

US CAN NO LONGER BULLY CHINA

- [Asia — Xi Versus Trump](#) 2
- [United States — An Antidote For Tedium](#) 3
- [Canada — Macro Data, Micro Risks](#) 3-4
- [Latin America — Divergent Inflation](#) 4-5
- [Europe — Tracking Q1 Growth Versus Sentiment](#) 5

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

- ▶ Xi meets Trump
- ▶ US earnings prep
- ▶ US nonfarm, ISM, trade
- ▶ China's PMIs, reserves
- ▶ CBs: RBA, RBI, Peru
- ▶ FOMC minutes, Fed speak
- ▶ BoC surveys
- ▶ CDN jobs, trade
- ▶ Asian inflation
- ▶ LatAm inflation
- ▶ Eurozone macro hits
- ▶ UK PMIs
- ▶ Newfoundland budget

Chart of the Week

US ISM Manufacturing



Sources: Scotiabank Economics, Institute for Supply Management.

Chart of the Week: Prepared by: Samantha Cameron, Research Assistant.

US Can No Longer Bully China

ASIA — XI VERSUS TRUMP

Asian markets should have plenty to consider next week and the broad macro risk may be tilted to the downside from a financial market standpoint. Most of that risk is focused upon advance warning ahead of a meeting on Thursday and Friday in Florida between China's President Xi Jinping and US President Trump. Whether Trump was playing bad cop when he tweeted that the meeting "will be a very difficult one" after blaming China for the US trade deficit in contrast to what most economists believe, or whether his advisers inject a more reasoned approach is uncertain. Much has changed in this relationship and each other's roles in the world economy over the years as the US share of world GDP has dwindled while China's has risen and recently surpassed the US (chart 1). Achieving consensus on what to do with North Korea is also likely to be a focal point with foreign policy risks.

The Reserve Bank of Australia is expected to leave its cash target rate unchanged at 1.5% on Tuesday. Since its last policy meeting on March 6th, the A\$ has only appreciated by less than 1% versus the USD and it has depreciated versus the yen, won, pound sterling and the euro. A\$ strength is therefore unlikely to be a factor at this meeting, allowing the RBA to instead focus on incrementally more encouraging signals like growth and inflation.

The Reserve Bank of India is also likely to keep policy on hold on Tuesday. Inflation has dropped to 3.7% y/y now which remains within the RBI's 2–6% inflation target range. This has been the response to demonetization as large bills were removed from circulation in an effort to reduce illicit activity and tax avoidance. Bringing this underground economy above ground required unorthodox monetary policy under Governor Urjit Patel relative to his predecessor Raghuram Rajan who brought more rigorous inflation control targets to the RBI to counter India's longstanding problems with high and volatile inflation. If ultimately successful, then taxes generated from a bigger above-ground economy can more successfully fund Prime Minister Modi's other ambitions including targeted infrastructure spending. For as long as inflation remains reasonably well behaved over the demonetization era and aided by rate cuts to date, conventional monetary policy instruments are likely to remain accommodative but a further downside inflation shock would likely be required to shift toward greater accommodation.

CPI updates will come from Thailand, Korea, Philippines and Indonesia for the month of March. These countries generally lack the same degree of divergence that exists in other regions like Latin America. Their inflation rates range from a low of 1.3% y/y in Thailand to a high of 3.8% y/y in Indonesia. Their reasonably low rates on average a) stand in contrast to global deflation expectations with several rising and some like Indonesia faced with sticky inflation; and b) reflect variations in domestic influences over and above any global themes.

The private sector versions of China's purchasing managers' indices will be released later in the week. They are more skewed toward smaller companies and more export-oriented firms relative to the larger SOEs that have greater influence over the state PMIs. Therefore, **at issue is whether the private PMIs follow the state PMIs gently higher.** Also due out will be foreign reserves later in the week; here the issue is the expectation that **what China 'spent' in FX markets has stabilized so far in 2017** after reserves plummeted by almost US\$1 trillion throughout 2016.

Miscellaneous releases of local market significance will include Australian retail sales and trade figures both for the month of February, Japan's Q1 Tankan report on manufacturing and non-manufacturing conditions, Japanese vehicle sales, Singapore's Q1 GDP growth rate, and Malaysian exports.

Chart 1



UNITED STATES — AN ANTIDOTE FOR TEDIUM

It has been a somewhat tedious couple of weeks for US market participants since the Federal Reserve's policy meeting and decisions on March 15th and the failed attempt to pass the American Healthcare Act on March 24th. The absence of any truly new information since then has had Fed officials repeating much of what they've previously guided and Q1 growth readings turning weaker. Next week could heat things up a bit with the potential for materially new information.

