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*With thanks for research support from:
 Marc Ercolao.*

Next Week's Risk Dashboard

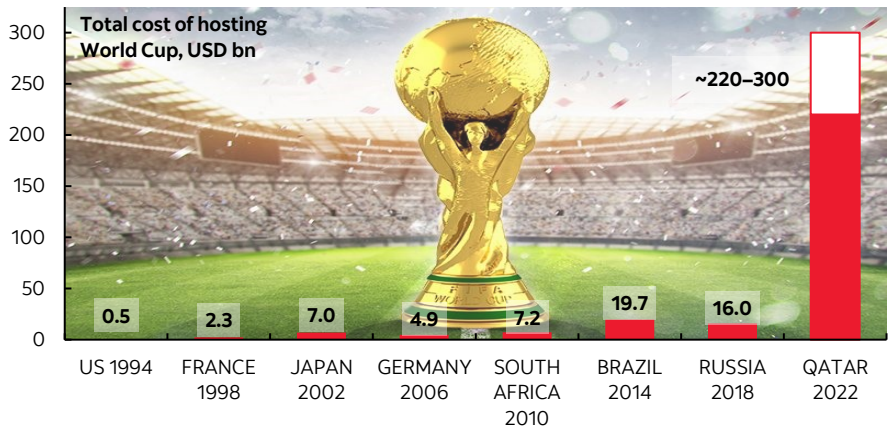
- This could be an earlier, stronger holiday shopping season...
- ...as buy early sentiment and World Cuponomics...
- ... combine with Black Friday, Cyber Monday
- The week's second half may be ripe for volatility trades
- FOMC minutes: in case you didn't hear them the first time
- BoC guidance may focus on stability, wages
- Canada's dubious international standing on wage pressures
- Will the RBNZ take a more hawkish turn?
- Bank of Korea likely to downshift
- Riksbank: hard to be more hawkish than markets
- PBoC likely to leave LPRs unchanged
- Turkey's rate cuts to keep fanning inflation
- PMIs are signalling a worldwide contraction
- US cap-ex investment still a bright spot?
- Canadian retail sales transition to the holiday season
- Light global inflation, GDP updates

World Cuponomics

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Chart of the Week

Qatar's Final Spend on the World Cup Could Amount to 175% of 2021 GDP!



Sources: Scotiabank Economics, Front Office Sports.

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

World Cuponomics

The coming week will have much of the relatively light calendar-based risk compressed into the middle of the week before market participation dries up and becomes more vulnerable to potential tape bombs. It will also be important to pay attention to early readings on the unusual start to the holiday shopping season as outlined below.

That’s because Americans will be taking to planes, trains and automobiles soon after FOMC minutes land on Wednesday when they head out for US Thanksgiving the day after. For those not taking the whole week off, there may be light attendance on Friday as well given early bond (1pmET) and stock market (2pmET) closures.

Since there has been no shortage of tape bombs of late—ranging from errant missiles to erratic Chinese policy announcements and hawkish central bank speak—this environment in the back half of the week could prove to be either very quiet, or rather whippy and ripe for vol trades. That’s especially true given ongoing concern about strained liquidity in the US Treasury market.

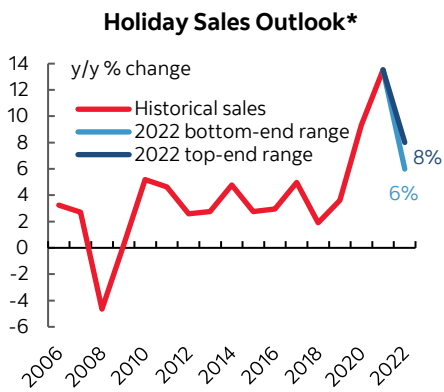
A unique confluence of developments could also be of economic significance in terms of effects upon consumer spending into the peak holiday shopping season. World Cup matches that run from Monday through to the final match on December 18th (schedule [here](#)), and a combination of Black Friday through Cyber Monday sales could reinforce one another’s effects in making—or breaking—some of the season’s outcomes.

Black Friday...

The National Retail Federation (NRF) has estimated in their latest consumer holiday survey that nominal holiday retail sales should grow by anywhere between 6–8% compared to a year ago (chart 1). Calculations are net of purchases from auto dealers, sales of gasoline, and sales at restaurants and include both store-based and online purchases. This estimate sits above the sub-5% average increase in holiday sales over the past decade; inflation obviously also sits way above the experience of the past decade.

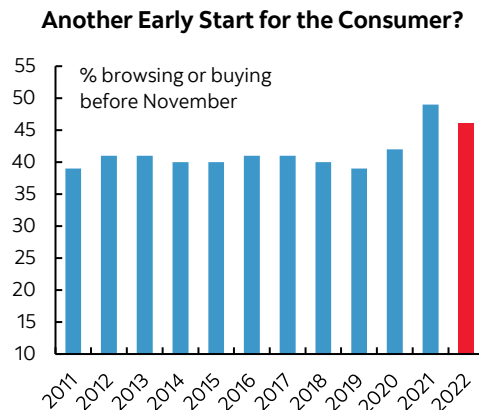
In 2021, the consumer was driven to start their holiday shopping early and as Scotia’s Marc Ercolao notes, recent data is pointing to a repeat (chart 2). There is also evidence that inflationary pressures may bring forward shopping into earlier in the season than is typical (chart 3) which might even explain the stronger than expected October US retail sales numbers.

