Scotiabank

GLOBAL ECONOMICS

THE GLOBAL WEEK AHEAD

October 9, 2026

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- **Immaculate Canadian disinflation? Don't bet on it…**
- **…with three reasons why the BoC should fade jobs, focus on inflation**
- **US Q3 earnings season commences…**
- **…and a bond-equity allocation pivot?**
- **US CPI — Backward Doesn't Matter, But Tell Me Anyway??**
- **Warsh, Macklem and Bailey to speak…**
- **…at the IMF/IIF Annual Meetings in Bangkok…**
- **…with most of the focus on the latter two central bankers**
- **Global macro — US retail, UK readings, Aussie jobs**
- **… Latam GDP proxies, China/India CPI**
- **Canadian Thanksgiving — local markets shut Monday**

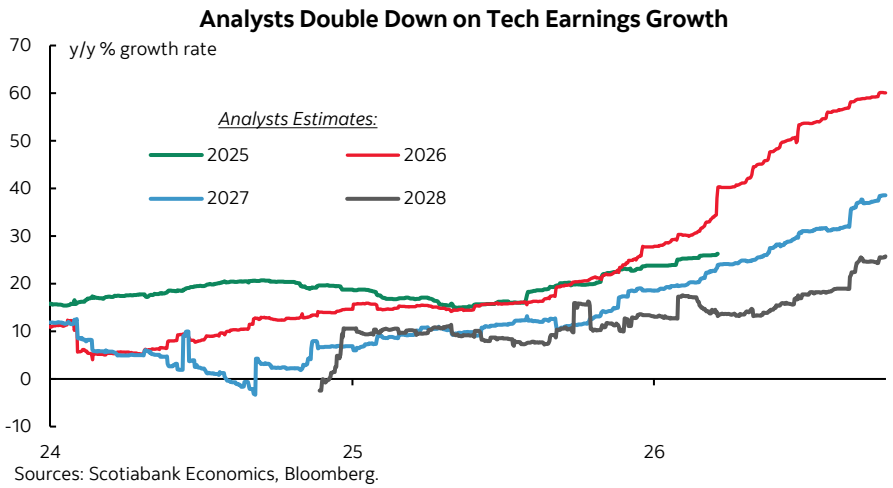
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Chart of the Week



Sources: Scotiabank Economics, Bloomberg.

Chart of the Week: Prepared by: Jaykumar Parmar, Senior Economic Analyst.

Immaculate Disinflation?

Much of the coming week's focus across global markets will be upon the intersection between US inflationary pressures and company earnings reports and how the two impact overall risk appetite. Toss in what could be important guidance from the Fed, BoC and BoE at the annual IMF/IIF meetings in Bangkok and we have a recipe for a potential step forward in our understanding of nearer-term asset allocation choices. Multiple valuation approaches suggest that equities are dear relative to cheap bonds in a multi-decade divide between the two. I'm not sure that any of the **rumoured** candidates for Monday's Nobel Prize in Economics would be able to shed useful light on these topics but that may not stop the media from asking—and the winner from trying.

EARNINGS SEASON AND ASSET ALLOCATION

The US Q3 earnings season begins in earnest on Tuesday with banks leading the parade. Twenty-seven firms release including names like Goldman Sachs, JP Morgan, Wells Fargo and Citigroup (Tuesday), Blackrock, BofA and Morgan Stanley (Wednesday).

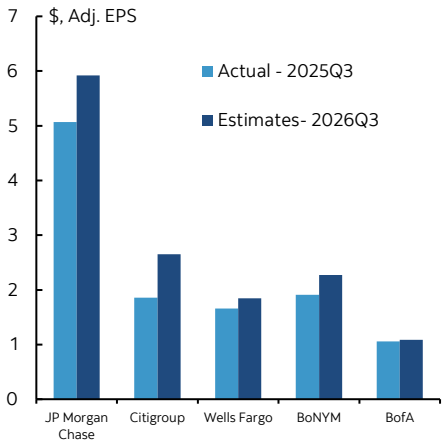
Analysts' expectations are shown in chart 1 compared to the same calendar quarter a year ago since earnings are not seasonally adjusted. Bank shares have pivoted more cautiously ahead of the season (chart 2).

Earnings are one part of the equation. Multiples are the other. That begs the question about relative bond versus equity valuations.

There is no doubt that corporate balance sheets and earnings are solid. US corporate profits are outpacing the milder pick-up in nominal GDP partly as a positive technology shock works through (chart 3). Profit margins continue to rise (chart 4). Corporate interest coverage is at a record high and helps to understand well-behaved charge-off rates on C&I loans (chart 5). Proxies for corporate bond spreads over US Treasury yields remain on the tight side. High long-bond yields deflate future health and pension liabilities in present value terms, but the effects vary tremendously across types of industries, firms and workforces. In short, the fundamentals look rock solid.

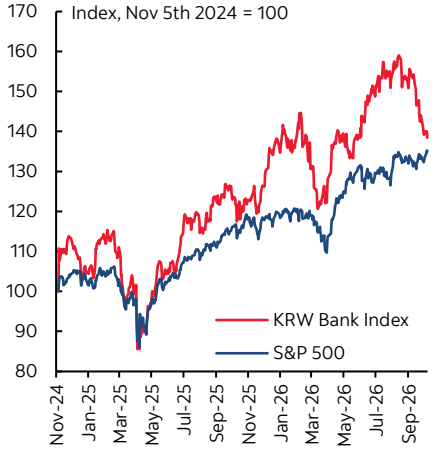
And generously priced by equities relative to bonds. Whether equities are too dear in the midst of a massive technology shock or if bonds are too cheap with inflation and issuance concerns is subject to widely varying opinions in markets, but relative to one another presents a case for a more careful relative asset allocation shift in my opinion.

Chart 1



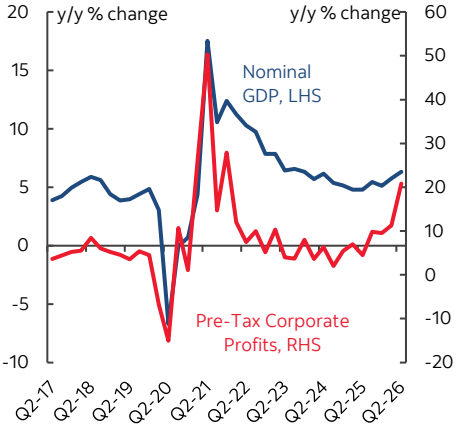
Sources: Scotiabank Economics. Bloomberg.