First up will be the last chance for equity analysts and markets to firm up expectations ahead of the start of the Q1 earnings season. That arrives the following week when financials begin reporting on April 13th, and so we're moving into another seasonal period during which earnings become the prime equity market guidepost.

Most of the macro risk lands late in the week. See the section on Asia for a discussion of the meeting between Presidents Xi and Trump. Friday's nonfarm payrolls report for March lands in the middle of it all. **Consensus expects a marked slowing of job growth** to the 175k pace which would be the first sub-200k print of the year. Of course, that has been the expectation previously. As usual, wages will also be watched after nominal wage growth climbed to 2.8% y/y in February and just shy of the 2.9% mark set in December that had been the quickest pace of wage gains since mid-2009. In inflation adjusted terms, however, real wages are growing at a tepid pace.

ISM manufacturing is on tap for a March update on Monday. As Samantha Cameron's cover chart shows, ISM has been taking off since Fall. **ISM exaggerates swings in actual manufacturing production but it has generally captured the recent increases (chart 2).** This recovery began well before the US election as markets and the economy rebounded from the challenges that reached a peak in early 2016.

Fed communications over the course of the week risk being stale in the face of new tracking data and policy developments. Minutes to the March 15th FOMC meeting arrive on Wednesday. Five Fed speakers will comment over the course of the week including NY Fed President Dudley (twice), Governor Tarullo, Philadelphia Fed President Harker (voting) and San Francisco Fed President Williams (alternate 2017, voting 2018).

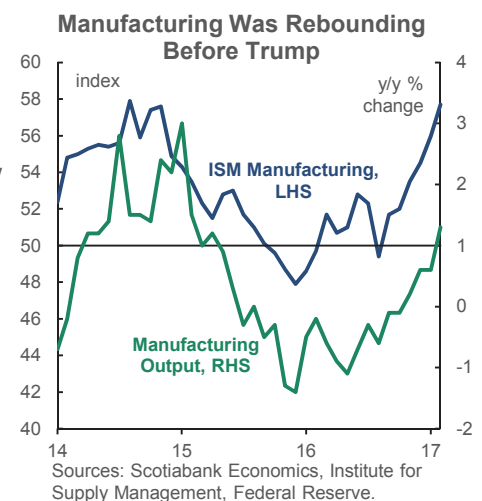
Other activity readings will include construction spending, vehicle sales, trade figures, factory orders, ADP private payrolls, ISM-services, and regular weekly gauges like energy inventories, jobless claims and mortgage applications.

CANADA — MACRO DATA, MICRO RISKS

The week before the next Bank of Canada policy decision and full forecast update is likely to be spent trading around the fringes of new macro information that is unlikely to alter the central bank's fundamental policy bias. The BoC goes into communications blackout on Wednesday one week before the policy decision and there are presently no scheduled speakers ahead of the blackout.

In classic fashion before a Monetary Policy Report, **a fresh crop of BoC surveys will be released on Monday morning at 10:30amET.** The BoC treats these as informative with respect to intentions and attitudes not well captured in often lagging activity measures, but it is well aware of the limitations to the surveys. The more significant of the two surveys in this respect is the Business Outlook Survey (BOS). The sample size only consists of about 100 firms across industries nationwide roughly weighted in accordance with industry shares of GDP. The sample period is unfortunately dated as it would have roughly spanned the one-month period up to the end of the first week of March. This sample period would have benefited from important information like the February 13th meeting between Prime Minister Trudeau and US President Trump that assuaged some concerns about US trade policy risks to Canada through downplaying NAFTA risks while the border tax issue nevertheless remains for all of America's trading partners. The sample period nevertheless pre-dates rising concerns about the application of US fiscal and regulatory stimulus in the wake of the GOP's failure to pass the American Healthcare Act in the US House of Representatives.

