

LESS TALK, MORE FOREIGN AID!

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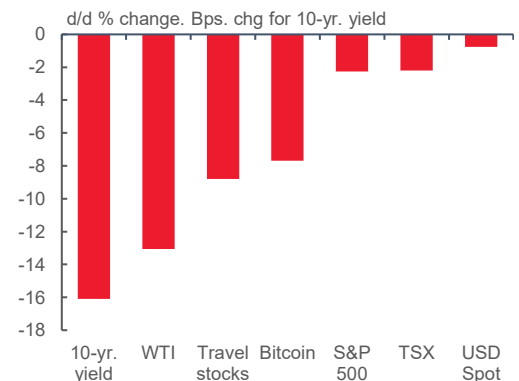
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Next Week's Risk Dashboard

- Mutant watch
- Vaccine supply is set to explode...
- ...but foreign aid must follow
- US nonfarm payrolls could take a backseat to the virus
- Chair Powell, Secretary Yellen to testify
- Downside risk to Canadian jobs?
- Canada's bank earnings season
- Canada's serial shocks to growth
- How much did Australia's economy shrink in lockdown?
- CPI: Eurozone, Peru, Indonesia, SK, Thailand, Switzerland
- PMIs: US, China, Brazil, India, SK, Spain, Italy, EZ-r

Chart of the Week

A New Variant: Overreaction, Correction, or More to Come?



Sources: Scotiabank Economics, Bloomberg.

Chart of the Week: Prepared by: Marc Ercolao, Economic Analyst.

Less Talk, More Foreign Aid!

ON MUTANT WATCH

Even before the discovery of a new COVID-19 variant, markets were on watch as cases began to soar in Europe (charts 1, 2), cases have been gently rising in the US mainly due to a sharp increase in the MidWest, while case trends in Canada, across Latin America and Asia-Pacific countries remain generally better behaved and/or improving.

A new variant clearly introduces more risks. We haven't had a new variant in about a year so it's a fairly big deal. This is the first new variant after Beta (first discovered in SA in May 2020), Alpha (Sept 2020), Delta (Oct 2020) and Gamma (Nov 2020). Scientists point to disconcerting signs in this variant, such as a high number of mutations in its spike protein. Speculation is that it will be named 'nu' which I'm sure headlines will toy with. The WHO has already labelled it a 'variant of concern' and individual countries have swiftly responded by either introducing fresh travel restrictions or they appear to be planning to do so.

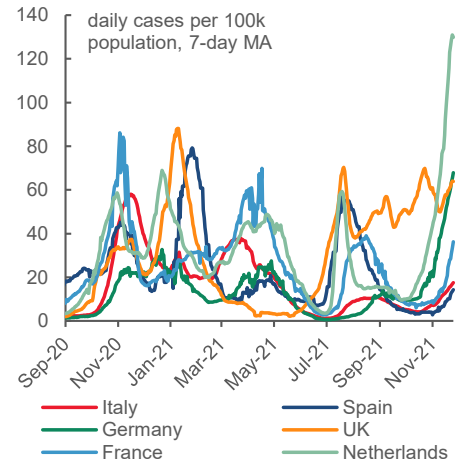
We don't have enough information to assess the true risks this poses. As Atlanta Fed President Bostic has noted, the cautiously optimistic case is that "the new variant is similar to delta" in that the economy could maintain momentum through another wave and that vaccines will remain generally effective. For investors, the path forward is uncertain, but it bears noting that the S&P500 went through two risk-off periods over the September to early November period last year partly as three new variants were being found, and risk appetite subsequently recovered as vaccine trials arrived and have remained generally encouraging while the economy has proven to be rather resilient. Who knows if this will be a similar occasion, but it's not inconceivable that there is opportunity amid the market turmoil.

But while I'd caution that taking risk appetite off the table is sensible in the face of greater uncertainty, so little is known about this variant that markets are instinctively going to the worst, darkest place on the simple fact that there are so many unknowns. It's obviously too early to know if vaccines may be effective. It's too early to tell if antiviral drugs like molnupiravir will work on it (the UK is now starting to roll it out in a trial). We don't know if it would spread as rapidly through vaccinated populations that have fewer immunocompromised folks than there are in South Africa where about 13% of the population has HIV, or Botswana where the figure is ~16%. We don't know if containment may be more successful as barriers have already started going back up toward Africa, though limited evidence that it may have already leapt elsewhere requires close monitoring of cases and travel measures (eg. HK).

And we probably won't know these answers for several weeks to come as an unfortunate cloud hangs over the festive season. Against a sense of helplessness, however, it seems to me that this only further adds to the case against vaccine complacency since the chance that vaccines work as well against this new variant is worth grabbing versus embracing the certainty that not being vaccinated definitely raises your risks. Reports indicate that injection sites where I live have become rather quiet which probably has to do with uber-slow roll-out of booster eligibility. I'll be first in line when I'm due in January. Kudos to many of you respecting the science and doing your parts and not being bullied by folks armed with Twitter accounts and little else.

