

**LEST WE FORGET**

- [Introduction](#) 2-3
- [1. Central Banks—Eyes On Lagarde, RBNZ](#) 3-4
- [2. Quebec's Fiscal Update](#) 4
- [3. Divergent Inflation](#) 5
- [4. Extra Credit](#) 5

**FORECASTS & DATA**

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

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**Next Week's Risk Dashboard**

- The US election's aftermath
- CBs: Banxico, Peru, RBNZ
- Inflation: US, China, Mexico, India, Norway, Sweden
- GDP Q3: UK, Norway, Philippines, Malaysia
- CB-speak: Fed, ECB, BoE, BoC
- Quebec's fiscal update
- Other macro

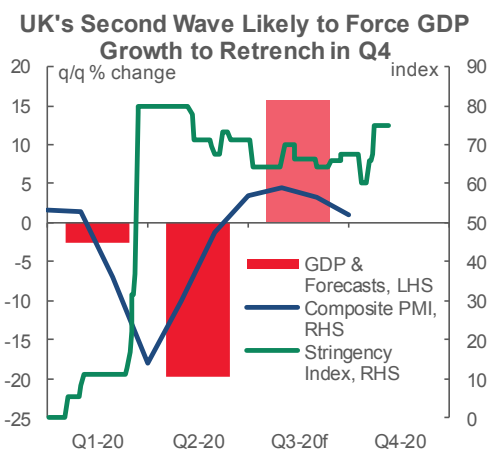
**Chart of the Week**


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

## Lest We Forget

At the top of the list of considerations over the coming week may be whether the US election will continue to impact market prices and, if so, to what degree and direction? This question remains further informed but unresolved, while history can provide a useful guide.

As at the time of writing, we know that Biden is ahead in Georgia, Pennsylvania, Arizona and Nevada but behind in North Carolina. It appears likely that he is on the verge of being declared victor and potentially by a wide margin in the Electoral College. It's likely that vote recounts and court challenges will occur that could drag out official results, but this is probably going to be a temporary matter. All states must choose electors to the Electoral College by December 8<sup>th</sup> for the votes to be submitted by December 14<sup>th</sup>. With what is at stake, relatively quick resolutions are expected notwithstanding historic effort by President Trump to interfere with the voting process.

**The bigger risk overhanging markets will continue to be the outcome of the Senate race that remains in limbo.** Two races in Georgia appear likely to go to runoffs on January 5<sup>th</sup>. Until they are settled, we won't know which party controls the Senate. Market participants should expect considerable volatility as Senate polls and developments in local races are digested.

**Why does this matter so much to markets?** Because it will determine whether we're looking at a 'blue-light' (Biden plus GOP Senate) or 'blue wave' (Biden plus Dems Senate, in addition to the House) scenario in Washington. A blue light scenario would probably be ideal to bonds and equities together because it would reduce trade policy uncertainty at least for a time, while offering modest fiscal stimulus instead of more aggressive action that could put upward pressure on Treasury yields. It could also check some policies that may adversely impact specific equity sectors. A blue wave scenario could steepen curves by more driving faster growth into 2021 and in such fashion as to perhaps ultimately bring forward Fed rate hike expectations but still not for some time. Clearly there remains much at stake which merits high caution surrounding forecasts for Treasury yields, stocks and other market variables and not least of which because in the interim period we have to face the December 11<sup>th</sup> expiration of the debt suspension during the so-called lame duck session in Congress.

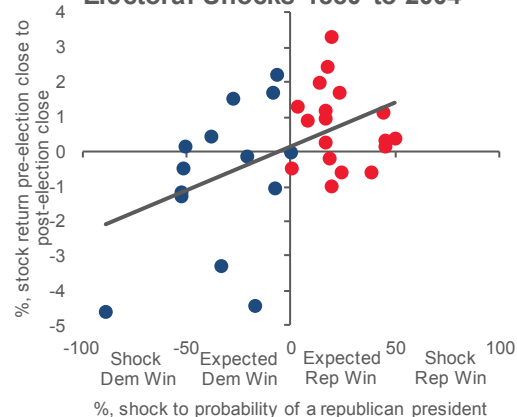
**But are there lessons and guidance that can be offered with respect to the effect that the election is likely to have on the stock market?** We can approach this in a few ways, one of which involves reaching back to learn some lessons from history which seems fitting into a week that includes Remembrance Day / Veterans Day on Wednesday.