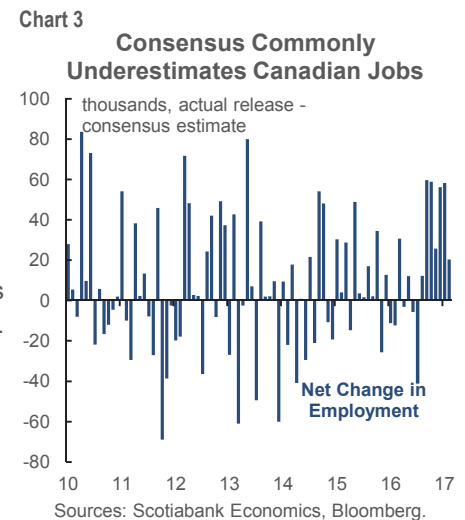
Chart 2



Among the key questions that will be assessed in the BOS will be: a) whether business expectations for future sales growth continue to improve; b) if business investment intentions are still improving after rising over the prior two quarters while hard data on equipment investment nevertheless collapsed over 2016H2; c) whether hiring intentions continue to rise in the wake of prior surveys and large employment gains since last summer; d) how acute labour shortages may be; and e) whether inflation expectations still remain anchored in the 1–2% range. The companion **Survey of Senior Loan Officer Opinions** will offer lender perspectives on credit availability to complement borrower perspectives in the BOS survey.

Trade data for February will advance tracking of export challenges and Q1 GDP growth. The issue is whether exports are tracking materially better in Q1. **Exports have done nothing over the past year and so one print on its own won't change anything at the BoC.** The Q3 annualized gain of 11½% q/q just reversed most of the 14½% slide in Q2 as transitory factors caused enormous volatility. Since then, export volumes advanced by a paltry annualized 1.3% in Q4/Q3 last year. Before next week's February data arrives, they are tracking a rise of just 2.3% q/q in Q1. That remains below the pace of GDP growth, although Q4 GDP growth was heavily distorted by factors like a huge lift from less of an import leakage effect. Since the BoC has long hoped for a rotation of the sources of growth away from the household sector and toward investments and exports, the latter pair of indicators counts for more in shaping fundamentals-based arguments for a policy shift at the BoC that is unlikely to occur until a protracted period of improvement has been registered with confidence it will stick.

Then it's on to the latest jobs report on Friday. **Unlike exports, job growth has been ripping since last summer.** In seasonally adjusted terms, Canada has heaped on 254,000 jobs since July that, if annualized, would come awfully close to the all-time annual record for hiring that was set in 1979 albeit more impressive back then when scaled to a smaller workforce and economy. The question is therefore the opposite from exports: can the pace of job gains continue unencumbered by considerations such as sacrificing productivity growth? Quite frankly, no one can tell you the answer to that with great conviction into next week's numbers as the household survey has a mile-wide confidence interval and consensus has performed miserably (chart 3). In fact, consensus has had a persistent forecast bias to under estimate job growth in Canada for years now. Since 2010, consensus has understated actual job growth by 683,000 jobs compared to the first estimates, and 572,000 compared to the presently final post-revision estimates as cumulative revisions knocked 110,000 jobs off the initial estimates over this period. That's huge, in that Canada has grown about 1.5 million jobs over this same period, and so consensus has missed about one-third of that tally. Equally frankly—who cares, at least if your focus is on monetary policy and market influences. Job growth is a support—perhaps a temporary one—to the household sector that the BoC knows is growing at a decent clip but their standard for assessing policy risks is more heavily rooted in hopes for less of this and more growth in other areas of the economy.



I've asked Mary Webb to weigh in with the following ahead of another provincial budget during high season for said events. **Newfoundland and Labrador's 2017–18 Budget is expected to provide an update on its considerable fiscal repair to date and then detail the next steps.** For fiscal 2016–17 (FY17 ending March 31, 2017), the Province's Fall *Update* revised the deficit to \$1.6 billion, a \$0.2 billion improvement on the *Budget* estimate and a hefty \$0.6 billion narrower than the FY16 shortfall of \$2.2 billion. The 2016 Budget laid out an ambitious seven-year plan that narrowed the FY18 deficit to less than \$1.0 billion, and this Budget will indicate whether measures such as zero-based budgeting are helping the Province to accomplish its plan.

Also watch for releases on home sales during March from local real estate boards although we're not yet into the period of peak Spring market activity.

Canada conducts a 5 year bond auction on Wednesday.

LATIN AMERICA — DIVERGENT INFLATION

Reflation is neither likely to be a consistent theme across LatAm markets next week nor a persistent one where it is surfacing. Peru's central bank is the only one in the region that will have to offer fresh judgement on inflation risks and it is unlikely to be swayed in either direction for some time.