Chart 2



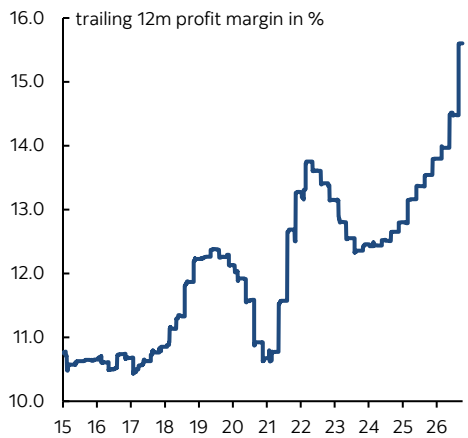
Sources: Scotiabank Economics, Bloomberg.

Chart 3



Sources: Scotiabank Economics, Bureau of Economic Analysis.

Chart 4



Sources: Scotiabank Economics, Bloomberg.

The Benjamin Graham approach that some once called the Fed model and that compares the 10-year Treasury yield to the dividend yield on the S&P reflects the widest spread in decades (chart 6).

US equity market capitalization has risen by about 140%, or by nearly US$50 trillion to $83T since just before the pandemic began (chart 7).

Tobin's Q—or price to the replacement cost of assets—is at a post-war record high (chart 8). On its own, this may not be surprising in the context of a rapidly evolving technology shock that is rapidly replacing assets at higher valuations, but you certainly can't point to a chart like that and say equities are cheap.

Shiller's smoothed Cycle Adjusted Price to Earnings ratio is also at a record high (chart 9), but faces a similar challenge as Tobin's Q—what if comparing prices to smoothed earnings over a decade entirely and inappropriately smooths out important positive shocks to earnings?

Price-to-earnings on a trailing basis are not outlandishly high by historical standards (chart 10). Ditto for price-to-forward-earnings on a one-year ahead basis. Still, when they've been this richly valued or higher in the past it has often either had unique circumstances—like basically free money in the pandemic—or not ended well.

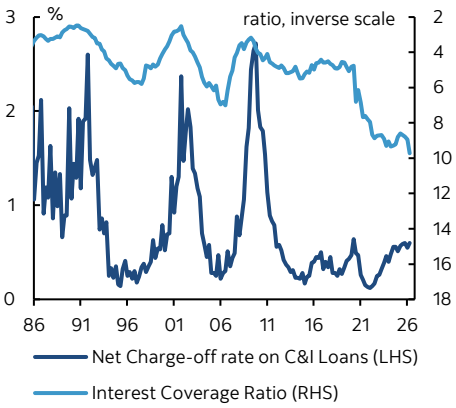
No one single valuation measure is perfect. Taken together, however, the suite of measures suggests that whatever the outcome of this or future earnings season, equities are more richly priced relative t o bonds than witnessed in at least a generation.

US INFLATION—DOESN'T MATTER, BUT TELL ME ANYWAY

Federal Reserve Chair Warsh is fond of saying that he's not focused on recent data in favour of the past five years of inflation evidence and the potentially long path forward. So, Wednesday's CPI refresh for September won't matter. Except it will. The FOMC as a whole appears to be more data dependent than the rhetoric.

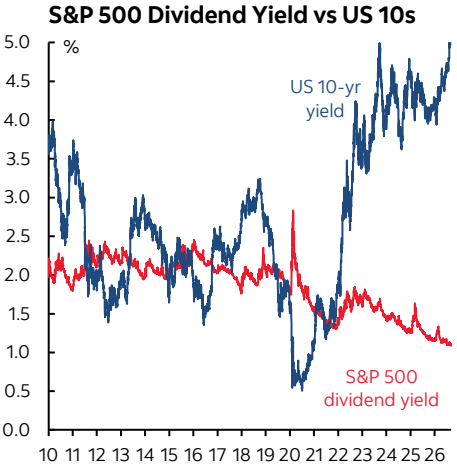
This update might spook the hawks if estimates prove to be close to the mark. I've estimated a CPI gain of 0.6% m/m SA that would lift the year-over-year rate to 3.7% from 3.4%. Key, however, will be core CPI ex-food and energy that I've estimated to be up 0.3% m/m SA, or up a tick to 2.5% y/y. There is material risk that core CPI may be weaker than estimated.

Chart 5



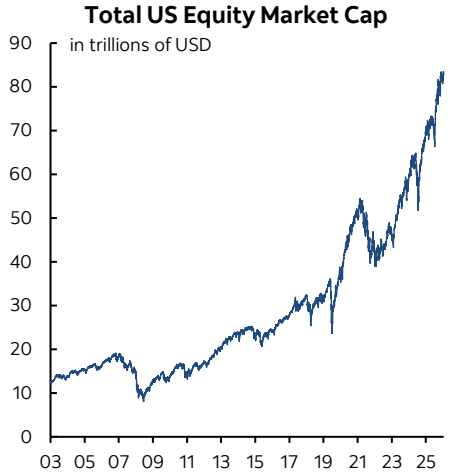
Sources:Scotiabank Economics, Haver, Bloomberg.

Chart 6



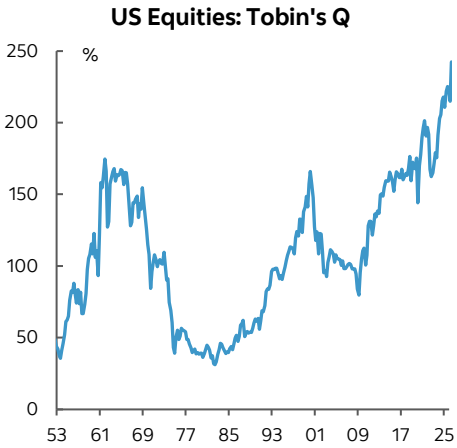
Sources: Scotiabank Economics, Bloomberg.

Chart 7



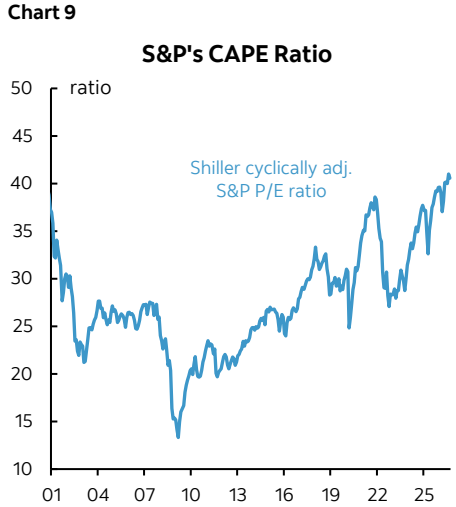
Sources: Scotiabank Economics, Bloomberg.