First, [this](#) piece looked at the impact of past Presidential elections in the immediate short-run aftermath. It did so by evaluating the impact of Republican versus Democrat winners and differentiates between when it is expected versus a surprise. Elections as far back as 1880 and up to before the GFC are included. The results are depicted in chart 1 using blue dots for Democrat victories and red dots for Republican wins. When Democratic administrations are elected, they tend to weigh on stock markets in the immediate aftermath relative to Republican administrations. When the result is generally expected in advance polling—as it was this time—then the impact of a Democrat winner on the stock market is only mildly negative and a fraction of the negative effect of a surprise Democrat victory. On average, a Democrat winner that is expected results in about a ¼% drop in stocks. Note, however, that not all victories by Democrats in history have had a negative effect on stocks. In fact, charts 2–5 show how dangerous simplistic conclusions can be with respect to the impact of the stripe of the administration on stocks; the periods leading up to and following elections in modern times offer a full range of possible outcomes disconnected from who wins.

Picking up on this latter point involves realizing that obviously this is a unique election! That's in part owing to how unusual the Trump administration behaved (sticking to its economic policies...). The stock market's reaction vividly illustrates this. Compared to Monday's close, the S&P500 gradually moved higher by almost 6% by the end of the week as a Biden victory became priced. This was not a pure play on Biden, however, in that the outcome in the Senate will determine whether Bidenomics will be delivered on plan.

Chart 1

Equity Market Response to Presidential Electoral Shocks 1880 to 2004



Sources: Scotiabank Economics, Snowberg et al. 2006

Stocks may have had this reaction because they think the risk of US-led trade aggression has moved lower which may mean less damaging effects on world growth. Stocks may be thinking that crisis management skills in the White House—and specifically pandemic management—may improve. Nevertheless, the Democrats’ tax plans are clearly unfavourable to markets, but the impact of spending plans particularly into 2021 could boost economic growth and earnings growth in offsetting fashion to tax fears.

**Nevertheless, delivering on the Dems extremely ambitious fiscal plan is likely to face many pitfalls even in a blue wave scenario such that implementation risk once priorities are established will remain high.** For example, changing US tax laws is never simple, while boosting infrastructure spending has been repeatedly offered over time and to little effect while the long-run fiscal position of the US government is unsustainable.

The assessment so far therefore leaves markets on tenterhooks as to the full impact of an unusual election that will only be informed over time. In my view, in light of these uncertainties, **markets may return to emphasizing other risks such as the more dominant issue of rising global COVID-19 cases.** Fed Chair Powell’s emphasis upon downside risk matched ECB President Lagarde’s similar guidance, yet monetary policy on its own can only aid proper market functioning by flooding the system with liquidity and insulating against discrete drops in asset prices or at least how they transmit through the rest of the economy.

In the end, stocks still need consumers and workers engaging in economic activity, companies hiring workers, consumers spending and businesses investing in order to drive top line revenue growth and earnings. It is easy to get carried away with the market effects of US elections—a tendency particularly observed across US-centric commentators within a system that is completely obsessed with its deeply partisan politics and constantly in election mode—yet holding that out as a model for the entire world. It is harder to look past the domestic politics toward the grander evolving risks to the outlook.

## 1. CENTRAL BANKS—EYES ON LAGARDE, RBNZ

Three regional central bank decisions and a wave of central bank speak will be delivered.

**The Reserve Bank of New Zealand issues a decision on Tuesday evening (EST).** No change in the official cash rate of 0.25% is expected at this meeting but other easing measures are expected to be unveiled. For one, a funding for lending program is expected to be implemented that could amount to half of the size of the existing NZ\$100 billion asset purchase program. Further guidance on negative rates is also expected without moving there just yet as the central bank has been guiding banks to be