Each of Peru (Saturday), Colombia (Wednesday), Chile and Mexico (both Friday) release fresh estimates of CPI inflation in March and they are likely to remain on divergent paths (chart 4). Mexico's is expected to continue to rise to the highest rate since July 2009 in part due to lagging effects of past currency weakness before this year's strength, increases in administered prices, and changes in year-ago fuel prices. Peru's inflation rate has been rising due to food prices in the wake of heavy rains but not in break-out fashion and only slightly above the central bank's 1-3% policy band. That should be enough to keep Peru's central bank on hold and monitoring inflation risk. Colombia's inflation rate is expected to dip below 5% y/y for the first time since August 2015 and will therefore land at around half of the 9% y/y peak in July. Chile's inflation rate is expected to remain steady at about 2.7% y/y which is inside the lower half of the central bank's 2-4% inflation target range.

The rest of the week will bring out a smattering of activity measures from Brazil (trade, industrial output) and Chile (trade and retail sales).

EUROPE — TRACKING Q1 GROWTH VERSUS SENTIMENT

Tracking the strength of the Eurozone economy's growth rate in Q1 will be the prime focus next week. The issue is whether GDP growth is reflecting sharp improvements in sentiment gauges like purchasing managers' indices—or if sentiment is not translating into activity. Consensus presently leans toward the latter argument (chart 5).

In revisiting this bias, numerous activity measures will be incorporated into fresh growth-tracking estimates with greater confidence based on data stretching into February. One such example is that Germany and France will release trade figures. Germany, France and Spain will release industrial production. Germany also updates factory orders. Italian and the Eurozone add-up for retail sales round out the updates. Consensus presently estimates growth of 0.4% q/q non-annualized for the whole Eurozone which would match the growth rate over each of the prior two quarters despite improving sentiment readings and so next week's figures will further inform this bias.

A similar focus will be in place for UK markets with one distinction. Purchasing managers' indices for various sectors covering the month of March lag the Eurozone's readings so it remains to be seen if similar upsides will arise in the UK when they are updated, especially after the UK's composite PMI fell back in February unlike the Eurozone. Trade and industrial production will be the only hard activity readings to inform an in-quarter forecast tracking bias.

Chart 4

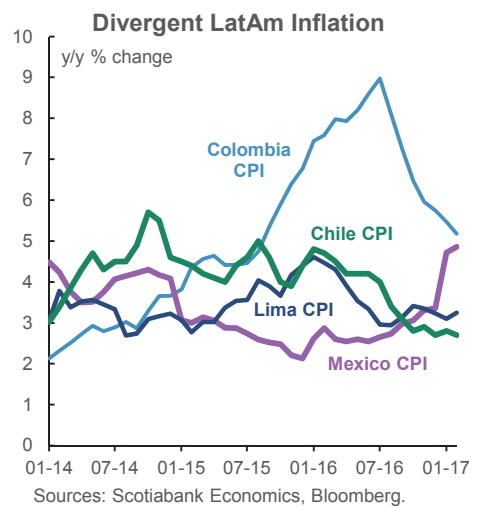
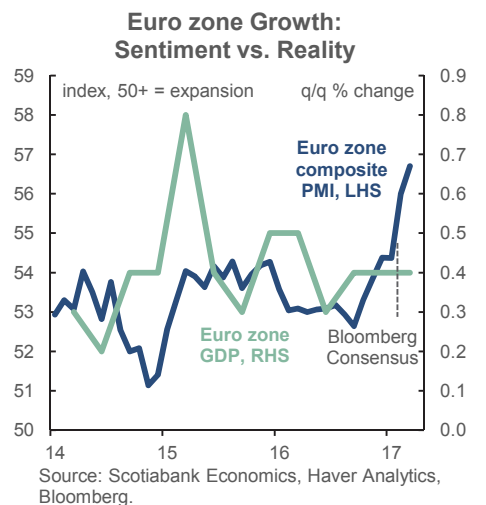


