

Contributors

Derek Holt

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

*With thanks for research support from:
Marc Ercolao.*

Next Week's Risk Dashboard

- ECB's Sintra Forum to advance policy discourse...
- ...and showcase several top global central bankers
- Eurozone inflation to hit another record
- China's PMIs to show limited progress
- Canada's economy continues to post solid growth...
- ...while inflation is still sharply surprising the BoC
- A big week for US macro releases
- BanRep expected to deliver another mega-hike
- Sweden's Riksbank to hike, amend forward guidance
- Other global macro reports

Temporary Relief From Polarizing Institutions

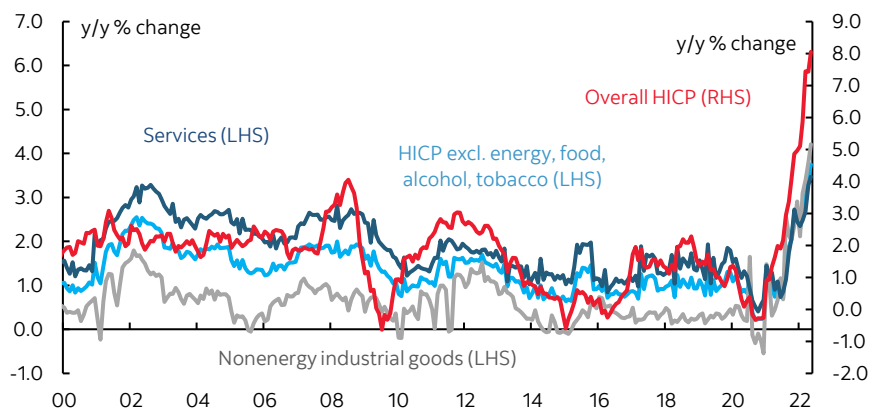
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Chart of the Week

Eurozone Inflation: More Than Just Energy and Food



Sources: Scotiabank Economics, Statistical Office of the European Communities.

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

Temporary Relief From Polarizing Institutions

Is a polarized society driving unhealthy cynicism toward our institutions? Or are polarizing institutions and their governments responsible for today's societal divisions? It seems to me to be more of a case of the latter, whether we're talking about central banks that have botched inflation management, and/or recent decisions by top courts in the US and Canada as just two examples.

The self-induced debasement of these institutions may hit the pause button over the coming week as the aftermath of what they've been up to is digested. Central banks will thankfully go relatively quiet. Much of the coming week will be a lighter return toward traditional tracking of the fundamentals. Through it all, however, markets will continue to gyrate on the economy loves me, loves me not narrative that evaluates recession risk on the heels of the abrupt and ongoing policy pivots by central banks.

THE BANK OF CANADA IS GETTING SURPRISED ON GROWTH AND INFLATION

The Bank of Canada's forecasts for inflation and growth are tracking low and high, respectively. GDP figures this week may reinforce evidence on the growth side of the picture as Canada's economy is vastly outperforming the US. How will the balance between the two affect the BoC's policy bias?

Canada's economy continues to perform well on balance and that should be further reinforced by Thursday's GDP releases just before an early bond market close ahead of Friday's full market closure for Canada Day. They will include both the firmed-up estimate for April GDP and the preliminary estimate for May that will further improve our tracking of Q2 GDP growth. Canada's economy is significantly outperforming the US economy so far but merits caution going forward.

Statistics Canada had guided on May 31st that April GDP was tracking a 0.2% m/m rise led by mining/quarrying, oil & gas, transportation and warehousing, and wholesale trade. Declines occurred in real estate, rental and leasing, finance and insurance, manufacturing, and construction sectors. Data received since this guidance was offered does not lead to a strong case for materially deviating from +0.2%. A simple regression model using high-frequency measures such as hours worked and activity readings that are skewed toward the goods sector would point toward a small dip in GDP during April, particularly given a 1.9% m/m drop in hours worked that was known when Statcan published its estimate. The rebounding services sector, however, is not well captured by this approach and is more difficult to observe and should add some upside.

As for May GDP, this same simple regression approach points toward a small increase in GDP notwithstanding a smaller decline in hours worked that month. Again, the rebounding services sector will likely add to upside risk to this estimate.

What it could tentatively leave us with is an ongoing marked deviation between Canadian and US economic growth throughout the first half of 2022. Q1 Canadian GDP grew by 3.4% q/q in seasonally adjusted and annualized terms using monthly production-side accounts and 3.1% using expenditure-based GDP. US Q1 GDP was distorted but shrank 1.5% q/q SAAR.

