



DOUBLE HOLIDAY ISSUE

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Risk Dashboard — Week of Dec 25-29

- ▶ FOMC minutes
- ▶ German, Spanish CPI
- ▶ Chinese profits
- ▶ Japan's data dump
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- ▶ US auctions
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Risk Dashboard — Week of Jan 1-5

- ▶ US: ISM, nonfarm, ADP
- ▶ CDN jobs, trade
- ▶ China's PMIs
- ▶ Fed-speak
- ▶ UK PMIs
- ▶ Eurozone inflation
- ▶ LatAm inflation
- ▶ Thai CPI

Season's Greetings!

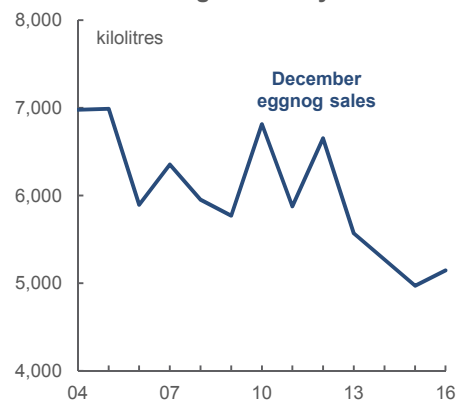
Best wishes for a happy holiday season from all of us.

To our clients & readers—we thank you for your continued interest in Scotiabank publications.

The next issue of The Global Week Ahead will be published the week of January 1, 2018.

Chart of the Week

A Christmas Favourite Slowly Going Out of Style?



Sources: Scotiabank Economics, Statistics Canada.

Chart of the Week: Prepared by: Sam Fraser, Research Analyst.

Double Holiday Issue

UNITED STATES — THE SHORT-RUN VS. THE LONG-RUN

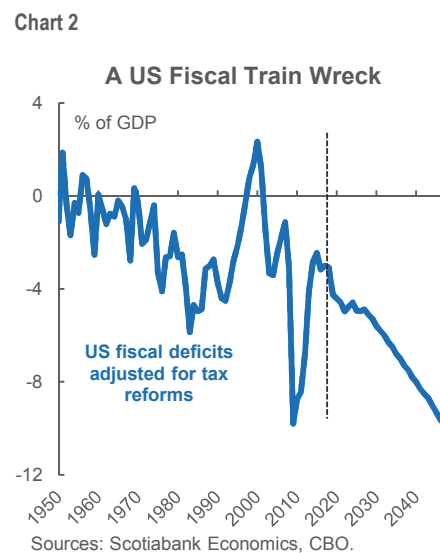
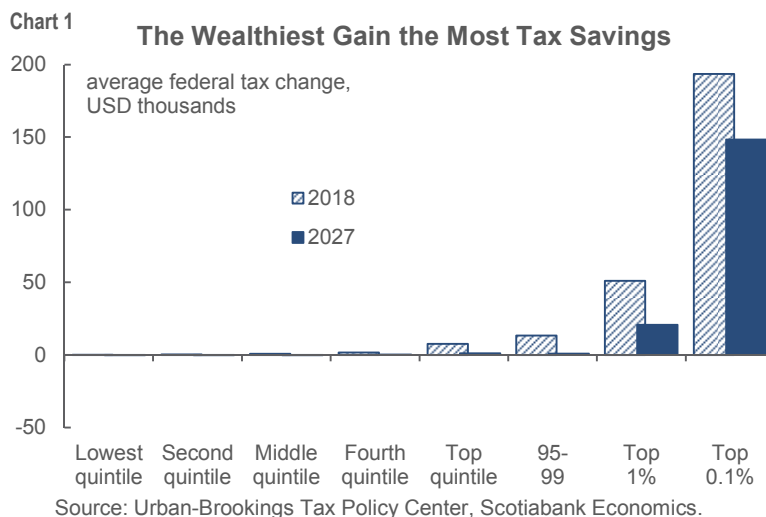
As this publication goes to print, the US House of Representatives has just passed a deal to extend government funding until January 19th and avert a possible shutdown of the federal government until at least then. The Senate is expected to act quickly. **The focus over most of the next two weeks will therefore be upon second- or third-tier data until we get into the second half of the first week of 2018 when top shelf data risk and Fed communications rapidly heat up the new year.**