Chart 1

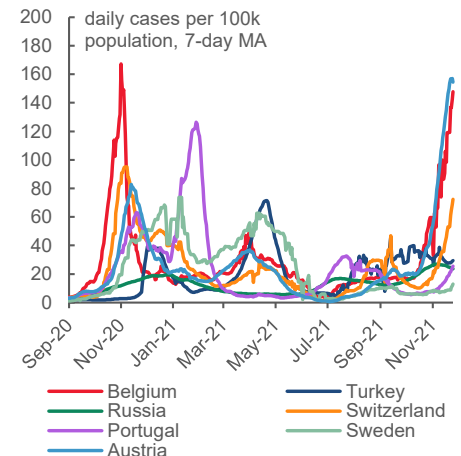
Trend in European Daily Cases



Sources: Scotiabank Economics, Bloomberg.

Chart 2

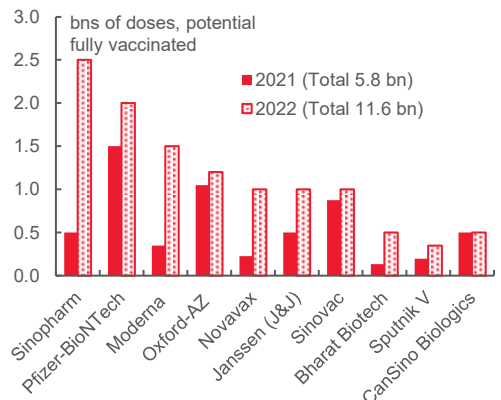
Trend in European Daily Cases



Sources: Scotiabank Economics, Bloomberg.

Chart 3

Global Manufacturing Projections



Sources: Scotiabank Economics, Duke Global Health Innovation Center.

Furthermore, supply of vaccines that has inhibited sharing with poorer countries to date is on the cusp of becoming a non-issue. Chart 3 vividly illustrates this point. Over 2022, company filings indicate that enough in-market vaccine will be produced to offer double doses plus one booster shot to almost each-and-every-one of the 7.8 billion folks in the world. From about 11 billion doses manufactured this year, plans are to raise that toward 22 billion next year. After conversion to the number of doses needed for full vaccination (2 in most cases), that equates to 11.6 billion fully vaccinated equivalents. Add the running head start we already have to that and supply isn't going to be the issue even if production falls short of plans whereas the pattern to date has been to steadily deliver higher production targets.

Implementation risk is significant, but not insurmountable. What's needed is arguably the biggest foreign aid program in history regardless of the cost to developed/rich country taxpayers given the direct benefits to recipient countries and the indirect positive externalities to the rich world given the only hope for them is to combat the virus wherever it rears its ugly spike proteins. That would be the best job support program in DMs that money can buy. Unfortunately, as chart 4 demonstrates, we're nowhere close to a level of aid that stands a chance at stopping the pandemic in its tracks and most of the estimates are promises versus reality to date. A good place to start first may be through international pressure on DMs like the US that are shockingly low on their own full vaccination rates and need to step up their own games. It starts with modelled behaviour by all politicians, celebrities and business leaders.

US NONFARM PAYROLLS MAY TAKE A BACK SEAT TO THE VIRUS

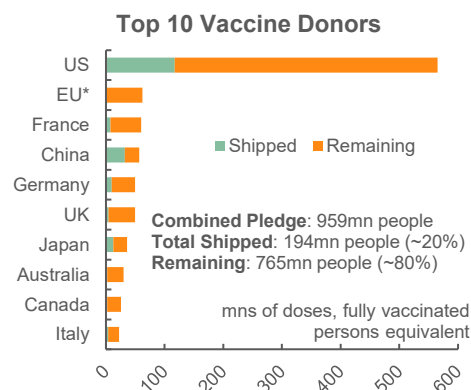
Nonfarm payrolls for November land on Friday along with wages. I went with a gain of 450k and a small dip in the unemployment rate alongside stable wage growth of about 4.9% y/y. The acceleration in October may have been partly due to easing Delta variant effects but this effect could shake out. It's too early for a small rise in cases that began in the November reference week to impact hiring. A solid figure and decent details could add to the case for an expedited taper as discussed above. It could also further chip away at the estimated 3 million (household survey) and 4.2 million (nonfarm payrolls) jobs lost to date during the pandemic notwithstanding the ongoing debate over what constitutes full employment.

Unfortunately, there is very little to go by this time around and so unless you'd like a further explanation of this point then skip ahead! Chart 5 shows that restrictions generally eased further into the nonfarm reference week. The Census Bureau's Household Pulse Survey is something we rely upon to a degree as a gauge of changes in labour force entry and exit between nonfarm payroll reference periods, but it's taking a bit of a holiday now. The Census Bureau has a habit of suspending the survey rather frequently when it launches new phases of its development. The last bi-weekly survey went up to October 11th and it won't resume until later in December when the current redesign begins to bear fruit.

Weekly initial jobless claims fell modestly between nonfarm reference periods and then more significantly when they dropped to 199k for the week ending November 19th. That might be a positive signal, but it's more likely a distorted reading given the shifting timing of Thanksgiving from year to year and challenges with seasonal adjustments.

Next week's indicators may further inform payroll estimates. Tuesday's consumer confidence measure for November will be watched for its jobs plentiful gauge, as well as inflation expectations. Wednesday's ADP payrolls may matter only if it's a big outlier, and during the pandemic even that hasn't been a terribly useful signal. ISM-employment readings for the services (Friday) and manufacturing (Wednesday) sectors may be informative.