Chart 8



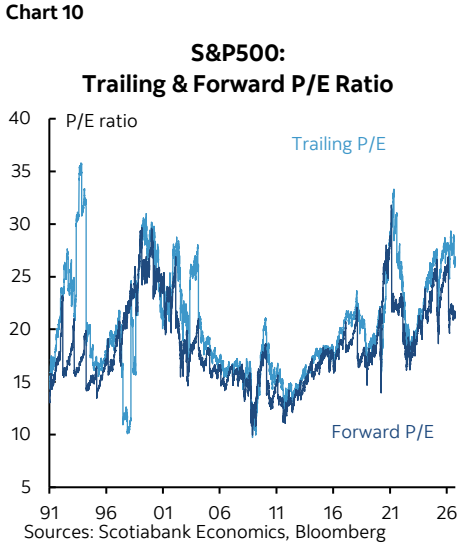
Sources: Scotiabank Economics, Federal Reserve Board.

Chart 9



Sources: Scotiabank Economics, Robert Shiller.

Chart 10



Sources: Scotiabank Economics, Bloomberg

Higher gasoline prices are one driver along with food price inflation. Market-based services inflation is another (chart11). Core service price inflation was quite hot in August which could mean September softens from this high jumping off point (chart 12). Tamer housing inflation has arrived through both OER and primary rent (charts 13-14). Key may be further pass through of cost pressures into services and goods prices (chart 15). Countering this is whether squeezed real wages leave little appetite by consumers to accept price hikes outside of commodities like food and gas.

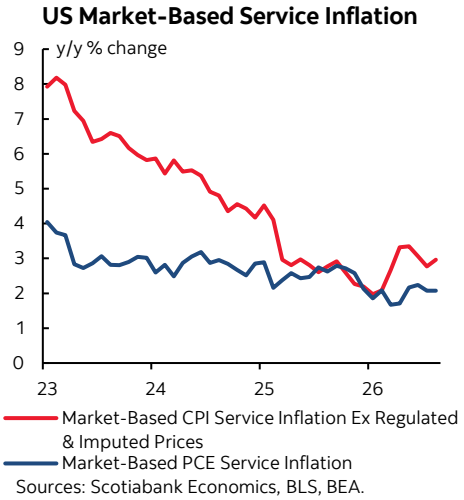
By Thursday we will have what we need to estimate the next core pce inflation reading albeit not due until the day after the FOMC's next rate decision. Producer prices are due that day and while they are expected to accelerate, it's the specific components that flow into PCE that will matter. They include items in health care services, portfolio management services etc.

Breadth to inflationary pressures is elevated (chart 16). Key is whether initially high breadth will be sustained in second round effects or short circuit through demand destruction-induced disinflation. Low wage growth and falling real house prices alongside uncertain equity market directions could limit sustained inflation.

Yet what also matters are capacity constraints. The US output gap—the balance between supply and demand pressures—remains in net excess demand (chart 17). We think balance could be restored into next year as growth slows, easing capacity constraints and inflationary pressures. Further, soft survey-based data suggests coming upside risk to inflation (chart 18).

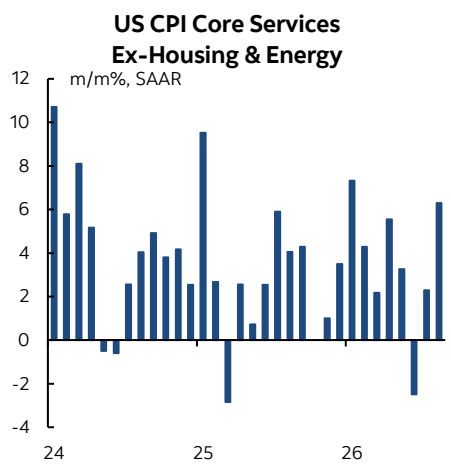
Then again, there is a clear serial bias among forecasters to lowball US GDP growth and it has been going on for years (chart 19). The black line shows actual quarter-over-quarter GDP growth at an annualized rate. All of the other lines are consensus projections across Bloomberg surveys. We at Scotiabank

Chart 11



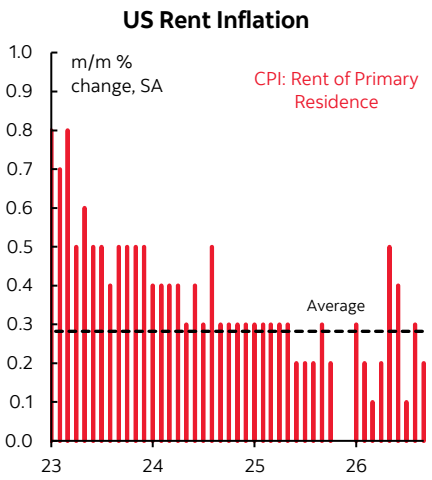
Sources: Scotiabank Economics, BLS, BEA.

Chart 12



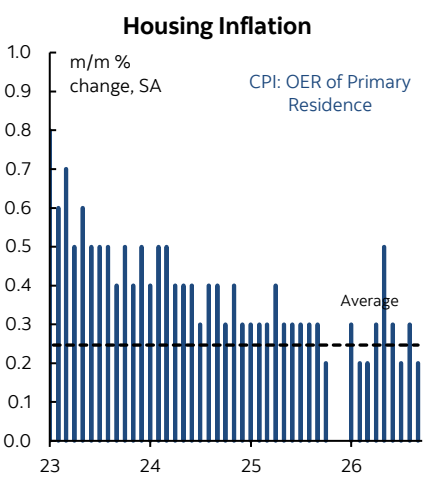
Sources: Scotiabank Economics, BLS.

Chart 13



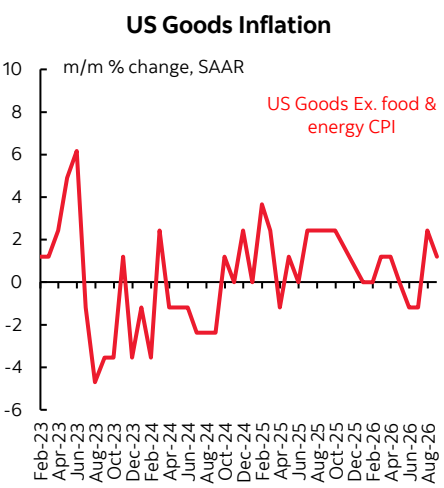
Sources: Scotiabank Economics, BLS.

Chart 14



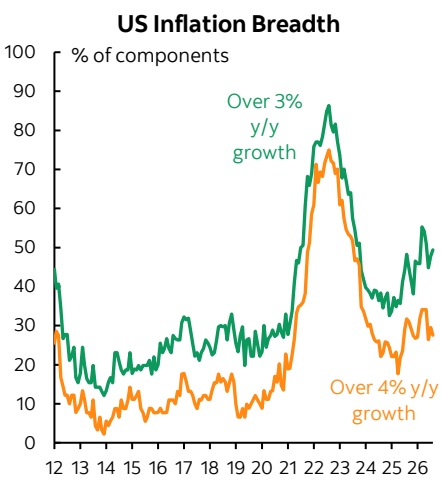
Sources: Scotiabank Economics, BLS.

