

SCOUT'S HONOUR

- [Asia-Pacific — Paper Tigers](#) 2
- [United States — Powell's Fresher Take?](#) 2-3
- [Canada — Tracking The Narrative](#) 3-4
- [Latin America — Closing The Books On 2018](#) 4
- [Europe — May's Ultimatum](#) 4

FORECASTS & DATA

- [Key Indicators](#) A1-A3
- [Global Auctions Calendar](#) A4
- [Events Calendar](#) A5
- [Global Central Bank Watch](#) A6

CONTACTS

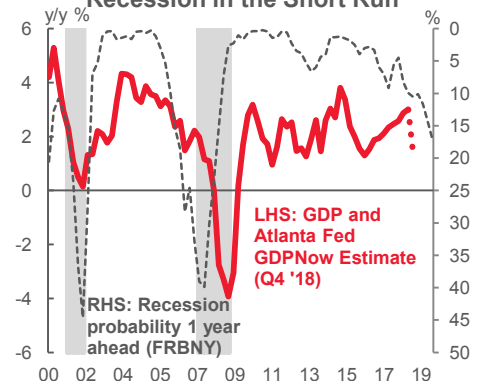
Derek Holt, VP & Head of Capital Markets Economics
416.863.7707
Scotiabank Economics
derek.holt@scotiabank.com

Next Week's Risk Dashboard

- Key Brexit vote
- US-China tariff deadline
- Fed Chair Powell's MPR...
• ...and his fresher take
- Q4 GDP: US, Canada, India, Brazil, Colombia
- Inflation: US, Canada, Eurozone, Peru
- Chinese PMIs
- US: ISM, confidence, other macro
- UK mfrg PMI
- CDN bank earnings
- BoK

Chart of the Week

Year-End Slump Not Indicative of a Recession in the Short Run



Sources: Scotiabank Economics, NBER, BEA, FRB Atlanta, FRB New York.

Chart of the Week: Prepared by: Alena Bystrova, Research Analyst.

Scout's Honour

ASIA-PACIFIC—PAPER TIGERS

China will likely play a significant role in shaping the global market tone due to significant data risk and ongoing trade negotiations with the US.

Next Friday's tariff deadline will likely come and go with a magic wave of Trump's wand. What a surprise. The erratic President over the first half of his term has become thoroughly predictable. It's obvious that campaigning is already underway ahead of the election in November 2020 and with the primaries beginning earlier than usual with California's having been brought forward to next February. You don't win elections by tanking the stock market when this President frequently cites it as a barometer of his success. Trump is pretty average by comparison to how stocks performed under his predecessors over identical periods in their mandates (chart 1).

Just like with NAFTA/CUSMA/USMCA that settled with very little substantive change to NAFTA 1.0, or the KORUS deal with South Korea, US-China trade tensions are very likely to prove to be more about bark than bite with plenty of theatrics before Trump's base that will jump for joy over selling more soybeans. Both sides are signalling progress toward a likely deal but with significant issues left to discuss. A currency provision was reportedly agreed upon, but like the one embedded in the KORUS framework, it is likely to be an unenforceable Scout's honour pledge not to abuse the currency while recognizing that market forces howsoever defined will take currencies where they must go. The US always sought ironclad currency commitments from its trading partners—never got them from Canada since the very start of the FTA days—and to this day doesn't appear to understand that an exchange rate is likely to be as driven by what is going on in the US as what is driving it from afar.

China releases purchasing managers' indices on Wednesday night and the private sector version of its manufacturing PMI on Thursday night (eastern times as always). The readings are for February and should largely be set aside given the typical issues with January–February readings that can be distorted by the shifting timing of the annual Lunar New Year holiday. Recall, however, that the larger non-manufacturing sector of the economy has been insulating against some of the downside risk to manufacturing (chart 2).

The Bank of Korea makes another policy decision next week. Consensus universally expects the policy rate to remain at 1.75% for the second straight meeting after November's 25bps hike. Consensus expects the central bank to remain on hold through to the end of next year. Inflation has been running at just 0.8% y/y and 1.2% on core compared to the 2% inflation target. Relatively minor updates on industrial output and trade will inform growth risks.

India's Q4 growth rate will be released on Thursday and a further deceleration to a sub-7% rate is anticipated. Other releases on tap include Hong Kong GDP, CPI from Thailand and Indonesia, and Japanese updates for industrial output, retail sales, housing starts, the jobless rate, and February's leading CPI gauge for Tokyo.

UNITED STATES—POWELL'S FRESHER TAKE?

Even more Fed-speak may actually play second fiddle to macroeconomic data over the coming week. One possibility to the contrary, however, may be a fresher reading on the economy and markets provided by Chair Powell. US-China trade negotiations are covered in the Asia-Pacific section.