Chart 5



Key Indicators for the week of April 3 – 7

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	04/03	10:00	Construction Spending (m/m)	Feb	1.2	1.0	-1.0
US	04/03	10:00	ISM Manufacturing Index	Mar	57	57.0	57.7
CA	04/03	10:30	BoC Senior Loan Officer Survey	1Q	--	--	-2.6
CA	04/03	10:30	Business Outlook Future Sales	1Q	--	--	26.0
US	04/03		Domestic Vehicle Sales (mn a.r.)	Mar	--	13.7	13.7
US	04/03		Total Vehicle Sales (mn a.r.)	Mar	17.2	17.4	17.5
CA	04/04	08:30	Merchandise Trade Balance (C\$ bn)	Feb	0.5	0.7	0.8
US	04/04	08:30	Trade Balance (US\$ bn)	Feb	-45.0	-46.0	-48.5
US	04/04	10:00	Durable Goods Orders (m/m)	Feb F	--	--	1.7
US	04/04	10:00	Durable Goods Orders ex. Trans. (m/m)	Feb F	--	--	0.4
US	04/04	10:00	Factory Orders (m/m)	Feb	1.0	0.9	1.2
US	04/05	07:00	MBA Mortgage Applications (w/w)	MAR 31	--	--	-0.8
US	04/05	08:15	ADP Employment Report (000s m/m)	Mar	200	189.0	298.4
US	04/05	10:00	ISM Non-Manufacturing Composite	Mar	57.0	57.0	57.6
CA	04/06	08:30	Building Permits (m/m)	Feb	--	--	5.4
US	04/06	08:30	Initial Jobless Claims (000s)	APR 1	250	245	258
US	04/06	08:30	Continuing Claims (000s)	MAR 25	2035	--	2052
CA	04/07	08:30	Employment (000s m/m)	Mar	10	3.2	15.3
CA	04/07	08:30	Unemployment Rate (%)	Mar	6.7	6.7	6.6
US	04/07	08:30	Average Hourly Earnings (m/m)	Mar	0.2	0.2	0.2
US	04/07	08:30	Average Weekly Hours	Mar	--	34.4	34.4
US	04/07	08:30	Nonfarm Employment Report (000s m/m)	Mar	200	175.0	235.0
US	04/07	08:30	Unemployment Rate (%)	Mar	4.7	4.7	4.7
MX	04/07	09:00	Bi-Weekly Core CPI (% change)	Mar 31	0.20	--	0.31
MX	04/07	09:00	Bi-Weekly CPI (% change)	Mar 31	0.17	--	0.35
MX	04/07	09:00	Consumer Prices (m/m)	Mar	0.56	--	0.58
MX	04/07	09:00	Consumer Prices (y/y)	Mar	5.30	5.30	4.86
MX	04/07	09:00	Consumer Prices Core (m/m)	Mar	0.53	--	0.76
US	04/07	15:00	Consumer Credit (US\$ bn m/m)	Feb	--	12.0	8.8
US	04/07		Household Employment Report (000s m/m)	Mar	--	--	447.0

EUROPE

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
IT	04/03	03:45	Manufacturing PMI	Mar	--	55.1	55.0
FR	04/03	03:50	Manufacturing PMI	Mar F	53.4	53.4	53.4
GE	04/03	03:55	Manufacturing PMI	Mar F	58.3	58.3	58.3
EC	04/03	04:00	Manufacturing PMI	Mar F	56.2	56.2	56.2
UK	04/03	04:30	Manufacturing PMI	Mar	55.0	55.0	54.6
EC	04/03	05:00	PPI (m/m)	Feb	--	0.1	0.7
EC	04/03	05:00	Unemployment Rate (%)	Feb	9.6	9.5	9.6
IT	04/03		Budget Balance (€ bn)	Mar	--	--	-8.2
IT	04/03		Budget Balance YTD (€ bn)	Mar	--	--	-6.1
RU	APR 03-04		Real GDP (y/y)	4Q	--	0.30	0.30
UK	04/04	04:30	PMI Construction	Mar	--	52.5	52.5
EC	04/04	05:00	Retail Trade (m/m)	Feb	--	0.5	-0.1
IT	04/05	03:45	Services PMI	Mar	--	54.3	54.1
FR	04/05	03:50	Services PMI	Mar F	58.5	58.5	58.5
GE	04/05	03:55	Services PMI	Mar F	55.6	55.6	55.6
EC	04/05	04:00	Composite PMI	Mar F	56.7	56.7	56.7
EC	04/05	04:00	Services PMI	Mar F	56.5	56.5	56.5
UK	04/05	04:30	Official Reserves Changes (US\$ bn)	Mar	--	--	360.0
UK	04/05	04:30	Services PMI	Mar	54.0	53.5	53.3
GE	04/06	02:00	Factory Orders (m/m)	Feb	3.5	3.5	-7.4
GE	04/07	02:00	Current Account (€ bn)	Feb	--	19.8	12.8
GE	04/07	02:00	Industrial Production (m/m)	Feb	0.5	-0.2	2.8
GE	04/07	02:00	Trade Balance (€ bn)	Feb	--	17.4	14.9