Chart 15



Sources: Scotiabank Economics, BLS.

Chart 16



Sources: Scotiabank Economics, BLS.

Economics have also had a similar experience; in fact, growth has outperformed our expectations more than consensus across recent quarters. Granted, what was once a serial bias toward going too low on forecast core PCE inflation has largely shaken out of late (chart 20).

CENTRAL BANKS—PACK YOUR WELLIES

Several of the world's top central bankers will descend upon Bangkok, Thailand this week for the annual meetings of the Institute for International Finance (agenda **here**) and the IMF (agenda **here**). Maybe bring your wellies, raincoats and umbrellas as more rain is expected after devastating floods.

Bank of Canada Governor Macklem appears twice this week and may further elaborate upon monetary policy matters ahead of the following Tuesday's blackout period before the October 28th decision. If he has something to say about fresh developments, then now may be the time to say it with the forecast process well underway alongside completed quarterly surveys to be released the following week.

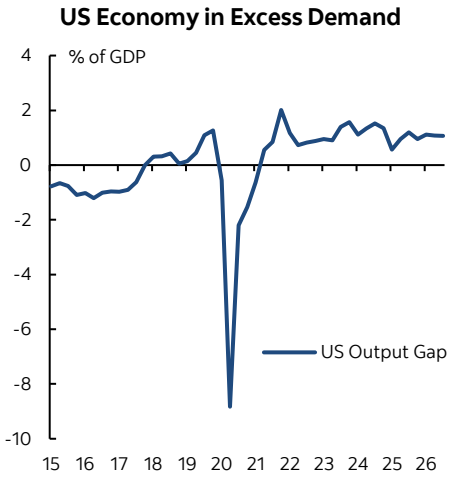
If you're in my time zone, then you'll either have to be an insomniac to trade anything he says or defer to overseas colleagues. The first time will be on Wednesday in a 20-minute moderated fireside chat at the IIF meetings in Bangkok, Thailand (2:05amET, no text). It could be Macklem's swan song before this forum ahead of the end of his current term next June. Macklem chairs the Group of Governors and Heads of Supervision at the BIS so that role could shape his remarks. The second time will be on Friday at the IMF meetings in Bangkok on a one-hour panel about "AI and the Global Economy: From Risk to Opportunity" along with five others that could give about 12 minutes to each participant.

See my next section for colour on how I would approach things if I were Macklem.

Bank of England Governor Bailey also appears at the IIF meetings Friday during a 20-minute moderated conversation (10:30pmET).

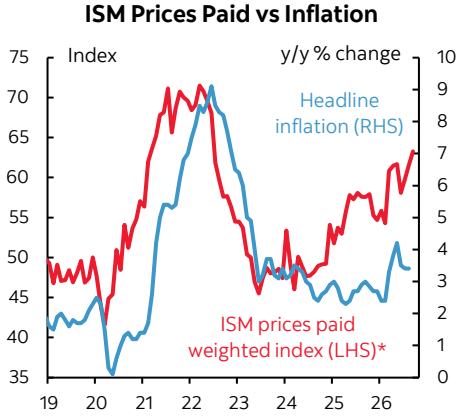
Federal Reserve Chair Warsh will be among the closing acts when his 30-minute moderated

Chart 17



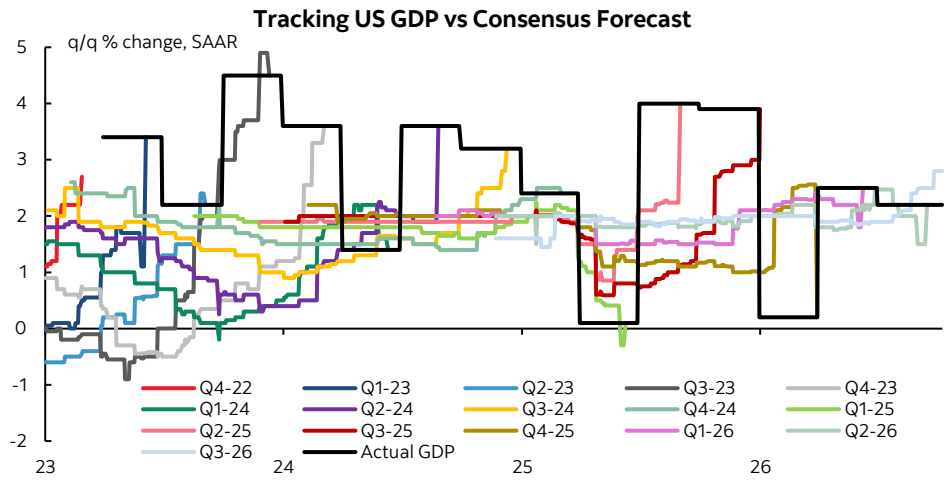
Sources: Scotiabank Economics, CBO.

Chart 18



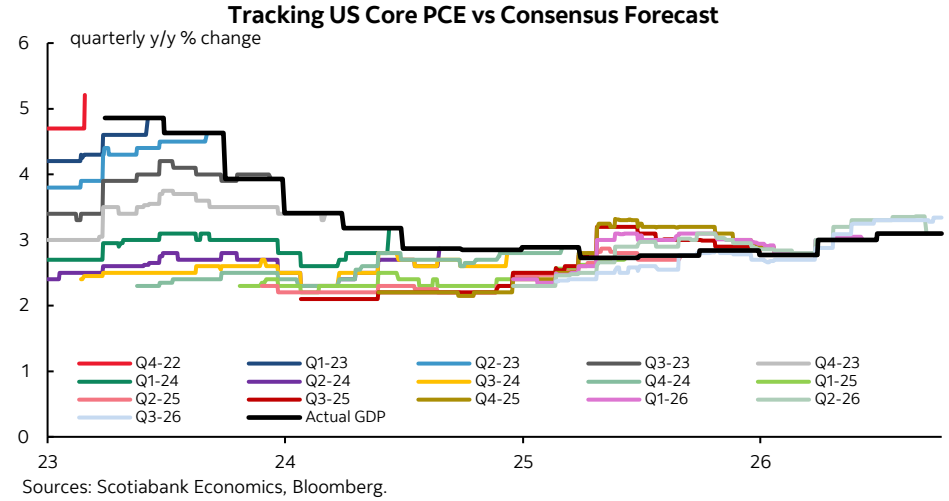
*Weighted at 75% of ISM-services prices paid index and 10% of ISM-mfg. prices paid index.
Sources: Scotiabank Economics, BLS, ISM.