Chart 1



*Holiday spending is defined as the months of Nov. and Dec.. Forecast excludes auto dealers, gas stations, and restaurants.
Sources: Scotiabank Economics, NRF.

Chart 2



Sources: Scotiabank Economics, NRF and Prosper Insights & Analytics October 2022 Consumer Holiday Survey.

Chart 3



Sources: Scotiabank Economics, NRF and Prosper Insights & Analytics October 2022 Consumer Holiday Survey.

...Meets the World Cup

There is an added economic rationale for mentioning the World Cup. Every other World Cup since the 1930s has occurred during the May to July period. That combination of seasonal sales, festivities and soccer into the holiday shopping season in sizeable parts of the world might mean paying particularly close attention to high frequency spending gauges through to the following week and beyond. After all, the World Cup is the world’s biggest sporting event that dwarfs viewership of any other sporting event in the world. FIFA expects 5 billion viewers worldwide. In 2018, 1 billion people tuned into the World Cup final match and the final match typically garners around five times as many viewers as the US Super Bowl football match.

Measures to follow will include activity at online retailers, card payment volumes, Open Table seated diners, guidance from restaurant chains, mobility gauges and industry anecdotes. It's an environment ripe for higher TV sales and attendance at restaurants and bars especially in parts of the world—like the eastern time zone—where the matches will mostly occur during the late afternoons through the evenings. Covid may dampen or alter the composition of some of this activity, but there isn't much evidence that overall behaviour remains impacted.

Some (dated) studies also show evidence of transitory market effects such as abnormally negative stock returns immediately following a lost match by the local team. The World Cup also typically boosts GDP growth of the host country for years afterward but at a steep cost that in Qatar's case makes this by far the most expensive Cup in history at an estimated price tag of up to US\$300 billion (see cover chart) compared to a US\$17B economic benefit. I'll leave the important social and political issues to others who have documented them elsewhere.

CENTRAL BANKS—DIDN'T YOU HEAR US THE FIRST TIME?!

After hearing a hawkish message from the Fed at the start of the month all it took was one lousy undershoot by core CPI to bring out the pivoteers. They've already been rebuffed by recent Fed-speak once more, but the coming week is likely to reinforce this message.

FOMC Minutes

Minutes to the FOMC meeting on November 1st – 2nd land on Wednesday at 2pmET and give a brief opportunity to trade the consequences before entering holiday mode and light liquidity over the duration of the week. Recall that the Fed disappointed those who had thought it might deliver a policy pivot at that meeting (recap [here](#)). Watch for three things here:

discussion that bolsters Powell's guidance that the terminal rate estimates are likely to be revised higher in December's 'dot plot' compared to September and the range of opinions around the issue using the Fed's frequency of citations language (one, a couple, a few, some, several, many, most, all etc).

Also watch for the frequency of opinions around timing the downshifting in the pace of rate hikes after Powell said "that timing is coming and it may come as soon as the next meeting or the one after it." Markets are priced for a downshift to 50bps in December and could be vulnerable to any indications that the FOMC is still considering a larger move.

Finally, expect further rejection of pausing the tightening stance given Powell's guidance that is "very premature."

Still, the minutes are at risk of being stale which is often the case when they're released on a rigid schedule three weeks later. Nonfarm payrolls and wage growth arrived after the meeting and were constructive, while October's core CPI decelerated to 0.3% m/m which FOMC members have since downplayed as something they don't wish to overreact toward given prior head fakes.

RBNZ—50 or 75?

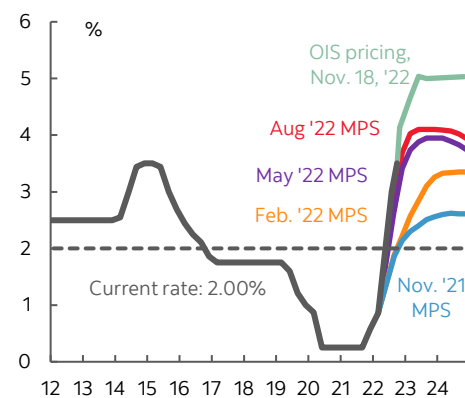
The Reserve Bank of New Zealand is likely to raise its official cash rate by another 50bps on Tuesday. Most within consensus hold to this view, with a minority thinking that the central bank could join the 75bps club with its first such foray. Markets are on the fence roughly halfway between the two options.

To expedite the pace of hikes at this stage amid more mature concerns about the lagging effects on the economy could make for awkward optics and risks. It may be that the safer route could be to hike 50bps to 4% and indicate openness toward raising the terminal rate estimate yet another time (chart 4).

Why is this even a debate when other peer central banks like the RBA and BoC are downshifting? New information began to arrive shortly after the last 50bps hike on October 4th. CPI accelerated to 2.2% q/q in Q3 (1.5% consensus) and hence over 9% at an annualized pace. Q3 wage growth lurched forward to 2.6% q/q (1.7% consensus) and hence over 10% at an annualized pace. Job growth nearly tripled expectations in Q3 (1.3% q/q, 0.5% consensus) as the labour force participation rate hit an all-time high of 71.7% and the unemployment rate held at 3.3% which is close to the all-time low set just a few months ago. Last, the RBNZ's survey-based measure of 2-year ahead inflation expectations jumped by a half percentage point to 3.6% and hence well above the 2% medium-term inflation target.