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

Key Indicators for the week of April 3 – 7
EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
FR	04/07	02:45	Central Government Balance (€ bn)	Feb	--	--	-5.4
FR	04/07	02:45	Current Account (€ bn)	Feb	--	--	-7.0
FR	04/07	02:45	Industrial Production (m/m)	Feb	0.5	0.5	-0.3
FR	04/07	02:45	Industrial Production (y/y)	Feb	1.4	1.4	-0.4
FR	04/07	02:45	Manufacturing Production (m/m)	Feb	0.2	1.0	-1.0
FR	04/07	02:45	Trade Balance (€ mn)	Feb	--	-4900	-7940
SP	04/07	03:00	Industrial Output NSA (y/y)	Feb	--	--	7.1
UK	04/07	03:30	Halifax House Price (3 month, y/y)	Mar	3.7	4.0	5.1
UK	04/07	04:30	Industrial Production (m/m)	Feb	0.3	0.2	-0.4
UK	04/07	04:30	Manufacturing Production (m/m)	Feb	0.3	0.3	-0.9
UK	04/07	04:30	Visible Trade Balance (£ mn)	Feb	-10500	-10900	-10833

ASIA-PACIFIC

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
JN	04/02	19:30	Markit/JMMA Manufacturing PMI	Mar F	--	--	52.6
JN	04/02	19:50	Tankan All Industries Index	1Q	--	-0.3	5.5
JN	04/02	19:50	Tankan Manufacturing Index	1Q	--	14.0	10.0
JN	04/02	19:50	Tankan Non-Manufacturing Index	1Q	--	19.0	18.0
AU	04/02	21:30	Building Approvals (m/m)	Feb	--	-1.5	1.8
AU	04/02	21:30	Retail Sales (m/m)	Feb	--	0.3	0.4
AU	04/02	21:30	ANZ Job Advertisements (m/m)	Mar	--	--	-0.7
CH	04/02	21:45	Caixin China Manufacturing PMI	Mar	51.6	51.7	51.7
TH	04/02	23:30	CPI (y/y)	Mar	1.6	1.3	1.4
TH	04/02	23:30	CPI (m/m)	Mar	--	0.0	0.0
TH	04/02	23:30	Core CPI (y/y)	Mar	--	0.6	0.6
ID	APR 02-03		CPI (y/y)	Mar	3.8	3.8	3.8
ID	APR 02-03		CPI (m/m)	Mar	--	0.2	0.2
ID	APR 02-03		Core CPI (y/y)	Mar	--	3.4	3.4
JN	APR 02-07		Official Reserve Assets (US\$ bn)	Mar	--	--	1232
PH	APR 02-07		Budget Deficit/Surplus (PHP bn)	Feb	--	--	2.2
JN	04/03	01:00	Vehicle Sales (y/y)	Mar	--	--	13.4
TH	04/03	03:30	Business Sentiment Index	Mar	--	--	49.8
SI	04/03	09:00	Purchasing Managers Index	Mar	--	--	50.9
SK	04/03	19:00	CPI (m/m)	Mar	--	0.0	0.3
SK	04/03	19:00	CPI (y/y)	Mar	2.4	2.2	1.9
SK	04/03	19:00	Core CPI (y/y)	Mar	--	1.5	1.5
JN	04/03	19:50	Monetary Base (y/y)	Mar	--	--	21.4
AU	04/03	21:30	Trade Balance (AUD mn)	Feb	--	1700	1302
AU	04/04	00:30	RBA Cash Target Rate (%)	Apr 4	1.50	1.50	1.50
NZ	04/04	13:00	QV House Prices (y/y)	Mar	--	--	13.5
SK	04/04	19:00	Current Account (US\$ mn)	Feb	--	--	5278
PH	04/04	21:00	CPI (y/y)	Mar	3.3	3.4	3.3
PH	04/04	21:00	Core CPI (y/y)	Mar	--	2.8	2.7
PH	04/04	21:00	CPI (m/m)	Mar	--	0.1	0.3
TH	04/04	23:30	Consumer Confidence Economic	Mar	--	--	64.3
MA	04/05	00:00	Exports (y/y)	Feb	--	13.9	13.6
MA	04/05	00:00	Imports (y/y)	Feb	--	15.0	16.1
MA	04/05	00:00	Trade Balance (MYR bn)	Feb	--	7.8	4.7
HK	04/05	20:30	Purchasing Managers Index	Mar	--	--	49.6
TA	04/05	20:30	CPI (y/y)	Mar	0.6	0.7	0.0
CH	04/05	21:45	Caixin China Composite PMI	Mar	--	--	52.6
CH	04/05	21:45	Caixin China Services PMI	Mar	52.4	--	52.6
JN	04/06	01:00	Consumer Confidence	Mar	--	43.4	43.1
IN	04/06	05:00	Repo Rate (%)	Apr 6	6.25	6.25	6.25
IN	04/06	05:00	Reverse Repo Rate (%)	Apr 6	5.75	5.75	5.75
IN	04/06	05:00	Cash Reserve Ratio (%)	Apr 6	4.00	4.00	4.00
ID	APR 05-06		Consumer Confidence Index	Mar	--	--	117.1

