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*With thanks for research support from:
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Next Week's Risk Dashboard

- UK, Canadian fiscal policy versus monetary policy
- Another hot US core inflation print?
- Powell & Co may have already made their September decision
- UK core CPI expected to rise sharply
- Bank of England postponed
- PBoC unlikely to cut
- Are UK jobs still recovering?
- Another dip in Aussie jobs would follow Canada
- Russian central bank expected to cut again
- Other macro

Governments Versus Central Banks

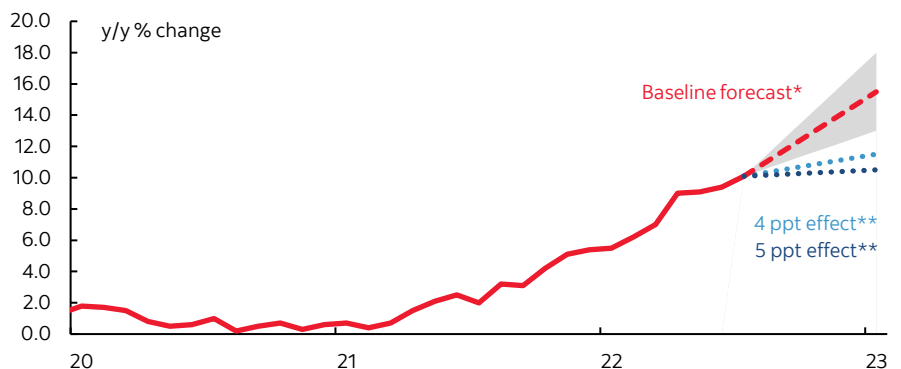
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Chart of the Week

Potential Peak Inflation Under the UK Government Energy Price Cap



*Based on the mid-point of private sector forecasts of 13–18% inflation by early-2023.

**UK Government officials expect the price cap to bring peak UK inflation down by 4–5 ppts.

Sources: Scotiabank Economics, UK Government, UK ONS.

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

Governments Versus Central Banks

With condolences to her supporters, Queen Elizabeth’s passing will carry some unexpected knock-on effects that will defer developments over the week ahead to the next week and on two counts. First, the Bank of England was to have delivered fresh policy decisions on Thursday, but this has now been postponed to September 22nd in order to push outside of the ten days of mourning. This will give the Bank of England more time to assess implications stemming from a fiscal relief package and top-shelf UK data that arrives over the coming week.

Second, her Majesty’s passing postponed plans by the Canadian government to announce fresh spending that—pending confirmation—may be introduced sometime after September 19th. The plan appears to offer up to \$650 per child under 12 annually for two years through means-tested dental care assistance. It is unclear how the amount would be dispersed and hence whether there would be direct or indirect positive effects upon consumer spending similar to what happened when child benefit payments were sharply increased several years ago and then growth in retail sales accelerated. There is also expected to be a doubling of the GST tax credit (presently up to \$467 for singles, \$612 for married or common-law couples plus \$161 per child under 19) and an extra \$500 one-time increase in the Canada Housing Benefit for renters. Such initiatives stem from the left wing minority agreement between the Liberals and NDP. Readers may recall that I’ve warned that such fiscal supports were likely forthcoming after stimulus that was introduced in the April budget.

One ostensible purpose of this assistance in both Canada and the UK (see below) is to offer assistance particularly to lower- and middle-income households. The likely outcome may be to further complicate the Bank of Canada’s and the Bank of England’s fight against inflation by partially bridging effects of high inflation upon real incomes.

The bulk of the focus over the coming week will then focus upon US and UK inflation readings that could inform the Federal Reserve’s and Bank of England’s next policy steps. Other global releases will be relatively light in nature.

