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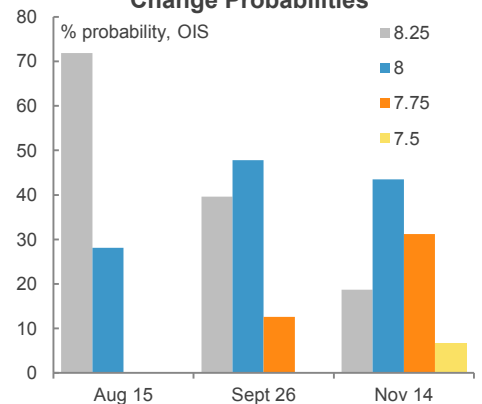
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**Risk Dashboard — Week of Aug 10-16**

- Italian politics
- US-China trade
- CPI: US, UK, Japan, EZ supercore...
- ...Sweden, India
- US: Philly Fed, Empire, IP...
- ...retail sales, productivity, labour costs
- CBs: Banxico, Norges Bank
- CDN ADP, home resales
- China financing, IP, retail sales, FDI
- Australian jobs
- Argentina's Presidential primary
- GDP: Colombia
- Eurozone ZEW sentiment
- CDN 30s auction

**Risk Dashboard — Week of Aug 17-23**

- Italian politics
- US-China trade
- FOMC minutes
- Jackson Hole
- Eurozone PMIs
- US existing, new home sales
- CPI: Canada, Malaysia
- Bank Indonesia
- CDN retail, manufacturing
- CDN bank earnings
- Chilean GDP
- CDN 5s auction
- US TIPS auction

**Chart of the Week**
**Banxico Overnight Rate  
Change Probabilities**


Note: WIRP calculations as of August 9th, 2019  
 Sources: Scotiabank Economics, Bloomberg.

Chart of the Week: Prepared by: Evan Andrade,  
 Research Analyst.

## Summer Holiday Edition

*This edition of the Global Week Ahead covers the two weeks from August 10th through to August 25th.*

### CANADA—TRANSITIONING BEYOND THE REBOUND

Over the next two weeks, the main focus is likely to be upon inflation and activity readings that will begin to inform risks to the Q2 economic rebound as the calendar transitions toward the third quarter. **The odds of the Bank of Canada cutting its policy rate before the end of 2019 are probably underpriced in my opinion, including the September and October OIS contracts.** The latest jobs report (recap [here](#)) reinforced this Bank of Canada view that I've communicated to clients since early July.

The week of August 12<sup>th</sup> to the 16<sup>th</sup> should be uneventful for Canadian markets, at least by way of calendar-based forms of market risk. Only ADP payrolls and existing home sales are on tap for July. Canada holds a thirty year auction on Wednesday. Like the US of late, appetite for Canadian sovereign bonds at auction at such low yields has been diminishing for some time and well before the sharp recent decline in bond yields (chart 1).

The following week becomes more interesting with a number of inflation and activity readings that will begin to hand-off tracking from Q2 to Q3.

#### 1. CPI

A sharp drop in inflation for the month of July is likely on Friday August 23<sup>rd</sup>. Headline CPI is likely to decelerate by a half percentage point to 1.5% y/y. A shift in year-ago base effects combined with little by way of typical seasonal influences and a small rise in gasoline prices are expected to push overall seasonally unadjusted prices up by just 0.1% m/m. The bigger issue may be what happens to 'core' inflation, measured as the average of the BoC's three central tendency measures. It has been floating around the 2% target mid-point of the 1–3% policy range (chart 2).

#### 2. Manufacturing

A steep and widespread drop in exports during the month of June is likely to drag down manufacturing shipments with it when the figures land on Tuesday August 20<sup>th</sup>. Recall that exports fell by 5.1% m/m in value terms and 3.6% m/m in volume terms. Ten out of eleven industries registered a drop in merchandise exports. The prior month's 1.6% m/m increase in manufacturing shipments also poses a high base effect off of which to pose additional growth.

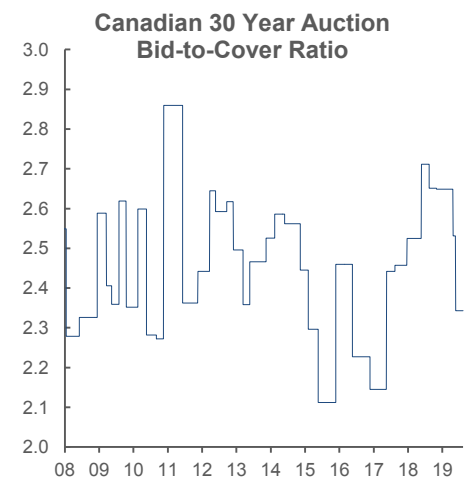
#### 3. Retail sales

A decline in gasoline prices and a drop in auto sales are likely to weigh upon the headline sales tally on Friday August 23<sup>rd</sup>. We estimate that auto sales fell by 2% m/m with a 21% weight on sales at new car dealers in overall retail sales. Gasoline prices fell by 8% m/m with an 11% weight.

Earnings reports will also factor into the overall tone across Canadian assets, but more so over the final two weeks of the month. Twenty-nine TSX-listed firms release earnings over the week of August 12<sup>th</sup> to the 16<sup>th</sup> including names like Barrick Gold and Metro. Bank earnings begin to heat up the season the following week when RBC releases on August 21<sup>st</sup> and CIBC follows the next day. BNS (my employer) releases the week after that on August 27<sup>th</sup> along with BMO, followed by National on the 28<sup>th</sup>, and then each of Canadian Western Bank, TD Bank and Laurentian Bank on the 29<sup>th</sup>.

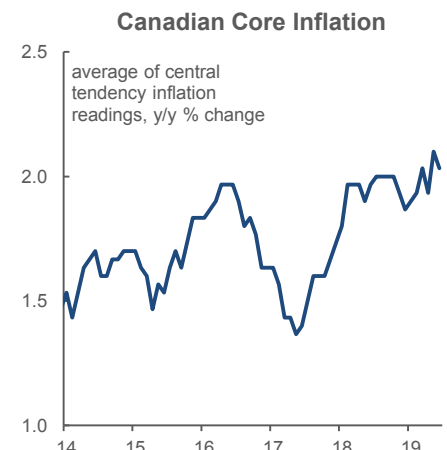
Canada also holds a five year auction on Wednesday August 21<sup>st</sup>.