Chart 1

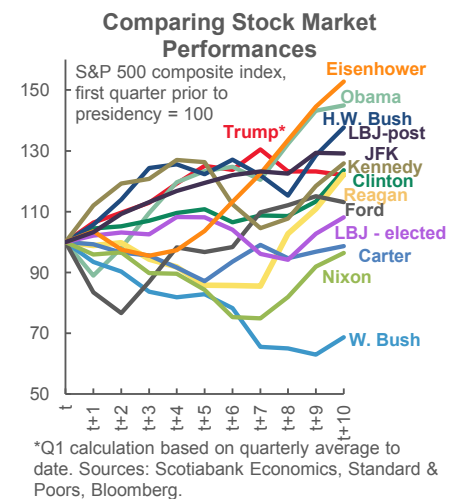
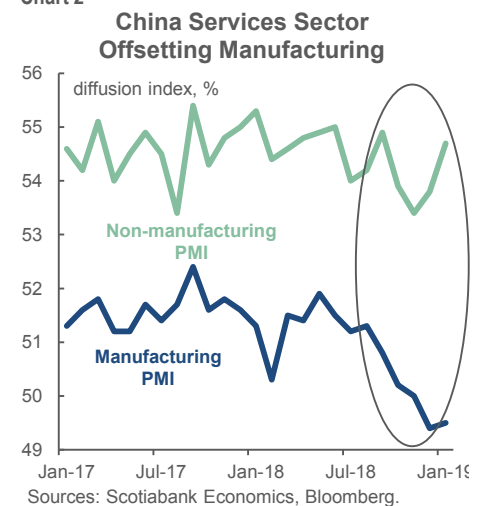


Chart 2



Fed Chair Powell testifies before Congress on the just-released Monetary Policy Report ([here](#)). His first swing at it will be before the Senate Banking Committee on Tuesday followed by a near-repeat performance before the House Financial Services Committee on Wednesday. **Powell speaks again on Thursday about ‘recent economic developments and longer-term challenges.’** It’s difficult to envision what more could be said over and above recent communications such as publication of the FOMC minutes ([here](#)), but **the latter appearance could freshen up his take on things compared to the arguably semi-stale minutes.** Also note that Vice Chair Clarida (Monday and Thursday), Governor Brainard (on diversity, this weekend), and several regional Presidents will speak.

Indicator risk will be primarily focused upon the following.

Q4 GDP: Thursday’s release compresses the traditional first and second readings into one because of the delays introduced by the government shutdown. Scotia Economics expects a reading of about 2.7%.

Consumer confidence: Tuesday’s update to the Conference Board’s measure for February may post a modest rebound in the wake of the government shutdown that ended on January 25th and given a more constructive tone across financial markets so far this year.

PCE: December’s readings for the Fed’s preferred inflation gauge as well as income, spending, and the saving rate are due on Friday. PCE inflation is expected to follow CPI lower with core PCE resilient at just under 2% y/y (chart 3). Consumption is likely to be rather soft given we already know that the retail sales control group fell by 1.7% m/m but recall the sense that it was a distorted report (recap [here](#)).

ISM manufacturing: February’s reading may soften on Friday. We already know that the Philly Fed’s regional business gauge fell, but at the point of going to print we don’t know the Richmond Fed’s reading. They tend to be the better predictors of ISM among the regional surveys.

Several other lower impact releases are also on the schedule. December housing starts and repeat sales house prices are due out on Tuesday. The February print for the Richmond Fed’s regional manufacturing gauge that will further inform ISM-manufacturing expectations is also due on Tuesday. December’s balance of international trade in goods (Wednesday), pending home sales during January (Wednesday), factory orders during December (Wednesday), the Chicago PMI (Thursday) and vehicle sales in February (Friday) round it all out.

CANADA—TRACKING THE NARRATIVE

Growth and inflation. What more could a macro junkie ask for out of Canada next week. The start of the bank earnings parade and a two year auction are bonuses.

CPI inflation for January is due out on Wednesday. **Headline inflation should drop significantly while core remains resilient.** A shift in year-ago base effects alone would drop headline inflation from 2.0% y/y in December to 1.3% in January. Gas prices will be a fairly neutral influence upon the rate of change in the year-ago inflation rate. January, however, is usually a seasonal up-month for prices. A challenge is that December was much less of a seasonal down-month to prices than a typical December and this might constrain the normal season up-tick last month. Overall, I’m going with 0.2% m/m for seasonally unadjusted CPI and 1.5% y/y. The average of the core measures is expected to be stable at 1.9% y/y as the bulk of the volatility continues to focus upon headline inflation (chart 4). When the call in a particular month is heavily driven by seasonal influences and year-ago base effects, I would suggest considering the month-ago seasonally adjusted CPI readings that, in Canada, often get short shrift but deserve greater attention from a momentum standpoint.

As for GDP on Friday, the main message here is probably to look through it. That the economy was in a soft patch over Q4 and into Q1 is pretty evident by now and the BoC is generally looking through it. **My guesstimate for December is for little to no growth**

Chart 3 Will Core PCE Follow Core CPI Higher?