Chart 4

RBNZ Official Cash Rate



Sources: Scotiabank Economics, Reserve Bank of New Zealand, Bloomberg.

If there is one thing that holds the central bank back from picking up the pace, then it may be the class-leading performance of the NZ\$ that has appreciated by nearly 7% to the USD and less so against every other major currency.

Bank of Korea—Divisions Likely to Drive a Slower Pace

The BoK, like the RBNZ, was among the earlier hikers across the global central bank universe. It is also closer to the spillover effects of weakness in China’s economy and without the benefits of commodity prices like at some of its peer central banks. As such, most expect a downshifted 25bps hike to a 7-day repo rate of 3.25% on Thursday with a minority speculating that a bigger hike could be offered.

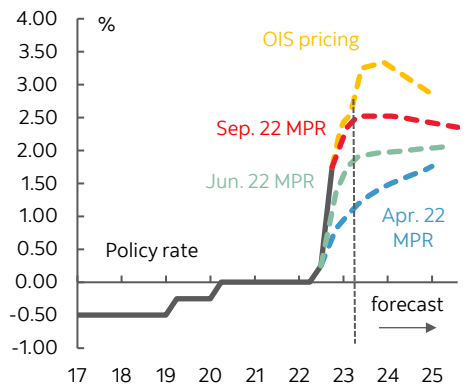
A case for a bigger hike could be that core CPI landed higher than expected in October at 4.8% y/y (4.5% consensus). Slowing momentum in the global economy and the impact upon manufactured exports could nevertheless restrain the central bank from repeating the 50bps at its last meeting on October 11th especially since that decision wasn’t unanimous as two Board members voted in favour of a smaller hike.

Riksbank—Markets More Hawkish

In this central bank’s case, downshifting the pace would mean joining the 75bps club for the first time or rejoining the 50bps club on Thursday after hiking by 100bps at its last meeting way back in September. Markets are priced for a little more than a half point move and more of consensus is in the 75bps camp. Powerful increases in CPI ex-energy over the past couple of months since that last decision may bolster support for a 75bps move. Market pricing for the terminal rate is materially higher than the central bank’s guidance in the prior September edition of the Monetary Policy Report (chart 5) and so even if the central bank wished to indicate greater rate hikes going forward then the impact upon markets may not be significant depending upon pace and timing.

Chart 5

Riksbank: Markets Priced Higher Than Central Bank Guidance



Sources: Scotiabank Economics, Bloomberg.

Bank of Canada—Grilling the Hope and a Prayer Wages Theory

There will be two appearances to keep an eye on this week.

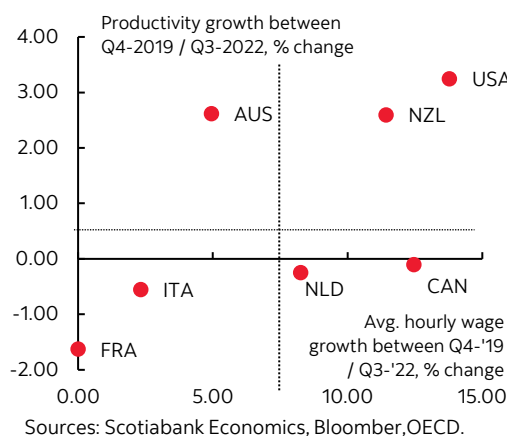
First, Bank of Canada Senior Deputy Governor Rogers speaks on Tuesday in a fireside chat ([details](#)) that will be offering an "assessment of risks to the stability of the financial system." This topic is her bailiwick given her regs background. The format may touch upon policy, but I suspect in a relatively general way. There will be no press conference and so that also limits risk.

Rogers gets put to work again the following evening when she and Governor Macklem deliver round two of their parliamentary testimony on Wednesday at 4:30pmET. Round 1 was before a Senate committee on November 1st and the meaningful distance between the two events could drive There will be an opening statement again and followed by banter with the members of the House of Commons Standing Committee on Finance. There will be no press conference but watch for planted media interviews thereafter.

I find this to be an awkward inflection point for the BoC that on the one hand may be better suited toward slowing the pace and signalling a less aggressive stance in future than the Fed given three months of cooling core inflation versus no such trend as yet in the US. On the other hand, there are significant reasons to believe that inflationary pressures could resurface into next year given evidence of rising wage pressures, tight labour markets and awful productivity. Chart 6 shows that Canada has higher wage growth and poorer productivity growth than other economies, while chart 7 shows that Canada’s labour market is among the tightest to coincide with higher wage pressures.

Chart 6

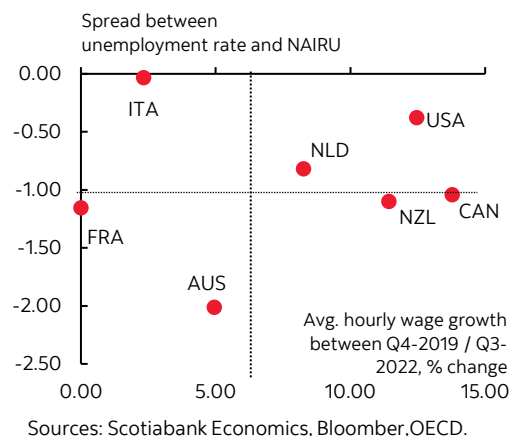
Wage Growth vs. Productivity



Sources: Scotiabank Economics, Bloomberg,OECD.