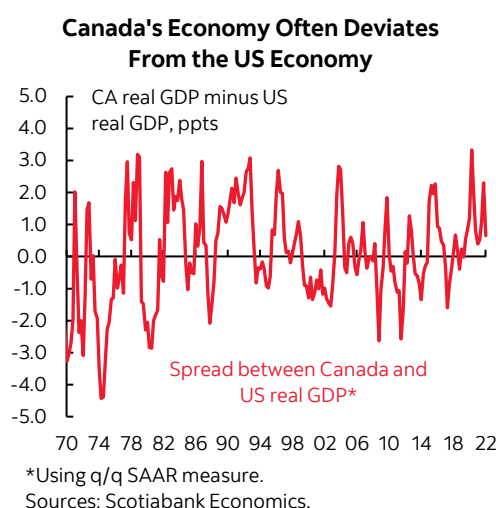
What about Q2? The Atlanta Fed's nowcast points to no growth in the US economy during Q2 versus most economists' forecasts for modest one- or two-handled GDP growth. By contrast, for Canada I'm getting 4.4% q/q SAAR using monthly production-side accounts based upon data we now have including reasonable estimates for flashes converted to volumes for May while assuming June lands flat until data starts rolling in. Nikita Perevalov's 'nowcast' estimates 3.8% Q2 GDP growth on an expenditure basis. The 'nowcast' predicted quite a bit stronger growth in Q1 than we actually got as a caution, but the point is that approaching Q2 growth using different methodologies yields solid growth.

These Q2 estimates are both in the ballpark of one another but are notably cooler than the BoC's 6% Q2 q/q growth forecast in the April MPR which seems ages ago now especially since they would have been largely formulated by early April. It's not impossible that the economy continues to accelerate as incomplete data rolls in, but at least to this point it would seem to be somewhat of a stretch to get growth as strong as the BoC anticipated.

Going forward, it's a fair point that if the US economy stumbles, Canada may do so as well.

While there is a limit to this next point, it's also fair to observe that Canadian and US GDP growth often diverge from one another. Chart 1 shows the spread between US and Canadian GDP growth on a quarter-over-quarter annualized basis; the difference is often material.

Chart 1



So if growth is strong but perhaps tracking softer than the BoC forecast, does that mean they should be a little more cautious with the pace and size of rate hikes? There are multiple reasons why this shouldn't be the case. For one thing, they forecast Q2 inflation at 5.8% y/y when it's so far running at 7¼% y/y. Therefore, when BoC Senior Deputy Governor Rogers said they were not surprised by this past week's eye-watering inflation reading that landed at 7.7% y/y, let's just be polite and say that was stretching the truth. In reality and behind closed doors inflation is still blowing the BoC's forecasts out of the water and inflation targeting is supposed to be the central bank's mandate. Chart 2 updates a comparison of the BoC's inflation forecasts within multiple MPRs over the years versus actual inflation with the latest reading materially exceeding projections.

Further, even at a 3- or 4-handled pace, Q2 GDP growth is far exceeding reasonable estimates of potential GDP growth, or the pace at which the economy can grow by soaking up all available inputs without sparking excessive inflation. That means Canada's economy continues to push into excess aggregate demand which at the margin means continued lagging upward pressure on future inflation all else equal. One could also point to the level of the currency that, while not something they target and notwithstanding transitory effects on inflation, is at levels of undervaluation that encourage export competitiveness in our view albeit as somewhat of a mitigating factor against the country's moribund productivity.

All of that is to say that a 1.5% overnight rate remains excessively stimulative for an economy with inflation about four times the 2% target, about 500k more jobs than before the pandemic, an economy in excess demand that continues to apply excessive fiscal stimulus compared to pre-pandemic spending ex-COVID supports (chart 3) and that is benefiting immensely from an imported positive terms of trade shock thanks to high commodity prices that began well before the Ukraine war. Such characteristics should already have policy in restrictive territory with a policy rate above the estimated 2–3% neutral rate range. Having failed at that, getting there by the end of summer is vitally important while acknowledging the BoC's desire to spread it out in a handful of large moves.

CENTRAL BANKS—QUIETER ON THE EXCUSES FRONT!

No major central banks will be making policy decisions over the coming week, but two regional ones will weigh in and the ECB's annual shindig is likely to generate some headlines.

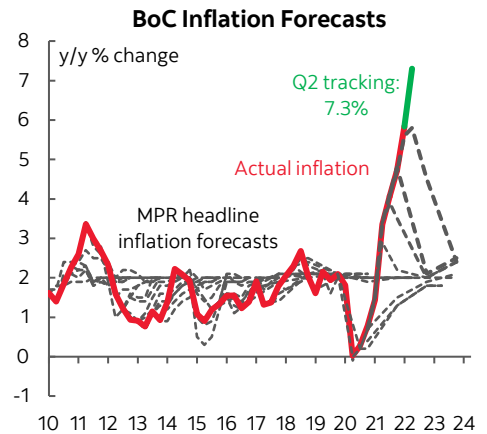
The European Central Bank's annual Forum on Central Banking in Sintra, Portugal (background [here](#)) can be thought of as being akin to the Fed's Jackson Hole symposium in August of each year. It's a combination of matters that are specific to the ECB and of global relevance while senior central bank officials from across the world are included.