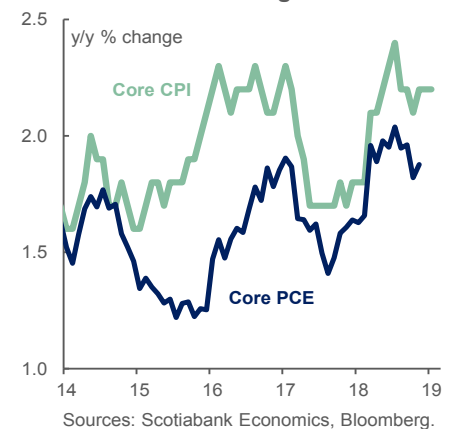
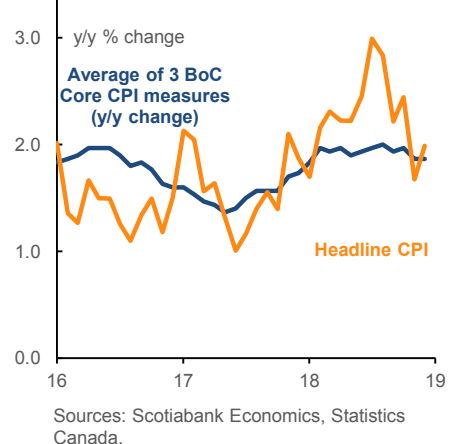


Chart 4 Stable Core, Volatile Headline CPI



(+0.1% m/m) which would mean a quarterly annualized growth rate of around 1%. The first quarter of 2019 is tracking similarly. December coughed up mild gains in retail and wholesale sales volumes, but much of the rest of the picture was soft including hours worked, housing starts and manufacturing shipments. The BoC had forecast 1.3% annualized growth for Q4 in the January edition of its Monetary Policy Report and so anything around this figure wouldn't be a substantive alteration to the narrative for soft Q4 and Q1 growth ahead of a Q2-onward rebound. The rebound phase would be driven by settling of drag effects from the energy sector as the economy likely goes V-shaped.

Earnings risk escalates over the coming week with a particular focus upon the bank earnings season—kicked-off this past week by RBC that met analysts' EPS expectations. Forty-five TSX listed firms release earnings. BNS (my employer) and BMO will release on Tuesday. Laurentian Bank and National Bank will release on Wednesday. CIBC and TD conclude the season on Thursday.

Canada auctions 2s on Wednesday.

LATIN AMERICA—CLOSING THE BOOKS ON 2018

Latin American markets will assess how several economies performed to end 2018 and hand-off to 2019. GDP figures and one inflation report will combine with external factors to drive local markets.

Brazil's GDP figure for Q4 is due Thursday. After the fastest growth in six quarters, some moderation is likely but the recovery lies intact (chart 5). Growth of about ¼% q/q non-annualized is expected after roughly three times that pace the prior quarter.

Colombia also updates Q4 GDP on Thursday. Scotiabank's economist in Colombia, Sergio Olarte, thinks a fairly steady pace of about 2¾% y/y is expected as Colombia's economy also continues to bounce back from an earlier soft patch (chart 5 again).

Peru's inflation rate for February will be updated on Friday. It is likely to continue running marginally higher than the central bank's 2% target. A fuel price cut that has been brought forward will weigh upon inflation in the next round of estimates.

Sundry other releases will include possible revisions to Mexico's Q4 GDP growth rate of 1.8% y/y and 0.3% q/q on Monday as well as updated industrial output and unemployment figures from Chile.

EUROPE—MAY'S ULTIMATUM

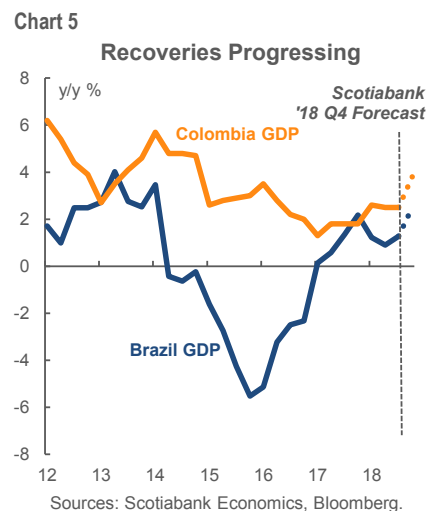
By mid-week, the risk of a hard Brexit or course shift will be materially informed as the March 29th deadline lies just weeks away.

UK PM May has steadily insisted that the risk of a hard Brexit must remain on the table in order to motivate negotiators in her own Parliament and in Brussels. This tactic faced escalating revolt this past week through multiple defections and threatened defections. Parliament is scheduled to vote on Wednesday in the latest assessment of next moves. Observers believe May is likely to lose a vote that would strip her of the hard Brexit threat and alter the negotiating strategy. In turn, this would force a delay in plans.

A temporary respite to falling Eurozone headline inflation may arrive on Friday. February's reading is expected to stabilize around 1½% y/y with core CPI expected to continue hovering around the 1% y/y range. That positions inflation well below the ECB's under-2% target. Releases from Germany, Italy and Spain the day before will inform risk to the Eurozone composite reading the day before the latter arrives, with France releasing on Friday morning.