Chart 7

Wage Growth vs. Labour Slack



Sources: Scotiabank Economics, Bloomberg,OECD.

November 18, 2022

I still find the BoC to be too ready to dismiss wage pressures. That could be partly because they are using their powers of moral suasion to beseech workers not to go crazy with their demands. But I find that while [this](#) staff research piece was well done, it prematurely concludes that the labour market is cooling fast enough to dampen wage pressures. The first chart in the paper hangs this view upon the downward squiggle in employment and vacancies during Q3 but this raises a few yellow flags.

First, that's a small move and just one observation. Second, why didn't the author also plot the start of Q4 when 108k jobs were created in October which would have not only reversed all of the Q3 softening but also pushed employment to a record high? Yes the jobs report is volatile, but the 108k gain blew the confidence bands on the survey's noise factor, and in any event the prior quarter's softness in job growth was also probably distorted and statistically noisy. Third, the outlook for the labour market and particularly wages is more uncertain than simply saying it'll cool and crossing one's fingers. What if more workers enter the job market and what is still almost a million vacancies out of economic necessity as the cost of everything soars? What if more workers are attracted into the labour market by the clear evidence of quickening wage pressures (see last week's week ahead article)? The Senate committee may see might see fit to probe this issue further.

PBoC—Following Through

After the People's Bank of China left the 1-year Medium-Term Lending Facility Rate unchanged at 2.75% as expected, the 1- and 5-year Loan Prime Rates are likely to be left unchanged at 3.65% and 4.3% respectively at the start of the week.

Turkey Talk

What is a central bank to do when inflation climbs even high to 85½% y/y and the currency has collapsed this year? Why you keep cutting, clearly! Erdogan's unorthodox approach to monetary policy thinks that higher rates drive inflation and, well, that experiment is unfortunately not working out so well for Turks. Another cut is likely this week of about 150bps to a 9% 1-week repo rate because that's what President Erdogan wants and he fires anyone who disagrees with him at the central bank.

PMIS SIGNALLING A TROUBLED WORLD ECONOMY TO END 2022

Purchasing managers' indices are useful guides to in-quarter GDP growth and in terms of assessing supply chain pressures and inflation. The monthly global parade of such readings unfolds around mid-week.

As charts 8–12 show, almost every one of the countries poised to update their readings is indicating a world economy in trouble as 2022 comes to a close. The composite PMI gauges are below the critical 50 line that divides expansion (above) from contraction in the Eurozone including Germany but not France, the UK, Australia and the US while Japan is clinging to marginal growth.

Watch for Australia to kick off the updates on Tuesday evening (eastern time in all cases throughout this publication) followed by each of the Eurozone, UK and US the next morning and then Japan that evening. The US figures, however, are not the ISM readings that the Fed pays more attention toward because it speaks more closely to domestic economic conditions versus the multinationals represented in the S&P Global gauges.

OTHER MACRO—THE 'B' LEAGUE

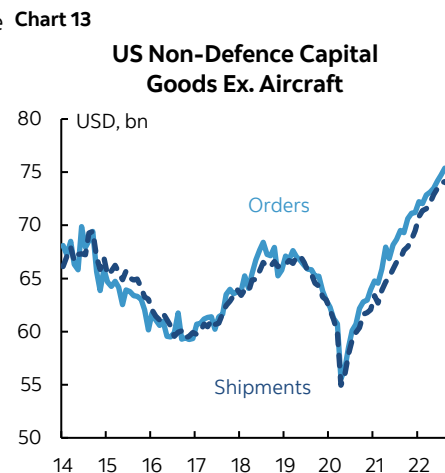
When it comes to macro reports, there's the 'A' league, like US nonfarm payrolls or CPI and maybe **Chart 13** global PMIs, and then other stuff that is what will dominate fairly light calendars this week.

US Business Investment

An underappreciated bright spot in the US economy has been investment in capital goods. Durable goods orders excluding defence and aircraft have soared ever since the very earliest days following the pandemic's initial arrival (chart 13). Orders slipped a touch in September and so another dip when durable goods orders get updated on Wednesday with figures for October could drive some concern that this driver of growth is getting toppish, but we've seen several temporary soft patches along the upward trend. Total orders are likely to benefit from higher orders from US airlines for aircraft and probably vehicles given rising auto sales.

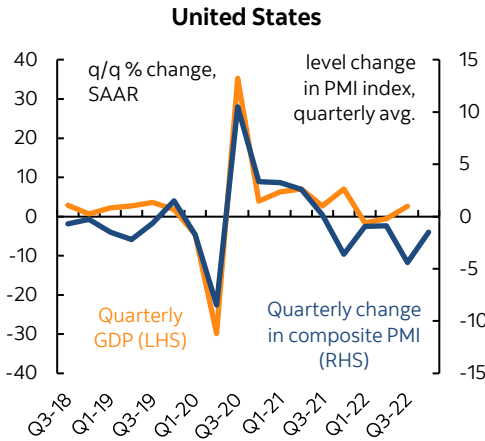
US New Home Sales

Model home foot traffic continues to decline toward levels not seen since the start of the pandemic. With fewer folks kicking the bricks it's logical that new home sales will probably retreat when October's tally arrives on Wednesday (chart 14).