In the meantime, Americans may dream of tax cuts and what to do with the extra cash, albeit concentrated upon the wealthiest and barely noticeable to the rest (chart 1). That will be especially true as entitlement reforms become the administration's focus into the new year (i.e., Medicaid, Medicare, Social Security, unemployment and welfare programs including food stamps etc.). Until we know the effects of possible entitlement reforms, we don't know the complete package of fiscal policy effects. Indeed, with a focus upon program savings, the possible effects of entitlement reforms may eradicate the small tax savings of lower- to middle-income earners and thereby further amplify the regressivity of the tax policy changes. The most sweeping tax reforms in about three decades will coincide with the largest and most sustained deficit projections of the post-war era (chart 2). When it comes to assessing the impact of tax stimulus upon the economy, most

macroeconomists will emphasize three basic points: it depends in part upon the degree of slack in the economy (and there is none left in the US, so monetary policy and financial conditions may sterilize the effects); it depends upon who gets the tax cuts (and these cuts are highly regressive and hence more likely to leak out as savings); and it depends upon the starting point for a nation's finances and already existing long-term commitments plus the concomitant impact upon longer-term borrowing costs (which, as already observed, are not pretty).

During the week of Christmas, there won't be a whole lot of action outside of auctions and very limited data. The US Treasury auctions 2s, 2 year FRNs, 5s and 7s and so US primary dealers like Scotia and their clients will be busy clearing out the start of a mountain of debt the US will be issuing over the next decade. S&P Case Shiller repeat-sale house prices for October arrive on Tuesday and the year is likely to close with just over a 6% rise which is very slightly stronger than the prior two years. The Richmond Fed's regional manufacturing gauge also arrives Tuesday and will inform a call for the next ISM reading that arrives the following Wednesday. On Wednesday, December 27th, the Conference Board's consumer confidence reading lands and at issue is whether it can build further upon the highest reading since 2000 and the dot-com era (!). The same day's pending home sales may face downside risk following the third strongest monthly gain of the past seven years.

Then recover speedily after New Year's Eve, because developments will shift into higher gear from the Wednesday onward. Minutes to the December 13th FOMC meeting (recall [here](#)) will be parsed for measures of the frequency of opinion cited on key debating points such as how many participants incorporated fiscal policy effects and to what general degree across growth and the dual mandate variables. Earlier that morning, the **ISM-manufacturing gauge** will further inform whether a downward trend is still building or whether it will be arrested following two months of slippage to a still-high 58-mark. **Construction spending and vehicle sales** will round out Wednesday's hits.



Then it's on to jobs with ADP on Thursday, January 4th and nonfarm on Friday. Has job growth accelerated once again? The tea leaves are a tad messy on this one. Three of the past four months saw nonfarm payrolls rise by over 200k with only September's hurricane-affected 38k being the exception. Did the last two months overshoot as pent-up hurricane-related hiring demand recovered such that December's jobs number will soften? Or is optimism being translated into something more durable by way of hiring plans? By contrast to the job growth trend, is **wage growth** in a softening trend from the 2.9% of a year ago and particularly of late? The swing factor hasn't been huge as wage growth has only cooled by about a ½% but this year has generally reversed the acceleration that had occurred over 2015–16 and called into renewed question the wage Phillips curve that relates the unemployment rate to wage gains.

The first week of the new year's developments will be rounded out by factory orders, trade figures and ISM-services on Friday as well as **speeches by regional Fed Presidents** Harker (nonvoting 2018), Bullard (alternate 2018) and Mester (voting 2018) that same day.