US CPI INFLATION COULD REINFORCE ANOTHER 75BPS HIKE

Tuesday’s CPI figures for August and Friday’s UofM inflation expectations may further inform whether the FOMC hikes by 75bps or 50bps on September 21st but there is a high bar to whether they matter. They will be the last pieces of material new information to possibly inform the call in the wake of another firm nonfarm payrolls report that was up by 315k in August that this time was accompanied by a 442k rise in the household survey’s measure of job growth.

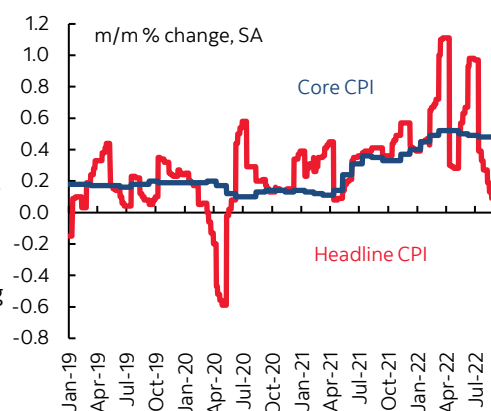
I say high bar because when given the opportunity to lean against market pricing for a 75bps move, Chair Powell took a pass in his appearance at a Cato Institute event. Several of his FOMC colleagues appeared to behave similarly. It would probably take a big downside miss to core CPI to knock the Fed off course and even that is not assured.

If I’m right with my estimates, then CPI could reaffirm an expected tilt by the committee toward 75bps that would lift the fed funds upper limit to 3.25% and with the risk of marching toward 4% by year-end. Headline inflation may only rise by 0.1–0.2% m/m in seasonally adjusted fashion while core is estimated to have risen by 0.4% m/m SA. That could drive headline inflation lower in year-over-year terms to 8.1% from 8.5% but core CPI up to 6.1% y/y from 5.9%. It’s the annualized month-over-month core CPI reading that matters more than the year-over-year rate and so an estimated 6.3% m/m SAAR reading in core CPI would likely motivate the FOMC to believe that underlying inflation continues to run hot with broad pressures.

One input to the call is the Cleveland Fed’s CPI ‘nowcasts.’ The total CPI nowcast shows headline inflation at about 0.1% m/m SA and about 8¼% y/y with core CPI at ½% m/m SA and about 6¼% y/y in August. Charts 1 and 2 show the nowcasts in month-over-month and year-over-year terms. They have been a useful but not infallible source of input into the estimates. Still, the signal on core inflation points to a hot reading that should have markets looking through headline influences stemming from energy prices.

Chart 1

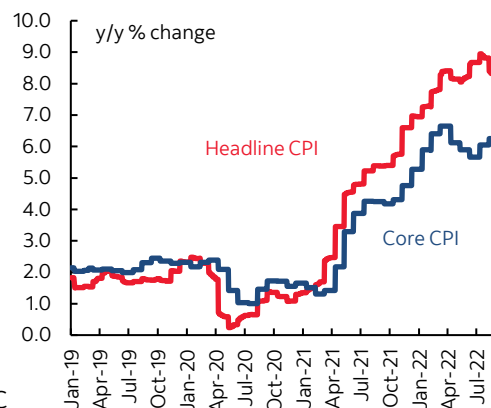
Cleveland Fed Nowcast



Sources: Scotiabank Economics, Cleveland Fed.

Chart 2

Cleveland Fed Nowcast



Sources: Scotiabank Economics, Cleveland Fed.

September 9, 2022

Other inputs include lower gasoline prices that should shave about 0.6% m/m SA off of headline CPI with only a small offset from higher natural gas prices through the piped utility component. Used and new vehicle prices are estimated to have provided no material contribution. Food prices could add 0.1% m/m SA in weighted contribution terms. Modest seasonality and services-led price effects are anticipated.

UK INFLATION—A 10% PEAK??