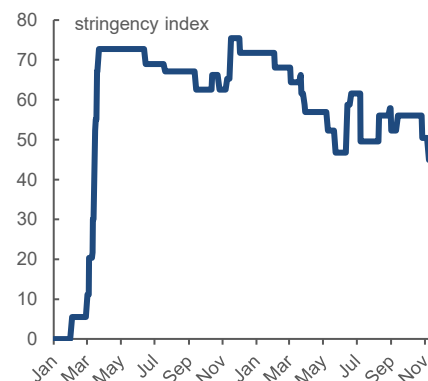
Chart 4



*Accounts for the remainder of the 500mn dose pledge after attributing to member countries when possible.
Sources: Scotiabank Economics, Duke Global Health Innovation Center.

Chart 5

US Restrictions Eased Into November Reference Week



Sources: Scotiabank Economics, University of Oxford.

CANADIAN JOBS—DOWNSIDE RISK?

Canada updates jobs and one measure of wages for the month of November on Friday. I went with no change in employment and a small rise in the unemployment rate to 6.8%. That comes with the usual dose of high caution around estimates for the volatile household survey's 95% confidence interval of +/-58,000.

Chart 6 offers reason for concern. The indicator (shown in the chart) that we have come to use as input into our estimates has performed reasonably well—not infallibly—at predicting turning points and general directions even if it can be well off in terms of magnitudes. On eleven of thirteen occasions, it has signalled a gain or loss correctly with the most notable exception being in February when it was highly misleading. This indicator would suggest going with a significant decline in employment this time, but I'm not comfortable going quite that far.

Still, it could be that the torrid pace of employment growth that has seen about 600k jobs created since June when the job market and economy first began to rebound from restrictions during March–May is poised to hit a soft patch. Devastating flooding in British Columbia hit smack during the November reference week for the jobs report which is the week including the 15th day of each month.

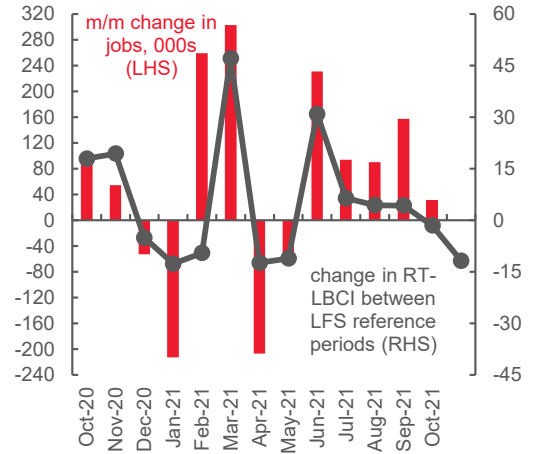
There are also ongoing challenges getting workers to fill the high numbers of job vacancies. Adjustments to labour support programs require monitoring in terms of the risk of interruptions to job growth. There could be lagging effects of increases in stringency indices in the Prairies, Atlantic Canada and British Columbia while Canadian restrictions remain tighter than stateside (chart 7, 8). It could also be that the economist's concept of reservation wages is applicable here in that the willingness to supply labour is at a higher wage rate than being offered, which makes the clear upward evidence of accelerating pressures on the wage figure we get in this report all the more important to keep observing (chart 9).

CANADA'S ECONOMY—KEEP PAYING IT FORWARD?

The connection between job growth and GDP growth is shown in Okun's "law" (chart 10), except that it's more of a rough guide than any law of the universe per se. After the economy contracted in Q2, Q3 growth looks set to disappoint expectations. Employment gains have been somewhat overshooting GDP growth for some time now which could signal somewhat of a cooler employment trend.

Chart 6

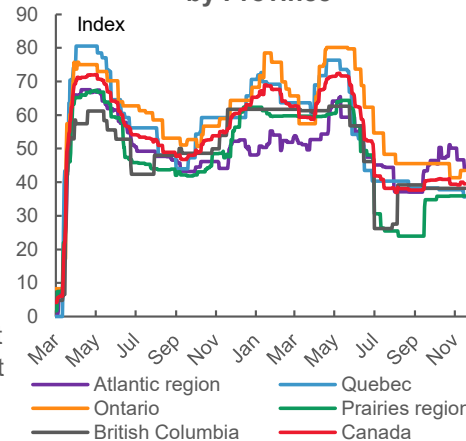
Canadian Employment



Sources: Scotiabank Economics, Statistics Canada.

Chart 7

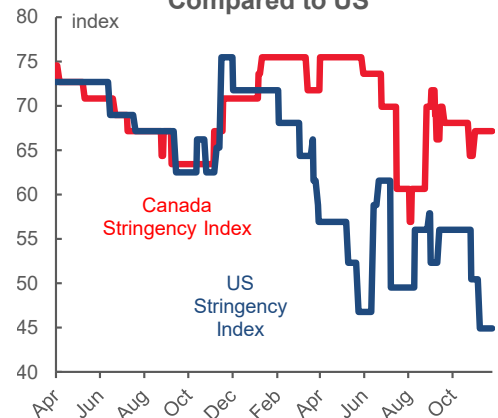
COVID-19 Stringency Index by Province



Sources: Scotiabank Economics, Bank of Canada.

