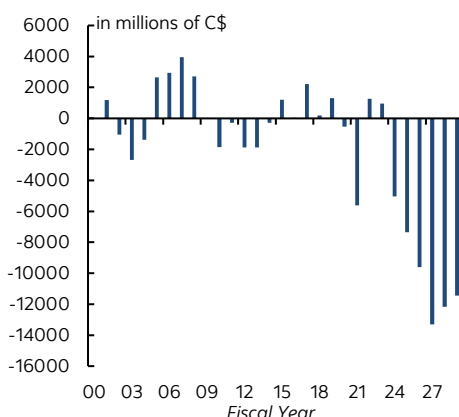
Bank of Korea—Hoe vs. Shovel

Consensus unanimously expects a hold at a base rate of 3% on Thursday. 50bps of hikes in the past two months might lend room to take a breather this time. The hikes were positioned as pre-emptive in nature to ward off some of the inflation risk. Governor Shin said at his last press conference "There's a Korean saying that if you fail to stop something with a hoe, you'll end up having to stop it with a shovel, meaning the cost of responding too late is much greater." That's the talk of insurance hikes. Much like how the BoK led other central banks in this regard when pandemic inflation became feared, it is doing so once more while others – looking at you, BoC – are lagging behind again.

Bangko Sentral ng Pilipinas—Are You Sure That's Enough?

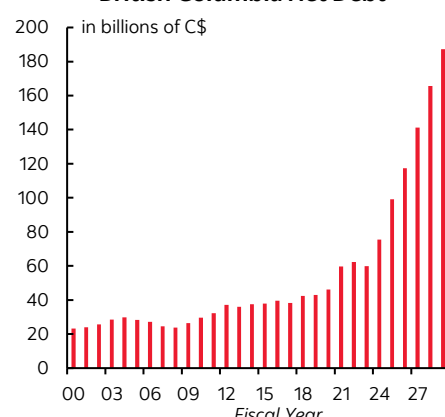
Consensus unanimously expects BSP to raise its overnight borrowing rate by 25bps to 5.25% on Thursday. Inflation is back on an upswing with total CPI jumping by over a full percentage point to 7.2% y/y in September and surpassing expectations. The easing cycle that brought the rate 225bps lower ended in February. Since then, 75bps of hikes have been delivered with material risk that more of the remaining 150bps of prior easing is poised to be eliminated. Commodity pressures and probable El Niño effects will bolster inflation risk alongside the ongoing effects of peso depreciation. Since March, the peso has dropped by almost 10% to the dollar.

Chart 16
British Columbia Fiscal Balance



Sources: Scotiabank Economics, Department of Finance Canada.

Chart 17
British Columbia Net Debt



Sources: Scotiabank Economics, Department of Finance Canada.

Central Bank of Turkey—It's All Relative

Most within consensus expect a one-week repo rate cut of -100bps to 36% on Thursday. Inflation remains sky high at about 30% y/y with core CPI at about 29% y/y, but limited progress toward lower readings has been registered. Having said that, the lira has continued to plummet this year, losing 13% of its value to the USD ytd and adding to future inflation risk alongside energy and food prices.

Bank of Russia—Rearview Mirror

Most within consensus expect no change to the key rate of 14% on Friday as the prior easing cycle is in the rearview mirror. Core inflation has recently begun rising once more to 5½% y/y and so it's not just energy and the effects of Ukraine's drone attacks that has been lifting total inflation to well over 6% y/y.

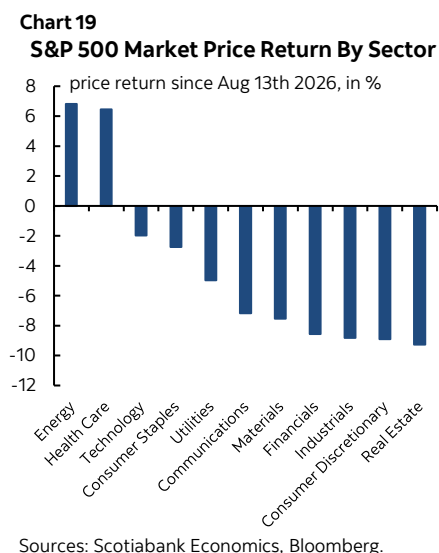
EARNINGS—BROADENING OUT

The US Q3 earnings season will continue with 74 S&P firms releasing. Key names will include GE, 3M, KeyCorp, Netflix, Capital One, and Tesla. The names will broaden out from this past week's heavy focus upon key financials.