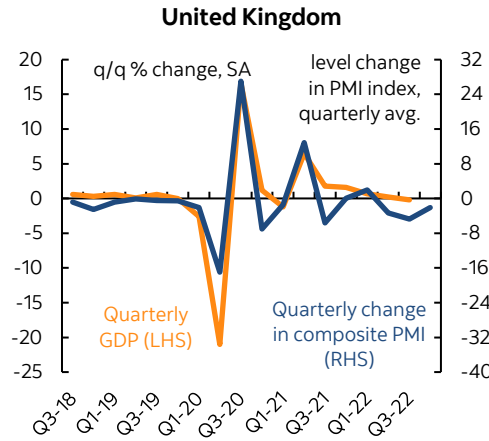
Sources: Scotiabank Economics, US Census Bureau.

Chart 8



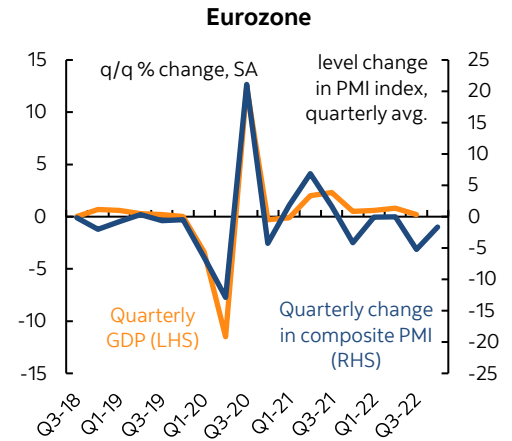
Sources: Scotiabank Economics, S&P Global, Bloomberg.

Chart 9



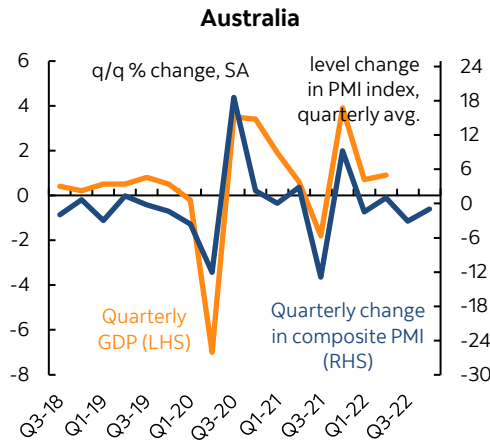
Sources: Scotiabank Economics, S&P Global, Bloomberg.

Chart 10



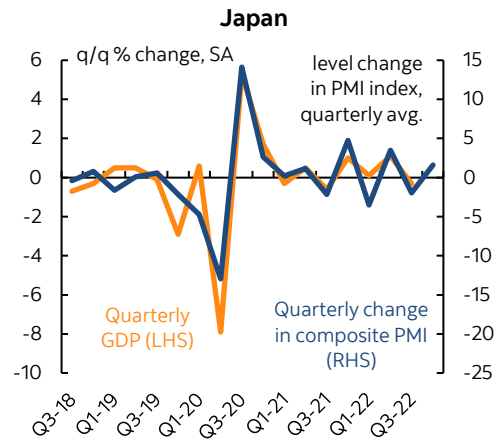
Sources: Scotiabank Economics, S&P Global, Bloomberg.

Chart 11



Sources: Scotiabank Economics, S&P Global, Bloomberg.

Chart 12



Sources: Scotiabank Economics, S&P Global, Bloomberg.

Canadian Consumers

Canada updates retail sales for both September and October on Tuesday. September's tally will revise the initial 'flash' estimate of -0.5% m/m in the dollar value of sales that was offered by Statcan on October 21st. September's figures will also reveal the composition of sales that is not provided with the initial flash, as well as other details like the volume of sales independent of price changes that will be important since the ~8% m/m drop in gas prices that month likely weighed on the dollar estimate. October's number will just be the flash reading with no further numbers but perhaps with vague verbal guidance and it could benefit from a 9% m/m rise in gasoline prices that will minimize the usefulness of the flash estimate barring more meaningful details.

Global Inflation

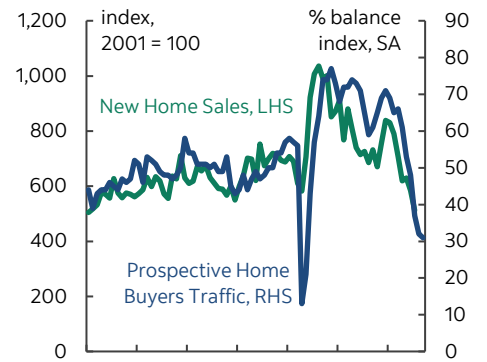
There won't be any rock'em sock'em inflation readings over the next week that could impact global markets.

Mexican bi-weekly CPI (Thursday) will further inform whether core CPI remains hot over the first half of November and in the context of a yearlong string of strong monthly gains.

German producer prices in October could be relatively little changed if what carries the day is a slight average gain in the euro over the month versus a mild rise in USD-denominated oil prices.