Chart 2

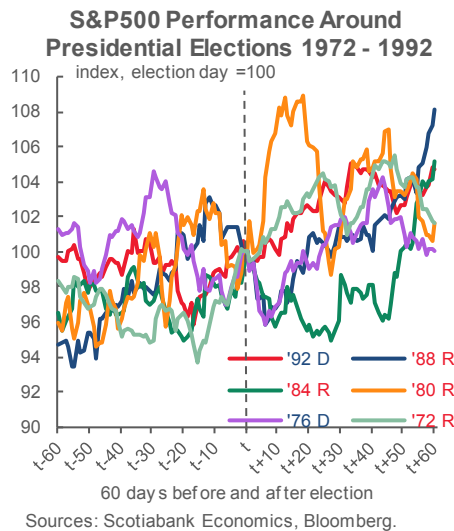


Chart 3

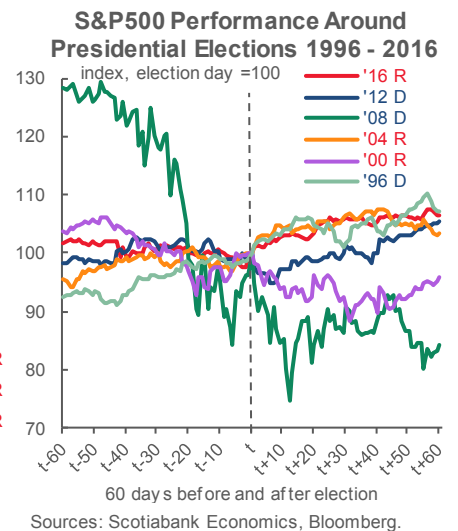


Chart 4

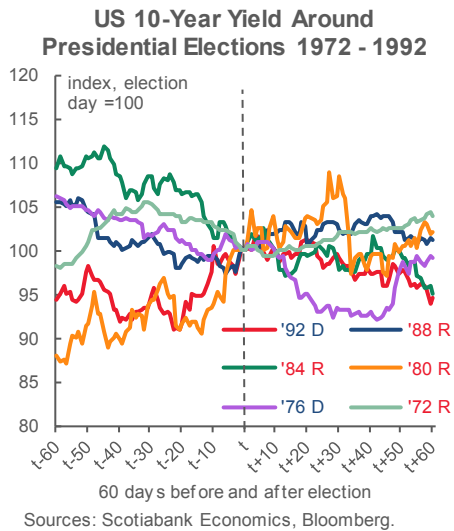
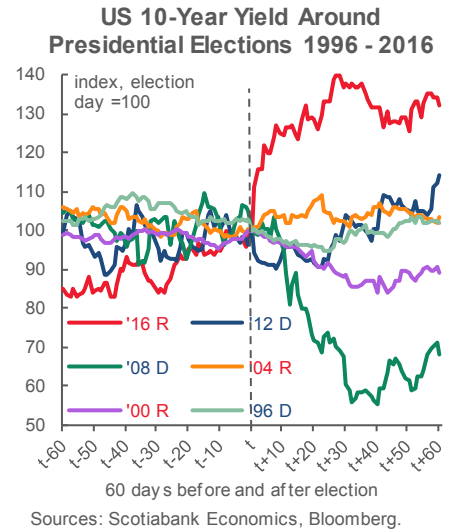


Chart 5



prepared. Markets are pricing almost 50bps in cuts next year (chart 6). This is a central bank worth watching as it possibly adds its name to a small sample of regional central banks experimenting with negative rates.

**Banxico will deliver a policy decision on Thursday.** Our economists in Mexico City expect no change to the overnight rate of 4¼% but with modest cut risk. Minutes to the last meeting on September 25<sup>th</sup> indicated that several board members had reservations toward the delivered rate cut. Inflation of 4% y/y lies at the top of the 3% +/-1% target range. GDP growth recently hit 12% q/q non-annualized in Q3.

**Peru’s central bank is expected to stay on hold at 0.25% on Thursday.** This is the central bank’s effective lower bound. We expect continued guidance to remain on hold for an extended period.

Several top central bank officials will speak over the coming week. **ECB President Lagarde tops the list as she will speak three times.** Markets will be sensitive to any potential guidance with respect to additional forthcoming stimulus at the December 10<sup>th</sup> meeting. This follows recent communications that indicated “all” instruments were on the table as fresh stimulus is considered. First up will be on Monday at a conference on the environment and “green growth.” She will speak again on Wednesday to provide introductory remarks at a central banking forum and then again on Thursday at an ECB event that will also include Fed Chair Powell and BoE Governor Bailey. Neither Powell nor Bailey are expected to impact markets after the Fed’s latest communications ([here](#)) and following the BoE’s £150 billion expansion of its gilts purchase program.

**Bank of Canada Senior Deputy Governor Carolyn Wilkins** will deliver what will be her final scheduled speech before she leaves on December 9<sup>th</sup> after the next BoC policy meeting. Her speech on Thursday is titled “Exploring Life Post-Covid” with text and audience Q&A but no press conference. The title suggests long-term issues beyond shorter term policy considerations to markets.

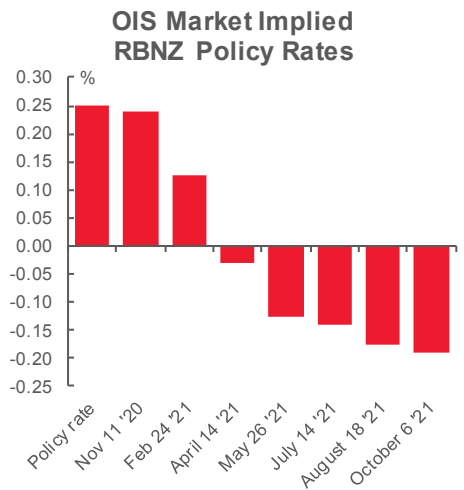
## 2. QUEBEC’S FISCAL UPDATE

**Scotiabank’s Marc Desormeaux expects a plan largely in line with previous guidance when Quebec releases multi-year fiscal and economic projections on Thursday.** What follows are his thoughts.