Chart 1



Sources: Scotiabank Economics, US Treasury.

Chart 2



Sources: Scotiabank Economics, Statistics Canada.

## LATIN AMERICA—ROUND ONE!

Two main events will be front and centre by way of developments across Latin American markets over the coming two weeks. Data risk will play a secondary role with the focus upon Chile and Colombia.

**Banxico will deliver a rate decision on Thursday August 15<sup>th</sup>.** Consensus is divided toward the potential outcome. At the time of publishing, a slim majority expected a hold including Scotia's Mexico City based economist Mario Correa. Inflation at 3.8% y/y is running inside of the central bank's 2–4% inflation target range along with core CPI at the same 3.8%. That kind of inflation performance alongside a fairly stable peso that has run between about 19.0 and 19.5 to the USD over the past couple of months does not lend a sense of urgency to easing.

**Argentines head to the polls on Sunday August 11<sup>th</sup> for the first round of voting in the Presidential election.** The national primary is known as the PASO and it will serve as a guide to the election on October 27<sup>th</sup>. If needed, a final vote will be held between the top two candidates on November 24<sup>th</sup>. The latest polls show that when it comes to a November run-off, President Mauricio Macri and his coalition partner Miguel Pichetto are ahead of the coalition led by throwbacks to the prior administration, Alberto Fernández and Cristina Fernández de Kirchner (chart 3). That may not be evident in this weekend's primary. Painful reforms under Macri have driven short term borrowing rates to 63%, inflation to 56% y/y and the peso to depreciate by almost 400% in the past four years. CPI is due for a July update on Thursday August 15<sup>th</sup>.

Second quarter GDP growth readings will be delivered by Colombia on Thursday August 15<sup>th</sup> and Chile on Monday August 26<sup>th</sup>. **Colombia's economy is expected to rebound from no growth in Q1 and so is Chile's economy.**

Other releases will include Colombian reports covering the month of June on Wednesday August 14<sup>th</sup> including industrial and manufacturing output, retail sales and trade. Brazil updates its mid-month inflation reading for August on Thursday that will further inform BCB policy risks.

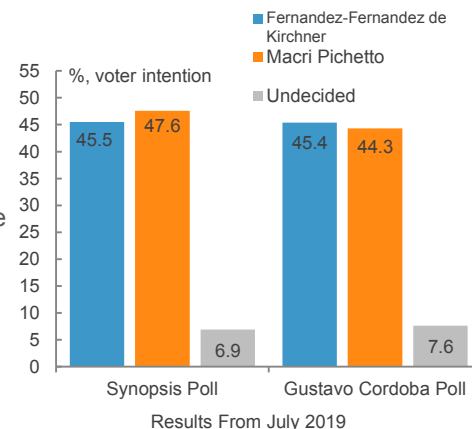
## EUROPE—WORSE IS YET TO COME

With much of the market fixation upon Italy's political and fiscal drama, residual interest will be focused upon sentiment surveys and several inflation updates alongside one central bank decision.

**A power struggle is occurring in Italy's government that should shame both parties against the backdrop of decades of political instability.** PM Conte and his Deputy Salvini are locked in a contest for power with Salvini demanding elections and threatening to bring down the government. Salvini heads the xenophobic League party. An interim guarantee government is being explored before possible elections in October or November. Developments will require close monitoring. Hanging in the balance is Italy's sizeable structural deficit (chart 4) and heavily front-loaded debt maturity profile (chart 5); hence why Italy's 10 year bond yield soared by about 40bps to 1.8% over the couple of days following the public display of hostilities. The instability also spilled over into other peripheral economies including Greek, Portuguese and Spanish funding costs. Alas, the ECB is coincidentally standing by with a safety net as policy easing at the September 12<sup>th</sup> meeting is likely.

Chart 3

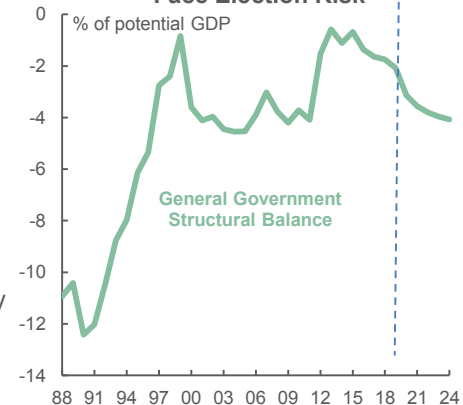
### Argentina's Two Horse Race



Sources: Scotiabank Economics, AS/COA.

Chart 4

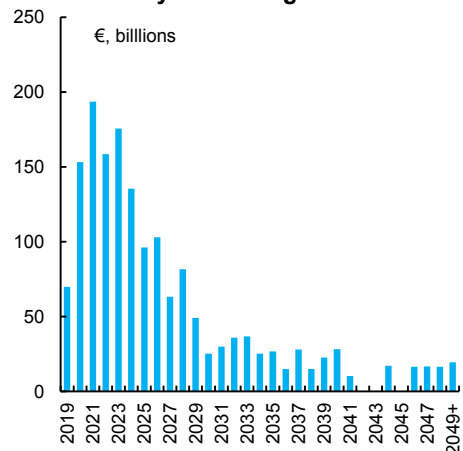
### Italy's Structural Deficits Face Election Risk



Sources: Scotiabank Economics, IMF, Bloomberg.

Chart 5

### Italy's Maturing Debt



Source: Scotiabank Economics, Bloomberg.