The only UK macro data on tap will be Friday's manufacturing PMI for February. It is expected to drop again partly due to rising Brexit uncertainty.

Updates on consumer spending will be provided by France (Thursday), Germany and Sweden (Thursday). Sweden and Switzerland update Q4 GDP on Thursday.



Key Indicators for the week of February 25 – March 1
NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	02/25	09:00	GDP (q/q)	4Q F	0.31	0.3	0.3
MX	02/25	09:00	GDP (y/y)	4Q F	1.84	1.7	1.8
MX	02/25	09:00	Global Economic Indicator IGAE (y/y)	Dec	0.84	0.4	1.8
US	02/25	10:00	Wholesale Inventories (m/m)	Dec F	--	0.3	0.3
US	02/25	10:30	Dallas Fed. Manufacturing Activity	Feb	--	4.8	1.0
US	02/26	08:30	Building Permits (000s a.r.)	Dec	--	1290.0	1322.0
US	02/26	08:30	Housing Starts (000s a.r.)	Dec	1260	1250.0	1256.0
US	02/26	08:30	Housing Starts (m/m)	Dec	0.3	-0.5	3.2
MX	02/26	09:00	Retail Sales (INEGI) (y/y)	Dec	2.82	2.7	3.4
US	02/26	09:00	S&P/Case-Shiller Home Price Index (m/m)	Dec	0.3	0.3	0.3
US	02/26	09:00	S&P/Case-Shiller Home Price Index (y/y)	Dec	4.5	4.5	4.7
US	02/26	10:00	Consumer Confidence Index	Feb	123	124.1	120.2
US	02/26	10:00	Richmond Fed Manufacturing Index	Feb	--	6.0	-2.0
US	02/27	07:00	MBA Mortgage Applications (w/w)	FEB 22	--	--	3.6
CA	02/27	08:30	Core CPI - Common (y/y)	Jan	--	1.9	1.9
CA	02/27	08:30	Core CPI - Median (y/y)	Jan	--	1.8	1.8
CA	02/27	08:30	Core CPI - Trim (y/y)	Jan	--	1.9	1.9
CA	02/27	08:30	CPI, All items (m/m)	Jan	0.2	0.1	-0.1
CA	02/27	08:30	CPI, All items (y/y)	Jan	1.5	1.4	2.0
CA	02/27	08:30	CPI, All items (index)	Jan	--	133.6	133.4
MX	02/27	09:00	Trade Balance (US\$ mn)	Jan	-1153	-3650	1836
MX	02/27	09:00	Unemployment Rate (%)	Jan	3.39	3.7	3.4
US	02/27	10:00	Factory Orders (m/m)	Dec	0.6	0.8	-0.6
US	02/27	10:00	Pending Home Sales (m/m)	Jan	--	0.8	-2.2
CA	02/28	08:30	Current Account (C\$ bn a.r.)	4Q	--	-14.0	-10.3
CA	02/28	08:30	IPPI (m/m)	Jan	--	--	-0.7
CA	02/28	08:30	Raw Materials Price Index (m/m)	Jan	--	--	3.8
US	02/28	08:30	GDP (q/q a.r.)	4Q A	2.7	2.5	3.4
US	02/28	08:30	GDP Deflator (q/q a.r.)	4Q A	--	1.7	1.8
US	02/28	08:30	Initial Jobless Claims (000s)	FEB 23	220	221.0	216.0
US	02/28	08:30	Continuing Claims (000s)	FEB 16	1730	--	1725.0
CA	03/01	08:30	Real GDP (m/m)	Dec	0.1	0.0	-0.1
CA	03/01	08:30	Real GDP (q/q a.r.)	4Q	1.0	1.0	2.0
US	03/01	08:30	PCE Deflator (m/m)	Dec	0.0	0.0	0.1
US	03/01	08:30	PCE Deflator (y/y)	Dec	1.6	1.7	1.8
US	03/01	08:30	PCE ex. Food & Energy (m/m)	Dec	0.2	0.2	0.2
US	03/01	08:30	PCE ex. Food & Energy (y/y)	Dec	1.9	1.9	1.9
US	03/01	08:30	Personal Spending (m/m)	Dec	-0.4	0.1	0.4
US	03/01	08:30	Personal Income (m/m)	Jan	0.3	0.3	0.2
US	03/01	10:00	ISM Manufacturing Index	Feb	55	56.0	56.6
US	03/01	10:00	U. of Michigan Consumer Sentiment	Feb F	--	95.8	95.5
US	03/01		Total Vehicle Sales (mn a.r.)	Feb	16.7	16.8	16.6