Of the limited number of firms that have released thus far, about 80% have beaten earnings expectations and 55% have beaten on sales (chart 18). The light breadth and limited sample of under 10% of firms still leaves plenty of room for caution.

For example, the combined earnings and revenues standing relative to consensus has been weaker across financials, consumer discretionary stocks, and industrials, relative to consumer staples and technology.

A false narrative, however, is that the recent wavering across equities has been mainly driven by tech stocks. Chart 19 dispels this notion by looking at returns on the S&P since mid-August when the index began to falter. Please see last week's weekly and other daily notes for views on asset allocation shifts and valuation measures.



GLOBAL MACRO—QUIET IN THE US, EXCEPT FOR THE POLITICIANS

There will be a number of global macroeconomic indicator releases that could influence risk appetite across financial markets this week. PMIs, a monthly UK data dump, updates on Canadian consumer spending, and kiwi inflation are among them. The US will go temporarily quiet. I've partnered with Jay Parmar on what follows.

Tracking Canadian Consumer Spending

With two provincial votes, CPI and Bank of Canada surveys, other developments will struggle to garner much attention. Retail sales during August and preliminary guidance for September will be released on Friday. Advance guidance had pointed to a nominal gain of over 1% m/m SA in August, but key will be sales excluding price effects as well as details. Volumes were up by 1.3% q/q SAAR in Q2 and our very tentative tracking leans toward a similarly mild expansion in Q3.

Quiet US Calendar

The US calendar will be dead quiet this week given light data, modest earnings risk, and the pre-decision quiet period at the Fed. That probably means Trump will get all the attention he seeks as midterm coverage dominates with just over two weeks to go until the November 3rd vote. The only readings on tap are ADP's weekly private payrolls reading (Tuesday) which isn't terribly helpful, housing starts and pending home sales during September (Tuesday), and weekly jobless claims (Thursday) and oil inventories (Wednesday).

Global PMIs to Inform Growth, Inflation Risks

The week concludes with October global PMI releases, starting with Australia and Japan on Thursday, followed by India, the eurozone, the UK, and the US on Friday. The PMIs will offer the first glimpse into whether the strong global growth momentum seen in Q3 is extending into the fourth quarter. Manufacturing activity has remained firmly in expansion territory, supported in part by AI related demand, while services activity has rebounded from the temporary slowdown seen at the onset of the Middle East conflict (charts 20, 21). Beyond headline activity, focus will be on input cost pressures, firms' ability and willingness to pass higher costs on to consumers, and signs of global supply chain bottlenecks.

Pre-BoE UK Data Dump

The UK calendar is packed with the final labour market, inflation, and consumer spending data ahead of the Bank of England's November 5th monetary policy meeting. Persistent, elevated energy prices and a higher futures curve have already led markets to price in a 25 bp rate hike in November, putting the focus on whether the incoming data show further evidence of second-round effects on wages and prices.

Tuesday's labour market data are expected to point to further cooling particularly payroll employment (chart 22), with the unemployment rate projected to edge up to 5%. Wage growth will remain key, having continued to run relatively firm at a 4.5% three-month annualized pace. Meanwhile, headline inflation is expected to rise to 3.4% in September and services inflation expected to remain elevated at 3.6%. However, the focus should be on the month-over-month, non seasonally adjusted core inflation reading, which should provide a clearer picture of inflationary pressures at the margin. Finally, Friday's retail sales report will provide an updated on the consumers, with the focus on core retail sales volume. Consumer spending has remained resilient so far, with Q3 core retail sales tracking 1.7% growth.