Recall that in June, the provincial government forecast an FY21 accounting deficit of nearly \$15 bn (3.4% of nominal GDP), but covered that shortfall by depleting its stabilization reserve fund, used to smooth out business cycle fiscal impacts. Quebec has since enjoyed a stronger-than-average post-reopening economic rebound (chart 7) but implemented fresh restrictions last month to quell the pandemic’s second wave. Consistent with Scotiabank Economics forecasts, the provincial Finance Minister has indicated that full recovery of economic losses is still more than a year away; fiscal balance is said to be unlikely before FY26.

Still, Quebec holds two key advantages. One is the hefty \$4 bn contingency established to address second wave financial pressures, which limits downside risk to the bottom line (chart 8). The other is that despite a significant hit from COVID-19, pre-pandemic fiscal consolidation efforts currently have Quebec’s net debt burden well below the rates over 50% of GDP witnessed following the 2008–09 recession.

Chart 6



Sources: Scotiabank Economics, Bloomberg.

Chart 7

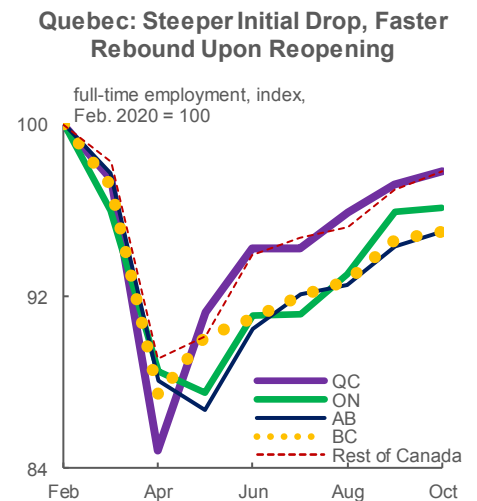
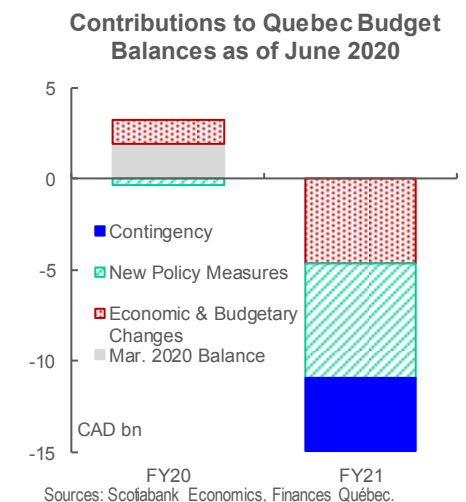


Chart 8



Sources: Scotiabank Economics, Finances Québec.

### 3. DIVERGENT INFLATION

Several countries will release fresh inflation figures that will inform global disinflationary trends. A wide range of outcomes is expected to be driven by global and idiosyncratic factors with much of the emphasis upon further possible downward pressure on US and Chinese gauges.

- United States:** I've guesstimated that inflation will slip further to 1.2% y/y (1.4% prior) when October's estimate arrives on Thursday. Core inflation excluding food and energy is nevertheless estimated to be unchanged at 1.7% y/y. A shift in year-ago base effects should lead to milder headline inflation, while typical seasonal influences on the month-over-month inflation rate could be mildly positive and gasoline should be a neutral influence this time around.
- China:** Monday's night's estimates (ET) are expected to reveal further downward pressure on headline inflation to below 1% y/y, but key will be whether core CPI continues to bottom at ½% (chart 9).
- Mexico:** October's CPI reading will arrive on Monday before Banxico delivers its latest decision on Thursday. Little change is expected to the prior month's roughly 4.0% y/y headline and core readings that lie at the upper end of the central bank's target range.

Chart 9



Norway's underlying CPI inflation reading is expected to continue to hover toward its highest range since 2016 (Tuesday). Sweden's underlying inflation rate, by contrast, is expected to continue to be marginally positive (Thursday). India's inflation rate is expected to remain over 7% y/y on Thursday and hence well above the 4% +/-2% target range ahead of the Reserve Bank of India's pending review of its inflation target into early 2021.

### 4. EXTRA CREDIT

The remainder of the macro docket will include a number of indicators that should pose low risk to markets.

**Chinese macro releases** will include trade figures for October this weekend, followed by inflation readings on Monday evening (ET) and possibly aggregate financing figures either next week or the following weekend.

**The US calendar will be lightly populated** with just the University of Michigan's consumer sentiment gauge for November (Friday), producer prices during October (Friday), and weekly claims (Thursday).

**Eurozone gauges will include ZEW investor sentiment for November** (Tuesday) plus possible revisions to Q3 GDP growth that was estimated at just shy of 13% q/q non-annualized. Industrial output and trade figures during September will be released by some member countries.