EUROPE

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
GE	02/26	02:00	GfK Consumer Confidence Survey	Mar	--	10.8	10.8
EC	02/27	05:00	Business Climate Indicator	Feb	--	0.7	0.7
EC	02/27	05:00	Economic Confidence	Feb	--	106.0	106.2
EC	02/27	05:00	Industrial Confidence	Feb	--	0.1	0.5
UK	02/27	19:01	GfK Consumer Confidence Survey	Feb	--	-15.0	-14.0
SZ	02/28	01:45	GDP (y/y)	4Q	--	1.7	2.4
FR	02/28	02:45	Consumer Spending (m/m)	Jan	--	1.0	-1.5
FR	02/28	02:45	GDP (q/q)	4Q P	--	0.3	0.3
FR	02/28	02:45	Producer Prices (m/m)	Jan	--	--	-1.1
SP	02/28	03:00	CPI (m/m)	Feb P	--	0.3	-1.3
SP	02/28	03:00	CPI (y/y)	Feb P	--	1.1	1.0
SP	02/28	03:00	CPI - EU Harmonized (m/m)	Feb P	--	0.1	-1.7
SP	02/28	03:00	CPI - EU Harmonized (y/y)	Feb P	--	1.1	1.0

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

Key Indicators for the week of February 25 – March 1
EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
SW	02/28	03:30	GDP (y/y)	4Q	--	1.6	1.6
PD	02/28	04:00	GDP (y/y)	4Q F	--	--	4.90
SP	02/28	04:00	Current Account (€ bn)	Dec	--	--	1.8
IT	02/28	05:00	CPI (m/m)	Feb P	--	0.2	0.1
IT	02/28	05:00	CPI (y/y)	Feb P	--	1.1	0.9
IT	02/28	05:00	CPI - EU Harmonized (m/m)	Feb P	--	-0.2	-1.7
PO	02/28	06:00	Real GDP (q/q)	4Q F	--	--	0.00
UK	FEB28-MAR3		Nationwide House Prices (m/m)	Feb	--	-0.1	0.3
GE	03/01	02:00	Retail Sales (m/m)	Jan	--	1.9	-3.1
FR	03/01	02:45	Central Government Balance (€ bn)	Jan	--	--	-76.1
IT	03/01	03:45	Manufacturing PMI	Feb	--	47.0	47.8
GE	03/01	03:55	Unemployment (000s)	Feb	--	-5.0	-2.0
GE	03/01	03:55	Unemployment Rate (%)	Feb	--	5.0	5.0
UK	03/01	04:30	Manufacturing PMI	Feb	--	52.0	52.8
UK	03/01	04:30	Net Consumer Credit (£ bn)	Jan	--	0.8	0.7
EC	03/01	05:00	Euro zone CPI Estimate (y/y)	Feb	--	1.5	1.4
EC	03/01	05:00	Unemployment Rate (%)	Jan	--	7.9	7.9
IT	03/01		Budget Balance (€ bn)	Feb	--	--	1.4
IT	03/01		Budget Balance YTD (€ bn)	Feb	--	--	1.4

ASIA-PACIFIC

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
NZ	02/24	16:45	Retail Sales Ex Inflation (q/q)	4Q	--	0.5	0.0
VN	FEB24-28		CPI (y/y)	Feb	--	--	2.6
VN	FEB24-28		Industrial Production (y/y)	Feb	--	--	7.9
SK	FEB24-MAR4		Department Store Sales (y/y)	Jan	--	--	-0.7
JN	02/25	00:00	Coincident Index CI	Dec F	102.3	--	102.3
JN	02/25	00:00	Leading Index CI	Dec F	97.9	--	97.9
SI	02/25	00:00	CPI (y/y)	Jan	0.8	0.6	0.5
SK	02/25	16:00	Consumer Confidence Index	Feb	--	--	97.5
SI	02/26	00:00	Industrial Production (y/y)	Jan	--	-2.4	2.7
TA	02/26	03:00	Industrial Production (y/y)	Jan	--	-1.6	-1.2
TA	02/26	03:00	Unemployment Rate (%)	Jan	3.7	3.7	3.7
HK	02/26	03:30	Exports (y/y)	Jan	--	-2.8	-5.8
HK	02/26	03:30	Imports (y/y)	Jan	--	-2.2	-7.0
HK	02/26	03:30	Trade Balance (HKD bn)	Jan	--	-31.0	-51.2
SK	02/26	16:00	Business Survey- Manufacturing	Mar	--	--	65.0
SK	02/26	16:00	Business Survey- Non-Manufacturing	Mar	--	--	70.0
NZ	02/26	16:45	Trade Balance (NZD mn)	Jan	--	-300.0	264.4
NZ	02/26	16:45	Exports (NZD bn)	Jan	--	4.8	5481.4
NZ	02/26	16:45	Imports (NZD bn)	Jan	--	5.0	5220.0
HK	FEB26-27		Annual GDP	2018	3.4	3.3	3.8
HK	FEB26-27		Real GDP (y/y)	4Q	2.6	2.1	2.9
SK	02/27	18:00	Industrial Production (y/y)	Jan	--	--	1.6
SK	02/27	18:00	Cyclical Leading Index Change	Jan	--	--	-0.2
JN	02/27	18:50	Large Retailers' Sales (y/y)	Jan	--	-2.4	-1.0
JN	02/27	18:50	Retail Trade (y/y)	Jan	--	1.5	1.3
JN	02/27	18:50	Industrial Production (y/y)	Jan P	--	1.3	-1.9
AU	02/27	19:30	Private Capital Expenditure	4Q	--	1.0	-0.5
AU	02/27	19:30	Private Sector Credit (y/y)	Jan	--	4.3	4.3
CH	02/27	20:00	Manufacturing PMI	Feb	49.7	49.5	49.5
CH	02/27	20:00	Non-manufacturing PMI	Feb	--	54.5	54.7
JN	02/27	23:00	Vehicle Production (y/y)	Dec	--	--	4.6
PH	FEB27-28		Budget Deficit/Surplus (PHP bn)	Dec	--	--	-81.0
IN	FEB27-28		Fiscal Deficit (INR Crore)	Jan	--	--	-15168.00
PH	FEB27-28		Bank Lending (y/y)	Jan	--	--	14.8
SK	FEB27-28		BoK Base Rate (%)	Feb 28	1.75	1.75	1.75