Chart 20

Global Services PMIs

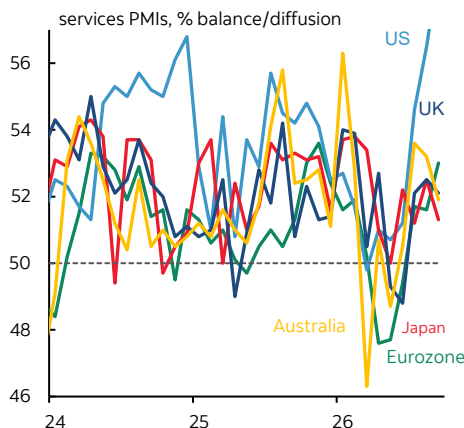


Chart 21

Global Manufacturing PMIs

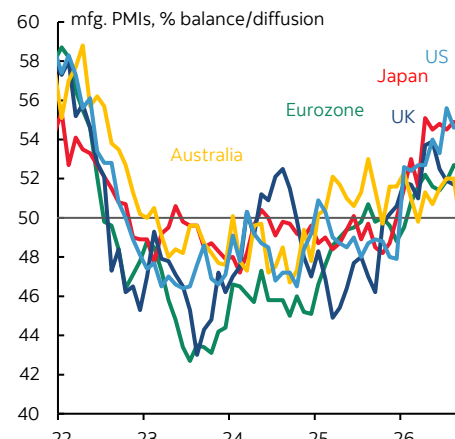
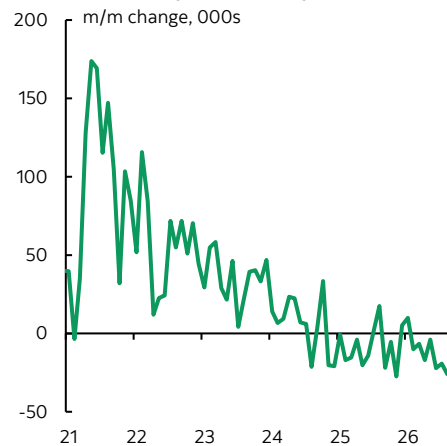


Chart 22

UK Payroll Employment

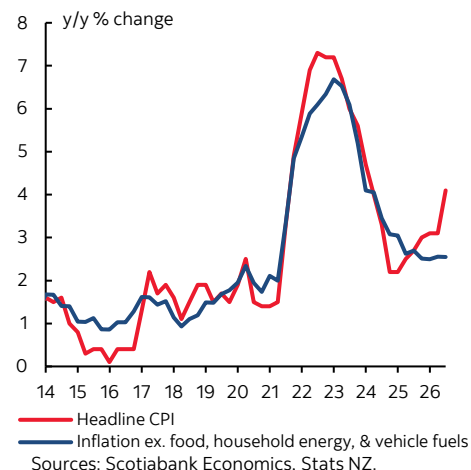


Will Kiwi CPI Embolden RBNZ Hike Pricing?

Focus will then shift on New Zealand's Q3 inflation report, with headline inflation expected to accelerate further by 0.8% q/q, after a 1.5% increase in Q2, largely reflecting higher food & energy prices. However, underlying inflation has been more contained (chart 23), with inflation excluding food, household energy & vehicle fuels remaining within the RBNZ's 1–3% target range. With markets already pricing in around 20bp of tightening at the October 28th meeting, an acceleration in core inflation would signal broader price pressures and could reinforce expectations for further tightening.