The forum begins on Monday evening (6:30pm CET-1, 1:30pmET) with introductory remarks by ECB President Lagarde and a speech by academics on 'threats to financial stability.' This year's full agenda is [here](#). Key may be Lagarde's speech to really kick it off on Tuesday morning (4amET) followed by discussions on globalization and labour markets, energy prices and digital currencies. The next day's discussions will be on real estate, supply chains and inflation expectations.

It may turn out to be a case of saving the best for last when the ECB's Forum concludes with a star-studded panel including Fed Chair Powell, ECB President Lagarde, BoE Governor Bailey and BIS head Agustín Carstens.

Colombia's central bank is widely expected to deliver another mega-hike on Thursday. From a 6% overnight lending rate at present, consensus ranges between expecting a 100bps to 150bps hike. Scotia's Bogota-based economist Sergio Olarte is calling for a 150bps hike. The

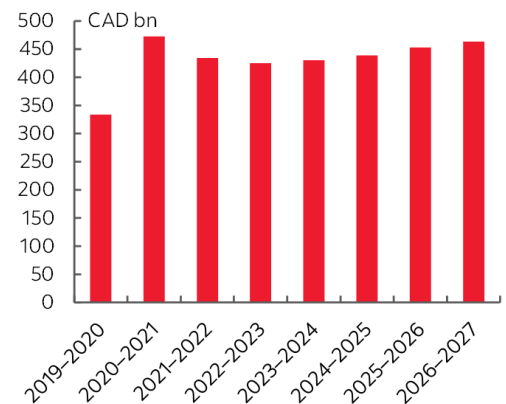
Chart 2



Sources: Scotiabank Economics, Bank of Canada, Haver Analytics.

Chart 3

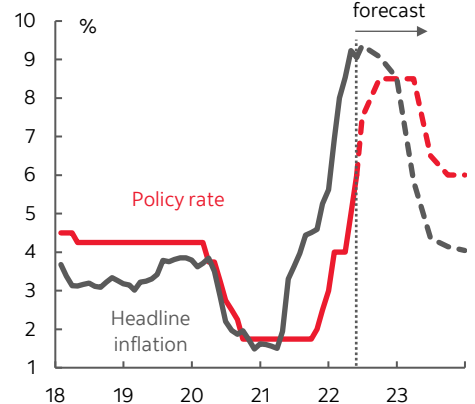
Program Spending Ex-COVID Supports



Sources: Scotiabank Economics, Federal Budget 2022.

Chart 4

Colombia: BanRep Policy Rate vs Headline Inflation



Sources: Scotiabank Economics, BanRep, DANE.

prior meeting was a close 4–3 vote in favour of 100bps over 150bps. Since then, core CPI inflation soared from 5.3% y/y in March to 6.5% in May with monthly gains of 0.9% m/m and 0.7% m/m in April and May, respectively (chart 4).

Earlier that same day will bring out Sweden’s Riksbank to deliver an expected 50bps rate hike that would bring the policy rate to 0.75%. The market implied policy rate leans toward pricing 50bps and part of another 25. The Riksbank only just got off the lower bound of 0% when it hiked 0.25% in April. Key, however, will be the extent to which the central bank’s published repo rate path leans toward the change in market pricing. The last forward rate path that was provided in the April MPR indicated that the repo rate would gradually rise to about 1¼% by the outer period of the projection horizon in April 2025. As chart 5 demonstrates, that’s clearly well shy of market pricing for about a 3¼% rate by about a year from now.

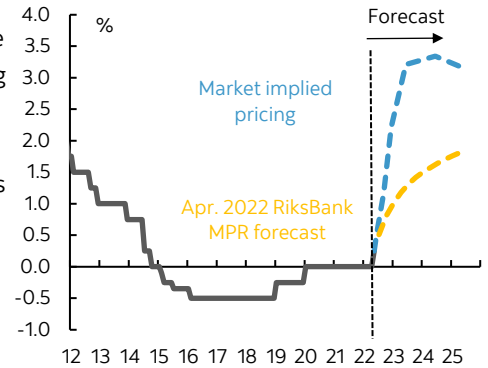
GLOBAL MACRO—CHINA, EUROZONE AND US IN FOCUS

Even though the calendar tips over into July by the end of the week, we’ll have to wait until the following Friday to get the next US payrolls report (and Canadian jobs). In the meantime, however, the focus will be mostly upon a few gems.

China updates the state’s purchasing managers’ indices for June on Wednesday (9:30pmET). As some restrictions eased in parts of the country, most expect a slight improvement perhaps back into the black on the manufacturing and non-manufacturing PMIs. The prior month’s reading had already begun to show a lessening contraction (chart 6). No longer forcing people to be confined to their homes while basically under house arrest is a perverse form of stimulus, I suppose. Other readings on China’s economy are hardly indicating wide-eyed optimism at least in the short-term, including coal plant generation up to mid-June and Metro passenger volumes (charts 7, 8).