Chart 8

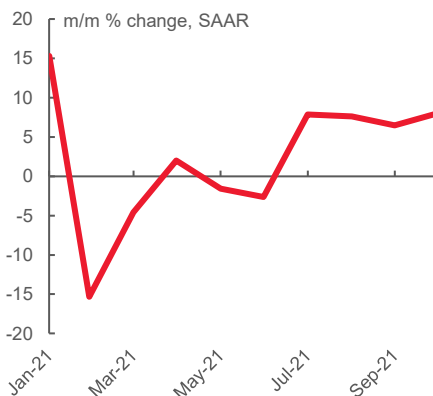
Canadian Restrictions Still Elevated Compared to US



Sources: Scotiabank Economics, University of Oxford.

Chart 9

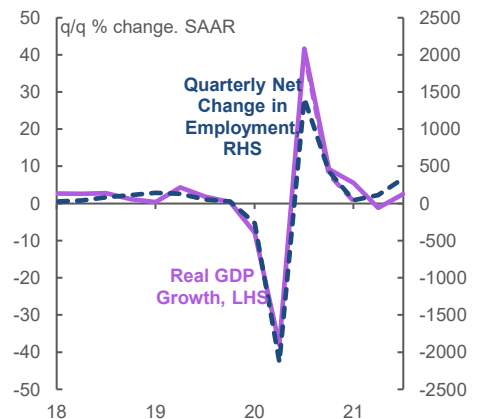
Canadian Hourly Wages



Sources: Scotiabank Economics, Statistics Canada.

Chart 10

Canada's Okun's Law



Sources: Scotiabank Economics, Statistics Canada.

Theoretically, that could also mean that one or the other is subject to revision risk. We'll find out if StatCan has more revisions in store for GDP when we get September GDP, Q3 GDP and advance guidance for October GDP all on Tuesday. StatCan had previously guided that September GDP was looking "little changed." A simple regression model that I run points toward a slight dip of -0.1% m/m but I went with 0% m/m to leave open the possibility of some upside on the services side that is more difficult to observe in advance than the goods side. The strong 1.1% m/m rise in hours worked during September could indicate such strength in services while most readings for the goods sector were weak.

Q3 GDP is forecast to grow by about 2½% q/q. That's higher than what is derived from monthly production-based GDP figures and in keeping with 'nowcast' tracking for quarterly expenditure-based GDP. Expenditure GDP captures influences like inventory swings and import leakage effects not well considered by monthly GDP.

As for the advance "flash" guidance for October GDP, it's looking like we'll get a sharp snapback. The same regression model points toward a gain of 0.7% m/m. With the exception of a drop in housing starts, other indicators that we track registered pretty robust gains including another 1% m/m rise in hours worked but this time accompanied by gains in other readings drawn principally from the goods sector.

If the estimates for monthly GDP for September and October are in the right ballpark, then it could result in over 3% q/q annualized GDP growth in Q4 assuming flat readings for November and December just in order to focus upon the effects of what we know absent any data for November and December yet. That could mean that after probably getting disappointed on Q3 GDP growth it had forecast to expand by 5.5%, the BoC would have been facing upside risk with already about three quarters of its 4% growth forecast for Q4 in the books and then subject to whatever November and December bring.

Somewhat serendipitously, however, the BC floods are expected to be a significant setback to Q4 growth. A problem is that the list of factors to look through keeps pushing out growth. Q2 disappointed on auto-related export troubles but the domestic economy performed well. Q3 growth is tracking beneath BoC expectations and now a weather event is disrupting Q4. We're assessing the distribution of these growth shocks into year-end and how much to push forward into 2022H1 and will soon have estimates to share.

LAST BUT NOT LEAST

Most of the rest of the week's focus will be upon growth signals for China's economy, Eurozone inflation, Canadian bank earnings, Fed-speak and other US macro indicators.

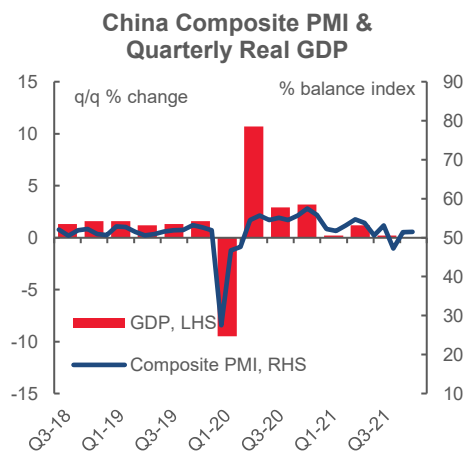
China updates the state's version of the purchasing managers' indices for November on Tuesday evening (ET) and then the private sector versions starting on Tuesday evening and then Thursday evening. Little change is expected as China's economy continues to register soft growth amid mounting downside risks (chart 11).

Inflation readings will be updated across several zones. Chief among them will be the Eurozone updates on Tuesday where we expect to see further upward pressure toward 2¼ % y/y on core inflation (2.0% prior) and 4 ½% for headline (4.1% prior) but with flat headline prices in month-over-month terms. Germany updates inflation on Monday along with Spain, followed by France and Italy on Tuesday.

Canadian banks release Q4 and full-year earnings starting with my employer on Tuesday (consensus EPS C\$1.91). RBC (C\$2.81) and National Bank (\$2.24) report the next day, followed by CIBC (C\$3.55) and TD (\$1.95) on Thursday and then BMO (\$3.20) on Friday. Consensus expectations going forward are shown in chart 12.