Chart 23

New Zealand's Inflation



Key Indicators for the week of October 19 – 23
North America

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
CA	10-19	08:30	Core CPI - Median (y/y)	Sep	--	2.0	2.0
CA	10-19	08:30	Core CPI - Trim (y/y)	Sep	--	1.9	1.9
CA	10-19	08:30	CPI, All items (m/m)	Sep	0.2	0.2	-0.1
CA	10-19	08:30	CPI, All items (y/y)	Sep	3.2	3.2	3.0
CA	10-19	08:30	CPI, All items (index)	Sep	--	170.2	169.8
US	10-19	10:00	NAHB Housing Market Index	Oct	--	31.0	32.0
CA	10-19	11:30	Business Outlook Future Sales	3Q	--	--	8.0
CA	10-19		Core CPI - Common (y/y)	Sep	--	--	2.6
CA	10-19		CPI SA, All items (m/m)	Sep	--	--	0.2
US	10-20	08:30	Building Permits (000s a.r.)	Sep P	--	1385.0	1403.0
US	10-20	08:30	Housing Starts (000s a.r.)	Sep	1330	1305.0	1275.0
US	10-20	08:30	Housing Starts (m/m)	Sep	4.3	2.3	-2.6
US	10-20	10:00	Pending Home Sales (m/m)	Sep	--	0.0	0.3
US	10-21	07:00	MBA Mortgage Applications (w/w)	Oct 16	--	--	-2.7
MX	10-21	08:00	Retail Sales (INEGI) (y/y)	Aug	--	--	1.8
MX	10-22	08:00	Bi-Weekly Core CPI (% change)	Oct 15	--	--	0.0
MX	10-22	08:00	Bi-Weekly CPI (% change)	Oct 15	--	--	0.1
MX	10-22	08:00	Unemployment Rate (%)	Sep	--	--	3.0
CA	10-22	08:30	IPPI (m/m)	Sep	--	--	1.3
CA	10-22	08:30	Raw Materials Price Index (m/m)	Sep	--	--	3.1
US	10-22	08:30	Initial Jobless Claims (000s)	Oct 17	200	200.0	199.0
US	10-22	08:30	Continuing Claims (000s)	Oct 10	1720	--	1710.0
US	10-22	10:00	Leading Indicators (m/m)	Sep	--	-0.2	-0.1
MX	10-23	08:00	Global Economic Indicator IGAE (y/y)	Aug	--	--	3.4
CA	10-23	08:30	Retail Sales (m/m)	Aug	1.3	1.3	-0.7
CA	10-23	08:30	Retail Sales ex. Autos (m/m)	Aug	--	1.2	-0.7
US	10-23	10:00	U. of Michigan Consumer Sentiment	Oct F	--	46.3	46.3

Europe

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
GE	10-20	02:00	Producer Prices (m/m)	Sep	1.6	1.1
UK	10-20	02:00	Average Weekly Earnings (3-month, y/y)	Aug	3.8	3.9
UK	10-20	02:00	Employment Change (3M/3M, 000s)	Aug	0.0	67.0
UK	10-20	02:00	Jobless Claims Change (000s)	Sep	--	27.8
UK	10-20	02:00	ILO Unemployment Rate (%)	Aug	5.0	4.9
EC	10-20	04:00	Current Account (€ bn)	Aug	--	27.6
IT	10-20	04:00	Current Account (€ mn)	Aug	--	7384.1
EC	10-20	05:00	ZEW Survey (Economic Sentiment)	Oct	--	25.8
GE	10-20	05:00	ZEW Survey (Current Situation)	Oct	-44.5	-47.1
GE	10-20	05:00	ZEW Survey (Economic Sentiment)	Oct	30.0	34.7
IR	10-20		Real GDP (q/q)	3Q P	--	10.2
UK	10-21	02:00	CPI (m/m)	Sep	0.3	0.5
UK	10-21	02:00	CPI (y/y)	Sep	3.4	3.1
UK	10-21	02:00	PSNB ex. Interventions (£ bn)	Sep	--	18.3
UK	10-21	02:00	Public Finances (PSNCR) (£ bn)	Sep	--	10.0
UK	10-21	02:00	Public Sector Net Borrowing (£ bn)	Sep	24.0	18.3
UK	10-21	02:00	RPI (m/m)	Sep	0.0	0.6
UK	10-21	02:00	RPI (y/y)	Sep	3.9	3.4
TU	10-22	07:00	Benchmark Repo Rate (%)	Oct 22	36.00	37.00
EC	10-22	10:00	Consumer Confidence	Oct P	-17.0	-16.5
UK	10-22	19:01	GfK Consumer Confidence Survey	Oct	-15.0	-13.0
UK	10-23	02:00	Retail Sales ex. Auto Fuel (m/m)	Sep	-0.1	0.6
UK	10-23	02:00	Retail Sales with Auto Fuel (m/m)	Sep	-0.2	0.5