UK CPI gets updated for the month of August on Wednesday. A strong expected month-over-month gain is expected to offset year-ago base effects to keep the year-over-year inflation rate north of 10% y/y. There is a wide dispersion of estimates within consensus ranging between 0.4% m/m to 1% and I've loosely estimated 0.7%. Core inflation is expected to tick a little higher from the prior 6.2% y/y.

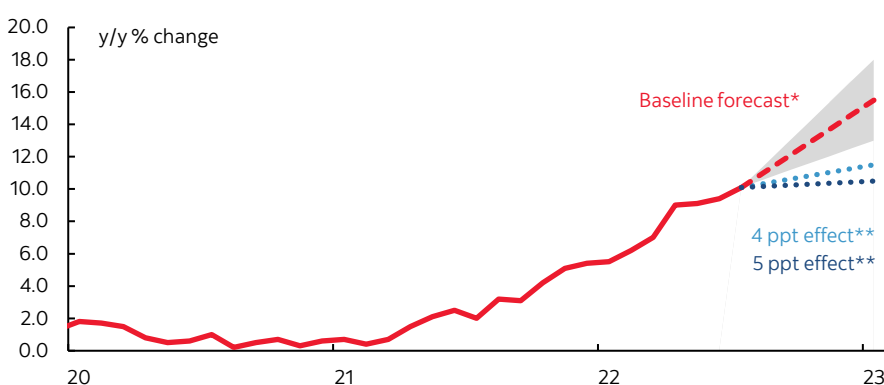
The bigger question going forward is whether this is a peak. Government economists incorporated the effects of the new Truss administration's energy plan and have estimated that it would set a nearer term peak of 10% inflation through winter compared to a baseline forecast that preceded the plan (chart 3). That rests upon the assumed 4–5 percentage point reduction and a lower base case outlook than other forecasters anticipate.

Of arguably greater importance is what happens to core CPI. The £170+ billion price tag on energy supports to households and businesses would cap the cost of energy to households at a still high £2,500 a year starting in October for savings of over £1,000 and offer a £400 subsidy and last two years for households and about six months for businesses. The Debt Management Office is to publish estimates on the impact of the plan on bond sales later in the month.

Much like Canada's expected effort to expand fiscal stimulus, such a massive fiscal package in the UK is likely to complicate the Bank of England's efforts to contain inflation by exerting upward pressure upon core inflation through fiscal relief. Whether through energy relief or other transfers, insulating real incomes may have merit in some respects but probably does not offer a free lunch.

Chart 3

Potential Peak Inflation Under the UK Government Energy Price Cap



*Based on the mid-point of private sector forecasts of 13–18% inflation by early-2023.

**UK Government officials expect the price cap to bring peak UK inflation down by 4–5 ppts.

Sources: Scotiabank Economics, UK Government, UK ONS.

THE REST OF THE GLOBAL MACRO LINE-UP

Policy decisions by the People's Bank of China and Russia's central bank will combine with several significant global macro releases.

The People's Bank of China faces another decision over whether to cut the one-year Medium-Term Lending Facility Rate at some point over the coming week. Few expect a cut, although most consensus estimates were submitted before the recent downside surprise to Chinese inflation. China will also update August readings for industrial output, retail sales and the jobless rate on Thursday night (eastern time, as always) and the readings may inform expectations for Q3 GDP growth.

UK releases are still being planned for the coming week at the point of publication. Monthly GDP, construction spending, industrial output and services activity are all expected to post mild gains when July data arrives on Monday.

UK data risk heats up the next day when jobs data arrives. August preliminary estimates for payroll employment will try to extend the gains that have been in place dating back to February 2021. The UK job market has been trending toward a full recovery to pre-pandemic employment levels, but probably faces downside risk going forward (chart 4). Whatever happens will then give way to focusing upon retail sales in August on Friday amid widespread expectations they will stumble.

Canadian markets will spend most of the week being influenced by developments abroad with little on the domestic calendars to consider. There will be a handful of activity readings that likely won't garner much market attention a) because they often don't, b) because they are lagging, and c) because it's generally accepted that the trend in demand-side indicators of activity is likely pointed cooler anyway.