**Eurozone sentiment surveys are useful in that they provide a glimpse at growth prospects in the current and subsequent quarters.** First out of the gates to start off the August updates will be Tuesday's ZEW investor confidence measures for Germany and the Eurozone on Tuesday August 13th. Next will be the following week's Eurozone purchasing managers' indices on August 22<sup>nd</sup>. The recent trends have been disturbing (chart 6) and even before Italy's fresh troubles and the escalation of trade tensions with China following US President Trump's tweets on August 1<sup>st</sup> announcing a 10% tariff on the remaining US\$300 billion of Chinese imports not already covered by tariffs would be implemented on September 1<sup>st</sup>.

**Eurozone CPI revisions** for July on Monday August 19<sup>th</sup> will be monitored for evidence of any further upward pressure. Recall that 'supercore', which removes volatile items like packaged holidays that distort trends around shifting holidays, moved up to 1.36% y/y in June and thus hit about a six-year high. That remains well below the ECB's "below" 2% inflation target, but the altered ECB language toward pursuing an average 2% inflation rate in symmetrical fashion by allowing overshooting to compensate for periods of undershooting connotes considerable flexibility.

**CPI inflation will be updated by the UK and Sweden** on August 14<sup>th</sup>. UK headline and core inflation are likely to remain shy of the 2% target while Brexit risks continue to dominate the outlook for Bank of England policy. Sweden's underlying inflation rate is expected to continue falling on August 14<sup>th</sup> and that could further dampen the odds that the Riksbank delivers on a guided rate hike later in the year. Markets assign about 90% odds to the Riksbank remaining on hold for the rest of this year.

The Riksbank's neighbour will also have to consider some potentially fancy footwork when **Norges Bank delivers a policy decision on August 15<sup>th</sup>**. No change is expected to the deposit rate of 1.25%, but the bias up to now has guided that the policy rate "will most likely be increased further in the course of 2019." Underlying inflation has, however, slipped to 2.2% y/y and is down a half point from the March peak thereby easing the pressure to guide rates higher.

Other releases will include UK jobless claims on Tuesday August 6<sup>th</sup> and retail sales two days later. Eurozone consumer confidence arrives on Thursday August 22<sup>nd</sup>. Eurozone Q2 GDP revisions will be reported on Wednesday August 14<sup>th</sup> along with industrial production and Q2 employment followed by the Eurozone trade add-up on Friday August 16<sup>th</sup>. France updates job market developments for Q2 on August 14<sup>th</sup>.

## UNITED STATES—DATA FIRST, JAWBONE SECOND

Brace yourselves for a jam-packed pair of weeks in terms of US market developments. The week of August 12<sup>th</sup>–16<sup>th</sup> will be focused upon top-shelf macroeconomic data reports. The following week will be almost entirely about a heavy line-up of Fed communications including meeting minutes and the Jackson Hole symposium.

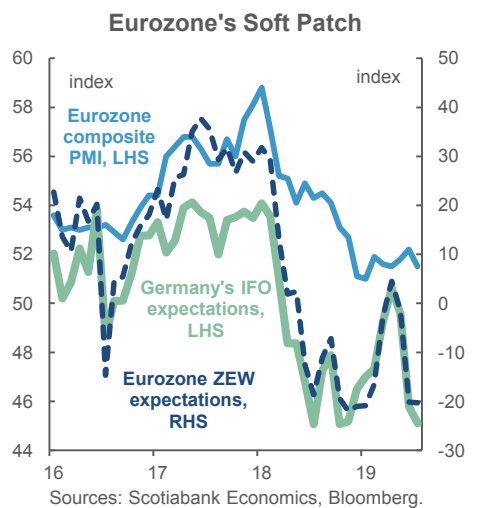
Here's a rundown of week one's data risk.

**1. CPI (August 13<sup>th</sup>):** The July print is expected to reveal stable headline CPI at 1.7% y/y and unchanged core at 2.1% y/y. The fact that core CPI tends to overshoot core PCE inflation by several tenths of a percentage point will mitigate the relevance of the release particularly in the context of the Fed's guidance that it views its 2% inflation target as a symmetrical goal, thus implying tolerance toward overshooting.

**2. Industrial updates (August 15<sup>th</sup>):** The NY Fed's Empire manufacturing gauge and the Philly Fed's metric will be released on August 15<sup>th</sup> and begin to inform expectations ahead of the next ISM-manufacturing print. The readings could provide the first glimpse at damage done by Trump's tariff threat on August 1<sup>st</sup>. It's plausible that a pick-up in new orders to front-run tariffs could occur before subsequent weakness. Industrial output in July will be updated on the same day.

**3. Retail sales:** July's print might get a mild price lift from higher gasoline prices but reflect weakness in auto sales. The focus will be upon whether the retail control group remains strong, as it removes auto dealers, building materials, food services

Chart 6



and gas stations and serves as more direct input to expectations for how consumption gets captured in GDP. Related consumer sector reports will include updated University of Michigan consumer sentiment on August 16<sup>th</sup> and housing starts the same day. The NY Fed's household and credit report arrives on August 13<sup>th</sup>.

**Also of relevance to bond markets may be second quarter productivity and unit labor costs on August 15<sup>th</sup>.** A material slowing of productivity growth is likely alongside an acceleration of productivity-adjusted wage growth following the drop in Q1. At the margin, this could be taken as a mildly inflationary signal but the noise in the data trends has been high.

**The following week will be dominated by Federal Reserve communications.** First up will be **minutes to the July 30<sup>th</sup>–31<sup>st</sup> meeting**. In all likelihood, those minutes may well be stale upon arrival. Recall that the tone to the statement and Chair Powell's press conference suggested this would not be the start of an easing cycle versus a "mid-cycle adjustment" that implied perhaps only minor further easing. Less than twenty-four hours after the Fed cut, however, Trump made his announcement that he would apply a 10% tariff on US\$300 billion of Chinese imports. Having said that, doves like St. Louis Fed President Bullard have not indicated a greater easing bias in the wake of the tariffs than previously.