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of October 19 – 23
Europe (continued from previous page)

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
FR	10-23	03:15	Manufacturing PMI	Oct P	50.5	50.6
FR	10-23	03:15	Services PMI	Oct P	50.9	51.2
GE	10-23	03:30	Manufacturing PMI	Oct P	53.6	53.9
GE	10-23	03:30	Services PMI	Oct P	52.5	52.9
EC	10-23	04:00	Composite PMI	Oct P	52.7	53.1
EC	10-23	04:00	Manufacturing PMI	Oct P	52.7	52.9
EC	10-23	04:00	Services PMI	Oct P	52.5	53.0
UK	10-23	04:30	Manufacturing PMI	Oct P	51.7	51.9
UK	10-23	04:30	Services PMI	Oct P	51.8	52.1
RU	10-23	06:30	One-Week Auction Rate (%)	Oct 23	14.00	14.00

Asia Pacific

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
NZ	10-18	17:45	Trade Balance (NZD mn)	Sep	--	-1348.6
NZ	10-18	17:45	Exports (NZD bn)	Sep	--	6655.9
NZ	10-18	17:45	Imports (NZD bn)	Sep	--	8004.5
CH	10-18	22:00	Fixed Asset Investment YTD (y/y)	Sep	-7.3	-7.2
CH	10-18	22:00	Industrial Production (y/y)	Sep	5.5	5.2
CH	10-18	22:00	Real GDP (y/y)	3Q	4.4	4.3
CH	10-18	22:00	Retail Sales (y/y)	Sep	0.5	0.4
MA	10-19	00:00	CPI (y/y)	Sep	2.0	1.9
MA	10-19	00:00	Exports (y/y)	Sep	39.2	45.5
MA	10-19	00:00	Imports (y/y)	Sep	42.8	41.1
MA	10-19	00:00	Trade Balance (MYR bn)	Sep	31.3	28.1
JN	10-19	00:30	Tertiary Industry Index (m/m)	Aug	-0.4	0.4
CH	10-19	21:00	PBoC Loan Prime Rate 1-Year (%)	Oct 20	3.0	3.0
PH	10-19		Balance of Payments (US\$ mn)	Sep	--	-596.0
TA	10-20	04:00	Export Orders (y/y)	Sep	61.7	71.4
SK	10-20	17:00	PPI (y/y)	Sep	--	7.9
JN	10-20	19:50	Merchandise Trade Balance (¥ bn)	Sep	-209.4	-1111.9
JN	10-20	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Sep	-216.7	-840.6
JN	10-20	19:50	Merchandise Trade Exports (y/y)	Sep	21.3	19.3
JN	10-20	19:50	Merchandise Trade Imports (y/y)	Sep	20.4	28.0
ID	10-21	03:20	BI 7-Day Reverse Repo Rate (%)	Oct 21	5.75	5.75
NZ	10-21	17:45	Consumer Prices (q/q)	3Q	0.8	1.5
NZ	10-21	17:45	Consumer Prices (y/y)	3Q	3.8	4.1
TH	10-21		Customs Exports (y/y)	Sep	17.8	24.3
TH	10-21		Customs Imports (y/y)	Sep	31.7	25.1
TH	10-21		Customs Trade Balance (US\$ mn)	Sep	-2265.0	-2482.7
JN	10-22	02:00	Machine Tool Orders (y/y)	Sep F	--	60.4
PH	10-22	02:30	Overnight Borrowing Rate (%)	Oct 22	5.25	5.00
MA	10-22	03:00	Foreign Reserves (US\$ bn)	Oct 15	--	131.8
HK	10-22	04:30	CPI (y/y)	Sep	1.9	1.7
HK	10-22	04:30	Unemployment Rate (%)	Sep	3.8	3.8
JN	10-22	19:30	National CPI (y/y)	Sep	2.1	1.9
JN	10-22	20:30	Markit/JMMA Manufacturing PMI	Oct P	--	54.1
PH	10-22		Budget Deficit/Surplus (PHP bn)	Sep	--	-161.3
SK	10-22		BoK Base Rate (%)	Oct 22	3.00	3.00
SI	10-23	01:00	CPI (m/m)	Sep	--	0.6
SI	10-23	01:00	CPI (y/y)	Sep	2.4	2.3
JN	10-23	01:30	Nationwide Department Store Sales (y/y)	Sep	--	2.6
TA	10-23	04:00	Industrial Production (y/y)	Sep	24.6	23.5
TA	10-23	04:00	Unemployment Rate (%)	Sep	3.3	3.3