CANADA — JOBS & TRADE TO INFORM BANK OF CANADA RATE DECISION

Canada watchers will probably have to wait until Friday January 5th for signs of any action on the data, event, earnings and auctions calendars. Barring policy remarks concerning matters like NAFTA negotiations, Canadian market activity is either going to be very quiet or solely influenced by developments abroad well into the start of the new year.

In addition to Christmas Day and New Year's Day, Canadian equity and bond markets will be closed the day after Christmas for Boxing Day. There will be early bond market closures on December 22nd and 29th at 1pmET.

On January 5th, the two points of focus will be jobs data for December and trade figures for November and both reports probably risk weaker estimates. They will be the last significant pieces of information to inform final risks into the January 17th BoC decision. On job growth, it's tempting to argue that, after such an outlier month for job growth when 79,500 new positions were created in November, there must be some payback lurking in December. The evidence on what happens the months after comparably strong historical monthly gains in employment is mixed (chart 3). I'm going with a negative for December. Among the complicating factors this time around are a potential correction in youth employment after a surge in November that may have been partly influenced by education sector strikes and any hiring response to looming minimum wage hikes in Ontario and Alberta.

On that note, the other thing to watch in the jobs report will be wage growth. It has been on an upward tear since Spring and risen by over two full percentage points (chart 4). This report, however, may carry less sticker shock than the next one in January that will capture the influences of sharp minimum wage hikes in Ontario and Alberta. In weighted terms, these minimum wage hikes will add at least one percentage point to average hourly wage growth in year-ago terms and bring nationwide average wage growth to just shy of 4% y/y. Knock-on effects on workers just above the present minimum wage and perhaps also upon workers presently earning just above the new minimum wage may add to this effect.

As for trade figures, they will be used to update tracking of Q4 growth. Recall that after October's figures, export volumes were tracking a small gain of under 2% q/q at an annualized and seasonally adjusted rate in Q4 following a massive 13% retreat in Q2. Pending November figures, export growth appears to have largely evaporated over the back half of the year. **The trade deficit is at risk of widening out again should import volumes begin to recover from presently tracking a 10% annualized decline in Q4.**

Chart 3

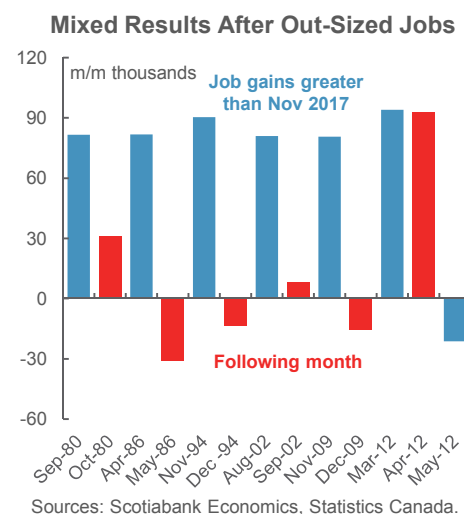


Chart 4



As for the debate over whether Canada runs a trade surplus or deficit with the US, enter the three definitions in chart 5 for the aggregate trade balance, the merchandise trade balance and the merchandise ex-energy balance each of which is expressed in dollar value and volume terms ex-price effects.

LATIN AMERICA — SCANDALS & INFLATION

The local market focus into the new year will be on inflation updates in several countries.

Peru's leadership struggles may also continue to weigh upon short-term market sentiment including via the currency, the sol (chart 6). President Pedro Pablo Kuczynski admitted earlier this month to working as a financial adviser for an irrigation project being led by a Brazilian firm at the heart of bribery investigations. He had previously denied such involvement, but still denies any illegality. As this publication goes to print, impeachment proceedings are in the hands of the Congress where the opposition party holds a slim majority.

There is little of consequence on the docket for markets next week. Minutes to the last policy decisions on December 14th by both BanRep and Banxico arrive on Thursday December 28th. We might obtain further colour on Banxico's bias that remains open to further rate hikes even though inflation risk is likely to ebb into 2018. We might also obtain further colour on BanRep's communicated policy hold as it monitors inflation data...and remains open to future easing.