Therefore, for fresher remarks from a variety of top Fed officials, **markets will have their sights upon the Fed's annual Jackson Hole Symposium** that starts with arrivals on Thursday August 22<sup>nd</sup> and lasts into the subsequent weekend. This year's theme is "Challenges for Monetary Policy" which is pretty wide open these days!! A detailed agenda is usually offered by 8pmET on the 22<sup>nd</sup> with [this](#) teaser being all that's available to go by in the meantime. A major focus is going to be upon international policy connections across central banks and implications for exchange rates, trade and economic activity. How to respond to trade tensions without inducing serious moral hazard problems by invigorating the protectionist instincts of Trump and Navarro should also be front and centre! Managing expectations in light of how far beneath the Fed's dots market pricing for future rate moves has moved represents a delicate matter by way of the risk of disappointing markets (chart 7).

The greater value in this year's Symposium, however, could be the interviews from the sidelines by Fed and other global central bank officials with the attendance list pending. One foreign central bank official I'd like to hear from could be BoC Governor Poloz if he attends, given that the BoC lies at a potential policy transition point.

Existing home sales and new home sales during July round out the releases on August 21<sup>st</sup> and 23<sup>rd</sup> respectively. The US auctions 30 year TIPS on Thursday August 22<sup>nd</sup>.

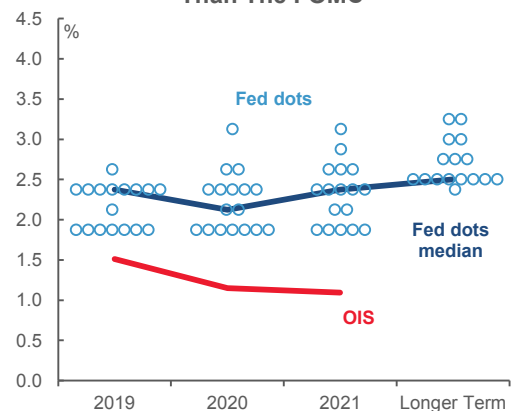
### ASIA-PACIFIC—BACK FROM RETREAT

Persistent trade tensions between the US and China are evolving tweet by tweet, but China's leaders have been on an annual retreat at a resort on the Yellow Sea over the first half of the month and that will end half way through the two week period covered in this edition. **A risk is whether further developments in the Chinese leadership's strategy toward trade tensions and Hong Kong's protest movement unfold after this retreat and get reinforced by communications.** This could well bring out renewed escalation of the war of words and actions. With the leadership on a retreat, it seems implausible that serious negotiations with the US are being conducted as Trump has claimed. At the top of the list of risks would be any sign that China will not attend the next round of negotiations in Washington next month and after Trump's planned tariff hike on September 1<sup>st</sup>. The more an unelected, combative, undiplomatic and insulting US official like Peter Navarro keeps plying his trade, the more likely it is that China just walks at least until after the US election.

**Sometime during the week stretching to August 15<sup>th</sup>, China is expected to update financing and money supply figures.** This has been a strong year for financing thus far (chart 8) as the figures begin to cover the second half of the year. Foreign direct

Chart 7

#### Markets Are More Aggressive Than The FOMC



Sources: Scotiabank Economics, Bloomberg.

investment during July is due out as well and has been rising at a fairly steady pace of 8 ½% y/y, believe it or not. Industrial production and retail sales will be closely monitored a) after the acceleration in both readings during June, and b) as data tracking kicks into higher gear for Q3 GDP growth.

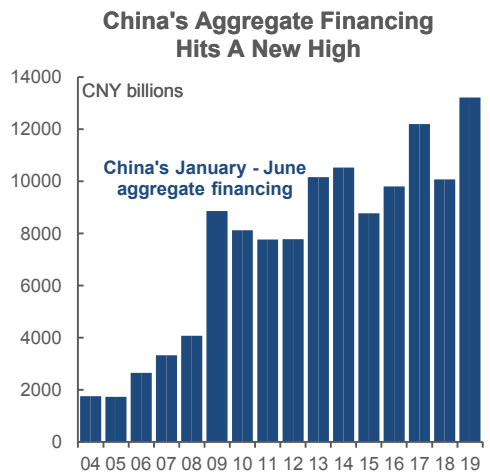
Since the Reserve Bank of Australia conditions policy upon labour market developments, the August 14<sup>th</sup> **update of job growth during July will inform expectations into the next RBA meeting** on September 3<sup>rd</sup>. Employment growth stalled in June after a run of strong readings dating back to the middle of 2018. Given they've often moved generally together over time, did the downside surprise in Canadian employment during July portend something similar for Australia?

**India, Japan and Malaysia will refresh inflation figures** for July on August 13<sup>th</sup>, August 16<sup>th</sup> and August 22<sup>nd</sup> respectively. India's inflation could dip another tick to 3.1% y/y and hence deeper into the lower half of the Reserve Bank of India's 2–6% policy target range which would drive further easing pressures. Japan's inflation rate has been slightly ebbing again on a core ex-fresh food basis and further downside to the 0.6% y/y reading in June would add to possible stimulus to counter yen strength, a planned sales tax hike in October and global developments. Malaysian inflation is expected to hold steady around 1 ½% y/y; Bank Negara Malaysia cut its overnight rate by 25bps in May and faces another decision on September 12<sup>th</sup>.

**Bank Indonesia could well ease again** when it offers another policy decision on August 22<sup>nd</sup>. After easing on July 18<sup>th</sup>, inflation subsequently came in stable at 3.3% y/y during July and with core CPI also stable at 3.2%. Since then, however, trade tensions have escalated and Fed rate cut bets have picked up in excess of Bank Indonesia's expectations while the rupiah has depreciated.

BI will remain concerned about the risk of capital flight if it were to ease.

Chart 8



Sources: Scotiabank Economics, Bloomberg.