**UK macro readings** will highlight job markets during October on Tuesday, industrial output during September on Thursday, and a monthly services index for September that same day along with trade figures.

**Several regions will update Q3 GDP.** The magnitude of the UK rebound is expected to be on the order of 16% q/q at a non-annualized rate following a 20% contraction in Q2 (Thursday). Norway (Thursday) is likely to roughly flip the sign on the second quarter's 5% contraction when it releases Q3 GDP. Philippines (Monday night ET) and Malaysia (Friday morning ET) are expected to record Q3 rebounds on the order of 8% and 11% respectively.



## Key Indicators for week of November 9 – 13

### NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	11/09	07:00	Bi-Weekly Core CPI (% change)	Oct 31	0.1	0.1	0.1
MX	11/09	07:00	Bi-Weekly CPI (% change)	Oct 31	0.2	0.1	0.5
MX	11/09	07:00	Consumer Prices (m/m)	Oct	0.7	0.6	0.2
MX	11/09	07:00	Consumer Prices (y/y)	Oct	4.2	4.0	4.0
MX	11/09	07:00	Consumer Prices Core (m/m)	Oct	0.3	0.3	0.3
US	11/10	10:00	JOLTS Job Openings (000s)	Sep	--	6500	6493
MX	11/11	07:00	Industrial Production (m/m)	Sep	--	--	3.3
MX	11/11	07:00	Industrial Production (y/y)	Sep	--	-6.2	-9.0
US	11/11	07:00	MBA Mortgage Applications (w/w)	Nov 6	--	--	3.8
US	11/12	08:30	CPI (m/m)	Oct	0.2	0.2	0.2
US	11/12	08:30	CPI (y/y)	Oct	1.2	1.3	1.4
US	11/12	08:30	CPI (index)	Oct	--	260.5	260.3
US	11/12	08:30	CPI ex. Food & Energy (m/m)	Oct	0.2	0.2	0.2
US	11/12	08:30	CPI ex. Food & Energy (y/y)	Oct	1.7	1.8	1.7
US	11/12	08:30	Initial Jobless Claims (000s)	Nov 7	700	730	751
US	11/12	08:30	Continuing Claims (000s)	Oct 31	7000	6750	7285
<b>MX</b>	<b>11/12</b>	<b>14:00</b>	<b>Overnight Rate (%)</b>	<b>Nov 12</b>	<b>4.25</b>	<b>4.13</b>	<b>4.25</b>
US	11/12	14:00	Treasury Budget (US\$ bn)	Oct	--	-288.0	-124.6
US	11/13	08:30	PPI (m/m)	Oct	0.2	0.2	0.4
US	11/13	08:30	PPI ex. Food & Energy (m/m)	Oct	0.3	0.2	0.4
US	11/13	10:00	U. of Michigan Consumer Sentiment	Nov P	81.5	82.0	81.8

### EUROPE

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
GE	11/09	02:00	Current Account (€ bn)	Sep	--	19.0	16.5
GE	11/09	02:00	Trade Balance (€ bn)	Sep	--	16.0	11.9
UK	11/10	02:00	Average Weekly Earnings (3-month, y/y)	Sep	--	1.1	0.0
UK	11/10	02:00	Employment Change (3M/3M, 000s)	Sep	--	-160	-153
UK	11/10	02:00	Jobless Claims Change (000s)	Oct	--	--	28.1
UK	11/10	02:00	ILO Unemployment Rate (%)	Sep	--	4.8	4.5
FR	11/10	02:45	Industrial Production (m/m)	Sep	--	0.7	1.3
FR	11/10	02:45	Industrial Production (y/y)	Sep	--	-5.7	-6.2
FR	11/10	02:45	Manufacturing Production (m/m)	Sep	--	1.5	1.0
IT	11/10	04:00	Industrial Production (m/m)	Sep	--	-2.0	7.7
EC	11/10	05:00	ZEW Survey (Economic Sentiment)	Nov	--	--	52.3
GE	11/10	05:00	ZEW Survey (Current Situation)	Nov	--	-65.0	-59.5
GE	11/10	05:00	ZEW Survey (Economic Sentiment)	Nov	--	44.0	56.1
GE	11/12	02:00	CPI (m/m)	Oct F	--	0.1	0.1
GE	11/12	02:00	CPI (y/y)	Oct F	--	-0.2	-0.2
GE	11/12	02:00	CPI - EU Harmonized (m/m)	Oct F	--	0.0	0.0
GE	11/12	02:00	CPI - EU Harmonized (y/y)	Oct F	--	-0.5	-0.5
NO	11/12	02:00	GDP (q/q)	3Q	--	--	-5.10
UK	11/12	02:00	Business Investment (q/q)	3Q P	--	14.4	-26.6
UK	11/12	02:00	GDP (q/q)	3Q P	--	15.8	-19.8
UK	11/12	02:00	Index of Services (m/m)	Sep	--	1.2	0.0
UK	11/12	02:00	Industrial Production (m/m)	Sep	--	0.8	0.3
UK	11/12	02:00	Manufacturing Production (m/m)	Sep	--	1.0	0.7
UK	11/12	02:00	Visible Trade Balance (£ mn)	Sep	--	-9300	-9010
EC	11/12	05:00	Industrial Production (m/m)	Sep	--	0.7	0.7
EC	11/12	05:00	Industrial Production (y/y)	Sep	--	-5.8	-7.2
RU	11/12	11:00	Real GDP (y/y)	3Q A	--	-4.0	-8.0