Manufacturing sales (Wednesday) and wholesale trade (Friday) were previously guided to have declined by 0.4% m/m and 0.5% m/m respectively in flash estimates for July. Housing data will include August’s housing starts and existing home sales, both on Thursday.

CPI will dominate US attention, but there will be a handful of other factors that may be worth a glance. Thursday’s retail sales during August faces downside risk given we know that vehicle sales volumes fell by 1.3% m/m SA and gasoline prices fell by over 10% m/m SA for a combined weighted contribution to the change in total retail sales of greater than -1%. Thus, in order for total sales growth to stay in the black there would have to be another large gain in sales es-autos and gasoline that would partly benefit from higher prices but also needs higher sales volumes.

The US University of Michigan consumer sentiment reading for September will have markets focused upon consumers’ inflation expectations given the importance that Fed Chair Powell has assigned to it in the past. That’s probably paying too much attention to an expectations measure that is significantly derived from what’s happening to recent high frequency purchases like gasoline prices. Producer prices for August (Wednesday), jobless claims (Thursday) and the start of another monthly round of manufacturing surveys with the Empire and Philly gauges on Thursday will round out the calendar.

Australia updates jobs for the month of August on Wednesday. This follows a drop of 41k in July that itself followed a string of eight gains that added about 300k jobs. Another decline would have Australia joining Canada’s slightly longer string of three consecutive declines while Australian wage growth has been accelerating at a slower clip than in Canada.

The rest of the European line-up will be light. Eurozone releases will include updates of the ZEW investor sentiment gauge for September (Tuesday) and July readings for industrial output and trade over the next two days. Sweden updates CPI for August on Wednesday and a hot reading that pushes the year-over-year rate toward 10% from 8½% is expected to be primarily driven by energy.

With the Bank of England no longer in the cards for the coming week, the one central bank decision will focus upon Russia on Friday. A 50bps cut is expected by most economists with tail risks skewed to a 75bps reduction. What nevertheless weighs against a sizeable cut is the fact that core inflation cooled at a slower than expected pace in August (17.7% y/y, 18.4% prior, 17.5% consensus) assuming we trust the data. The ruble has been relatively more stable over recent weeks versus the modest strengthening that had temporarily occurred over much of June and July (chart 5).

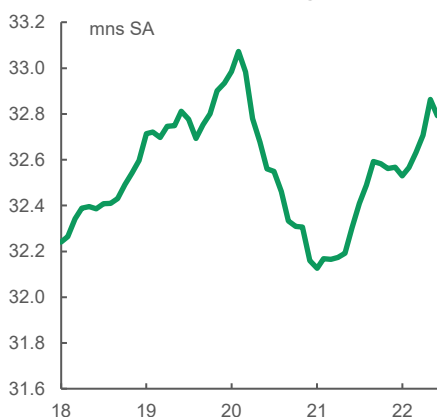
Monday’s Indian CPI print for August is expected to inch closer to 7% y/y again after mildly retrenching in recent months (chart 6) and will be the final reading for the Reserve Bank of India to consider at its September 30th decision.

New Zealand’s economy is expected to post non-annualized growth of 1% q/q when Q2 GDP arrives on Wednesday.

LatAm markets face very light developments. Colombia updates retail sales, industrial output and trade for July later in the week.

Chart 4

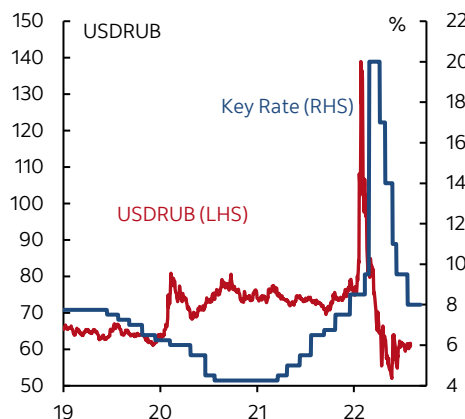
The UK Is Close to a Full Jobs Recovery



Sources: Scotiabank Economics, ONS.