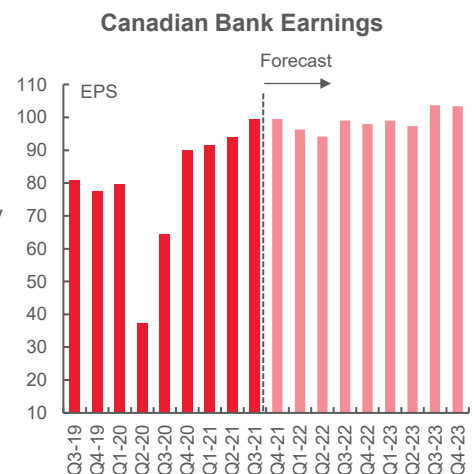
Nonfarm will steal the show in terms of US releases, but there are a few other nuggets on the US docket. ISM-manufacturing for November (Wednesday) is expected to post a gain on mild improvements in autos and the generally improved tone across regional manufacturing surveys. ISM-services (Friday) have faced more upside risk than downside risk on balance over recent months. Vehicle sales during November

Chart 11



Sources: Scotiabank Economics, IHS Markit, Bloomberg.

Chart 12



Sources: Scotiabank Economics, Bloomberg.

(Wednesday) probably climbed toward about 13½ million units at a seasonally adjusted and annualized rate based upon industry guidance.

Fed-speak could also reveal further insight into the Fed's tolerance toward accelerating the tapering of Treasury and MBS purchases. They'll all have a chance to weigh in on the potential implications of the new COVID-19 variant, but all but St. Louis President Bullard speak before payrolls. Chair Powell speaks thrice during the week starting with opening remarks at an event on Monday but then in two rounds of Congressional testimony on Tuesday and Wednesday alongside Treasury Secretary Yellen. Outgoing Vice Chair Clarida's talk on Fed independence on Tuesday takes on somewhat new meaning following recent appointments. Several other Fed-speakers are also lined up every day of the week along with Wednesday's Beige book of regional economic conditions.

The Bank of Canada will join with the Reserve Bank of New Zealand to host a Symposium on Indigenous Economies on Monday and Tuesday. Governor Macklem provides opening remarks and Deputy Governor Schembri participates on a panel, but there will be no press conference. Their comments are unlikely to be relevant to markets and expectations for monetary policy, but it's not impossible that we hear some comments just ahead of the blackout period for the following week's policy decision.

Latin American markets take down Peru's CPI for November on Wednesday which is expected to moderate toward 5.6% y/y (5.8% prior). Brazil updates Q3 GDP on Thursday and is expected to post no growth again after the prior quarter's -0.1% q/q non-annualized dip. High inflation is motivating central bank tightening in Brazil, not rapid growth.

Australia's economy probably contracted in Q3 (Tuesday evening ET). Most estimates range between about -2% q/q to -4% q/q non-annualized due to restrictions and lockdowns from which the country has been emerging.

Other less impactful global indicators will be covered through regular publications throughout the week. Finally, the OECD refreshes its forecast on Wednesday.

Key Indicators for week of November 29 – December 3
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>
MX	11/29	07:00	Unemployment Rate (%)	Oct	--	4.1	4.2
CA	11/29	08:30	Current Account (C\$ bn a.r.)	3Q	--	5.3	3.6
CA	11/29	08:30	IPPI (m/m)	Oct	--	1.3	1.0
CA	11/29	08:30	Raw Materials Price Index (m/m)	Oct	--	3.5	2.5
US	11/29	10:00	Pending Home Sales (m/m)	Oct	--	0.8	-2.3
US	11/29	10:30	Dallas Fed. Manufacturing Activity	Nov	--	19.0	14.6
CA	11/30	08:30	Real GDP (m/m)	Sep	0.0	0.0	0.4
CA	11/30	08:30	Real GDP (q/q a.r.)	3Q	2.5	3.2	-1.1
US	11/30	09:00	S&P/Case-Shiller Home Price Index (m/m)	Sep	1.1	1.3	1.2
US	11/30	09:00	S&P/Case-Shiller Home Price Index (y/y)	Sep	19.4	19.3	19.7
US	11/30	09:45	Chicago PMI	Nov	--	67.0	68.4
US	11/30	10:00	Consumer Confidence Index	Nov	112.5	110.8	113.8
US	12/01	07:00	MBA Mortgage Applications (w/w)	Nov 26	--	--	1.8
US	12/01	08:15	ADP Employment Report (000s m/m)	Nov	450	520	571
CA	12/01	08:30	Building Permits (m/m)	Oct	--	-0.5	4.3
US	12/01	08:30	Initial Jobless Claims (000s)	Nov 26	240	250	199
US	12/01	08:30	Continuing Claims (000s)	Nov 19	2,020	--	2,049
US	12/01	10:00	Construction Spending (m/m)	Oct	0.6	0.5	-0.5
US	12/01	10:00	ISM Manufacturing Index	Nov	61.3	61.0	60.8
US	12/01		Total Vehicle Sales (mn a.r.)	Nov	13.5	13.2	13.0
CA	12/03	08:30	Employment (000s m/m)	Nov	0.0	40.0	31.2
CA	12/03	08:30	Productivity (q/q a.r.)	3Q	--	-0.8	0.6
CA	12/03	08:30	Unemployment Rate (%)	Nov	6.8	6.6	6.7
US	12/03	08:30	Average Hourly Earnings (m/m)	Nov	0.3	0.4	0.4
US	12/03	08:30	Average Hourly Earnings (y/y)	Nov	4.9	5.0	4.9
US	12/03	08:30	Average Weekly Hours	Nov	--	34.7	34.7
US	12/03	08:30	Nonfarm Employment Report (000s m/m)	Nov	450	550	531
US	12/03	08:30	Unemployment Rate (%)	Nov	4.4	4.5	4.6
US	12/03	10:00	Factory Orders (m/m)	Oct	0.0	0.5	0.2
US	12/03	10:00	ISM Non-Manufacturing Composite	Nov	66.8	65.0	66.7
US	12/03		Household Employment Report (000s m/m)	Nov	--	--	359.0