Chart 5

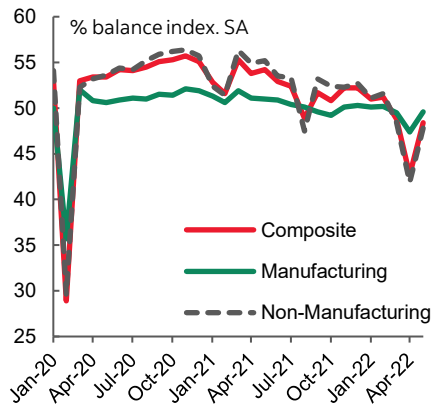
Markets Pricing an Aggressive Tightening Cycle for Riksbank



Sources: Scotiabank Economics, Sveriges Riksbank.

Chart 6

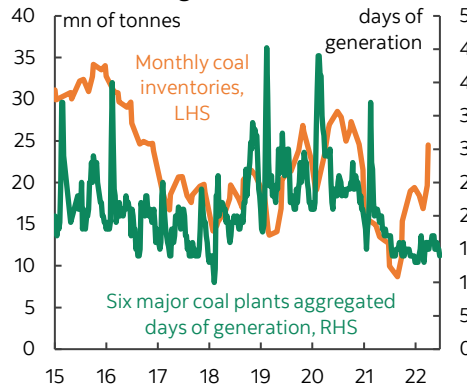
China's State PMIs



Sources: Scotiabank Economics, CNBS, China Federation of Logistics & Purchasing.

Chart 7

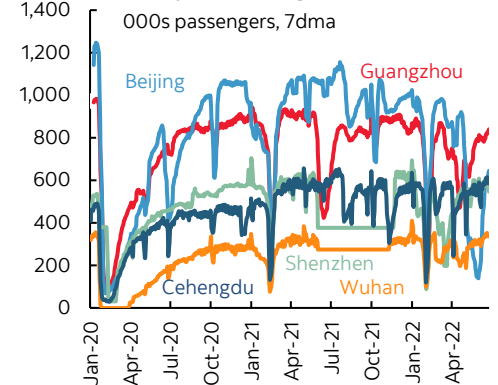
China's Weekly Coal Usage & Inventories



Source: Scotiabank Economics, China Coal Resource.

Chart 8

China Daily Metro Passenger Volume by Select Regions



Sources: Scotiabank Economics, Weibo.

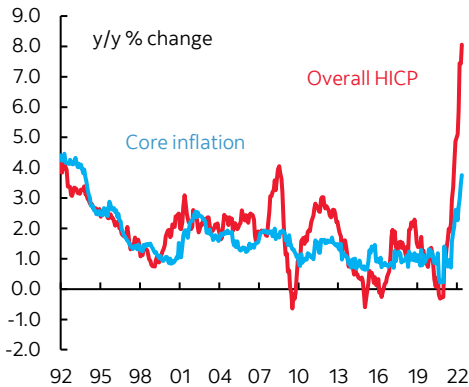
Eurozone CPI inflation for June is expected to be under further upward pressure when it lands on Friday. A new ECB-era record high is expected (chart 9). Headline inflation could edge up toward 8½% y/y from just over 8%, with core advancing to 4% if not above. Energy prices are among the drivers (charts 10, 11). By the time the preliminary eurozone add-up arrives, markets should already have a good feel for the pressures given that Germany and Spain will report on Wednesday followed by France on Thursday. Italy will keep some suspense alive when it releases at the same time as the eurozone figures.

A batch of US releases will offer up a few gems noted in chronological order:

- **Durable goods orders:** A drop in Boeing plane orders is likely to weigh on the headline for May as ISM-manufacturing’s new orders gauge has cooled but still shows growth, but key will be core orders excluding defense and air as a proxy for business equipment investment. They’ve been up for two months and three of the four months so far this year as companies grapple with high inflation, capacity constraints and wage demands.

Chart 9

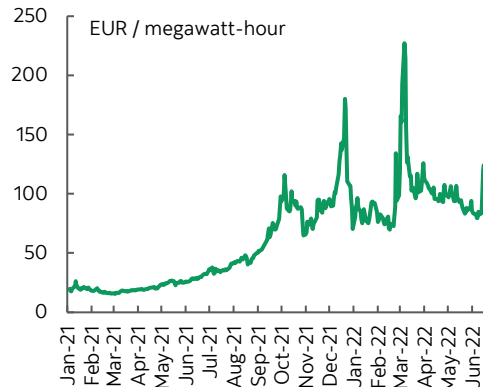
Eurozone Inflation



Sources: Scotiabank Economics, Statistical Office of the European Communities.