Chart 14

Still Declining Model Home Foot Traffic to Drag New Home Sales Lower



Sources: Scotiabank Economics, Bloomberg.

November 18, 2022

SARB watchers will have an eye on South African CPI during October (Wednesday) amid expectations for renewed cooling of core inflation following the prior month's expected acceleration.

Tokyo CPI is useful as the world's most timely official gauge of price pressures and arrives before Japan's national tally. The November reading lands on Thursday. CPI ex-food and ex-food and energy are both expected to be little changed from the prior month's 3.4% y/y and 2.2% y/y readings which could be the first sign that spiking inflation due to yen weakness and commodity prices is starting to mature.

Bank Negara watchers will be similarly focused upon October's update on Thursday given the strong upward momentum to core inflation this year.

Global Growth

Only a pair of countries will update GDP figures over the coming week.

Thailand's recovery is expected to unfold when Q3 GDP arrives at the start of the week. If expectations are on the mark, then this could be the fourth consecutive quarterly gain in output following a false start last year.

Germany's Q3 GDP release (Friday) may revise the initial estimate of 0.3% q/q SA that kept growth in the black, but also fill in details on the drivers through a decomposition of the accounts.

Key Indicators for the week of November 21 – 25

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	11-22	07:00	Retail Sales (INEGI) (y/y)	Sep	--	--	4.7
CA	11-22	08:30	Retail Sales (m/m)	Sep	-0.4	1.1	0.7
CA	11-22	08:30	Retail Sales ex. Autos (m/m)	Sep	--	1.0	0.7
US	11-22	10:00	Richmond Fed Manufacturing Index	Nov	--	-6.0	-10.0
US	11-23	07:00	MBA Mortgage Applications (w/w)	Nov 18	--	--	2.7
US	11-23	08:30	Durable Goods Orders (m/m)	Oct P	0.5	0.4	0.4
US	11-23	08:30	Durable Goods Orders ex. Trans. (m/m)	Oct P	0.1	0.1	-0.5
US	11-23	10:00	New Home Sales (000s a.r.)	Oct	579	575.5	603.0
US	11-23	10:00	U. of Michigan Consumer Sentiment	Nov F	--	55.5	54.7
MX	11-24	07:00	Bi-Weekly Core CPI (% change)	Nov 15	--	--	0.3
MX	11-24	07:00	Bi-Weekly CPI (% change)	Nov 15	--	--	0.2
US	11-24	08:30	Initial Jobless Claims (000s)	Nov 19	225	--	222.0
US	11-24	08:30	Continuing Claims (000s)	Nov 12	1520	--	1507.0
MX	11-25	07:00	GDP (q/q)	3Q F	--	--	1.0
MX	11-25	07:00	GDP (y/y)	3Q F	--	--	4.2
MX	11-25	07:00	Global Economic Indicator IGAE (y/y)	Sep	--	--	5.7

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	11-21	02:00	Producer Prices (m/m)	Oct	0.4	2.3
UK	11-22	02:00	PSNB ex. Interventions (£ bn)	Oct	20.0	20.0
UK	11-22	02:00	Public Finances (PSNCR) (£ bn)	Oct	--	10.1
UK	11-22	02:00	Public Sector Net Borrowing (£ bn)	Oct	--	19.2
EC	11-22	04:00	Current Account (€ bn)	Sep	--	-26.3
IT	11-22	04:30	Current Account (€ mn)	Sep	--	-5259.5
EC	11-22	10:00	Consumer Confidence	Nov P	-26.8	-27.6
FR	11-23	03:15	Manufacturing PMI	Nov P	47.1	47.2
FR	11-23	03:15	Services PMI	Nov P	50.9	51.7
GE	11-23	03:30	Manufacturing PMI	Nov P	45.0	45.1
GE	11-23	03:30	Services PMI	Nov P	46.3	46.5
EC	11-23	04:00	Composite PMI	Nov P	47.0	47.3
EC	11-23	04:00	Manufacturing PMI	Nov P	46.0	46.4
EC	11-23	04:00	Services PMI	Nov P	48.2	48.6
UK	11-23	04:30	Manufacturing PMI	Nov P	45.9	46.2
UK	11-23	04:30	Services PMI	Nov P	48.0	48.8
SW	11-24	03:30	Riksbank Interest Rate (%)	Nov 24	2.50	1.75
GE	11-24	04:00	IFO Business Climate Survey	Nov	85.0	84.3
GE	11-24	04:00	IFO Current Assessment Survey	Nov	94.0	94.1
GE	11-24	04:00	IFO Expectations Survey	Nov	77.0	75.6
TU	11-24	06:00	Benchmark Repo Rate (%)	Nov 24	9.00	10.50
GE	11-25	02:00	GfK Consumer Confidence Survey	Dec	-39.6	-41.9
GE	11-25	02:00	Real GDP (q/q)	3Q F	0.3	0.3