Chart 19



Sources: Scotiabank Economics, Bloomberg.

Chart 20



Sources: Scotiabank Economics, Bloomberg.

fireside chat unfolds on Friday morning in Bangkok (11:30pmET Thursday). The FOMC blackout commences the next day before the October 28th decision for which little chance at a hike is priced. We forecast one more hike this year, likely in December. Warsh doesn't believe in forecasts or giving direct guidance so it's unclear how relevant his remarks may be to markets.

WHAT MIGHT—OR SHOULD—MACKLEM SAY?

Is Bank of Canada Governor Macklem likely to pivot dovishly because of the latest jobs report? He might, given what I perceive to be his often-dovish mindset, but here are three reasons why he shouldn't. We are accordingly standing by our forecast for the Bank of Canada to hike thrice by early next year and leaning toward more in a coming update.

First, I strongly believe that this was a fake jobs report. As argued **here**, I flat out don't believe that public sector jobs principally in Quebec and during an election campaign suddenly became among the world's riskiest forms of employment. The CAQ did not run the best campaign as evidenced by the results, but there's a limit to thoughts around how they would have self-immolated. I also think that there was an unusually strong supply shock to the labour force that explained the lost jobs and kept the unemployment rate little changed. Also remember that this is a small sample that receives responses from about ½% of folks in the labour force with a high degree of statistical noise represented by a 95% confidence band of +/-57k jobs around the mean estimate. You could turn the CN Tower sideways and ram it clean through such bands. It also employs a panel rotation method that sticks to sampling the same households for six months at a time, rotating out one-sixth of the sample per month. It's entirely possible that the sample pivots too slowly and thus oversampled job losses. Using AI methods I turn up maybe 2,500 gross job reductions at nationwide school boards and hospitals and it's a time of year that usually offsets this through hiring. Not -68k.

Second, the BoC's job is to manage inflation and inflation risk. Not jobs. I believe we have enough evidence that inflation is on or above the BoC's 2% target which should have them leaning toward an inflation risk management perspective to guard against overshooting as the Canadian economy closes off spare capacity and higher costs hit. Core CPI has been 3% m/m SAAR or higher for four straight months, so stop denying pass through effects. Trimmed mean and weighted median have been at 2¾% m/m SAAR for the past two months. TM and WM average about 2% y/y. Headline CPI is well over 3% y/y. Why is the BoC still on the lower bound of neutral with a zero to negative real policy rate with inflation on or above target if they treat their inflation target seriously?

Third, there is no such thing as immaculate disinflation. During the pandemic, opponents to rate hikes argued that higher borrowing costs would damage the economy and therefore they wouldn't happen. They missed the plot. They may be missing it again. You don't get disinflation without planting its seed through tighter financial conditions and monetary policy while inflation—being the complex beast that it is—has many drivers beyond jobs. So does growth, as fiscal policy ramps up, commodity markets buoy growth, and Canada continues to adapt nicely to tariffs through US growth pulling in more imports, CAD depreciation against many global currency crosses, a lower tariff shock against Canada than anyone else which brings trade diversion benefits, and distance from most of the tariff shocks.

And while this may not merit a fourth point, the BoC tends to look at broad trends, taking the supply and demand sides into account simultaneously on the path toward fresh forecasts later this month that are likely to raise growth and inflation.

GLOBAL MACRO—A FEW MORSELS

A lighter than usual global line-up of other major releases will mainly focus upon US retail sales, UK monthly readings on the economy, Australian jobs, Chinese and Indian CPI, and monthly GDP proxies from a pair of LatAm economies. Jay and I tackle what follows.

US markets face three main calendar-based risks this week: US CPI (see above), limited other data, especially retail sales, and Fed Chair Warsh's appearance (see earlier). As for data, existing home sales during September were probably flat at just shy of 4 million annualized (Tuesday). Thursday's retail sales could struggle to stay afloat after a strong prior gain of over 1% m/m and given a nearly 5% m/m SA drop in vehicle sales. Yearly growth of inflation-adjusted wages in September (Wednesday) will likely remain slightly negative. Industrial figures will include the Philly Fed's regional gauge of manufacturing activity (Thursday) and industrial output during September (Friday).

Canada's calendar goes fairly quiet this week with just minor releases due out. Advance guidance from Statcan based upon a partial sample of responses pointed to a gain of over 1% m/m in the value of manufacturing shipments with the final estimates and details like volumes and prices due on Thursday. Advance guidance also pointed to a drop of around 1½% m/m to the value of wholesale shipments, also due Thursday. Existing home sales during September (Friday) follow the first dip in five months and housing starts could stabilize in the 230k annualized range if permit volumes serve as a guide when September figures are updated on the same day.

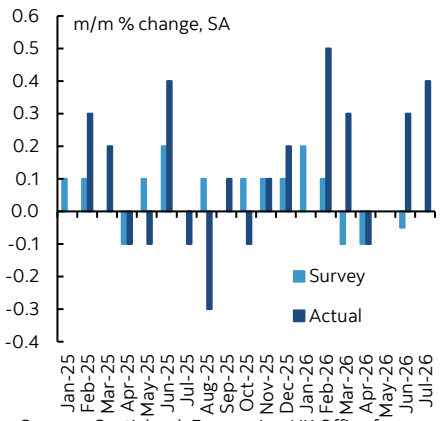
The UK calendar will be dominated by August activity data on Thursday, helping refine Q3 GDP tracking. July's stronger-than-expected 0.4% m/m GDP growth marked a second consecutive upside surprise (chart 21), with industrial and manufacturing output also exceeding expectations. Growth has remained more resilient than anticipated, supported in part by AI-related services. Whether that resilience can be sustained will be key, however, as rising energy bills put increasing pressure on households and businesses.

Across Asia-Pacific, September inflation reports in India (Monday) and China (Tuesday), followed by Australia's labour market data on Wednesday, will provide an important read on regional economic conditions.

In India, inflation is projected to move higher toward the upper end of the RBI's 2-6% target range (chart 22), driven by food and energy prices alongside signs of broadening price pressures. With two inflation prints remaining before the RBI's December meeting, following last week's 25 bp hike, incoming data will be critical for shaping policy expectations.

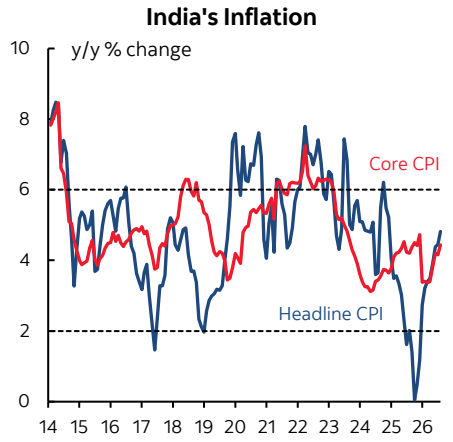
In contrast, China's CPI is expected to edge up to 1% while remaining well below the PBoC's target. Although month-over-month core CPI accelerated in August, further evidence is needed to confirm a sustained uptrend (chart 23).