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

Key Indicators for the week of April 3 – 7

ASIA-PACIFIC (continued from previous page)

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
JN	04/07	01:00	Coincident Index CI	Feb P	--	115.6	115.1
JN	04/07	01:00	Leading Index CI	Feb P	--	104.6	104.9
JN	04/07	01:00	New Composite Leading Economic Index	Feb P	--	104.6	104.9
AU	04/07	02:30	Foreign Reserves (AUD bn)	Mar	--	--	66.8
MA	04/07	03:00	Foreign Reserves (US\$ bn)	Mar 31	--	--	94.9
SI	04/07	05:00	Foreign Reserves (US\$ mn)	Mar	--	--	253350
CH	APR 06-07		Foreign Reserves (US\$ bn)	Mar	--	3007.5	3005
SI	APR 06-14		Real GDP (y/y)	1Q A	--	2.6	2.9
SI	APR 06-14		Real GDP SAAR (q/q)	1Q A	--	-1.9	12.3
SI	APR 06-14		GDP (q/q)	1Q A	--	2.6	2.9

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
PE	04/01	01:00	Consumer Price Index (m/m)	Mar	1.0	0.8	0.3
PE	04/01	01:00	Consumer Price Index (y/y)	Mar	3.7	3.5	3.3
BZ	04/03	08:00	PMI Manufacturing Index	Mar	--	--	46.9
CL	04/03	08:00	Retail Sales (y/y)	Feb	-1.0	0.7	3.8
BZ	04/03		Trade Balance (FOB) - Monthly (US\$ mn)	Mar	--	--	4560
BZ	04/04	08:00	Industrial Production SA (m/m)	Feb	--	0.4	-0.1
BZ	04/04	08:00	Industrial Production (y/y)	Feb	--	0.1	1.4
CL	04/05	07:30	Economic Activity Index SA (m/m)	Feb	--	--	0.4
CL	04/05	07:30	Economic Activity Index NSA (y/y)	Feb	-1.6	-1.0	1.5
CO	04/05	20:00	Consumer Price Index (m/m)	Mar	--	0.6	1.0
CO	04/05	20:00	Consumer Price Index (y/y)	Mar	--	4.8	5.2
PE	04/06	19:00	Reference Rate (%)	Apr 6	4.00	--	4.25
CL	04/07	07:00	CPI (m/m)	Mar	0.4	--	0.2
CL	04/07	07:00	CPI (y/y)	Mar	0.4	2.7	2.7
BZ	04/07	08:00	IBGE Inflation IPCA (m/m)	Mar	--	0.3	0.3
BZ	04/07	08:00	IBGE Inflation IPCA (y/y)	Mar	--	4.6	4.8
PE	APR 07-11		Trade Balance (USD mn)	Feb	--	--	-322.0

Global Auctions for the week of April 3 – 7

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	04/05	12:00	Canada to Sell 5-Year Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
AS	04/04	05:15	Austria to Sell 6.25% 2027 Bonds
AS	04/04	05:15	Austria to Sell 0% 2023 Bonds
UK	04/04	05:30	U.K. to Sell GBP2.5 Bln 1.25% 2027 Bonds
DE	04/05	04:00	Denmark to Sell Bonds
SW	04/05	05:03	Sweden to Sell Bonds
GE	04/05	05:30	Germany to Sell EUR4 Bln 0% 2022 Bonds
SP	04/06	04:30	Spain to Sell Bonds
FR	04/06	04:50	France to Sell Bonds
IC	04/07	06:30	Iceland to Sell Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	04/04	23:00	China to Sell CNY32 Bln 1-Yr Bonds
CH	04/04	23:00	China to Sell CNY32 Bln 10-Yr Bonds

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
BZ	04/04	11:00	Brazil to Sell I/L Bonds