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

**Key Indicators for week of November 9 – 13**
**EUROPE (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>
FR	11/13	02:45	CPI (m/m)	Oct F	--	-0.1	-0.1
FR	11/13	02:45	CPI (y/y)	Oct F	--	0.0	0.0
FR	11/13	02:45	CPI - EU Harmonized (m/m)	Oct F	--	-0.1	-0.1
FR	11/13	02:45	CPI - EU Harmonized (y/y)	Oct F	--	0.0	0.0
SP	11/13	03:00	CPI (m/m)	Oct F	--	0.5	0.5
SP	11/13	03:00	CPI (y/y)	Oct F	--	-0.9	-0.9
SP	11/13	03:00	CPI - EU Harmonized (m/m)	Oct F	--	0.3	0.3
SP	11/13	03:00	CPI - EU Harmonized (y/y)	Oct F	--	-1.0	-1.0
PD	11/13	04:00	GDP (y/y)	3Q P	--	-1.70	-8.40
EC	11/13	05:00	Employment (q/q)	3Q P	--	--	-2.9
EC	11/13	05:00	GDP (q/q)	3Q P	--	12.7	12.7
EC	11/13	05:00	Trade Balance (€ mn)	Sep	--	--	14705

**ASIA-PACIFIC**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Indicator</u>	<u>Period</u>	<u>BNS</u>	<u>Consensus</u>	<u>Latest</u>
CH	11/06	21:00	Foreign Reserves (US\$ bn)	Oct	--	3143	3143
CH	11/06	21:00	Exports (y/y)	Oct	--	9.2	9.9
CH	11/06	21:00	Imports (y/y)	Oct	--	8.6	13.2
CH	11/06	21:00	Trade Balance (USD bn)	Oct	--	46.3	37.0
ID	11/08	21:00	Consumer Confidence Index	Oct	--	--	83.4
MA	11/08	23:00	Industrial Production (y/y)	Sep	--	2.5	0.3
JN	11/09	00:00	Coincident Index CI	Sep P	--	80.5	79.2
JN	11/09	00:00	Leading Index CI	Sep P	--	92.7	88.4
TA	11/09	03:00	Exports (y/y)	Oct	--	5.8	9.4
TA	11/09	03:00	Imports (y/y)	Oct	--	-2.1	-5.4
TA	11/09	03:00	Trade Balance (US\$ bn)	Oct	--	5.9	7.1
SI	11/09	04:00	Foreign Reserves (US\$ mn)	Oct	--	--	328022
JN	11/09	18:50	Bank Lending (y/y)	Oct	--	--	6.4
JN	11/09	18:50	Current Account (¥ bn)	Sep	--	2020	2103
JN	11/09	18:50	Trade Balance - BOP Basis (¥ bn)	Sep	--	802.7	413.2
CH	11/09	20:00	New Yuan Loans (bn)	Oct	800	735	1896
CH	11/09	20:30	CPI (y/y)	Oct	1.3	0.8	1.7
CH	11/09	20:30	PPI (y/y)	Oct	--	-1.9	-2.1
PH	11/09	21:00	Real GDP (y/y)	3Q	-8.5	-9.6	-16.5
TH	11/09	22:30	Consumer Confidence Economic	Oct	--	--	42.9
SK	11/10	18:00	Unemployment Rate (%)	Oct	--	3.8	3.9
JN	11/10	18:50	Japan Money Stock M2 (y/y)	Oct	--	9.2	9.0
JN	11/10	18:50	Japan Money Stock M3 (y/y)	Oct	--	7.6	7.4
NZ	11/10	20:00	RBNZ Official Cash Rate (%)	Nov 11	0.25	0.25	0.25
JN	11/11	01:00	Machine Tool Orders (y/y)	Oct P	--	--	-15.0
JN	11/11	18:50	Machine Orders (m/m)	Sep	--	-1.1	0.2
IN	11/11	22:30	Exports (y/y)	Oct	--	--	6.0
IN	11/11	22:30	Imports (y/y)	Oct	--	--	-19.6
JN	11/11	23:30	Tertiary Industry Index (m/m)	Sep	--	1.4	0.8
IN	11/12	07:00	CPI (y/y)	Oct	6.90	7.14	7.34
IN	11/12	07:00	Industrial Production (y/y)	Sep	--	-2.00	-8.00
NZ	11/12	16:30	Business NZ PMI	Oct	--	--	54.0
MA	11/12	23:00	Current Account Balance (MYR mns)	3Q	--	--	7600
MA	11/12	23:00	GDP (y/y)	3Q	-6.0	-6.5	-17.1
HK	11/13	03:30	Real GDP (y/y)	3Q F	-3.4	-3.4	-3.4