Chart 5

USDRUB and Russia Key Rate



Sources: Scotiabank Economics, Bloomberg.

Chart 6

Indian Inflation



Source: Scotiabank Economics, India Central Statistical Organisation.

Key Indicators for the week of September 12 – 16

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	09/13	08:30	CPI (m/m)	Aug	0.1	-0.1	0.0
US	09/13	08:30	CPI (y/y)	Aug	8.1	8.1	8.5
US	09/13	08:30	CPI (index)	Aug	--	295.8	296.3
US	09/13	08:30	CPI ex. Food & Energy (m/m)	Aug	0.4	0.3	0.3
US	09/13	08:30	CPI ex. Food & Energy (y/y)	Aug	6.1	6.1	5.9
US	09/13	14:00	Treasury Budget (US\$ bn)	Aug	--	--	-211.1
CA	09/14	08:30	Manufacturing Shipments (m/m)	Jul	-1.0	--	-0.8
US	09/14	08:30	PPI (m/m)	Aug	0.0	0.0	-0.5
US	09/14	08:30	PPI ex. Food & Energy (m/m)	Aug	0.4	0.3	0.2
US	09/15	08:30	Empire State Manufacturing Index	Sep	--	-15.5	-31.3
US	09/15	08:30	Export Prices (m/m)	Aug	--	--	-3.3
US	09/15	08:30	Import Prices (m/m)	Aug	--	-1.3	-1.4
US	09/15	08:30	Initial Jobless Claims (000s)	Sep 10	225	--	222
US	09/15	08:30	Continuing Claims (000s)	Sep 3	1,480	--	1,473
US	09/15	08:30	Philadelphia Fed Index	Sep	--	2.0	6.2
US	09/15	08:30	Retail Sales (m/m)	Aug	-0.1	0.0	0.0
US	09/15	08:30	Retail Sales ex. Autos (m/m)	Aug	0.0	0.0	0.4
CA	09/15	09:00	Existing Home Sales (m/m)	Aug	--	--	-5.3
US	09/15	09:15	Capacity Utilization (%)	Aug	80.3	80.3	80.3
US	09/15	09:15	Industrial Production (m/m)	Aug	0.1	0.2	0.6
US	09/15	10:00	Business Inventories (m/m)	Jul	--	0.6	1.4
CA	09/16	08:15	Housing Starts (000s a.r.)	Aug	280	--	275.3
CA	09/16	08:30	International Securities Transactions (C\$ bn)	Jul	--	--	-17.5
CA	09/16	08:30	Wholesale Trade (m/m)	Jul	-0.5	--	0.1
US	09/16	10:00	U. of Michigan Consumer Sentiment	Sep P	59.0	59.3	58.2
US	09/16	16:00	Total Net TIC Flows (US\$ bn)	Jul	--	--	22.1
US	09/16	16:00	Net Long-term TIC Flows (US\$ bn)	Jul	--	--	121.8