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>Consensus</u>	<u>Latest</u>
UK	11/28		Nationwide House Prices (m/m)	Nov	0.4	0.7
SP	11/29	03:00	CPI (m/m)	Nov P	0.3	1.8
SP	11/29	03:00	CPI (y/y)	Nov P	5.5	5.4
SP	11/29	03:00	CPI - EU Harmonized (m/m)	Nov P	0.3	1.6
SP	11/29	03:00	CPI - EU Harmonized (y/y)	Nov P	5.6	5.4
SW	11/29	03:30	GDP (y/y)	3Q	4.2	9.7
UK	11/29	04:30	Net Consumer Credit (£ bn)	Oct	0.4	0.2
EC	11/29	05:00	Consumer Confidence	Nov F	--	-6.8
EC	11/29	05:00	Economic Confidence	Nov	117.5	118.6
EC	11/29	05:00	Industrial Confidence	Nov	14.0	14.2
GE	11/29	08:00	CPI (m/m)	Nov P	-0.4	0.5
GE	11/29	08:00	CPI (y/y)	Nov P	5.0	4.5
GE	11/29	08:00	CPI - EU Harmonized (m/m)	Nov P	-0.2	0.5
GE	11/29	08:00	CPI - EU Harmonized (y/y)	Nov P	5.5	4.6
GE	11/29		Retail Sales (m/m)	Oct	0.9	-1.9
FR	11/30	02:45	Consumer Spending (m/m)	Oct	0.0	-0.2
FR	11/30	02:45	CPI (m/m)	Nov P	0.2	0.4
FR	11/30	02:45	CPI (y/y)	Nov P	2.6	2.6

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

Key Indicators for week of November 29 – December 3
EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
FR	11/30	02:45	CPI - EU Harmonized (m/m)	Nov P	0.2	0.4
FR	11/30	02:45	CPI - EU Harmonized (y/y)	Nov P	3.2	3.2
FR	11/30	02:45	GDP (q/q)	3Q F	3.0	0.0
FR	11/30	02:45	Producer Prices (m/m)	Oct	--	1.7
SP	11/30	03:00	Real Retail Sales (y/y)	Oct	--	0.0
GE	11/30	03:55	Unemployment (000s)	Nov	-25.0	-39.0
GE	11/30	03:55	Unemployment Rate (%)	Nov	5.4	5.4
IT	11/30	04:00	Real GDP (q/q)	3Q F	2.6	2.6
PD	11/30	04:00	GDP (y/y)	3Q F	--	5.10
SP	11/30	04:00	Current Account (€ bn)	Sep	--	1.0
EC	11/30	05:00	CPI (m/m)	Nov P	0.0	0.8
EC	11/30	05:00	Euro zone CPI Estimate (y/y)	Nov	4.5	4.1
EC	11/30	05:00	Euro zone Core CPI Estimate (y/y)	Nov P	2.3	2.0
IT	11/30	05:00	CPI (m/m)	Nov P	0.1	0.7
IT	11/30	05:00	CPI (y/y)	Nov P	3.2	3.0
IT	11/30	05:00	CPI - EU Harmonized (m/m)	Nov P	0.1	0.9
IT	11/30	05:00	CPI - EU Harmonized (y/y)	Nov P	3.3	3.2
PO	11/30	06:00	Real GDP (q/q)	3Q F	2.90	2.90
EC	12/02	05:00	PPI (m/m)	Oct	3.6	2.7
EC	12/02	05:00	Unemployment Rate (%)	Oct	7.3	7.4
FR	12/03	02:45	Central Government Balance (€ bn)	Oct	--	-175.1
FR	12/03	02:45	Industrial Production (m/m)	Oct	0.5	-1.3
FR	12/03	02:45	Industrial Production (y/y)	Oct	-0.4	0.8
FR	12/03	02:45	Manufacturing Production (m/m)	Oct	0.8	-1.4
UK	12/03	04:30	Official Reserves Changes (US\$ bn)	Nov	--	-100.0
UK	12/03	04:30	Services PMI	Nov F	58.6	58.6
EC	12/03	05:00	Retail Trade (m/m)	Oct	0.3	-0.3