Chart 10

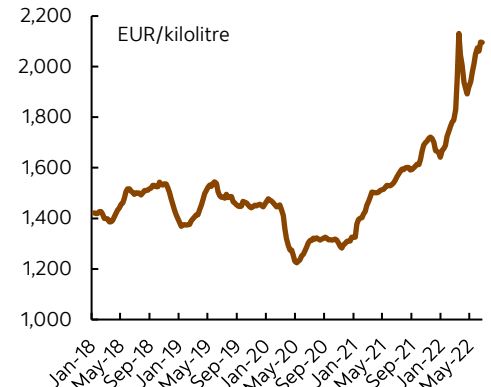
Europe Natural Gas Prices Facing Upward Pressure Amid Supply Concerns



Sources: Scotiabank Economics, Bloomberg.

Chart 11

Euro Area Average Gasoline Pump Prices



Sources: Scotiabank Economics, European Commission.

- **Consumer confidence:** June’s estimate on Tuesday is likely to push lower in keeping with the UofM sentiment gauge for the month.
- **PCE inflation:** May’s reading on Thursday should follow the hot CPI figures higher but to a somewhat lesser degree. Core PCE inflation—the Fed’s preferred guidepost—is expected to hold just under 5% y/y.
- **Income/spending:** Watch for a gain of around ½% m/m in both nominal personal spending and incomes during May at the same time as the PCE inflation figures. After stripping out PCE inflation, there should be basically no growth in either measure. Within consumption, the weakness in retail sales (-0.3% m/m, 0% control group) that comprises just under half of consumer spending would require another strong gain in services spending to drive higher overall spending.
- **ISM-manufacturing:** Friday’s reading for June will be the freshest major reading for the week. The limited regional surveys that are available thus far are mixed and include a deterioration in the Philly Fed and Kansas City Fed gauges versus an improvement in the Empire metric. Tuesday’s Richmond Fed metric might further inform ISM expectations. ISM-services arrives the following week.

Less significant US releases will include pending home sales for May (Monday), the advance goods trade deficit also for May (Tuesday), the third swing at Q1 GDP that is likely to remain around -1½% q/q annualized, construction spending for May (Friday) and a likely small dip in vehicle sales to just above 13 million at an annualized rate last month (Friday).

Other than BanRep, the main Latin American release will be Peru’s inflation rate for June that is already running at its hottest since May 1998. Chile updates industrial output and retail sales on Thursday.

Asia-Pacific markets will also have Japan’s monthly data dump to ponder, though with minimal implications for monetary policy. This will include retail sales (Tuesday), industrial output (Wednesday), housing starts, Tokyo CPI, the jobless rate and the Q2 Tankan Survey all on Thursday. Australian retail sales (Tuesday), South Korean industrial output (Wednesday) and Indonesian CPI (Friday) round it all out.

With the focus upon the ECB’s Forum and inflation, German retail sales during May and unemployment for June will struggle to get much attention.

Key Indicators for the week of June 27 – July 1

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	06/27	07:00	Trade Balance (US\$ mn)	May	--	--	-1,884
US	06/27	08:30	Durable Goods Orders (m/m)	May P	-0.1	0.1	0.5
US	06/27	08:30	Durable Goods Orders ex. Trans. (m/m)	May P	0.3	0.4	0.4
US	06/27	10:00	Pending Home Sales (m/m)	May	--	-3.5	-3.9
US	06/27	10:30	Dallas Fed. Manufacturing Activity	Jun	--	--	-7.3
MX	06/28	07:00	Unemployment Rate (%)	May	--	--	3.0
US	06/28	08:30	Wholesale Inventories (m/m)	May P	--	--	2.2
US	06/28	09:00	S&P/Case-Shiller Home Price Index (m/m)	Apr	1.5	1.8	2.4
US	06/28	09:00	S&P/Case-Shiller Home Price Index (y/y)	Apr	21	21.2	21.2
US	06/28	10:00	Consumer Confidence Index	Jun	103	100.0	106.4
US	06/28	10:00	Richmond Fed Manufacturing Index	Jun	--	--	-9.0
US	06/29	07:00	MBA Mortgage Applications (w/w)	Jun 24	--	--	4.2
US	06/29	08:30	GDP (q/q a.r.)	1Q T	-1.4	-1.4	-1.5
US	06/29	08:30	GDP Deflator (q/q a.r.)	1Q T	--	8.1	8.1
CA	06/30	08:30	Real GDP (m/m)	Apr	0.2	--	0.7
US	06/30	08:30	Initial Jobless Claims (000s)	Jun 25	230	--	229
US	06/30	08:30	Continuing Claims (000s)	Jun 18	1,310	--	1,315
US	06/30	08:30	PCE Deflator (m/m)	May	0.7	0.7	0.2
US	06/30	08:30	PCE Deflator (y/y)	May	6.5	--	6.3
US	06/30	08:30	PCE ex. Food & Energy (m/m)	May	0.4	0.5	0.3
US	06/30	08:30	PCE ex. Food & Energy (y/y)	May	4.7	4.8	4.9
US	06/30	08:30	Personal Spending (m/m)	May	0.5	0.4	0.9
US	06/30	08:30	Personal Income (m/m)	May	0.4	0.5	0.4
US	06/30	09:45	Chicago PMI	Jun	--	58.8	60.3
US	07/01	10:00	Construction Spending (m/m)	May	0.0	0.5	0.2
US	07/01	10:00	ISM Manufacturing Index	Jun	55.0	55.4	56.1
US	07/01		Total Vehicle Sales (mn a.r.)	Jun	--	13.6	12.7