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

Key Indicators for the week of February 25 – March 1
ASIA-PACIFIC (continued from previous page)

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
JN	02/28	00:00	Housing Starts (y/y)	Jan	--	10.3	2.1
JN	02/28	00:00	Construction Orders (y/y)	Jan	--	--	-3.8
TH	02/28	02:30	Exports (y/y)	Jan	--	--	-1.6
TH	02/28	02:30	Imports (y/y)	Jan	--	--	-6.7
TH	02/28	02:30	Trade Balance (US\$ mn)	Jan	--	--	2484.0
TH	02/28	02:30	Current Account Balance (US\$ mn)	Jan	--	--	5027.0
IN	02/28	07:00	Real GDP (y/y)	4Q	6.9	6.7	7.1
NZ	02/28	16:00	ANZ Consumer Confidence Index	Feb	--	--	121.7
NZ	02/28	16:45	Terms of Trade Index (q/q)	4Q	--	-1.0	-0.3
JN	02/28	18:30	Jobless Rate (%)	Jan	2.4	2.4	2.4
JN	02/28	18:30	Tokyo CPI (y/y)	Feb	--	0.4	0.5
JN	02/28	18:50	Capital Spending (y/y)	4Q	--	4.5	4.5
SK	02/28	19:00	Exports (y/y)	Feb	--	--	-5.8
SK	02/28	19:00	Imports (y/y)	Feb	--	--	-1.7
SK	02/28	19:00	Trade Balance (US\$ mn)	Feb	--	--	1294.0
CH	02/28	20:45	HSBC Manufacturing PMI	Feb	48.5	48.7	48.3
TH	02/28	23:00	CPI (y/y)	Feb	0.6	0.7	0.3
TH	02/28	23:00	Core CPI (y/y)	Feb	--	0.7	0.7
ID	FEB28-MAR1		CPI (y/y)	Feb	2.8	--	2.8
ID	FEB28-MAR1		Core CPI (y/y)	Feb	--	--	3.1
JN	FEB28-MAR7		Official Reserve Assets (US\$ bn)	Feb	--	--	1279.3
JN	03/01	00:00	Consumer Confidence	Feb	--	41.6	41.9
JN	03/01	00:00	Vehicle Sales (y/y)	Feb	--	--	2.3
TH	03/01	02:30	Business Sentiment Index	Feb	--	--	50.0

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	02/25	08:30	Current Account (US\$ mn)	Jan	--	-3800.0	-815.2
BZ	02/28	07:00	GDP (IBGE) (q/q)	4Q	--	0.3	0.8
BZ	02/28	07:00	GDP (IBGE) (y/y)	4Q	--	1.5	1.3
CL	02/28	07:00	Industrial Production (y/y)	Jan	--	--	0.8
CL	02/28	07:00	Unemployment Rate (%)	Jan	--	--	6.7
CO	02/28	10:00	Urban Unemployment Rate (%)	Jan	--	--	10.7
CO	02/28	11:00	GDP (y/y)	4Q	2.7	2.7	2.5
PE	03/01	00:00	Consumer Price Index (m/m)	Feb	0.27	--	0.1
PE	03/01	00:00	Consumer Price Index (y/y)	Feb	2.15	--	2.1
BZ	03/01	08:00	PMI Manufacturing Index	Feb	--	--	52.7