Latin America

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
CO	10-21	11:00	Trade Balance (US\$ mn)	Aug	--	--	-2797.8
BZ	10-23	08:00	IBGE Inflation IPCA-15 (m/m)	Oct	--	--	0.7
BZ	10-23	08:00	IBGE Inflation IPCA-15 (y/y)	Oct	--	--	4.5

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of October 19 – 23

North America

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	10-21	13:00	U.S. To Sell USD13 Bln 20-Year Bond Reopening
CA	10-22	12:00	Canada to Sell C\$5.5 Billion of 3% 2028 Bonds

Europe

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
GE	10-20	05:30	Germany to Sell Bonds
FI	10-20	06:00	Finland to Sell Bonds
DE	10-21	04:15	Denmark to Sell Bonds
NO	10-21	05:00	Norway to Sell Bonds
SW	10-21	05:00	Sweden to Sell Bonds
IC	10-23	07:00	Iceland to Sell Bonds

Asia Pacific

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	10-19	22:35	China To Sell 10-Year Additional Bonds
JN	10-19	23:35	Japan to Sell 20-Year Bonds
CH	10-19	23:35	China to Sell 80 Billion Yuan 1.66% 2036 Bonds
CH	10-20	22:35	China To Sell 7-Year Additional Bonds
CH	10-20	23:35	China to Sell 120 Billion Yuan 1.49% 2033 Bonds
CH	10-22	22:35	China To Sell 30-Year New Bonds

Latin America

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

Events for the week of October 19 – 23

North America

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	10-17		Fed's External Communications Blackout
CA	10-19	11:30	BoC Business Outlook Future Sales

Europe

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	10-17	00:45	ECB's Nagel, Rehn Speak in Bangkok
UK	10-17	02:45	BOE's Bailey Speaks at G30 Event in Bangkok
EC	10-18	22:15	ECB's Lane Speaks in Shanghai
EC	10-19	01:50	ECB's Elderson Speaks in Manila
EC	10-20	00:15	ECB's Lane Speaks in Shanghai
UK	10-20	13:00	BOE's Greene Delivers Speech at LSE
EC	10-21	04:00	ECB's Cipollone Speaks at Online Event
UK	10-21	09:00	BOE's Bailey Speaks in Fireside Chat
EC	10-21	12:00	ECB's Lagarde Speaks in Wiesbaden
SZ	10-22	03:30	SNB Publishes Summary of Sept. 24 Rate Decision
EC	10-22	05:30	ECB's Kocher Speaks in Vienna
SW	10-22	09:00	Riksbank's Jansson Speaks in Stockholm
IT	10-22	10:00	ECB's Panetta Speaks in Turin
IT	10-22	10:15	ECB's Panetta Speaks in Turin
EC	10-22		ECB's Pre-Rate Decision Quiet Period
EC	10-23	04:00	ECB 1 Year CPI Expectations
EC	10-23	04:00	ECB 3 Year CPI Expectations
EC	10-23	10:00	ECB's Cipollone Speaks in Turin