EUROPE

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	06/27	02:00	Retail Sales (m/m)	May	0.5	-5.4
GE	06/28	02:00	GfK Consumer Confidence Survey	Jul	-27.4	-26.0
UK	06/28		Nationwide House Prices (m/m)	Jun	0.5	0.9
SP	06/29	03:00	CPI (m/m)	Jun P	--	0.8
SP	06/29	03:00	CPI (y/y)	Jun P	8.9	8.7
SP	06/29	03:00	CPI - EU Harmonized (m/m)	Jun P	0.9	0.7
SP	06/29	03:00	CPI - EU Harmonized (y/y)	Jun P	8.8	8.5
SP	06/29	03:00	Real Retail Sales (y/y)	May	--	3.3
EC	06/29	05:00	Economic Confidence	Jun	103.0	105.0
EC	06/29	05:00	Industrial Confidence	Jun	4.7	6.3
GE	06/29	08:00	CPI (m/m)	Jun P	0.3	0.9
GE	06/29	08:00	CPI (y/y)	Jun P	7.9	7.9
GE	06/29	08:00	CPI - EU Harmonized (m/m)	Jun P	0.2	1.1
GE	06/29	08:00	CPI - EU Harmonized (y/y)	Jun P	8.7	8.7
UK	06/30	02:00	Business Investment (q/q)	1Q F	-0.5	-0.5
UK	06/30	02:00	Current Account (£ bn)	1Q	-39.8	-7.3
UK	06/30	02:00	GDP (q/q)	1Q F	0.8	0.8
FR	06/30	02:45	Consumer Spending (m/m)	May	--	-0.4
FR	06/30	02:45	CPI (m/m)	Jun P	0.4	0.7
FR	06/30	02:45	CPI (y/y)	Jun P	5.5	5.2
FR	06/30	02:45	CPI - EU Harmonized (m/m)	Jun P	0.7	0.0
FR	06/30	02:45	CPI - EU Harmonized (y/y)	Jun P	6.2	5.8
FR	06/30	02:45	Producer Prices (m/m)	May	--	0.0
SW	06/30	03:30	Riksbank Interest Rate (%)	Jun 30	0.75	0.25
GE	06/30	03:55	Unemployment (000s)	Jun	-4.5	-4.0
GE	06/30	03:55	Unemployment Rate (%)	Jun	5.0	5.0

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of June 27 – July 1

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
SP	06/30	04:00	Current Account (€ bn)	Apr	--	0.3
EC	06/30	05:00	Unemployment Rate (%)	May	6.8	6.8
FR	07/01	02:45	Central Government Balance (€ bn)	May	--	-67.3
IT	07/01	03:45	Manufacturing PMI	Jun	50.9	51.9
UK	07/01	04:30	Net Consumer Credit (£ bn)	May	1.3	1.4
EC	07/01	05:00	CPI (m/m)	Jun P	0.7	0.8
EC	07/01	05:00	Euro zone CPI Estimate (y/y)	Jun	8.3	8.1
EC	07/01	05:00	Euro zone Core CPI Estimate (y/y)	Jun P	3.9	3.8
IT	07/01	05:00	CPI (m/m)	Jun P	--	0.8
IT	07/01	05:00	CPI (y/y)	Jun P	7.0	6.8
IT	07/01	05:00	CPI - EU Harmonized (m/m)	Jun P	0.5	0.9
IT	07/01	05:00	CPI - EU Harmonized (y/y)	Jun P	7.5	7.3
RU	07/01	12:00	Real GDP (y/y)	1Q F	3.50	3.50
IT	07/01		Budget Balance (€ bn)	Jun	--	-11.7
IT	07/01		Budget Balance YTD (€ bn)	Jun	--	-35.7