ASIA-PACIFIC

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
SK	11/27	21:00	Department Store Sales (y/y)	Oct	--	--	24.3
JN	11/28	18:50	Large Retailers' Sales (y/y)	Oct	--	1.0	-1.3
JN	11/28	18:50	Retail Trade (y/y)	Oct	--	1.1	-0.5
MA	11/28	23:00	Exports (y/y)	Oct	--	22.7	24.7
MA	11/28	23:00	Imports (y/y)	Oct	--	31.0	26.5
MA	11/28	23:00	Trade Balance (MYR bn)	Oct	--	--	26.1
SK	11/29	18:00	Industrial Production (y/y)	Oct	--	--	-1.8
SK	11/29	18:00	Cyclical Leading Index Change	Oct	--	--	-0.3
JN	11/29	18:30	Jobless Rate (%)	Oct	2.8	2.8	2.8
JN	11/29	18:50	Industrial Production (y/y)	Oct P	--	-4.4	-2.3
AU	11/29	19:30	Current Account (AUD bn)	3Q	--	29	20,461
AU	11/29	19:30	Private Sector Credit (y/y)	Oct	--	5.7	5.3
AU	11/29	19:30	Australia Net Exports of GDP	3Q	--	1.0	-1.0
CH	11/29	20:00	Manufacturing PMI	Nov	49.5	49.8	49.2
CH	11/29	20:00	Non-manufacturing PMI	Nov	--	51.3	52.4
JN	11/30	00:00	Housing Starts (y/y)	Oct	--	5.8	4.3
TH	11/30	02:00	Current Account Balance (US\$ mn)	Oct	--	-1,700	-1,346
TH	11/30	02:30	Exports (y/y)	Oct	--	--	17.8
TH	11/30	02:30	Imports (y/y)	Oct	--	--	20.4
TH	11/30	02:30	Trade Balance (US\$ mn)	Oct	--	--	4,007
HK	11/30	03:30	Retail Sales - Volume (y/y)	Oct	--	--	4.7
IN	11/30	05:30	Fiscal Deficit (INR Crore)	Oct	--	--	58,842
IN	11/30	07:00	Real GDP (y/y)	3Q	9.0	8.2	20.1
JN	11/30	18:50	Capital Spending (y/y)	3Q	--	1.5	5.3
SK	11/30	19:00	Exports (y/y)	Nov	--	24.8	24.1
SK	11/30	19:00	Imports (y/y)	Nov	--	38.0	37.7
SK	11/30	19:00	Trade Balance (US\$ mn)	Nov	--	--	1,782

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

Key Indicators for week of November 29 – December 3
ASIA-PACIFIC (continued from previous page)

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
AU	11/30	19:30	GDP (y/y)	3Q	3.3	3.0	9.6
CH	11/30	20:45	Caixin Manufacturing PMI	Nov	50.6	50.5	50.6
ID	11/30	23:00	CPI (y/y)	Nov	1.7	1.7	1.7
ID	11/30	23:00	Core CPI (y/y)	Nov	--	1.5	1.3
JN	12/01	00:00	Vehicle Sales (y/y)	Nov	--	--	-30.2
TH	12/01	02:30	Business Sentiment Index	Nov	--	--	47.0
NZ	12/01	16:45	Terms of Trade Index (q/q)	3Q	--	2.0	3.3
SK	12/01	18:00	CPI (y/y)	Nov	3.1	3.0	3.2
SK	12/01	18:00	Core CPI (y/y)	Nov	--	--	2.8
SK	12/01	18:00	GDP (y/y)	3Q F	4.0	4.0	4.0
JN	12/01	18:50	Monetary Base (y/y)	Nov	--	--	9.9
AU	12/01	19:30	Trade Balance (AUD mn)	Oct	--	11,000	12,243
JN	12/02	00:00	Consumer Confidence	Nov	--	--	39.2
SI	12/02	08:00	Purchasing Managers Index	Nov	--	--	50.8
HK	12/02	19:30	Purchasing Managers Index	Nov	--	--	50.8
CH	12/02	20:45	Caixin Services PMI	Nov	--	51.0	53.8
TH	12/02	22:30	CPI (y/y)	Nov	2.6	2.5	2.4
TH	12/02	22:30	Core CPI (y/y)	Nov	--	--	0.2
SI	12/03	00:00	Retail Sales (y/y)	Oct	--	--	6.6

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>
CL	11/30	07:00	Industrial Production (y/y)	Oct	--	2.0	4.3
CL	11/30	07:00	Retail Sales (y/y)	Oct	25.0	20.1	19.9
CL	11/30	07:00	Unemployment Rate (%)	Oct	8.2	8.2	8.4
CO	11/30	10:00	Urban Unemployment Rate (%)	Oct	--	--	13.0
CL	12/01	06:30	Economic Activity Index NSA (y/y)	Oct	17.0	14.2	15.6
BZ	12/01	08:00	PMI Manufacturing Index	Nov	--	--	51.7
PE	12/01	10:00	Consumer Price Index (m/m)	Nov	0.5	--	0.6
PE	12/01	10:00	Consumer Price Index (y/y)	Nov	5.8	--	5.8
BZ	12/01	13:00	Trade Balance (FOB) - Monthly (US\$ mn)	Nov	--	-1,500	2,004
BZ	12/02	07:00	GDP (IBGE) (q/q)	3Q	--	0.1	-0.1
BZ	12/02	07:00	GDP (IBGE) (y/y)	3Q	--	4.3	12.4
BZ	12/03	07:00	Industrial Production SA (m/m)	Oct	--	0.5	-0.4
BZ	12/03	07:00	Industrial Production (y/y)	Oct	--	-5.0	-3.9

Global Auctions for week November 29 – December 3

NORTH AMERICA

No Scheduled Auctions.