Asia Pacific

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	10-17	20:00	RBA's Kent-News24 Interview
AU	10-18	19:05	RBA's Kent-Fireside Chat
CH	10-19	21:00	1-Year Loan Prime Rate
CH	10-19	21:00	5-Year Loan Prime Rate
AU	10-20	18:30	RBA's Hauser-Appearance
ID	10-21	03:20	BI-Rate
SK	10-21		BOK Base Rate
PH	10-22	02:30	BSP Overnight Borrowing Rate
PH	10-22	02:30	BSP Standing Overnight Deposit Facility Rate
KZ	10-23	03:00	Key Rate

Latin America

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PY	10-23		Monetary Policy Rate

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
Federal Reserve – Federal Funds Target Rate	4.00	October 28, 2026	4.00	4.00
Banco de México – Overnight Rate	6.50	November 5, 2026	6.50	6.50

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	November 5, 2026	4.00	4.00
Swiss National Bank – Sight Deposit Rate	0.00	December 10, 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	November 4, 2026	2.00	2.00
Norges Bank – Deposit Rate	4.50	November 5, 2026	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	37.00	October 22, 2026	36.00	36.00

Central Bank of Russia: Rising inflation will likely keep the Central Bank of Russia on hold on Friday, with upside risks mounting as Ukraine's drone strikes continue on refineries and extend beyond. **Central Bank of Turkey:** Consensus expects the Central Bank of Turkey to cut its benchmark repo rate by 100bp on Thursday, supported by continued disinflation and signs of weaker domestic demand. However, higher energy prices, elevated inflation expectations and continued lira weakness argue for a more cautious approach to easing.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	1.25	October 30, 2026	1.25	1.25
Reserve Bank of Australia – Cash Rate Target	4.60	November 2, 2026	4.60	4.60
Reserve Bank of New Zealand – Cash Rate	2.75	October 27, 2026	3.00	3.00
People's Bank of China – 7-Day Reverse Repo Rate	1.40	TBA	1.40	1.40
Reserve Bank of India – Repo Rate	5.50	December 3, 2026	5.75	5.75
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	October 21, 2026	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	5.00	October 22, 2026	5.25	5.25

Bank of Korea (BoK): After back-to-back 25bp rate hikes, consensus unanimously expects the Bank of Korea to pause on Thursday, allowing policymakers to assess the impact of previous tightening and calibrate the pace of further rate increases. However, inflation remains elevated, while economic growth continues to be supported by the semiconductor boom amid rising AI-related demand and investment, although the strengthening of the Korean won is providing some relief from imported inflation. At the last meeting, Governor Shin noted that the six-month dot plot points to a gradual pace of further tightening, with the median policy rate projection at 3.25%. **Bank Indonesia:** Bank Indonesia's Wednesday meeting looks finely poised, as consensus favours a hold, but a sizeable minority expects a 25bp hike, while the bank's history of surprises keeps the decision live. Pressure to act is building up, with the rupiah back to its historic low despite 100bp of tightening between May and June aimed at stabilising the currency. Meanwhile, inflation remains within the target range but is gradually edging higher. **Central Bank of Philippines:** The Central Bank of Philippines is unanimously expected to deliver a fourth consecutive 25bp rate hike on Wednesday as it battles elevated inflation and continued peso weakness. Headline inflation jumped to 7.2% y/y in September and core inflation increased 0.6ppt to 4.7%, both remaining above the 2–4% target range. Upside inflation risks also remain elevated, with Brent above \$100 per barrel and the impact of El Niño yet to come. Meanwhile, minimum wage hikes approved by regional boards and peso weakness add to the risk of second-round inflation effects.

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	13.75	November 4, 2026	13.50	13.50
Bank of Korea (BoK): After back-to-back 25bp rate hikes, consensus un	4.50	October 27, 2026	4.50	4.50
Banco de la República de Colombia – Lending Rate	12.25	October 30, 2026	12.25	12.25
Banco Central de Reserva del Perú – Reference Rate	4.25	November 12, 2026	4.25	4.25

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	7.25	November 19, 2026	7.25	7.25

Sources: Bloomberg, Scotiabank Economics.

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