The focus during the first week in the new year will be upon inflation updates by Peru on New Year's Day and then Chile, Colombia and Mexico over the course of the week. Peru's inflation has been running at 1.5% y/y and thus in the lower half of the central bank's 1–3% policy target band. Chile's inflation rate was 1.9% y/y in November and thus below the 2–4% inflation target range. Colombia's inflation rate of 4.1% y/y is just above the upper end of the 2–4% target range and as noted above it would likely take a material decline to merit further easing while rate cuts have been set against the higher inflation readings. Mexico's CPI inflation rate of 6.6% y/y recently accelerated and is a smidge lower than the peak in August such that it remains uncertain exactly when inflation may peak amidst widespread expectations it will decline into 2018 as currency depreciation's effects wane.

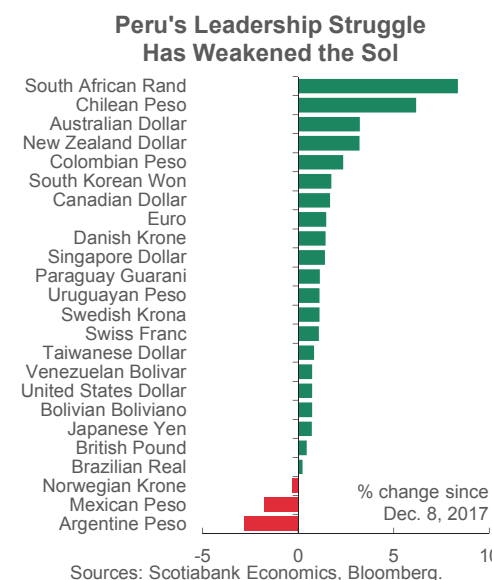
EUROPE — JUST KEEPING SCORE

The main focal points over the coming two weeks will be upon Eurozone inflation updates and UK PMI surveys. Both will marginally inform discussions on monetary policy but without altering anything at this juncture.

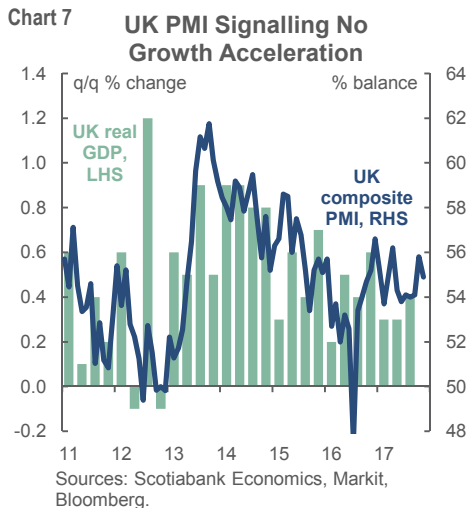
The UK purchasing managers' indices will inform near-term growth risks with readings for the end of 2017 when they arrive in the first week of the new year. It starts with the manufacturing PMI on Tuesday, January 2nd, the construction PMI on Wednesday and then both the services and composite PMIs on Thursday. Manufacturing activity has led all of the PMIs, with construction recently catching up and services flat. The net result has been relatively little change in the overall composite PMI. That, in turn, matters by way of signalling **potential compositional shifts in overall UK growth, but no material acceleration.** In fact, the trend since before the Brexit vote has been toward decelerating growth (chart 7).

Chart 5


Sources: Scotiabank Economics, US Census Bureau.

Chart 6


Sources: Scotiabank Economics, Bloomberg.

Chart 7


Sources: Scotiabank Economics, Markit, Bloomberg.