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of November 21 – 25

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
CH	11-20	20:15	PBoC Loan Prime Rate 1-Year (%)	Nov 21	3.7	3.7
TH	11-20	21:30	GDP (q/q)	3Q	0.7	1.7
TH	11-20	21:30	GDP (y/y)	3Q	4.4	2.5
TA	11-21	03:00	Export Orders (y/y)	Oct	-2.0	-3.1
TA	11-21	03:20	Current Account Balance (US\$ mn)	3Q	--	26,546
HK	11-21	03:30	CPI (y/y)	Oct	1.9	4.4
SK	11-21	16:00	Consumer Confidence Index	Nov	--	88.8
NZ	11-21	16:45	Trade Balance (NZD mn)	Oct	--	-2,625
NZ	11-21	16:45	Exports (NZD bn)	Oct	--	6,026
NZ	11-21	16:45	Imports (NZD bn)	Oct	--	7,918
MA	11-22	02:00	Foreign Reserves (US\$ bn)	Nov 15	--	105.2
TA	11-22	03:00	Unemployment Rate (%)	Oct	3.6	3.6
SK	11-22	16:00	Business Survey- Manufacturing	Dec	--	73.0
SK	11-22	16:00	Business Survey- Non-Manufacturing	Dec	--	78.0
NZ	11-22	20:00	RBNZ Official Cash Rate (%)	Nov 23	4.25	3.50
TH	11-22	22:30	Customs Exports (y/y)	Oct	5.0	7.8
TH	11-22	22:30	Customs Imports (y/y)	Oct	10.0	15.6
TH	11-22	22:30	Customs Trade Balance (US\$ mn)	Oct	-1400.0	-853.2
SI	11-23	00:00	CPI (m/m)	Oct	--	0.4
SI	11-23	00:00	CPI (y/y)	Oct	6.9	7.5
TA	11-23	03:00	Industrial Production (y/y)	Oct	-2.2	-4.8
SK	11-23	16:00	PPI (y/y)	Oct	--	8.0
JN	11-23	19:30	Markit/JMMA Manufacturing PMI	Nov P	--	50.7
SK	11-24	19:50	BoK Base Rate (%)	Nov 24	3.25	3.00
JN	11-24	00:00	Coincident Index CI	Sep F	--	101.1
JN	11-24	00:00	Leading Index CI	Sep F	--	97.4
JN	11-24	00:00	New Composite Leading Economic Index	Sep F	--	97.4
JN	11-24	00:30	Nationwide Department Store Sales (y/y)	Oct	--	20.2
JN	11-24	01:00	Machine Tool Orders (y/y)	Oct F	--	-5.4
NZ	11-24	16:00	ANZ Consumer Confidence Index	Nov	--	85.4
NZ	11-24	16:45	Retail Sales Ex Inflation (q/q)	3Q	0.5	-2.3
JN	11-24	18:30	Tokyo CPI (y/y)	Nov	3.6	3.5
MA	11-24	23:00	CPI (y/y)	Oct	3.9	4.5
SI	11-25	00:00	Industrial Production (m/m)	Oct	--	0.0
SI	11-25	00:00	Industrial Production (y/y)	Oct	-1.7	0.9
VN	11-25	21:00	CPI (y/y)	Nov	--	4.3

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
PE	11-22	09:00	GDP (y/y)	3Q	1.7	1.7	3.3
BZ	11-24	07:00	IBGE Inflation IPCA-15 (m/m)	Nov	--	0.6	0.2
BZ	11-24	07:00	IBGE Inflation IPCA-15 (y/y)	Nov	--	6.2	6.9
BZ	11-25	07:30	Current Account (US\$ mn)	Oct	--	--	-5,678

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of November 21 – 25

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	11-21	11:30	U.S. To Sell USD42 Bln 2-Year Notes
US	11-21	13:00	U.S. To Sell USD43 Bln 5-Year Notes
US	11-22	13:00	U.S. To Sell USD35 Bln 7-Year Notes
CA	11-23	12:00	Canada to Sell 30 Year Bonds
CA	11-23	12:00	Canada to Sell C\$1.5 Billion of 1.75% 2053 Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
GE	11-22	05:30	Germany to Sell EUR 3 Bln of 1.3% 2027 Bonds
NO	11-23	05:00	Norway to Sell Bonds
GE	11-23	05:30	Germany to Sell EU1 Billion of 1.8% 2053 Bonds
UK	11-23	06:30	U.K. to Sell GBP3.5 Billion of 0.25% 2025 Bonds
IT	11-24	05:00	Italy to Sell Bonds

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	11-21	20:30	Guizhou to Sell Bonds
CH	11-22	21:30	Shanxi to Sell Bonds
CH	11-23	21:35	China to Sell CNY67Bln 3Y Bond (2022-26)
JN	11-24	22:35	Japan to Sell 40-Year Bonds

LATIN AMERICA

No Scheduled Auctions.