Global Auctions for the week of February 25 – March 1

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	02/25	13:00	U.S. to Sell 2-Year Notes
US	02/25	13:00	U.S. to Sell 5-Year Notes
US	02/26	13:00	U.S. to Sell 7-Year Notes
CA	02/27	12:00	Canada to Sell 2 Year Bonds
CA	02/27	12:00	Canada to Sell CAD3 Bln 1.75% 2021 Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SW	02/25	05:00	Sweden to Sell I/L Bonds
GE	02/26	05:30	Germany to Sell 2021 Bonds
UK	02/26	05:30	U.K. to Sell 2028 Linkers
GE	02/27	05:30	Germany to Sell 2029 Bonds
IT	02/27	11:00	Italy to Sell Bonds
MB	02/27	05:00	Malta to Sell Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SK	02/24	20:30	Korea Central Bank to Sell KRW 1Tln 1-Year Bond
SK	02/24	21:30	Korea to Sell 20-Year Bond
TA	02/24	23:30	Taiwan to Sell 20-Yr Bonds
SK	02/25	00:00	Korea Central Bank to Sell KRW 700Bln 91-Days Bond
CH	02/25	01:00	Sichuan to Sell Bonds
CH	02/25	02:00	Sichuan to Sell Bonds
KZ	02/25	05:00	Kazakhstan to Sell Notes
CH	02/25	20:30	Chongqing to Sell Bonds
CH	02/25	21:30	Guangxi to Sell Bonds
CH	02/26	22:00	China Plans to Sell 1-Year & 10-Year Upsized Government Bond
PH	02/26	00:00	Philippines Plans to Sell 3Y Bonds
CH	02/26	01:00	Shaanxi to Sell 7Y Bonds
SI	02/26	00:00	Singapore Plans To Sell Bonds Due 2046
TA	02/26	23:30	Taiwan to Sell 364-Day NCD
CH	02/27	02:00	Ningbo to Sell Bonds
CH	02/27	03:00	Gansu to Sell Bonds
JN	02/27	22:35	Japan to Sell 2-Year Bonds
NZ	02/27	20:05	New Zealand To Sell 2025 Bonds
CH	02/27	21:30	Ningxia to Sell Bonds
MA	02/28	00:00	Malaysia to Sell Bonds
CH	02/28	01:00	Hubei to Sell Bonds

Source: Bloomberg, Scotiabank Economics.

Events for the week of February 25 – March 1

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	02/25	11:00	Fed's Clarida Speaks with Community Leaders in Dallas
US	02/26	10:00	Powell testifies Before Senate Banking Panel
US	02/27	10:00	Powell to deliver Semi-Annual Testimony to House Panel
US	02/28	08:00	Fed's Clarida Remarks at Economic Policy Conference
US	02/28	08:50	Fed's Bostic Speaks on the Economic and Housing Landscape
US	02/28	11:00	Fed's Harker Discusses Economic Outlook
US	02/28	13:00	Fed's Kaplan to Speak in Q&A in San Antonio
US	02/28	19:00	Fed's Mester Speaks on Women in Economics
US	02/28	20:15	Powell speaks on Economic Developments and Longer-Term Challenges
US	03/01	12:50	Fed's Bostic Remarks at Luncheon at Economic Policy Conference
US	03/01	13:15	Fed's Bostic Speaks on the Economic Outlook, Monetary Policy

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SW	02/25	12:15	Riksbank's Ingves Gives Speech
SW	02/25	02:00	Swedish FSA Publishes Bank 4Q Capital Requirements
UK	02/26	05:00	BOE's Carney, Ramsden, Vlieghe, Haskel at Parliament Committee
HU	02/26	08:00	Central Bank Rate Decision
HU	02/26	08:00	Overnight Deposit Rate
PO	02/26		Portugal Releases Year-to-Date Budget Report

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NZ	02/25	18:30	RBNZ Deputy Governor Bascand speaks on Bank Capital Review
JN	02/26	20:30	BOJ Kataoka makes a speech in Takamatsu
JN	02/27	20:30	BOJ Suzuki makes a speech in Mito
SK	02/27	00:00	BoK 7-Day Repo Rate
NZ	02/27	16:00	N.Z. Government 7-Month Financial Statements

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	March 6, 2019	1.75	1.75
Federal Reserve – Federal Funds Target Rate	2.50	March 20, 2019	2.50	2.50
Banco de México – Overnight Rate	8.25	March 28, 2019	8.25	8.25

EUROPE

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
European Central Bank – Refinancing Rate	0.00	March 7, 2019	0.00	0.00
Bank of England – Bank Rate	0.75	March 21, 2019	0.75	0.75
Swiss National Bank – Libor Target Rate	-0.75	March 21, 2019	-0.75	-0.75
Central Bank of Russia – One-Week Auction Rate	7.75	March 22, 2019	--	7.75
Sweden Riksbank – Repo Rate	-0.25	April 25, 2019	-0.25	-0.25
Norges Bank – Deposit Rate	0.75	March 21, 2019	0.75	1.00
Central Bank of Turkey – Benchmark Repo Rate	24.00	March 6, 2019	24.00	24.00