Events for the week of April 3 – 7

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	04/03	10:30	Business Outlook Future Sales
CA	04/03	10:30	BoC Senior Loan Officer Survey
US	04/03	10:30	Fed's Dudley Speaks at Press Briefing in New York
US	04/03	15:00	Fed's Harker Speaks in Philadelphia on Fintech
US	04/03	17:00	Fed's Lacker Speaks in Lexington, Virginia
US	04/03		President El-Sisi Visits White House to Meet President Trump
US	04/04	09:30	Southwest Border Fencing - Hearing
US	04/04	16:30	Fed's Tarullo speaks at Princeton University
US	04/05	14:00	FOMC Meeting Minutes
US	04/06	09:30	Fed's Williams Speaks on a Panel in Frankfurt
US	APR 06-07		President Trump meets Chinese President Xi Jinping in Florida
CA	04/07	10:00	Bank of Canada's Poloz Unveils New Bank Note

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NO	04/04	08:00	Norges Bank Governor Olsen Speaks at Conference in Oslo
GE	04/05	13:00	Schaeuble Speaks on EU Crisis as an Opportunity, Berlin
EC	04/05	00:00	NATO Foreign Ministers Meet in Brussels
NO	04/06	03:15	Norges Bank Deputy Governor Nicolaisen Speaks at ECBC Meeting
EC	04/06	07:30	ECB account of the monetary policy meeting
GE	04/06	00:00	G-20 Economy/Digital Ministers Meet in Dusseldorf
FR	04/07		France Sovereign Debt to be rated by S&P
SW	04/07		Sweden Sovereign Debt to be rated by Moody's
SP	04/07		Spain Sovereign Debt to be rated by DBRS
EC	04/07	00:00	EU/Euro-Area Finance Ministers Meet in Valletta, Malta

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	03/28	00:00	EU's Arias Canete Visits China March 28 - April 2
AU	04/04	00:30	RBA Cash Rate Target
AU	04/05	18:40	RBA's Debelle Speech in Sydney
IN	04/06	05:00	RBI Repurchase Rate
IN	04/06	05:00	RBI Reverse Repo Rate
IN	04/06	05:00	RBI Cash Reserve Ratio

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PE	04/06	19:00	Reference Rate
CO	04/07	14:00	Colombia Monetary Policy Minutes

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	0.50	April 12, 2017	0.50	0.50
Federal Reserve – Federal Funds Target Rate	1.00	May 3, 2017	1.00	1.00
Banco de México – Overnight Rate	6.50	May 18, 2017	6.75	--

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	April 27, 2017	0.00	--
Bank of England – Bank Rate	0.25	May 11, 2017	0.25	--
Swiss National Bank – Libor Target Rate	-0.75	June 15, 2017	-0.75	--
Central Bank of Russia – One-Week Auction Rate	9.75	April 28, 2017	10.00	9.50
Sweden Riksbank – Repo Rate	-0.50	April 27, 2017	-0.50	--
Norges Bank – Deposit Rate	0.50	May 4, 2017	0.50	--

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	April 27, 2017	-0.10	--
Reserve Bank of Australia – Cash Target Rate	1.50	April 4, 2017	1.50	1.50
Reserve Bank of New Zealand – Cash Rate	1.75	May 10, 2017	1.75	1.75
People's Bank of China – Lending Rate	4.35	TBA	--	--
Reserve Bank of India – Repo Rate	6.25	April 6, 2017	6.25	6.25
Bank of Korea – Bank Rate	1.25	April 13, 2017	1.25	--
Bank of Thailand – Repo Rate	1.50	May 24, 2017	1.50	1.50
Bank Indonesia – 7-Day Reverse Repo Rate	4.75	April 20, 2017	4.75	--

The Reserve bank of Australia will likely leave the benchmark cash rate unchanged at 1.5% over the coming months. The Australian economic outlook is relatively balanced between upside and downside risks: it is supported by a pick-up in external sector momentum, while labour market and income growth indicators remain muted.

The Reserve Bank of India (RBI) is expected to maintain the benchmark repo and reverse repo rates at 6.25% and 5.75%, respectively, over the coming quarters. In February, the RBI announced that it has changed its monetary policy stance from accommodative to neutral.

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	12.25	April 12, 2017	11.75	--
Banco Central de Chile – Overnight Rate	3.00	April 13, 2017	2.75	--
Banco de la República de Colombia – Lending Rate	7.00	April 28, 2017	7.00	--
Banco Central de Reserva del Perú – Reference Rate	4.25	April 6, 2017	4.00	--

Peru's central bank is expected to stay on hold next week and continue to monitor inflation risk in the wake of transitory influences from heavy rains and the effects on food prices.

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	7.00	May 25, 2017	7.00	--

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.