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
UK	09/12	02:00	Index of Services (m/m)	Jul	0.4	-0.5
UK	09/12	02:00	Industrial Production (m/m)	Jul	0.2	-0.9
UK	09/12	02:00	Manufacturing Production (m/m)	Jul	0.3	-1.6
UK	09/12	02:00	Visible Trade Balance (£ mn)	Jul	-22,375	-22,847
IT	09/12	04:00	Industrial Production (m/m)	Jul	0.0	-2.1
GE	09/12	02:00	Current Account (€ bn)	Jul	--	16.2
GE	09/13	02:00	CPI (m/m)	Aug F	0.3	0.3
GE	09/13	02:00	CPI (y/y)	Aug F	7.9	7.9
GE	09/13	02:00	CPI - EU Harmonized (m/m)	Aug F	0.4	0.4
GE	09/13	02:00	CPI - EU Harmonized (y/y)	Aug F	8.8	8.8
UK	09/13	02:00	Average Weekly Earnings (3-month, y/y)	Jul	5.3	5.1
UK	09/13	02:00	Employment Change (3M/3M, 000s)	Jul	128.0	160.0
UK	09/13	02:00	Jobless Claims Change (000s)	Aug	--	-10.6
UK	09/13	02:00	ILO Unemployment Rate (%)	Jul	3.8	3.8
SP	09/13	03:00	CPI (m/m)	Aug F	0.1	0.1
SP	09/13	03:00	CPI (y/y)	Aug F	10.4	10.4
SP	09/13	03:00	CPI - EU Harmonized (m/m)	Aug F	0.1	0.1
SP	09/13	03:00	CPI - EU Harmonized (y/y)	Aug F	10.3	10.3
IT	09/13	04:00	Unemployment Rate (%)	2Q	--	8.6
EC	09/13	05:00	ZEW Survey (Economic Sentiment)	Sep	--	-54.9
GE	09/13	05:00	ZEW Survey (Current Situation)	Sep	-52.1	0.0
GE	09/13	05:00	ZEW Survey (Economic Sentiment)	Sep	-60.0	-55.3
UK	09/14	02:00	CPI (m/m)	Aug	0.6	0.6
UK	09/14	02:00	CPI (y/y)	Aug	10.2	10.1
UK	09/14	02:00	RPI (m/m)	Aug	0.7	0.9
UK	09/14	02:00	RPI (y/y)	Aug	12.4	12.3

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 12 – 16

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
EC	09/14	05:00	Industrial Production (m/m)	Jul	-0.8	0.7
EC	09/14	05:00	Industrial Production (y/y)	Jul	0.7	2.4
FR	09/15	02:45	CPI (m/m)	Aug F	0.4	0.4
FR	09/15	02:45	CPI (y/y)	Aug F	5.8	5.8
FR	09/15	02:45	CPI - EU Harmonized (m/m)	Aug F	0.4	0.4
FR	09/15	02:45	CPI - EU Harmonized (y/y)	Aug F	6.5	6.5
EC	09/15	05:00	Labour Costs (y/y)	2Q	--	3.8
EC	09/15	05:00	Trade Balance (€ mn)	Jul	--	-24618.2
UK	09/16	02:00	Retail Sales ex. Auto Fuel (m/m)	Aug	-0.6	0.4
UK	09/16	02:00	Retail Sales with Auto Fuel (m/m)	Aug	-0.4	0.3
EC	09/16	05:00	CPI (m/m)	Aug F	0.5	0.5
EC	09/16	05:00	CPI (y/y)	Aug F	9.1	9.1
EC	09/16	05:00	Euro zone Core CPI Estimate (y/y)	Aug F	4.3	4.3
IT	09/16	05:00	CPI - EU Harmonized (y/y)	Aug F	9.0	9.0
RU	09/16	06:30	One-Week Auction Rate (%)	Sep 16	7.50	8.00