Chart 21



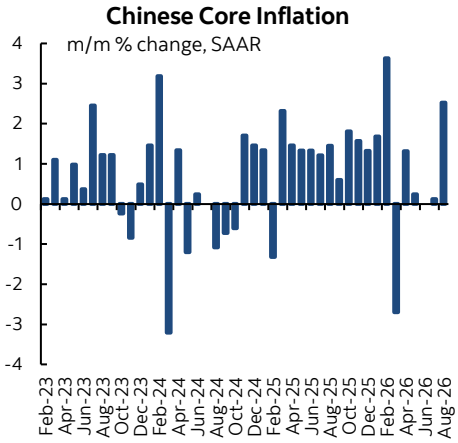
Sources: Scotiabank Economics, UK Office for National Statistics.

Chart 22



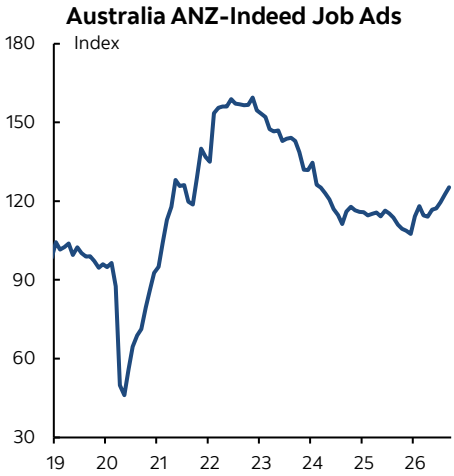
Source: Scotiabank Economics, India Central Statistical Organisation.

Chart 23



Sources: Scotiabank Economics, China National Bureau of Statistics.

Chart 24



Sources: Scotiabank Economics, ANZ, Indeed.

Australia's labour market is expected to post another month of modest job growth in September, supported by resilient labour demand and a pickup in Indeed job postings and ANZ-Indeed job ads (chart 24). However, the key focus will be on whether labour force growth continues to outpace employment gains as participation recovers, putting upward pressure on the unemployment rate. Despite adding 177k jobs so far this year, the economy has seen the labour force expand by 270k people, resulting in the unemployment rate rising to 4.6% from 4.1% at the start of the year.

In Latin America, August activity data from Peru and Brazil on Thursday and Friday will provide a fresh read on the region's growth dynamics. Leading indicators in Peru point to another solid expansion following July's strong rebound, supported by resilient domestic demand, although El Niño-related disruptions remain a key risk. By contrast, activity in Brazil is expected to remain subdued as the effects of restrictive monetary policy continue to weigh on growth.

Key Indicators for the week of October 12 – 16

North America

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
MX	10-12	08:00	Industrial Production (m/m)	Aug	--	--	0.5
MX	10-12	08:00	Industrial Production (y/y)	Aug	--	--	2.7
US	10-13	10:00	Existing Home Sales (mn a.r.)	Sep	3.95	4.0	3.98
US	10-13	10:00	Existing Home Sales (m/m)	Sep	-0.8	-0.8	-2.0
US	10-13	14:00	Treasury Budget (US$ bn)	Sep	--	--	-166.8
US	10-14	07:00	MBA Mortgage Applications (w/w)	Oct 09	--	--	-4.2
CA	10-14	08:30	Building Permits (m/m)	Aug	--	--	-17.3
US	10-14	08:30	CPI (m/m)	Sep	0.6	0.6	0.4
US	10-14	08:30	CPI (y/y)	Sep	3.7	3.6	3.4
US	10-14	08:30	CPI (index)	Sep	--	336.6	335.0
US	10-14	08:30	CPI ex. Food & Energy (m/m)	Sep	0.3	0.2	0.3
US	10-14	08:30	CPI ex. Food & Energy (y/y)	Sep	2.5	2.5	2.4
CA	10-15	08:30	Manufacturing Shipments (m/m)	Aug	1.1	1.1	-0.4
CA	10-15	08:30	Wholesale Trade (m/m)	Aug	-1.5	-1.5	0.3
US	10-15	08:30	Initial Jobless Claims (000s)	Oct 10	200	--	197.0
US	10-15	08:30	Continuing Claims (000s)	Oct 03	1705	--	1716.0
US	10-15	08:30	Philadelphia Fed Index	Oct	--	26.4	37.8
US	10-15	08:30	PPI (m/m)	Sep	0.5	0.5	0.4
US	10-15	08:30	PPI ex. Food & Energy (m/m)	Sep	0.3	0.3	0.2
US	10-15	08:30	Retail Sales (m/m)	Sep	0.3	0.3	1.1
US	10-15	08:30	Retail Sales ex. Autos (m/m)	Sep	0.6	0.5	1.3
US	10-15	10:00	Business Inventories (m/m)	Aug	--	0.4	0.8
CA	10-16	05:00	Existing Home Sales (m/m)	Sep	--	--	-0.7
CA	10-16	08:15	Housing Starts (000s a.r.)	Sep	230	230.0	229.0
CA	10-16	08:30	International Securities Transactions (C$ bn)	Aug	--	--	20.7
US	10-16	08:30	Export Prices (m/m)	Sep	--	1.0	0.6
US	10-16	08:30	Import Prices (m/m)	Sep	--	0.6	0.7
US	10-16	09:15	Capacity Utilization (%)	Sep	76.4	76.5	76.3
US	10-16	09:15	Industrial Production (m/m)	Sep	0.4	0.4	0.0
US	10-16	16:00	Total Net TIC Flows (US$ bn)	Aug	--	--	83.7
US	10-16	16:00	Net Long-term TIC Flows (US$ bn)	Aug	--	--	-27.9