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

## Key Indicators for week of November 9 – 13

### 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>
PE	11/09	09:00	Trade Balance (USD mn)	Sep	500	--	352.8
BZ	11/11	07:00	Retail Sales (m/m)	Sep	--	1.1	3.4
BZ	11/11	07:00	Retail Sales (y/y)	Sep	4.2	6.8	6.1
CO	11/12	10:00	Trade Balance (US\$ mn)	Sep	--	--	-827.9
<b>PE</b>	<b>11/12</b>	<b>18:00</b>	<b>Reference Rate (%)</b>	<b>Nov 12</b>	<b>0.25</b>	<b>0.25</b>	<b>0.25</b>
BZ	11/13	07:00	Economic Activity Index SA (m/m)	Sep	--	1.0	1.1
BZ	11/13	07:00	Economic Activity Index NSA (y/y)	Sep	-3.4	-2.5	-3.9
CO	11/13	10:00	Retail Sales (y/y)	Sep	-10.0	--	-17.1



## Global Auctions for week of November 9 – 13

### NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	11/09	12:00	Canada to Sell 5-Year Bonds
US	11/09	13:00	U.S. To Sell 3-Year Notes
US	11/10	13:00	U.S. To Sell 10-Year Notes
CA	11/12	12:00	Canada to Sell 10-Year Bonds

### EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
NE	11/10	04:00	Netherlands to Sell Bonds
NO	11/11	05:00	Norway to Sell Bonds
UK	11/11	05:00	U.K. to Sell 0.125% I/L 2036 Bonds
SZ	11/11	05:15	Switzerland to Sell Bonds
GE	11/11	05:30	Germany to Sell 1 Billion Euros of 0% 2050 Bonds
IT	11/12	05:00	Italy to Sell Bonds
SW	11/12	05:00	Sweden to Sell I/L Bonds
UK	11/12	05:00	U.K. to Sell New 2031 Bonds
IR	11/12	05:00	Ireland to Sell Bonds
UK	11/12	06:30	U.K. to Sell 1.625% 2054 Bonds

### ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
SK	11/08	20:30	Bank of Korea to Sell 700 Billion Won Bonds
SK	11/08	21:30	South Korea to Sell 2.4 Trillion Won 5-Year Bonds
CH	11/09	01:00	Ningbo to Sell 3, 5, 10, 15, & 20 Year Bonds
CH	11/09	20:30	Hunan to Sell CNY10.1294 Bln 20-Year Bonds
CH	11/09	22:30	Beijing to Sell 2, 5, & 10 Year Bonds
JN	11/09	22:35	Japan to Sell 30-Year Bonds
TA	11/09	23:30	Taiwan to Sell TWD30 Bln 2-Year Bonds
CH	11/10	22:00	China Plans to Sell 2 & 5 Year Upsized Government Bond
TH	11/10	22:00	Thailand to Sell Bonds
TA	11/10	23:30	Taiwan to Sell TWD40 Bln 2-Year NCD
JN	11/11	22:35	Japan to Sell 5-Year Bonds
CH	11/12	22:00	China Plans to Sell 30-Yr Upsized Government Bond

Sources: Bloomberg, Scotiabank Economics.

**Events for week of November 9 – 13**
**NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	11/09	13:30	Fed's Mester Takes Part in Fintech Conference
US	11/10	10:00	Fed's Quarles Appears Before Senate Banking Panel
US	11/10	10:00	Fed's Rosengren Speaks on Financial Stability
US	11/10	12:00	Dallas Fed's Kaplan speaks at the Council on Foreign Relations
EC	11/12	11:45	ECB's Lagarde, BOE's Bailey, Fed's Powell Speak at ECB Forum
US	11/12	13:00	Fed's Evans Speaks at Detroit Community Forum
CA	11/12	13:30	Bank of Canada's Wilkins Gives Speech
<b>MX</b>	<b>11/12</b>	<b>14:00</b>	<b>Overnight Rate</b>
US	11/13	08:30	Fed's Bullard Discusses U.S. Economy and Monetary Policy