ASIA PACIFIC

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
JN	09/12	02:00	Machine Tool Orders (y/y)	Aug P	--	--	5.5
IN	09/12	08:00	CPI (y/y)	Aug	--	6.90	6.71
IN	09/12	08:00	Industrial Production (y/y)	Jul	--	4.10	12.30
TH	09/12	23:00	Consumer Confidence Economic	Aug	--	--	36.4
JN	09/13	19:50	Machine Orders (m/m)	Jul	--	-0.6	0.9
JN	09/14	00:30	Capacity Utilization (m/m)	Jul	--	--	9.6
JN	09/14	00:30	Industrial Production (m/m)	Jul F	--	--	1.0
JN	09/14	00:30	Industrial Production (y/y)	Jul F	--	--	-1.8
IN	09/14	02:30	Monthly Wholesale Prices (y/y)	Aug	--	12.8	13.9
HK	09/14	04:30	Industrial Production (y/y)	2Q	--	--	-1.2
NZ	09/14	18:45	GDP (q/q)	2Q	--	1.0	-0.2
NZ	09/14	18:45	GDP (y/y)	2Q	--	0.0	1.2
JN	09/14	19:50	Merchandise Trade Balance (¥ bn)	Aug	--	-2,390	-1,434
JN	09/14	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Aug	--	-2,085	-2,133
JN	09/14	19:50	Merchandise Trade Exports (y/y)	Aug	--	24.1	19.0
JN	09/14	19:50	Merchandise Trade Imports (y/y)	Aug	--	46.9	47.2
PH	09/14	21:00	Overseas Remittances (y/y)	Jul	--	2.5	4.4
AU	09/14	21:30	Employment (000s)	Aug	--	35.0	-40.9
AU	09/14	21:30	Unemployment Rate (%)	Aug	--	3.4	3.4
IN	09/14	23:30	Exports (y/y)	Aug	--	--	2.1
IN	09/14	23:30	Imports (y/y)	Aug	--	--	43.6
ID	09/15	00:00	Exports (y/y)	Aug	--	17.0	32.0
ID	09/15	00:00	Imports (y/y)	Aug	--	27.7	39.9
ID	09/15	00:00	Trade Balance (US\$ mn)	Aug	--	3,700	5,146
JN	09/15	00:30	Tertiary Industry Index (m/m)	Jul	--	-0.1	-0.2
NZ	09/15	18:30	Business NZ PMI	Aug	--	--	52.7
SK	09/15	19:00	Unemployment Rate (%)	Aug	--	3.0	2.9
SI	09/15	20:30	Exports (y/y)	Aug	--	8.4	7.0
CH	09/15	22:00	Fixed Asset Investment YTD (y/y)	Aug	--	5.5	5.7
CH	09/15	22:00	Industrial Production (y/y)	Aug	--	3.8	3.8
CH	09/15	22:00	Retail Sales (y/y)	Aug	--	3.2	2.7
IN	09/15	23:30	Current Account Balance	2Q	--	-30.30	-13.40
JN	09/16		Nationwide Department Store Sales (y/y)	Aug	--	--	9.6

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of September 12 – 16

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>
BZ	09/14	08:00	Retail Sales (m/m)	Jul	--	--	0.6
BZ	09/14	08:00	Retail Sales (y/y)	Jul	--	--	-0.3
BZ	09/15	08:00	Economic Activity Index SA (m/m)	Jul	--	--	0.7
BZ	09/15	08:00	Economic Activity Index NSA (y/y)	Jul	--	--	3.1
CO	09/15	11:00	Retail Sales (y/y)	Jul	8.5	11.0	17.2
PE	09/15	11:00	Economic Activity Index NSA (y/y)	Jul	--	--	3.4
PE	09/15	11:00	Unemployment Rate (%)	Aug	--	--	6.8
CO	09/16	11:00	Trade Balance (US\$ mn)	Jul	--	--	-332.8

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of September 12 – 16

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	09/12	11:30	U.S. To Sell USD41 Bln 3-Year Notes
CA	09/15	12:00	Canada to Sell 2 Year Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
IT	09/13	05:00	Italy to Sell Bonds
GE	09/13	05:30	Germany to Sell EU5.5 Billion of 0.4% 2024 Bonds
SZ	09/14	05:15	Switzerland to Sell Bonds
GE	09/14	05:30	Germany to Sell 2044 Bonds
SP	09/15	04:30	Spain to Sell Bonds
FR	09/15	04:50	France to Sell Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	09/12	23:35	Japan to Sell 5-Year Bonds
CH	09/13	03:00	Henan to Sell Bonds
CH	09/13	22:35	China Plans to Sell CNY 2Y Bond
CH	09/13	22:35	China to Sell CNY 85Bln 10Y Upsized Bond
JN	09/14	23:35	Japan to Sell 20-Year Bonds
CH	09/15	22:35	China Plans to Sell CNY 50Y Upsized Bond

LATIN AMERICA

No Scheduled Auctions.