Eurozone CPI inflation reports arrive on each of the next two Fridays. Germany and Spain release on December 29th, while France, Italy and the EU add-up all arrive the following Friday. Eurozone inflation is unlikely to carry much weight at this stage for two reasons. One is that core and supercore readings are going nowhere with mild inflation coming from base effects and commodities. Two is that inflation progress will start to matter more by around mid-year in terms of ECB decisions before the ECB's planned completion of bond purchases by September. **In the meantime, ECB policy guidance isn't likely to be terribly interesting as inflation is monitored to inform a potential shift much further down the road.** Output gap measures suggest the Eurozone isn't likely to face pressure of slipping into excess aggregate demand (chart 8).

ASIA — WILL CHINA'S PMI'S CATCH UP?

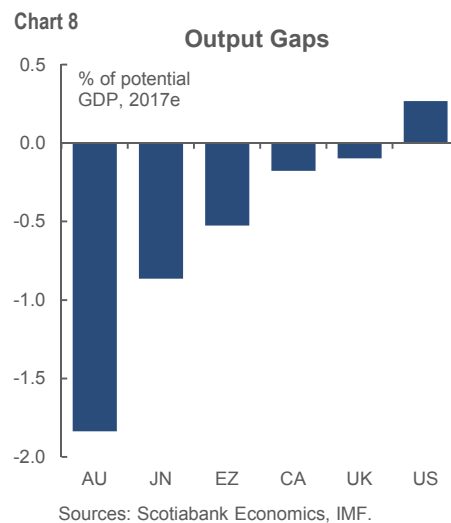
The main global market sensitivity to developments in Asia may come from updated growth signals for China's economy that will arrive into the second week of this issue's period of coverage. Other developments carry primarily regional implications.

Only about 2% of Japan's population identifies itself as Christian versus Shintoists or Buddhists, so conducting its monthly data dump on Christmas Day isn't terribly unusual and certainly not unprecedented. That said, most of the world's financial markets will have to wait to trade the outcome, giving domestic dealers a clear advantage should there be any surprises. **The Japanese updates will include reports on household spending, the jobless rate, housing starts, retail sales, industrial production, and CPI.** The key figure to watch will be inflation, updated nationally for November and for Tokyo in December. National CPI could reverse the down leg that crept into the October report when inflation fell from 0.7% y/y to a half point lower. Big deal, one might say. That would still leave inflation well beneath the 2% target where it has been throughout most of the past quarter century with fleeting exceptions including in 1997, 2008 and 2014. Two of those three occasions (except 2008) were driven by sales tax increases that carried fleeting influences. The country plans to raise the sales tax again by two points to 10% on October 1st 2019. The planned move has spawned a debate over whether Japan should further accommodate the hike that, when combined with little to no traction on inflation, makes it unlikely that the BoJ seeks policy exits any time soon. In the meantime, markets are signalling zero enthusiasm toward inflation risk (chart 9).

China updates industrial profit growth for November the day after Christmas. This remains a major reason why the country has been able to head off concerns about corporate indebtedness.

China will then issue a new round of purchasing managers' indices starting at the end of the final week of 2017 and into the start of the new year on the western Gregorian calendar. China's PMIs have thus far not really responded to improved growth signals out of its main export markets in the US, Europe and Japan. Both the state's manufacturing PMI and the private sector's manufacturing PMI have been hovering barely above the 50 dividing line between expansion (above) and contraction (below). It may just be a matter of time until China begins to translate solid export growth into further momentum and stronger manufacturing output.

Asian inflation reports will include Thai CPI on December 27th and South Korean CPI on December 28th. The Bank of Thailand recently kept policy on hold and hinted at no rush to change, due in large part to soft inflation of 1% y/y that lies at the lower end of the 1–4% policy band. South Korean inflation is hardly cooperating with the Bank of Korea's recent hike. Core inflation has been declining to 1.2% y/y. Bank of Korea Governor Less recently guided that the central bank expects inflation to converge upon its 2% inflation target next year. Also note that South Korea's Finance Minister will release the 2018 growth and policy direction report during the week of Christmas.