**EUROPE**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
FI	11/09	03:00	ECB's Rehn Speaks With Students on ECB's Strategy Review
EC	11/09	07:00	ECB Executive Board member Mersch Speaks at Webinar
NO	11/10	04:00	Norges Bank Financial Stability Report 2020
IT	11/10	05:00	Bank of Italy Publishes Monthly Report 'Money and Banks'
EC	11/10	09:00	ECB's Knot Speaks at UBS European Virtual Conference
SW	11/11	03:30	Riksbank Publishes Financial Stability Report
EC	11/11	08:00	Lagarde Speaks at ECB Forum on Central Banking
EC	11/12	04:00	ECB Publishes Economic Bulletin
SW	11/12	04:00	Riksbank's Breman Gives Speech
EC	11/12	11:45	ECB's Lagarde, BOE's Bailey, Fed's Powell Speak at ECB Forum
FI	11/13	03:30	ECB's Rehn Speaks on Strategy Review, Finnish Outlook

**ASIA-PACIFIC**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	11/08	18:50	BOJ Summary of Opinions
<b>NZ</b>	<b>11/10</b>	<b>20:00</b>	<b>RBNZ Official Cash Rate</b>
NZ	11/10	20:00	RBNZ Monetary Policy Statement
NZ	11/10	21:00	RBNZ Governor News Conference After OCR Decision
JN	11/11	20:30	BOJ Board Adachi Speech in Nagano

**LATIN AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
PE	11/12	18:00	Reference Rate

Sources: 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	0.25	December 9, 2020	0.25	0.25
Federal Reserve – Federal Funds Target Rate	0.25	December 16, 2020	0.25	0.25
Banco de México – Overnight Rate	4.25	November 12, 2020	4.25	4.00

**Banco de México (Banxico):** While there is additional room in the policy rate, our team in Mexico City does not expect bank officials to use it now. They feel the inflationary and financial stability risks are too high. In the September meeting minutes, three of the board members felt the 0.25bps cut delivered then was somewhat unnecessary.

### 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	December 10, 2020	0.00	0.00
European Central Bank – Marginal Lending Facility Rate	0.25	December 10, 2020	0.25	0.25
European Central Bank – Deposit Facility Rate	-0.50	December 10, 2020	-0.50	-0.50
Bank of England – Bank Rate	0.10	December 17, 2020	0.10	0.10
Swiss National Bank – Libor Target Rate	-0.75	TBA	-0.75	-0.75
Central Bank of Russia – One-Week Auction Rate	4.25	December 18, 2020	4.25	4.25
Sweden Riksbank – Repo Rate	0.00	November 26, 2020	0.00	0.00
Norges Bank – Deposit Rate	0.00	December 17, 2020	0.00	0.00
Central Bank of Turkey – Benchmark Repo Rate	10.25	November 19, 2020	10.25	10.25

### 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	December 18, 2020	-0.10	-0.10
Reserve Bank of Australia – Cash Target Rate	0.10	November 30, 2020	0.10	0.10
Reserve Bank of New Zealand – Cash Rate	0.25	November 10, 2020	0.25	0.25
People's Bank of China – 1-Year Loan Prime Rate	3.85	November 20, 2020	3.85	3.85
Reserve Bank of India – Repo Rate	4.00	December 4, 2020	4.00	4.00
Bank of Korea – Bank Rate	0.50	November 26, 2020	0.50	0.50
Bank of Thailand – Repo Rate	0.50	November 18, 2020	0.50	0.50
Bank Negara Malaysia – Overnight Policy Rate	1.75	January 20, 2021	1.75	1.50
Bank Indonesia – 7-Day Reverse Repo Rate	4.00	November 19, 2020	4.00	4.00
Central Bank of Philippines – Overnight Borrowing Rate	2.25	November 19, 2020	2.25	2.00

**Reserve Bank of New Zealand (RBNZ):** The RBNZ will hold a monetary policy meeting on November 11. We expect the RBNZ to leave the Official Cash Rate unchanged at 0.25% as the economy continues its gradual recovery. Nevertheless, the RBNZ has pointed out that it still has plenty of ammunition left if further support is needed later.

### 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	2.00	December 9, 2020	2.00	2.00
Banco Central de Chile – Overnight Rate	0.50	December 7, 2020	0.50	0.50
Banco de la República de Colombia – Lending Rate	1.75	November 27, 2020	1.75	1.75
Banco Central de Reserva del Perú – Reference Rate	0.25	November 12, 2020	0.25	0.25

**Banco Central de Reserva del Perú:** With the Reference Rate at the effective lower bound, we do not expect any additional policy moves for an extended period of time.

### 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	3.50	November 19, 2020	3.50	3.50

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

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