Events for the week of November 21 – 25

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	11-19	13:45	Fed's Bostic Speaks at Southern Economic Association Meeting
US	11-22	11:00	Fed's Mester Discusses Wages and Inflation
US	11-22	14:15	Fed's George Takes Part in Policy Panel
US	11-22	14:45	Fed's Bullard Discusses Heterogeneity in Macroeconomics
US	11-23	14:00	FOMC Meeting Minutes

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	11-21	06:30	ECB's Vasle Speaks
EC	11-21	07:00	ECB's Holzmann Speaks
EC	11-21	09:15	ECB's Holzmann, Simkus Speak
PO	11-21	11:30	ECB's Centeno Speaks
EC	11-21	12:30	Bundesbank Chief Joachim Nagel Speaks in Frankfurt
EC	11-22	04:00	ECB's Holzmann Speaks
FI	11-22	05:15	ECB's Rehn Speaks
EC	11-22	13:00	ECB's Nagel Speaks
EC	11-23	03:30	ECB's Guindos Speaks
SW	11-24	03:30	Riksbank Policy Rate
EC	11-24	07:30	ECB Publishes Account of October Policy Meeting
EC	11-24	08:00	ECB's Schnabel Speaks
EC	11-24	11:00	ECB's Nagel Speaks
EC	11-25	02:30	ECB's Muller Speaks
SW	11-25	06:00	Riksbank's Floden speech

ASIA PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	11-20	20:15	1-Year Loan Prime Rate
CH	11-20	20:15	5-Year Loan Prime Rate
AU	11-22	02:00	RBA's Lowe-Speech
NZ	11-22	20:00	RBNZ Monetary Policy Statement
NZ	11-22	20:00	RBNZ Official Cash Rate
NZ	11-23	14:05	RBNZ Governor at Parliament Select Committee on MPS
SK	11-23	19:50	BoK 7-Day Repo Rate

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
MX	11-24	10:00	Central Bank Monetary Policy Minutes

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	3.75	December 7, 2022	4.25	4.25
Federal Reserve – Federal Funds Target Rate	4.00	December 14, 2022	4.50	4.50
Banco de México – Overnight Rate	10.00	December 15, 2022	10.50	10.50

Federal Reserve: Minutes to the November 1st-2nd meeting land on Wednesday and are likely to reinforce messaging against a policy pivot. **Bank of Canada:** SDG Rogers participates in a fireside chat about risks to the financial system on Tuesday but is unlikely to reveal new information relating to the policy stance.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.00	December 15, 2022	2.50	2.50
European Central Bank – Marginal Lending Facility Rate	2.25	December 15, 2022	2.75	2.75
European Central Bank – Deposit Facility Rate	1.50	December 15, 2022	2.00	2.00
Bank of England – Bank Rate	3.00	December 15, 2022	3.75	3.75
Swiss National Bank – Sight Deposit Rate	0.50	December 15, 2022	1.00	1.00
Central Bank of Russia – One-Week Auction Rate	7.50	December 16, 2022	7.50	7.50
Sweden Riksbank – Repo Rate	1.75	November 24, 2022	2.50	2.50
Norges Bank – Deposit Rate	2.50	December 15, 2022	2.75	2.75
Central Bank of Turkey – Benchmark Repo Rate	10.50	November 24, 2022	9.00	9.00

Riksbank: The door is open for either a +50 or +75 bps move next week, which would be a downshift from the +100 bps delivered back in September. Consensus is leaning towards 75 with markets pricing a touch over 50. Since the last meeting, CPI ex-energy has continued to accelerate which could tilt the scales toward the larger of the two moves and/or raising forward guidance again. **Central Bank of Turkey (CBRT):** Another rate cut? It's expected another 150 bps will be trimmed off the repo rate in yet another not-so-shocking-anymore policy move. Turkish inflation sits around a whopping 85% y/y and the lira continues to get battered.

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	-0.10	December 20, 2022	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	2.85	December 5, 2022	3.10	3.10
Reserve Bank of New Zealand – Cash Rate	3.50	November 22, 2022	4.00	4.00
People's Bank of China – 1-Year Loan Prime Rate	3.65	November 20, 2022	3.65	3.65
Reserve Bank of India – Repo Rate	5.90	December 6, 2022	6.15	6.15
Bank of Korea – Base Rate	3.00	November 24, 2022	3.25	3.25
Bank of Thailand – Repo Rate	1.00	November 30, 2022	1.25	1.25
Bank Negara Malaysia – Overnight Policy Rate	2.75	TBA	2.75	2.75
Bank Indonesia – 7-Day Reverse Repo Rate	5.25	December 22, 2022	5.25	5.25
Central Bank of Philippines – Overnight Borrowing Rate	5.00	December 15, 2022	5.00	5.00

People's Bank of China (PBOC): After the People's Bank of China left the 1-year Medium-Term Lending Facility Rate unchanged at 2.75% as expected, the 1- and 5-year Loan Prime Rates are likely to be left unchanged at 3.65% and 4.3% respectively at the start of the week. **Reserve Bank of New Zealand (RBNZ):** The Reserve Bank of New Zealand is likely to raise its official cash rate by another 50bps to 4.00% on Tuesday. Most within consensus hold to this view, with a minority thinking that the central bank could join the 75bps club with its first such foray. Markets are on the fence roughly halfway between the two options. **Bank of Korea (BoK):** Most expect a downshifted 25bps hike to a 7-day repo rate of 3.25% on Thursday with a minority speculating that a bigger hike could be offered. A case for a bigger hike could be that core CPI landed higher than expected in October at 4.8% y/y (4.5% consensus).

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	13.75	December 7, 2022	13.75	13.75
Banco Central de Chile – Overnight Rate	11.25	December 6, 2022	11.25	11.25
Banco de la República de Colombia – Lending Rate	11.00	December 16, 2022	11.50	11.25
Banco Central de Reserva del Perú – Reference Rate	7.25	December 7, 2022	7.25	7.25

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	6.25	November 24, 2022	7.00	7.00

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

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