## Key Indicators for the week of August 12 – 23

### NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	08/12	14:00	Treasury Budget (US\$ bn)	Jul	--	-120.0	-8.5
US	08/13	08:30	CPI (m/m)	Jul	0.3	0.3	0.1
US	08/13	08:30	CPI (y/y)	Jul	1.7	1.7	1.6
US	08/13	08:30	CPI (index)	Jul	--	256	256
US	08/13	08:30	CPI ex. Food & Energy (m/m)	Jul	0.2	0.2	0.3
US	08/13	08:30	CPI ex. Food & Energy (y/y)	Jul	2.1	2.1	2.1
US	08/14	07:00	MBA Mortgage Applications (w/w)	Aug 9	--	--	5.3
US	08/14	08:30	Export Prices (m/m)	Jul	--	-0.1	-0.9
US	08/14	08:30	Import Prices (m/m)	Jul	--	-0.1	-0.9
US	08/15	08:30	Empire State Manufacturing Index	Aug	--	1.9	4.3
US	08/15	08:30	Initial Jobless Claims (000s)	Aug 10	215	212	209
US	08/15	08:30	Continuing Claims (000s)	Aug 3	1685	1685	1684
US	08/15	08:30	Philadelphia Fed Index	Aug	--	10.0	21.8
US	08/15	08:30	Productivity (q/q a.r.)	2Q P	--	1.4	3.4
US	08/15	08:30	Retail Sales (m/m)	Jul	0.1	0.3	0.4
US	08/15	08:30	Retail Sales ex. Autos (m/m)	Jul	0.2	0.4	0.4
US	08/15	08:30	Unit Labor Costs (q/q a.r.)	2Q P	--	1.8	-1.6
CA	08/15	08:30	ADP Canada July Payroll Estimates	Jul	--	--	--
CA	08/15	09:00	Existing Home Sales (m/m)	Jul	--	1.5	-0.2
US	08/15	09:15	Capacity Utilization (%)	Jul	77.9	77.8	77.9
US	08/15	09:15	Industrial Production (m/m)	Jul	0.1	0.1	0.0
US	08/15	10:00	Business Inventories (m/m)	Jun	--	0.1	0.3
US	08/15	10:00	NAHB Housing Market Index	Aug	--	66.0	65.0
<b>MX</b>	<b>08/15</b>	<b>14:00</b>	<b>Overnight Rate (%)</b>	<b>Aug 15</b>	<b>8.25</b>	<b>8.13</b>	<b>8.25</b>
US	08/15	16:00	Total Net TIC Flows (US\$ bn)	Jun	--	--	32.9
US	08/15	16:00	Net Long-term TIC Flows (US\$ bn)	Jun	--	--	3.5
CA	08/16	08:30	International Securities Transactions (C\$ bn)	Jun	--	--	10.2
US	08/16	08:30	Building Permits (000s a.r.)	Jul	--	1270	1232
US	08/16	08:30	Housing Starts (000s a.r.)	Jul	1259	1253	1253
US	08/16	08:30	Housing Starts (m/m)	Jul	0.5	0.0	-0.9
US	08/16	10:00	U. of Michigan Consumer Sentiment	Aug P	97.0	97.4	98.4
CA	08/20	08:30	Manufacturing Shipments (m/m)	Jun	-2.0	--	1.6
CA	08/20	08:30	Teranet - National Bank HPI (y/y)	Jul	--	--	0.5
MX	08/21	07:00	Retail Sales (INEGI) (y/y)	Jun	1.97	--	2.8
CA	08/21	08:30	Core CPI - Common (y/y)	Jul	--	--	1.8
CA	08/21	08:30	Core CPI - Median (y/y)	Jul	--	--	2.2
CA	08/21	08:30	Core CPI - Trim (y/y)	Jul	--	--	2.1
CA	08/21	08:30	CPI, All items (m/m)	Jul	0.1	--	-0.2
CA	08/21	08:30	CPI, All items (y/y)	Jul	1.5	--	2.0
CA	08/21	08:30	CPI, All items (index)	Jul	--	--	136.3
US	08/21	10:00	Existing Home Sales (mn a.r.)	Jul	5.35	5.4	5.3
US	08/21	10:00	Existing Home Sales (m/m)	Jul	1.5	1.5	-1.7
CA	08/22	08:30	Wholesale Trade (m/m)	Jun	--	--	-1.8
US	08/22	08:30	Initial Jobless Claims (000s)	Aug 17	215		
US	08/22	08:30	Continuing Claims (000s)	Aug 10	1685		
US	08/22	10:00	Leading Indicators (m/m)	Jul	--	0.2	-0.3
MX	08/23	07:00	GDP (q/q)	2Q F	0.1	--	0.1
MX	08/23	07:00	GDP (y/y)	2Q F	-0.7	--	-0.7
MX	08/23	07:00	Global Economic Indicator IGAE (y/y)	Jun	-0.6	--	-0.4
CA	08/23	08:30	Retail Sales (m/m)	Jun	-0.4	--	-0.1
CA	08/23	08:30	Retail Sales ex. Autos (m/m)	Jun	-0.2	--	-0.3
US	08/23	10:00	New Home Sales (000s a.r.)	Jul	660	637	646