ASIA PACIFIC

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Japan – Policy Rate	-0.10	March 15, 2019	-0.10	-0.10
Reserve Bank of Australia – Cash Target Rate	1.50	March 4, 2019	1.50	1.50
Reserve Bank of New Zealand – Cash Rate	1.75	March 26, 2019	1.75	1.75
People's Bank of China – Lending Rate	4.35	TBA	--	4.30
Reserve Bank of India – Repo Rate	6.25	April 4, 2019	6.25	6.50
Bank of Korea – Bank Rate	1.75	February 28, 2019	1.75	1.75
Bank of Thailand – Repo Rate	1.75	March 20, 2019	1.75	1.75
Bank Negara Malaysia – Overnight Policy Rate	3.25	March 5, 2019	3.25	3.25
Bank Indonesia – 7-Day Reverse Repo Rate	6.00	March 21, 2019	6.00	6.00
Central Bank of Philippines – Overnight Borrowing Rate	4.75	March 21, 2019	4.75	4.75

Bank of Korea (BoK): We expect the BoK to take an extended break from any monetary policy action following the end-November benchmark interest rate hike of 25 basis points to 1.75%. Financial stability will remain a key consideration for the BoK when it sets its monetary policy stance over the coming months. South Korea's inflationary pressures are set to remain contained in the foreseeable future.

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	6.50	March 20, 2019	6.50	6.50
Banco Central de Chile – Overnight Rate	3.00	March 29, 2019	3.00	3.00
Banco de la República de Colombia – Lending Rate	4.25	March 29, 2019	4.25	4.25
Banco Central de Reserva del Perú – Reference Rate	2.75	March 7, 2019	2.75	2.75

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	6.75	March 28, 2019	6.75	6.75

This report has been prepared by Scotiabank Economics as a resource for the clients of Scotiabank. Opinions, estimates and projections contained herein are our own as of the date hereof and are subject to change without notice. The information and opinions contained herein have been compiled or arrived at from sources believed reliable but no representation or warranty, express or implied, is made as to their accuracy or completeness. Neither Scotiabank nor any of its officers, directors, partners, employees or affiliates accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

These reports are provided to you for informational purposes only. This report is not, and is not constructed as, an offer to sell or solicitation of any offer to buy any financial instrument, nor shall this report be construed as an opinion as to whether you should enter into any swap or trading strategy involving a swap or any other transaction. The information contained in this report is not intended to be, and does not constitute, a recommendation of a swap or trading strategy involving a swap within the meaning of U.S. Commodity Futures Trading Commission Regulation 23.434 and Appendix A thereto. This material is not intended to be individually tailored to your needs or characteristics and should not be viewed as a “call to action” or suggestion that you enter into a swap or trading strategy involving a swap or any other transaction. Scotiabank may engage in transactions in a manner inconsistent with the views discussed this report and may have positions, or be in the process of acquiring or disposing of positions, referred to in this report.

Scotiabank, its affiliates and any of their respective officers, directors and employees may from time to time take positions in currencies, act as managers, co-managers or underwriters of a public offering or act as principals or agents, deal in, own or act as market makers or advisors, brokers or commercial and/or investment bankers in relation to securities or related derivatives. As a result of these actions, Scotiabank may receive remuneration. All Scotiabank products and services are subject to the terms of applicable agreements and local regulations. Officers, directors and employees of Scotiabank and its affiliates may serve as directors of corporations.

Any securities discussed in this report may not be suitable for all investors. Scotiabank recommends that investors independently evaluate any issuer and security discussed in this report, and consult with any advisors they deem necessary prior to making any investment.

This report and all information, opinions and conclusions contained in it are protected by copyright. This information may not be reproduced without the prior express written consent of Scotiabank.

™ Trademark of The Bank of Nova Scotia. Used under license, where applicable.

Scotiabank, together with “Global Banking and Markets”, is a marketing name for the global corporate and investment banking and capital markets businesses of The Bank of Nova Scotia and certain of its affiliates in the countries where they operate, including, Scotiabanc Inc.; Citadel Hill Advisors L.L.C.; The Bank of Nova Scotia Trust Company of New York; Scotiabank Europe plc; Scotiabank (Ireland) Limited; Scotiabank Inverlat S.A., Institución de Banca Múltiple, Scotia Inverlat Casa de Bolsa S.A. de C.V., Scotia Inverlat Derivados S.A. de C.V. – all members of the Scotiabank group and authorized users of the Scotiabank mark. The Bank of Nova Scotia is incorporated in Canada with limited liability and is authorised and regulated by the Office of the Superintendent of Financial Institutions Canada. The Bank of Nova Scotia is authorised by the UK Prudential Regulation Authority and is subject to regulation by the UK Financial Conduct Authority and limited regulation by the UK Prudential Regulation Authority. Details about the extent of The Bank of Nova Scotia's regulation by the UK Prudential Regulation Authority are available from us on request. Scotiabank Europe plc is authorised by the UK Prudential Regulation Authority and regulated by the UK Financial Conduct Authority and the UK Prudential Regulation Authority.

Scotiabank Inverlat, S.A., Scotia Inverlat Casa de Bolsa, S.A. de C.V., and Scotia Derivados, S.A. de C.V., are each authorized and regulated by the Mexican financial authorities.

Not all products and services are offered in all jurisdictions. Services described are available in jurisdictions where permitted by law.