Europe

Country	Date	Time	Indicator	Period	Consensus	Latest
GE	10-13	02:00	CPI (m/m)	Sep F	0.6	0.6
GE	10-13	02:00	CPI (y/y)	Sep F	3.3	3.3
GE	10-13	02:00	CPI - EU Harmonized (m/m)	Sep F	0.6	0.6
GE	10-13	02:00	CPI - EU Harmonized (y/y)	Sep F	3.3	3.3
GE	10-13		Current Account (€ bn)	Aug	--	21.2
SP	10-14	03:00	CPI (m/m)	Sep F	0.3	0.3
SP	10-14	03:00	CPI (y/y)	Sep F	4.9	4.9
SP	10-14	03:00	CPI - EU Harmonized (m/m)	Sep F	0.6	0.6
SP	10-14	03:00	CPI - EU Harmonized (y/y)	Sep F	5.0	5.0
UK	10-15	02:00	Index of Services (m/m)	Aug	-0.1	0.4
UK	10-15	02:00	Industrial Production (m/m)	Aug	-0.1	0.2
UK	10-15	02:00	Manufacturing Production (m/m)	Aug	0.0	0.9
UK	10-15	02:00	Visible Trade Balance (£ mn)	Aug	-21800.0	-20965.0
FR	10-15	02:45	CPI (m/m)	Sep F	-0.3	-0.3
FR	10-15	02:45	CPI (y/y)	Sep F	3.0	3.0
FR	10-15	02:45	CPI - EU Harmonized (m/m)	Sep F	-0.4	-0.4
FR	10-15	02:45	CPI - EU Harmonized (y/y)	Sep F	3.4	3.4
EC	10-15	05:00	Industrial Production (m/m)	Aug	0.1	-0.1
EC	10-15	05:00	Industrial Production (y/y)	Aug	-0.1	0.0

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

Key Indicators for the week of October 12 – 16

Europe ***(continued from previous page)***

Country	Date	Time	Indicator	Period	Consensus	Latest
EC	10-16	05:00	CPI (m/m)	Sep F	0.6	0.6
EC	10-16	05:00	CPI (y/y)	Sep F	3.8	3.8
EC	10-16	05:00	Euro zone Core CPI Estimate (y/y)	Sep F	2.5	2.5
EC	10-16	05:00	Trade Balance (€ mn)	Aug	--	14190.8
IT	10-16	05:00	CPI (m/m)	Sep F	0.7	0.7
IT	10-16	05:00	CPI (y/y)	Sep F	4.2	4.2
IT	10-16	05:00	CPI - EU Harmonized (m/m)	Sep F	2.0	2.0
IT	10-16	05:00	CPI - EU Harmonized (y/y)	Sep F	4.1	4.1

Asia Pacific

Country	Date	Time	Indicator	Period	Consensus	Latest
IN	10-12	06:30	CPI (y/y)	Sep	5.56	4.82
JN	10-12	19:50	Bank Lending (y/y)	Sep	--	5.4
JN	10-13	19:50	Japan Money Stock M2 (y/y)	Sep	--	2.0
JN	10-13	19:50	Japan Money Stock M3 (y/y)	Sep	--	1.2
CH	10-13	21:30	CPI (y/y)	Sep	1.0	0.8
CH	10-13	21:30	PPI (y/y)	Sep	4.5	3.8
IN	10-14	02:30	Monthly Wholesale Prices (y/y)	Sep	10.6	9.9
JN	10-14	19:50	Machine Orders (m/m)	Aug	2.6	-3.7
AU	10-14	20:30	Employment (000s)	Sep	20.0	39.5
AU	10-14	20:30	Unemployment Rate (%)	Sep	4.6	4.6
CH	10-14		Exports (y/y)	Sep	25.2	25.0
CH	10-14		Imports (y/y)	Sep	24.0	28.2
CH	10-14		Trade Balance (USD bn)	Sep	117.7	119.1
IN	10-14		Exports (y/y)	Sep	--	26.1
IN	10-14		Imports (y/y)	Sep	--	14.1
JN	10-15	00:30	Capacity Utilization (m/m)	Aug	--	0.5
JN	10-15	00:30	Industrial Production (m/m)	Aug F	--	-1.7
JN	10-15	00:30	Industrial Production (y/y)	Aug F	--	3.4
NZ	10-15	17:30	Business NZ PMI	Sep	--	53.1
SK	10-15	19:00	Unemployment Rate (%)	Sep	2.7	2.7
SI	10-15	20:30	Exports (y/y)	Sep	34.7	46.2
PH	10-15		Overseas Remittances (y/y)	Aug	1.9	1.9
MA	10-16	00:00	GDP (y/y)	3Q A	5.0	6.0
JN	10-16		Nationwide Department Store Sales (y/y)	Sep	--	2.6

Latin America

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
BZ	10-15	08:00	Retail Sales (m/m)	Aug	--	--	-0.8
BZ	10-15	08:00	Retail Sales (y/y)	Aug	--	--	1.2
PE	10-15	11:00	Economic Activity Index NSA (y/y)	Aug	--	--	3.6
PE	10-15	11:00	Unemployment Rate (%)	Sep	--	--	4.8
BZ	10-16	08:00	Economic Activity Index SA (m/m)	Aug	--	--	-0.2
BZ	10-16	08:00	Economic Activity Index NSA (y/y)	Aug	--	--	1.1
CO	10-16	11:00	Retail Sales (y/y)	Aug	--	--	5.3

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

Global Auctions for the week of October 12 – 16

North America

Country	Date	Time	Event
CA	10-14	12:00	Canada to Sell 30 Year Bonds
CA	10-15	12:00	Canada to Sell 5 Year Bonds

Europe

Country	Date	Time	Event
NE	10-13	04:00	Netherlands to Sell Up to EU3.5B of 2.5% 2031 Bonds
IT	10-13	05:00	Italy to Sell Bonds
GE	10-13	05:30	Germany to Sell EU5 Billion of 2.9% 2031 Bonds
NO	10-14	05:00	Norway to Sell Bonds
SZ	10-14	05:00	Switzerland to Sell Bonds
SW	10-14	05:00	Sweden to Sell SEK3 Billion of 2.75% 2037 Bonds
GR	10-14	05:00	Greece to Sell Bonds
UK	10-14	05:00	UK to Sell GBP5 Billion of 4.625% 2030 Bonds
SW	10-14	05:00	Sweden to Sell SEK2 Billion of 2.25% 2035 Bonds
GE	10-14	05:30	Germany to Sell EU1 Billion of 3.4% 2047 Bonds
GE	10-14	05:30	Germany to Sell EU1.5 Billion of 2.9% 2056 Bonds
SP	10-15	04:30	Spain to Sell Bonds
SW	10-15	05:00	Sweden to Sell I/L Bonds
IR	10-15	05:00	Ireland to Sell Bonds
FR	10-15	05:50	France to Sell I/L Bonds

Asia Pacific

Country	Date	Time	Event
CH	10-13	22:35	China To Sell 50-Year Additional Bonds
CH	10-13	22:35	China To Sell 1-Year New Bonds
JN	10-13	23:35	Japan to Sell 5-Year Bonds
CH	10-13	23:35	China to Sell 30 Billion Yuan 2.52% 2076 Bonds
CH	10-13	23:35	China to Sell 120 Billion Yuan 2027 Bonds
CH	10-15	22:35	China To Sell 20-Year Additional Bonds
CH	10-15	22:35	China To Sell 3-Year Additional Bonds

Latin America

Country	Date	Time	Event

No Scheduled Auctions

Sources: Bloomberg, Scotiabank Economics.