Key Indicators for the week of December 25 – January 5

NORTH AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	12/26	09:00	S&P/Case-Shiller Home Price Index (m/m)	Oct	--	0.8	0.5
US	12/26	09:00	S&P/Case-Shiller Home Price Index (y/y)	Oct	6.2	6.3	6.2
US	12/26	10:00	Richmond Fed Manufacturing Index	Dec	--	21.0	30.0
US	12/26	10:30	Dallas Fed. Manufacturing Activity	Dec	--	20.0	19.4
US	12/27	07:00	MBA Mortgage Applications (w/w)	DEC 22	--	--	-4.9
MX	12/27	09:00	Trade Balance (US\$ mn)	Nov	--	--	-2066.0
US	12/27	10:00	Consumer Confidence Index	Dec	130.0	128.0	129.5
US	12/27	10:00	Pending Home Sales (m/m)	Nov	-1.0	-0.5	3.5
US	12/28	08:30	Initial Jobless Claims (000s)	DEC 23	240	--	245
US	12/28	08:30	Continuing Claims (000s)	DEC 16	1900	--	1932
US	12/28	08:30	Wholesale Inventories (m/m)	Nov P	--	--	-0.5
US	12/28	09:45	Chicago PMI	Dec	--	61.8	63.9
MX	JAN 2-5		Consumer Prices (m/m)	Dec	--	--	1.0
MX	JAN 2-5		Consumer Prices (y/y)	Dec	--	--	6.6
MX	JAN 2-5		Consumer Prices Core (m/m)	Dec	--	--	0.3
US	01/03	10:00	Construction Spending (m/m)	Nov	0.5	0.7	1.4
US	01/03	10:00	ISM Manufacturing Index	Dec	58.5	58.0	58.2
US	01/03		Domestic Vehicle Sales (mn a.r.)	Dec	--	--	13.5
US	01/03		Total Vehicle Sales (mn a.r.)	Dec	17.5	17.5	17.4
US	01/04	08:15	ADP Employment Report (000s m/m)	Dec	200.0	190.0	190.3
CA	01/04	08:30	IPPI (m/m)	Nov	--	--	1.0
CA	01/04	08:30	Raw Materials Price Index (m/m)	Nov	--	--	3.8
CA	01/05	08:30	Employment (000s m/m)	Dec	-10.0	--	79.5
CA	01/05	08:30	Merchandise Trade Balance (C\$ bn)	Nov	-2.0	--	-1.5
CA	01/05	08:30	Unemployment Rate (%)	Dec	6.0	--	5.9
US	01/05	08:30	Nonfarm Employment Report (000s m/m)	Dec	200.0	183.0	228.0
US	01/05	08:30	Unemployment Rate (%)	Dec	4.1	4.0	4.1
US	01/05	08:30	Average Hourly Earnings (m/m)	Dec	--	0.3	0.2
US	01/05	08:30	Average Hourly Earnings (y/y)	Dec	2.5	2.5	2.5
US	01/05	08:30	Average Weekly Hours	Dec	--	34.5	34.5
US	01/05	08:30	Household Employment Report (000s m/m)	Dec	--	--	57.0
US	01/05	08:30	Trade Balance (US\$ bn)	Nov	-48.0	-47.4	-48.7
US	01/05	10:00	Factory Orders (m/m)	Nov	1.4	1.5	-0.1
US	01/05	10:00	ISM Non-Manufacturing Composite	Dec	58.0	57.4	57.4