Events for the week of September 12 – 16**NORTH AMERICA**

No Scheduled Events.

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	09/12	03:30	ECB's Guindos Speaks
EC	09/12	08:00	ECB's Schnabel Speaks
EC	09/14	04:30	ECB's Villeroy speaks
EC	09/15	05:15	ECB's Guindos Speaks
EC	09/15	07:00	ECB's Centeno Speaks
FI	09/16	04:00	ECB's Rehn Speaks

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SK	09/12	00:00	BOK Minutes of Aug. Policy Meeting

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	3.25	October 26, 2022	3.75	3.50
Federal Reserve – Federal Funds Target Rate	2.50	September 21, 2022	3.25	3.25
Banco de México – Overnight Rate	8.50	September 29, 2022	9.25	9.00

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	1.25	October 27, 2022	2.00	2.00
European Central Bank – Marginal Lending Facility Rate	1.50	October 27, 2022	2.25	2.25
European Central Bank – Deposit Facility Rate	0.75	October 27, 2022	1.50	1.50
Bank of England – Bank Rate	1.75	September 22, 2022	2.50	2.25
Swiss National Bank – Sight Deposit Rate	-0.25	September 22, 2022	0.25	0.25
Central Bank of Russia – One-Week Auction Rate	8.00	September 16, 2022	7.50	7.50
Sweden Riksbank – Repo Rate	0.75	September 20, 2022	1.50	1.50
Norges Bank – Deposit Rate	1.75	September 22, 2022	2.25	2.25
Central Bank of Turkey – Benchmark Repo Rate	13.00	September 22, 2022	13.00	13.00

Central Bank of Russia (CBR): More rate cuts may be on the table after the CBR delivered a dovish 150 bps cut to the policy rate, brining it down to 8.00% last meeting. Inflation appears to be moderating a touch, down to 15.1% from the 17.8% y/y peak in April. Most estimates have the bank cutting by another 50 bps to 7.50%.

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	September 22, 2022	-0.10	-0.10
Reserve Bank of Australia – Cash Rate Target	2.35	October 3, 2022	2.60	2.60
Reserve Bank of New Zealand – Cash Rate	3.00	October 4, 2022	3.50	3.50
People's Bank of China – 1-Year Loan Prime Rate	3.65	September 19, 2022	3.65	3.65
Reserve Bank of India – Repo Rate	5.40	September 30, 2022	5.65	5.75
Bank of Korea – Bank Rate	2.50	October 12, 2022	2.75	2.75
Bank of Thailand – Repo Rate	0.75	September 28, 2022	1.00	1.00
Bank Negara Malaysia – Overnight Policy Rate	2.50	November 3, 2022	2.75	2.75
Bank Indonesia – 7-Day Reverse Repo Rate	3.75	September 22, 2022	4.00	4.00
Central Bank of Philippines – Overnight Borrowing Rate	3.75	September 22, 2022	4.00	4.25

People's Bank of China: After CPI inflation landed weaker than expected some think the central bank could cut its 1-year Medium-Term Lending Facility rate at some point this week. That may be unlikely as it struggles to stabilize the yuan.

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	13.75	September 21, 2022	13.75	13.75
Banco Central de Chile – Overnight Rate	10.75	October 12, 2022	11.00	11.00
Banco de la República de Colombia – Lending Rate	9.00	September 30, 2022	10.50	10.00
Banco Central de Reserva del Perú – Reference Rate	6.75	October 6, 2022	6.75	6.75

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	5.50	September 22, 2022	6.25	6.25

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

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