ASIA PACIFIC

Country	Date	Time	Indicator	Period	Consensus	Latest
VN	06/25	22:00	CPI (y/y)	Jun	3.1	2.9
VN	06/25	22:00	Industrial Production (y/y)	Jun	--	10.4
CH	06/26	21:30	Industrial Profits YTD (y/y)	May	--	-8.5
JN	06/27	01:00	Coincident Index CI	Apr F	--	96.8
JN	06/27	01:00	Leading Index CI	Apr F	--	102.9
JN	06/27	01:00	New Composite Leading Economic Index	Apr F	--	102.9
HK	06/27	04:30	Exports (y/y)	May	--	1.1
HK	06/27	04:30	Imports (y/y)	May	--	2.1
HK	06/27	04:30	Trade Balance (HKD bn)	May	--	-36.6
SK	06/28	17:00	Consumer Confidence Index	Jun	--	102.6
JN	06/28	19:50	Large Retailers' Sales (y/y)	May	4.9	4.0
JN	06/28	19:50	Retail Trade (m/m)	May	1.0	1.0
JN	06/28	19:50	Retail Trade (y/y)	May	4.0	3.1
AU	06/28	21:30	Retail Sales (m/m)	May	0.4	0.9
JN	06/29	01:00	Consumer Confidence	Jun	34.8	34.1
SK	06/29	17:00	Business Survey- Manufacturing	Jul	--	87.0
SK	06/29	17:00	Business Survey- Non-Manufacturing	Jul	--	86.0
SK	06/29	19:00	Industrial Production (m/m)	May	-1.0	-3.3
SK	06/29	19:00	Industrial Production (y/y)	May	4.0	3.3
SK	06/29	19:00	Cyclical Leading Index Change	May	--	-0.3
JN	06/29	19:50	Industrial Production (m/m)	May P	-0.3	-1.5
JN	06/29	19:50	Industrial Production (y/y)	May P	4.2	-4.9
AU	06/29	21:30	Private Sector Credit (m/m)	May	0.6	0.8
AU	06/29	21:30	Private Sector Credit (y/y)	May	8.6	8.6
CH	06/29	21:30	Manufacturing PMI	Jun	50.3	49.6
CH	06/29	21:30	Non-manufacturing PMI	Jun	50.1	47.8
JN	06/30	01:00	Housing Starts (y/y)	May	1.6	2.2
TH	06/30	03:00	Current Account Balance (US\$ mn)	May	--	-3,351
TH	06/30	03:30	Exports (y/y)	May	--	6.6
TH	06/30	03:30	Imports (y/y)	May	--	19.1
TH	06/30	03:30	Trade Balance (US\$ mn)	May	--	1,088
HK	06/30	04:30	Retail Sales - Value (y/y)	May	--	11.7
HK	06/30	04:30	Retail Sales - Volume (y/y)	May	--	8.1
HK	06/30	04:30	Govt Monthly Budget Surp/Def (HKD bn)	May	--	-46.9
IN	06/30	06:30	Fiscal Deficit (INR Crore)	May	--	74,846
NZ	06/30	18:00	ANZ Consumer Confidence Index	Jun	--	82.3

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Key Indicators for the week of June 27 – July 1

ASIA PACIFIC (continued from previous page)

Country	Date	Time	Indicator	Period	Consensus	Latest
JN	06/30	19:30	Jobless Rate (%)	May	2.5	2.5
JN	06/30	19:30	Tokyo CPI (y/y)	Jun	2.5	2.4
JN	06/30	19:50	Tankan All Industries Index	2Q	8.3	2.2
JN	06/30	19:50	Tankan Manufacturing Index	2Q	13.0	14.0
JN	06/30	19:50	Tankan Non-Manufacturing Index	2Q	13.0	9.0
SK	06/30	20:00	Exports (y/y)	Jun	4.9	21.3
SK	06/30	20:00	Imports (y/y)	Jun	21.5	32.0
SK	06/30	20:00	Trade Balance (US\$ mn)	Jun	-3,962	-1,710
CH	06/30	21:45	Caixin Flash China Manufacturing PMI	Jun	49.4	48.1
CH	06/30	21:45	Caixin Manufacturing PMI	Jun	49.4	48.1
ID	07/01	00:00	CPI (y/y)	Jun	4.2	3.6
ID	07/01	00:00	CPI (m/m)	Jun	0.4	0.4
ID	07/01	00:00	Core CPI (y/y)	Jun	2.7	2.6
JN	07/01	01:00	Vehicle Sales (y/y)	Jun	--	-16.7
TH	07/01	03:30	Business Sentiment Index	Jun	--	49.3

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CL	06/29	09:00	Unemployment Rate (%)	May	8.1	--	7.7
CL	06/30	09:00	Industrial Production (y/y)	May	--	--	1.7
CL	06/30	09:00	Retail Sales (y/y)	May	0.0	--	20.0
CO	06/30	11:00	Urban Unemployment Rate (%)	May	--	--	11.1
CO	06/30	14:00	Overnight Lending Rate (%)	Jun 30	7.50	7.25	6.00
CL	07/01	08:30	Economic Activity Index SA (m/m)	May	--	--	-0.3
CL	07/01	08:30	Economic Activity Index NSA (y/y)	May	5.3	--	6.9
BZ	07/01	09:00	PMI Manufacturing Index	Jun	--	--	54.2
PE	07/01	11:00	Consumer Price Index (m/m)	Jun	0.5	--	0.4
PE	07/01	11:00	Consumer Price Index (y/y)	Jun	8	--	8.1
BZ	07/01	14:00	Trade Balance (FOB) - Monthly (US\$ mn)	Jun	--	--	4,944