EUROPE

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
SP	12/27	03:00	Real Retail Sales (y/y)	Nov	--	--	-1.2
FR	12/27	12:00	Total Jobseekers (000s)	Nov	--	--	3483.6
FR	12/27	12:00	Jobseekers Net Change (000s)	Nov	--	--	8.0
GE	DEC 27-JAN 3		Retail Sales (m/m)	Nov	1.0	1.3	-1.0
SP	12/28		Budget Balance YTD (€ mn)	Nov	--	--	-12870
SP	12/29	03:00	CPI (m/m)	Dec P	0.1	0.1	0.5
SP	12/29	03:00	CPI (y/y)	Dec P	1.5	1.5	1.7
SP	12/29	03:00	CPI - EU Harmonized (m/m)	Dec P	0.2	0.2	0.3
SP	12/29	03:00	CPI - EU Harmonized (y/y)	Dec P	1.4	1.4	1.8
SP	12/29	04:00	Current Account (€ bn)	Oct	--	--	2.4
GE	12/29	08:00	CPI (m/m)	Dec P	0.4	0.5	0.3
GE	12/29	08:00	CPI (y/y)	Dec P	1.5	1.5	1.8
GE	12/29	08:00	CPI - EU Harmonized (m/m)	Dec P	0.5	0.6	0.3
GE	12/29	08:00	CPI - EU Harmonized (y/y)	Dec P	1.5	1.4	1.8
RU	12/29	08:00	Real GDP (y/y)	3Q F	--	1.8	1.8

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

Key Indicators for the week of December 25 – January 5

EUROPE (continued from previous page)

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
IT	01/02	03:45	Manufacturing PMI	Dec	58.5	58.5	58.3
FR	01/02	03:50	Manufacturing PMI	Dec F	--	59.3	59.3
GE	01/02	03:55	Manufacturing PMI	Dec F	--	63.3	63.3
EC	01/02	04:00	Manufacturing PMI	Dec F	--	60.6	60.6
UK	01/02	04:30	Manufacturing PMI	Dec	58.0	57.7	0.1
IT	01/02		Budget Balance (€ bn)	Dec	--	--	-5.5
IT	01/02		Budget Balance YTD (€ bn)	Dec	--	--	-66.3
GE	01/03	03:55	Unemployment (000s)	Dec	--	-13.0	-18.0
GE	01/03	03:55	Unemployment Rate (%)	Dec	5.6	5.6	5.6
UK	01/03	04:30	PMI Construction	Dec	52.9	52.7	53.1
UK	01/04	02:00	Nationwide House Prices (m/m)	Dec	0.2	0.2	0.1
IT	01/04	03:45	Services PMI	Dec	54.8	54.7	54.7
FR	01/04	03:50	Services PMI	Dec F	--	59.4	59.4
GE	01/04	03:55	Services PMI	Dec F	--	55.8	55.8
EC	01/04	04:00	Composite PMI	Dec F	--	58.0	58.0
EC	01/04	04:00	Services PMI	Dec F	--	56.5	56.5
UK	01/04	04:30	Net Consumer Credit (£ bn)	Nov	--	1.5	1.5
UK	01/04	04:30	Official Reserves Changes (US\$ bn)	Dec	--	--	865.0
UK	01/04	04:30	Services PMI	Dec	54.0	54.1	53.8
FR	01/05	02:45	CPI (m/m)	Dec P	0.3	0.3	0.1
FR	01/05	02:45	CPI (y/y)	Dec P	1.2	1.2	1.2
FR	01/05	02:45	CPI - EU Harmonized (m/m)	Dec P	1.3	0.4	0.1
FR	01/05	02:45	CPI - EU Harmonized (y/y)	Dec P	1.2	1.3	1.2
EC	01/05	05:00	Euro zone CPI Estimate (y/y)	Dec	1.5	1.5	1.5
EC	01/05	05:00	Euro zone Core CPI Estimate (y/y)	Dec A	1.0	1.0	0.9
EC	01/05	05:00	PPI (m/m)	Nov	--	--	0.4
IT	01/05	05:00	CPI (m/m)	Dec P	--	--	-0.2
IT	01/05	05:00	CPI (y/y)	Dec P	--	--	0.9
IT	01/05	05:00	CPI - EU Harmonized (m/m)	Dec P	--	--	-0.2
IT	01/05	05:00	CPI - EU Harmonized (y/y)	Dec P	--	--	1.1