Events for the week of October 12 – 16

North America

Country	Date	Time	Event
US	10-12	12:10	Fed's Hammack Speaks at NABE Conference
US	10-13	03:45	Fed's Waller Speaks at Bloomberg New Economy Forum
US	10-13	16:00	Fed's Collins Speaks at Banking Conference
US	10-14	05:40	Bowman in Moderated Conversation
US	10-14	14:00	Fed Releases Beige Book
CA	10-14		BoC Governor Macklem Joins IIF Fireside Chat in Bangkok
CA	10-15	05:00	BoC Senior Deputy Governor Rogers Speaks in Bangkok
US	10-15	16:30	Fed's Hammack Participates in a Moderated Discussion
US	10-15	23:30	Fed's Warsh in Fireside Chat with IMF's Georgieva
CA	10-16	00:15	BoC Governor Tiff Macklem Speaks at IMF Panel in Bangkok
CA	10-16	08:00	BoC External Deputy Governor Alexopoulos Speaks in Halifax

Europe

Country	Date	Time	Event
UK	10-12	05:30	BOE's Breeden Speaks in Atlantic Council Interview
UK	10-12	08:50	BOE's Mann Speaks at NABE Annual Meeting
UK	10-12	23:00	BOE's Greene Speaks in Bangkok
UK	10-13	12:00	BOE's Dhingra Speaks on Panel in London
EC	10-13	23:30	ECB's Zigman, BOE's Breeden Speak on Digital Money
EC	10-13	23:45	ECB's Moulin Speaks in Bangkok
UK	10-14	02:00	BOE's Pill Speaks at Roundtable in Bangkok
EC	10-14	04:30	ECB's Pereira, Peru's Velarde Speak in Bangkok
EC	10-14	04:30	ECB's Lagarde Speaks on Europe's Digital Future
EC	10-14	05:20	ECB's Escriva, Makhlouf Speak at IIF in Bangkok
EC	10-14	23:35	ECB's Kocher, Simkus Speak in Bangkok
UK	10-14	23:40	BOE's Pill Speaks on Panel in Bangkok
EC	10-15	00:30	ECB's Moulin, SNB's Schlegel Speak in Bangkok
UK	10-15	02:45	BOE's Greene Speaks on Panel in Bangkok
UK	10-15	04:45	BOE's Breeden Speaks on IIF Panel in Bangkok
UK	10-15	22:00	BOE Governor Speaks in Fireside Chat in Bangkok
EC	10-15	22:30	ECB's Nagel, Germany's Klingbeil Speak in Bangkok

Asia Pacific

Country	Date	Time	Event
AU	10-12	20:30	RBA Minutes of Sept. Policy Meeting
JN	10-14		BOJ Board Member Koeda Speaks in Kumamoto
JN	10-15		BOJ Deputy Governor Uchida Speech

Latin America

Country	Date	Time	Event
EC	10-14	04:30	ECB's Pereira, Peru's Velarde Speak in Bangkok

Sources: Bloomberg, Scotiabank Economics.

Global Central Bank Watch

NORTH AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Canada – Overnight Target Rate	2.25	October 28, 2026	2.25	2.25
Federal Reserve – Federal Funds Target Rate	4.00	October 28, 2026	4.00	4.00
Banco de México – Overnight Rate	6.50	November 5, 2026	6.50	6.50

Bank of Canada: Governor Macklem will participate in a fireside chat at the IIF Annual Membership Meeting in Bangkok on Wednesday, followed by an IMF panel on AI and its implications for productivity, investment, labour markets, and financial stability on Friday. These appearances will be his last opportunities to comment publicly before the BoC's October 28 meeting. **Federal Reserve:** Fed Chair Warsh will also have an opportunity to comment on the economic and policy outlook during a fireside chat with the IMF Managing Director on Thursday, ahead of the Fed's October meeting, which falls on the same day as the BoC decision. However, markets are unlikely to receive any meaningful guidance on upcoming policy decisions given his preference to avoid explicit forward guidance.

EUROPE

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
European Central Bank – Refinancing Rate	2.65	October 29, 2026	2.65	2.65
European Central Bank – Marginal Lending Facility Rate	2.90	October 29, 2026	2.90	2.90
European Central Bank – Deposit Facility Rate	2.50	October 29, 2026	2.50	2.50
Bank of England – Bank Rate	3.75	November 5, 2026	4.00	4.00
Swiss National Bank – Sight Deposit Rate	0.00	December 10, 2026	0.00	0.00
Central Bank of Russia – One-Week Auction Rate	14.00	October 23, 2026	14.00	14.00
Sweden Riksbank – Repo Rate	1.75	November 4, 2026	2.00	2.00
Norges Bank – Deposit Rate	4.50	November 5, 2026	4.50	4.50
Central Bank of Turkey – Benchmark Repo Rate	37.00	October 22, 2026	37.00	37.00

ASIA PACIFIC

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Bank of Japan – Policy Rate	1.25	October 30, 2026	1.25	1.25
Reserve Bank of Australia – Cash Rate Target	4.60	November 2, 2026	4.60	4.60
Reserve Bank of New Zealand – Cash Rate	2.75	October 27, 2026	2.75	2.75
People's Bank of China – 7-Day Reverse Repo Rate	1.40	TBA	1.40	1.40
Reserve Bank of India – Repo Rate	5.50	December 3, 2026	5.75	5.75
Bank of Korea – Base Rate	3.00	October 22, 2026	3.00	3.00
Bank of Thailand – Repo Rate	1.00	October 28, 2026	1.00	1.00
Bank Negara Malaysia – Overnight Policy Rate	2.75	November 5, 2026	2.75	2.75
Bank Indonesia – BI-Rate	5.75	October 21, 2026	5.75	5.75
Central Bank of Philippines – Overnight Borrowing Rate	5.00	October 22, 2026	5.00	5.00

LATIN AMERICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
Banco Central do Brasil – Selic Rate	13.75	November 4, 2026	13.75	13.75
Banco Central de Chile – Overnight Rate	4.50	October 27, 2026	4.50	4.50
Banco de la República de Colombia – Lending Rate	12.25	October 30, 2026	12.25	12.25
Banco Central de Reserva del Perú – Reference Rate	4.25	November 12, 2026	4.25	4.25

AFRICA

Rate	Current Rate	Next Meeting	Scotia's Forecasts	Consensus Forecasts
South African Reserve Bank – Repo Rate	7.25	November 19, 2026	7.25	7.25

Sources: Bloomberg, Scotiabank Economics.

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