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

Global Auctions for the week of June 27 – July 1**NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CA	06/26	12:00	Canada to Sell 10 Year Bonds
US	06/27	13:00	U.S. To Sell 5-Year Notes
US	06/28	13:00	U.S. To Sell 7-Year Notes
CA	06/29	12:00	Canada to Sell 30 Year Bonds
CA	06/30	12:00	Canada to Sell 2 Year Bonds

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	06/27	05:30	EU to Sell Bonds
GE	06/28	05:30	Germany to Sell EU4 Billion of 2027 Bonds
EC	06/28	05:30	EU to Sell Bonds
IT	06/30	05:00	Italy to Sell Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	06/27	23:35	Japan to Sell 2-Year Bonds

LATIN AMERICA

No Scheduled Auctions.

Events for the week of June 27 – July 1

NORTH AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	06/28	12:30	Fed's Daly Interviewed During LinkedIn Event

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
EC	06/27/22-06/29/22		ECB Forum on Central Banking in Sintra
UK	06/28	06:00	BOE's Cunliffe speaks
UK	06/29	08:30	BOE Governor Bailey speaks at ECB forum
SW	06/30	03:30	Riksbank Policy Rate
AS	06/30		OPEC and Non-OPEC Ministerial Meeting by Videoconference

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	06/26	19:50	BOJ Summary of Opinions

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CO	06/30	14:00	Overnight Lending Rate

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	1.50	July 13, 2022	2.25	2.00
Federal Reserve – Federal Funds Target Rate	1.75	July 27, 2022	2.50	2.50
Banco de México – Overnight Rate	7.75	August 11, 2022	8.50	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	July 21, 2022	0.25	0.25
European Central Bank – Marginal Lending Facility Rate	0.25	July 21, 2022	0.50	0.50
European Central Bank – Deposit Facility Rate	-0.50	July 21, 2022	-0.25	-0.25
Bank of England – Bank Rate	1.25	August 4, 2022	1.75	1.75
Swiss National Bank – Libor Target Rate	0.00	September 22, 2022	-0.25	-0.25
Central Bank of Russia – One-Week Auction Rate	9.50	July 22, 2022	9.00	9.00
Sweden Riksbank – Repo Rate	0.25	June 30, 2022	0.75	0.75
Norges Bank – Deposit Rate	0.75	August 18, 2022	1.00	1.00
Central Bank of Turkey – Benchmark Repo Rate	14.00	July 21, 2022	14.00	14.00

Riksbank: The Committee is expected to join other central banks by delivering a jumbo hike, likely in the magnitude of 50 bps, which would bring the policy rate to 0.75%. There are upside risks to the hike estimates as markets are largely pricing in a 75 bps hike. Since their last meeting in May, inflation has continued to overshoot with the most recent figures hitting 7.3% y/y, well above the Bank's 2.0% target. The key risk may be more heavily slanted toward revised forward rate guidance relative to aggressive market pricing.

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	July 21, 2022	-0.10	-0.10
Reserve Bank of Australia – Cash Target Rate	0.85	July 5, 2022	1.25	1.35
Reserve Bank of New Zealand – Cash Rate	2.00	July 12, 2022	2.50	2.50
People's Bank of China – 1-Year Loan Prime Rate	3.70	July 19, 2022	3.70	3.70
Reserve Bank of India – Repo Rate	4.90	August 4, 2022	5.25	5.25
Bank of Korea – Bank Rate	1.75	July 13, 2022	2.00	2.00
Bank of Thailand – Repo Rate	0.50	August 10, 2022	0.75	0.50
Bank Negara Malaysia – Overnight Policy Rate	2.00	July 6, 2022	2.25	2.25
Bank Indonesia – 7-Day Reverse Repo Rate	3.50	July 21, 2022	3.75	3.50
Central Bank of Philippines – Overnight Borrowing Rate	2.25	August 18, 2022	2.75	2.50

LATIN AMERICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Banco Central do Brasil – Selic Rate	13.25	August 3, 2022	13.25	13.25
Banco Central de Chile – Overnight Rate	9.00	July 13, 2022	9.50	9.50
Banco de la República de Colombia – Lending Rate	6.00	June 30, 2022	7.50	7.25
Banco Central de Reserva del Perú – Reference Rate	5.50	July 7, 2022	5.75	5.75

Banco de la República de Colombia (BanRep): Strong economic performance and core inflation that reached its highest level since 2003 (9.1% y/y) could trigger the Bank to raise rates by a larger magnitude than originally expected. At April's meeting, the vote was split between 4 voting for a 100 bps hike vs. 3 voting for a 150 bps hike. New information could skew the decision to the hawkish side—we expect a 150 bps move at next week's meeting.

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	4.75	July 21, 2022	5.00	5.00

Forecasts at time of publication.

Sources: Bloomberg, Scotiabank Economics.

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