## Key Indicators for the week of August 12 – 23

### EUROPE

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
GE	08/13	02:00	CPI (m/m)	Jul F	0.5	0.5	0.5
GE	08/13	02:00	CPI (y/y)	Jul F	1.7	1.7	1.7
GE	08/13	02:00	CPI - EU Harmonized (m/m)	Jul F	0.4	0.4	0.4
GE	08/13	02:00	CPI - EU Harmonized (y/y)	Jul F	1.1	1.1	1.1
SP	08/13	03:00	CPI (m/m)	Jul F	-0.6	-0.6	-0.6
SP	08/13	03:00	CPI (y/y)	Jul F	0.5	0.5	0.5
SP	08/13	03:00	CPI - EU Harmonized (m/m)	Jul F	-1.1	-1.1	-1.1
SP	08/13	03:00	CPI - EU Harmonized (y/y)	Jul F	0.7	0.7	0.7
UK	08/13	04:30	Average Weekly Earnings (3-month, y/y)	Jun	--	3.7	3.4
UK	08/13	04:30	Employment Change (3M/3M, 000s)	Jun	--	60.0	28.0
UK	08/13	04:30	Jobless Claims Change (000s)	Jul	--	--	38.0
UK	08/13	04:30	ILO Unemployment Rate (%)	Jun	3.8	3.8	3.8
EC	08/13	05:00	ZEW Survey (Economic Sentiment)	Aug	-23.0	--	-20.3
GE	08/13	05:00	ZEW Survey (Current Situation)	Aug	-3.0	-6.5	-1.1
GE	08/13	05:00	ZEW Survey (Economic Sentiment)	Aug	-27.0	-28.0	-24.5
GE	08/14	02:00	Real GDP (q/q)	2Q P	0.2	-0.1	0.4
FR	08/14	02:45	CPI (m/m)	Jul F	-0.2	-0.2	-0.2
FR	08/14	02:45	CPI (y/y)	Jul F	1.1	1.1	1.1
FR	08/14	02:45	CPI - EU Harmonized (m/m)	Jul F	-0.2	-0.2	-0.2
FR	08/14	02:45	CPI - EU Harmonized (y/y)	Jul F	1.3	1.3	1.3
PD	08/14	04:00	GDP (y/y)	2Q P	--	4.5	0.0
PO	08/14	04:30	Real GDP (q/q)	2Q P	--	0.4	0.5
UK	08/14	04:30	CPI (m/m)	Jul	0.0	-0.1	0.0
UK	08/14	04:30	CPI (y/y)	Jul	2.0	1.9	2.0
UK	08/14	04:30	PPI Input (m/m)	Jul	--	0.6	-1.4
UK	08/14	04:30	PPI Output (m/m)	Jul	--	0.1	-0.1
UK	08/14	04:30	RPI (m/m)	Jul	--	0.0	0.1
UK	08/14	04:30	RPI (y/y)	Jul	--	2.8	2.9
EC	08/14	05:00	Employment (q/q)	2Q P	0.2	--	0.4
EC	08/14	05:00	GDP (q/q)	2Q P	0.1	0.2	0.2
EC	08/14	05:00	Industrial Production (m/m)	Jun	-3.3	-1.4	0.9
EC	08/14	05:00	Industrial Production (y/y)	Jun	-3.5	-1.5	-0.5
<b>NO</b>	<b>08/15</b>	<b>04:00</b>	<b>Norwegian Deposit Rates (%)</b>	<b>Aug 15</b>	<b>1.25</b>	<b>1.25</b>	<b>1.25</b>
UK	08/15	04:30	Retail Sales ex. Auto Fuel (m/m)	Jul	--	-0.2	0.9
UK	08/15	04:30	Retail Sales with Auto Fuel (m/m)	Jul	--	-0.2	1.0
EC	08/16	05:00	Trade Balance (€ mn)	Jun	--	--	23034
EC	08/19	04:00	Current Account (€ bn)	Jun	--	--	29.7
IT	08/19	04:00	Current Account (€ mn)	Jun	--	--	2599
EC	08/19	05:00	CPI (m/m)	Jul	-0.4	--	-0.4
EC	08/19	05:00	CPI (y/y)	Jul F	1.1	--	1.1
EC	08/19	05:00	Euro zone Core CPI Estimate (y/y)	Jul F	0.9	--	0.9
GE	08/20	02:00	Producer Prices (m/m)	Jul	--	--	-0.4
UK	08/21	04:30	PSNB ex. Interventions (£ bn)	Jul	--	--	7.2
UK	08/21	04:30	Public Finances (PSNCR) (£ bn)	Jul	--	--	15.2
UK	08/21	04:30	Public Sector Net Borrowing (£ bn)	Jul	--	--	6.5
FR	08/22	03:15	Manufacturing PMI	Aug P	49.0	--	49.7
FR	08/22	03:15	Services PMI	Aug P	52.1	--	52.6
GE	08/22	03:30	Manufacturing PMI	Aug P	42.0	--	43.2
GE	08/22	03:30	Services PMI	Aug P	53.9	--	54.5
EC	08/22	04:00	Composite PMI	Aug P	50.8	--	51.5
EC	08/22	04:00	Manufacturing PMI	Aug P	45.4	--	46.5
EC	08/22	04:00	Services PMI	Aug P	52.8	--	53.2
EC	08/22	10:00	Consumer Confidence	Aug A	--	--	-6.6