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
IT	11/30	05:00	Italy to Sell Bonds
GE	11/30	05:30	Germany to Sell EU3 Billion of 2028 Bonds
SW	12/01	05:00	Sweden to Sell Bonds
UK	12/01	05:00	U.K to Sell New 2032 Bonds
GE	12/01	05:30	Germany to Sell EU3 Billion of 2026 Bonds
SP	12/02	04:30	Spain to Sell Bonds
FR	12/02	04:50	France to Sell Bonds
IC	12/03	07:30	Iceland to Sell Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	11/28	20:30	Guizhou to Sell CNY760 Mln 30Y Bonds
CH	11/29	01:00	Hunan to Sell CNY42 Mln 30Y Bonds
CH	11/29	02:00	Xiamen to Sell CNY100 Mln 20Y Bonds
CH	11/29	03:00	Hunan to Sell CNY100 Mln 20Y Bonds
CH	11/29	20:30	Jiangsu to Sell CNY7.454 Bln 15Y Bonds
JN	11/29	22:35	Japan to Sell 2-Year Bonds
CH	11/30	22:00	China Plans to Sell 3-Yr Upsize Bond
CH	11/30	22:00	China Plans to Sell 7-Yr Upsize Bond
JN	12/01	22:35	Japan to Sell 10-Year Bonds

LATIN AMERICA

No Scheduled Auctions.

Events for week of November 29 – December 3
NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	11/29	15:00	Fed's Williams gives opening remarks at NY Innovation Center
US	11/29	15:15	Fed's Hassan moderates panel introducing NY Innovation Center
US	11/30	10:00	Powell, Yellen Testify Before Senate Panel on CARES Act Relief
US	11/30	10:30	Fed's Williams gives remarks at NY Fed food-insecurity event
US	12/02	08:30	Fed's Bostic Discusses the High Cost of Housing
US	12/02	11:30	Fed's Bostic Takes Part in a Reuters Event
US	12/02	11:30	Fed's Daly and Barkin speak at Peterson Institute
US	12/03	09:15	Fed's Bullard speaks at Missouri Bankers' Association

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	11/28	05:40	ECB's Panetta Speaks
EC	11/30	04:00	ECB's Villeroy speaks in Paris
SW	11/30	05:00	Riksbank's Ohlsson speech
UK	11/30	08:00	BOE's Mann speaks at event with Barclays
EC	12/01	05:00	OECD Publishes Economic Outlook
SW	12/01	09:00	Riksbank's Breman speech
UK	12/01	09:00	BOE's Bailey speaks on insurance regulation

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	11/29	03:30	BOJ Governor Kuroda Speech at Tokyo Int'l Financial Forum 2021
JN	11/30	20:30	BOJ Board Adachi Speech in Ohita
JN	12/01	20:30	BOJ Board Suzuki Speech in Hyogo

LATIN AMERICA

No Scheduled Events.

Global Central Bank Watch

NORTH AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Canada – Overnight Target Rate	0.25	December 8, 2021	0.25	0.25
Federal Reserve – Federal Funds Target Rate	0.25	December 16, 2021	0.25	0.25
Banco de México – Overnight Rate	5.00	December 17, 2021	5.25	5.25

EUROPE

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
European Central Bank – Refinancing Rate	0.00	December 16, 2021	0.00	0.00
European Central Bank – Marginal Lending Facility Rate	0.25	December 16, 2021	0.25	0.25
European Central Bank – Deposit Facility Rate	-0.50	December 16, 2021	-0.50	-0.50
Bank of England – Bank Rate	0.10	December 16, 2021	0.25	0.25
Swiss National Bank – Libor Target Rate	-0.75	TBA	-0.75	-0.75
Central Bank of Russia – One-Week Auction Rate	7.50	December 17, 2021	8.00	8.00
Sweden Riksbank – Repo Rate	0.00	February 10, 2022	0.00	0.00
Norges Bank – Deposit Rate	0.25	December 16, 2021	0.50	0.25
Central Bank of Turkey – Benchmark Repo Rate	15.00	December 16, 2021	15.00	15.00

ASIA PACIFIC

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Japan – Policy Rate	-0.10	December 17, 2021	-0.10	0.00
Reserve Bank of Australia – Cash Target Rate	0.10	December 7, 2021	0.10	0.10
Reserve Bank of New Zealand – Cash Rate	0.75	February 23, 2022	1.00	0.75
People's Bank of China – 1-Year Loan Prime Rate	3.85	December 20, 2021	3.85	3.85
Reserve Bank of India – Repo Rate	4.00	December 8, 2021	4.00	4.00
Bank of Korea – Bank Rate	1.00	January 14, 2022	1.00	1.00
Bank of Thailand – Repo Rate	0.50	December 22, 2021	0.50	0.50
Bank Negara Malaysia – Overnight Policy Rate	1.75	January 20, 2022	1.75	1.75
Bank Indonesia – 7-Day Reverse Repo Rate	3.50	December 16, 2021	3.50	3.50
Central Bank of Philippines – Overnight Borrowing Rate	2.00	December 16, 2021	2.00	2.00

LATIN AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Banco Central do Brasil – Selic Rate	7.75	December 9, 2021	8.25	9.25
Banco Central de Chile – Overnight Rate	2.75	December 15, 2021	4.00	3.75
Banco de la República de Colombia – Lending Rate	2.50	December 18, 2021	3.00	3.00
Banco Central de Reserva del Perú – Reference Rate	2.00	December 10, 2021	2.50	2.50

AFRICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
South African Reserve Bank – Repo Rate	3.75	January 27, 2022	3.75	3.75

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