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



**Key Indicators for the week of August 12 – 23**
**ASIA-PACIFIC**

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
SI	08/12	20:00	Real GDP (y/y)	2Q F	--	0.2	0.1
SI	08/12	20:00	Real GDP SAAR (q/q)	2Q F	--	-2.9	-3.4
SI	08/12	20:00	GDP (q/q)	2Q F	--	0.2	0.1
IN	08/12-08/14		Exports (y/y)	Jul	--	--	-9.7
IN	08/12-08/14		Imports (y/y)	Jul	--	--	-9.1
JN	08/13	00:30	Tertiary Industry Index (m/m)	Jun	--	-0.1	-0.2
JN	08/13	02:00	Machine Tool Orders (y/y)	Jul P	--	--	-37.9
IN	08/13	08:00	CPI (y/y)	Jul	3.20	3.12	3.18
SK	08/13	19:00	Unemployment Rate (%)	Jul	4	4.1	4.0
JN	08/13	19:50	Machine Orders (m/m)	Jun	--	-1.0	-7.8
AU	08/13	21:30	Wage Cost Index (q/q)	2Q	--	0.5	0.5
CH	08/13	22:00	Fixed Asset Investment YTD (y/y)	Jul	5.8	5.9	5.8
CH	08/13	22:00	Industrial Production (y/y)	Jul	6.0	6.0	6.3
CH	08/13	22:00	Retail Sales (y/y)	Jul	9.5	8.6	9.8
IN	08/14	02:30	Monthly Wholesale Prices (y/y)	Jul	--	1.9	2.0
PH	08/14	21:00	Overseas Remittances (y/y)	Jun	--	5.6	5.7
AU	08/14	21:30	Employment (000s)	Jul	20	14.0	0.5
AU	08/14	21:30	Unemployment Rate (%)	Jul	5.2	5.2	5.2
ID	08/15	00:00	Exports (y/y)	Jul	--	-9.5	-9.0
ID	08/15	00:00	Imports (y/y)	Jul	--	-16.2	2.8
ID	08/15	00:00	Trade Balance (US\$ mn)	Jul	--	-313	196
JN	08/15	00:30	Capacity Utilization (m/m)	Jun	--	--	1.7
JN	08/15	00:30	Industrial Production (m/m)	Jun F	--	--	-3.6
JN	08/15	00:30	Industrial Production (y/y)	Jun F	--	--	-4.1
NZ	08/15	18:30	Business NZ PMI	Jul	--	--	51.3
SI	08/15	20:30	Exports (y/y)	Jul	--	-14.8	-17.3
MA	08/16	00:00	CPI (y/y)	Jul	--	1.5	1.5
MA	08/16	00:00	Current Account Balance (MYR mns)	2Q	--	12.3	16400
MA	08/16	00:00	GDP (y/y)	2Q	4.3	4.6	4.5
HK	08/16	04:30	Real GDP (q/q)	2Q F	--	-0.3	-0.3
HK	08/16	04:30	Real GDP (y/y)	2Q F	--	0.6	0.6
NZ	08/18	18:45	Producer Price - Inputs (q/q)	2Q	--	--	-0.9
JN	08/18	19:50	Merchandise Trade Balance (¥ bn)	Jul	--	--	590
JN	08/18	19:50	Adjusted Merchandise Trade Balance (¥ bn)	Jul	--	--	-14.4
JN	08/18	19:50	Merchandise Trade Exports (y/y)	Jul	--	--	-6.6
JN	08/18	19:50	Merchandise Trade Imports (y/y)	Jul	--	--	-5.2
JN	08/18	20:00	Nationwide Department Store Sales (y/y)	Jul	--	--	-0.9
PH	08/18	21:00	Balance of Payments (US\$ mn)	Jul	--	--	-404
TH	08/18	22:30	GDP (q/q)	2Q	--	--	1.0
TH	08/18	22:30	GDP (y/y)	2Q	--	--	2.8
NZ	08/18	22:45	Producer Price - Outputs (q/q)	2Q	--	--	-0.5
HK	08/18-08/19		Composite Interest Rate (%)	Jul	--	--	1.0
HK	08/19	04:30	Unemployment Rate (%)	Jul	--	2.9	2.8
JN	08/19	20:00	Supermarket Sales (y/y)	Jul	--	--	-0.5
TA	08/20	04:00	Export Orders (y/y)	Jul	--	-4.3	-4.5
TA	08/20	04:20	Current Account Balance (US\$ mn)	2Q	--	--	17090
HK	08/20	04:30	CPI (y/y)	Jul	--	3.0	3.3
SK	08/20	17:00	PPI (y/y)	Jul	--	--	0.1
TH	08/20-08/21		Customs Exports (y/y)	Jul	--	--	-2.2
TH	08/20-08/21		Customs Imports (y/y)	Jul	--	--	-9.4
TH	08/20-08/21		Customs Trade Balance (US\$ mn)	Jul	--	--	3212
JN	08/21	20:30	Markit/JMMA Manufacturing PMI	Aug P	--	--	49.4
ID	08/21-08/22		BI 7-Day Reverse Repo Rate (%)	Aug 22	--	--	5.8
JN	08/22	00:30	All Industry Activity Index (m/m)	Jun	--	--	0.3
TA	08/22	04:00	Unemployment Rate (%)	Jul	--	--	3.7
NZ	08/22	18:45	Retail Sales Ex Inflation (q/q)	2Q	--	--	0.7
JN	08/22	19:30	National CPI (y/y)	Jul	--	--	0.7
PH	08/22-08/23		Budget Deficit/Surplus (PHP bn)	Jul	--	--	-41.8
SI	08/23	01:00	CPI (m/m)	Jul	--	--	-0.2
SI	08/23	01:00	CPI (y/y)	Jul	--	--	0.6
TA	08/23	04:00	Industrial Production (y/y)	Jul	--	--	-0.4

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

## Key Indicators for the week of August 12 – 23

### 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	08/12	20:00	Economic Activity Index SA (m/m)	Jun	--	0.1	0.5
BZ	08/12	20:00	Economic Activity Index NSA (y/y)	Jun	--	-2.3	4.4
CO	08/14	11:00	Retail Sales (y/y)	Jun	--	5.3	8.2
CO	08/14	11:00	Trade Balance (US\$ mn)	Jun	--	-823	-817
PE	08/15	10:00	Economic Activity Index NSA (y/y)	Jun	2.6	2.4	0.6
PE	08/15	10:00	Unemployment Rate (%)	Jul	--	6.5	6.3
CL	08/19	08:30	GDP (q/q)	2Q	--	--	0.0
CL	08/19	08:30	GDP (y/y)	2Q	--	--	1.6
PE	08/20	10:00	GDP (y/y)	2Q	--	--	2.3
BZ	08/22	08:00	IBGE Inflation IPCA-15 (m/m)	Aug	--	--	0.1
BZ	08/22	08:00	IBGE Inflation IPCA-15 (y/y)	Aug	--	--	3.3

## Global Auctions for the week of August 12 – 23

### NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	08/14	12:00	Canada to Sell 30Yr Bonds
CA	08/21	12:00	Canada to Sell 5 Year Bonds
CA	08/28	12:00	Canada to Sell 2 Year Bonds

### EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
IT	08/13	05:00	Italy to Sell 3Yr & 7Yr Bonds
UK	08/13	05:30	U.K. to Sell 2 Billion Pounds of 1.75% 2049 Bonds
SP	08/14	04:45	Spain to Sell Bonds
SW	08/14	05:00	Sweden to Sell Bonds
UK	08/20	05:30	U.K. to Sell 0% Index-linked Treasury Gilt 2028
GE	08/21	05:30	Germany to Sell EUR2 Bln 2050 Bonds
GE	08/21	05:35	30Y Note Allotment
SW	08/22	05:00	Sweden to Sell I/L Bonds
IC	08/23	06:30	Iceland to Sell Bonds

### ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SK	08/11	21:30	Korea Central Bank to Sell 91 day, 1Yr, & 10Yr Bond
TA	08/13	00:30	Taiwan to Sell 2Yr NCDs & 10-Yr Bonds
PH	08/13	01:00	Philippine to Sell 10Yr Bonds
ID	08/13	05:00	Indonesia to Sell 5,10,15,20, & 30Yr Bonds
CH	08/13	23:00	China Plans to Sell 2Yr & 5Yr Upsized Government Bond
TH	08/13	23:00	Thailand to Sell THB8 Bln Bonds Due 2067
NZ	08/14	22:05	New Zealand To Sell NZD150 Mln 2.75% 2037 Bonds
JN	08/14	23:35	Japan to Sell 5Yr Bonds
CH	08/15	23:00	China Plans to Sell 30Yr Upsized Government Bond
TH	08/15	23:00	Bk of Thailand to Sell THB15 Bln Bonds Due 2022
SK	08/18	21:30	Korea to Sell 182 Day & 20Yr Bond
JN	08/18	23:30	1Y Note Amount Sold
SK	08/19	01:00	Korea Central Bank to Sell KRW 900Bln 91-Days Bond
JN	08/19	23:35	Japan to Sell 20-Year Bonds
ID	08/20	05:00	Indonesia to Sell 2,4,7, & 15Yr Bonds
SK	08/20	21:30	Korea Central Bank to Sell KRW 2.1Tln 2-Year Bond
CH	08/20	23:00	China Plans to Sell 1Yr & 10Yr Upsized Government Bond
TH	08/20	23:00	Thailand to Sell THB18 Bln Bonds Due 2035
NZ	08/21	22:05	New Zealand To Sell NZD250 Mln 2.75% 2025 Bonds
TH	08/21	23:00	Bk of Thailand to Sell THB35 Bln Bonds Due 2021

Source: Bloomberg, Scotiabank Economics.

## Events for the week of August 12 – 23

### NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	08/13	11:00	New York Fed to release Q2 Household Debt and Credit Report
CA	08/15	08:30	ADP Canada Releases July Payroll Estimates
<b>MX</b>	<b>08/15</b>	<b>14:00</b>	<b>Overnight Rate</b>
US	08/21	14:00	FOMC Meeting Minutes
US	08/22-08/24		Annual Federal Reserve Policy Symposium in Jackson Hole
MX	08/29	10:00	Central Bank Monetary Policy Minutes

### EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PO	08/13		Bank of Portugal Releases Data on Banks
<b>NO</b>	<b>08/15</b>	<b>04:00</b>	<b>Deposit Rates</b>
SW	08/20	09:30	Riksbank's Jochnick Gives Speech About Cyber Risks

### ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AU	08/12	18:00	RBA's Kent Gives Speech in Sydney
AU	08/14	19:00	RBA's Debelle Gives Speech in Sydney
AU	08/14	21:30	RBA FX Transactions Market
JN	08/15	21:10	BOJ Outright Bond Purchase 5~10 Years
JN	08/18	21:10	BOJ Outright Bond Purchase
HK	08/18	00:00	Composite Interest Rate
AU	08/19	21:30	RBA Minutes of August Policy Meeting
TH	08/20	22:00	Bank of Thailand's MPC Minutes
<b>ID</b>	<b>08/21</b>	<b>00:00</b>	<b>Bank Indonesia 7D Reverse Repo</b>
JN	08/22	21:10	BOJ Outright Bond Purchase

Source: Bloomberg, Scotiabank Economics.

## 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	1.75	September 4, 2019	1.75	1.75
Federal Reserve – Federal Funds Target Rate	2.25	September 18, 2019	2.00	2.00
Banco de México – Overnight Rate	8.25	August 15, 2019	8.25	8.25

**Banxico:** Consensus is divided toward the outcome with Scotia's Mario Correa expecting a policy hold along with the slim majority.

### 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	September 12, 2019	0.00	0.00
Bank of England – Bank Rate	0.75	September 19, 2019	0.75	0.75
Swiss National Bank – Libor Target Rate	-0.75	TBA	-0.75	-0.75
Central Bank of Russia – One-Week Auction Rate	7.25	September 6, 2019	7.00	7.00
Sweden Riksbank – Repo Rate	-0.25	September 5, 2019	-0.25	-0.25
Norges Bank – Deposit Rate	1.25	August 15, 2019	1.25	1.25
Central Bank of Turkey – Benchmark Repo Rate	19.75	September 12, 2019	19.25	19.75

**Norges Bank:** No rate change is expected, but the bias may be altered. Norges Bank had guided toward a rate hike later this year, but global developments and slipping underlying inflation lean against this guidance.

### 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 19, 2019	-0.10	-0.10
Reserve Bank of Australia – Cash Target Rate	1.00	September 3, 2019	1.00	1.00
Reserve Bank of New Zealand – Cash Rate	1.00	September 24, 2019	1.00	1.00
People's Bank of China – Lending Rate	4.35	TBA	--	--
Reserve Bank of India – Repo Rate	5.40	October 4, 2019	5.40	5.40
Bank of Korea – Bank Rate	1.50	August 29, 2019	1.50	1.50
Bank of Thailand – Repo Rate	1.50	September 25, 2019	1.50	1.50
Bank Negara Malaysia – Overnight Policy Rate	3.00	September 12, 2019	3.00	3.00
Bank Indonesia – 7-Day Reverse Repo Rate	5.75	August 22, 2019	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	4.25	September 26, 2019	4.25	4.25

**Bank Indonesia:** Stable inflation and concerns about feeding capital flight with additional easing could keep BI on hold after cutting in July and despite escalating trade tensions. How this balance is struck with specific reference to risks to the rupiah is unclear.

### 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	6.00	September 18, 2019	5.75	6.00
Banco Central de Chile – Overnight Rate	2.50	September 3, 2019	2.50	2.50
Banco de la República de Colombia – Lending Rate	4.25	September 27, 2019	4.25	4.25
Banco Central de Reserva del Perú – Reference Rate	2.75	September 12, 2019	2.75	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	6.50	September 19, 2019	6.50	6.50

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

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