ASIA-PACIFIC

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
JN	12/25	00:00	Coincident Index CI	Oct F	116.5	--	116.5
JN	12/25	00:00	Leading Index CI	Oct F	106.1	--	106.1
JN	12/25	18:30	Household Spending (y/y)	Nov	--	1.0	0.0
JN	12/25	18:30	Jobless Rate (%)	Nov	2.8	2.8	2.8
JN	12/25	18:30	National CPI (y/y)	Nov	0.2	0.5	0.2
JN	12/25	18:30	Tokyo CPI (y/y)	Dec	--	0.6	0.3
SK	DEC 25-29		Department Store Sales (y/y)	Nov	--	--	-3.7
SI	12/26	00:00	CPI (y/y)	Nov	0.4	0.5	0.4
SI	12/26	00:00	Industrial Production (y/y)	Nov	--	8.0	14.6
SK	12/26	16:00	Consumer Confidence Index	Dec	--	--	112.3
CH	12/26	20:30	Industrial Profits YTD (y/y)	Nov	--	--	25.1
VN	DEC 26-27		CPI (y/y)	Dec	--	--	2.6
VN	DEC 26-27		Exports (y/y)	Dec	--	--	21.1
VN	DEC 26-27		Imports (y/y)	Dec	--	--	21.0
VN	DEC 26-27		Industrial Production (y/y)	Dec	--	--	17.2
VN	DEC 26-27		Real GDP YTD (y/y)	4Q	--	--	6.4
JN	12/27	00:00	Housing Starts (y/y)	Nov	-4.0	-4.0	-4.8
JN	12/27	00:00	Construction Orders (y/y)	Nov	--	--	6.7
SK	12/27	16:00	Business Survey- Manufacturing	Jan	--	--	82.0
SK	12/27	16:00	Business Survey- Non-Manufacturing	Jan	--	--	80.0
SK	12/27	18:00	Industrial Production (y/y)	Nov	--	1.5	-5.9
SK	12/27	18:00	Cyclical Leading Index Change	Nov	--	--	-0.3

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

Key Indicators for the week of December 25 – January 5

ASIA-PACIFIC (continued from previous page)

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
JN	12/27	18:50	Large Retailers' Sales (y/y)	Nov	--	--	-0.7
JN	12/27	18:50	Retail Trade (y/y)	Nov	0.8	1.0	-0.2
JN	12/27	18:50	Industrial Production (y/y)	Nov P	4.0	3.7	5.9
JN	12/27	23:00	Vehicle Production (y/y)	Nov	--	--	6.4
HK	12/28	03:30	Exports (y/y)	Nov	--	--	6.7
HK	12/28	03:30	Imports (y/y)	Nov	--	--	7.9
HK	12/28	03:30	Trade Balance (HKD bn)	Nov	--	--	-44.0
SK	12/28	18:00	CPI (y/y)	Dec	1.6	1.4	1.3
SK	12/28	18:00	Core CPI (y/y)	Dec	--	--	1.2
AU	12/28	19:30	Private Sector Credit (y/y)	Nov	--	5.2	5.3
PH	DEC 28-29		Bank Lending (y/y)	Nov	--	--	18.0
TH	12/29	01:30	Trade Balance (US\$ mn)	Nov	--	--	1624
TH	12/29	02:30	Exports (y/y)	Nov	--	--	13.4
TH	12/29	02:30	Imports (y/y)	Nov	--	--	16.6
TH	12/29	02:30	Current Account Balance (US\$ mn)	Nov	--	--	3535
IN	12/29	06:00	Fiscal Deficit (INR Crore)	Nov	--	--	26383
CH	12/30	20:00	Manufacturing PMI	Dec	51.7	51.7	51.8
CH	12/30	20:00	Non-manufacturing PMI	Dec	54.9	54.9	54.8
SK	12/31	19:00	Exports (y/y)	Dec	--	--	9.6
SK	12/31	19:00	Imports (y/y)	Dec	--	--	12.3
CH	01/01	20:45	HSBC Manufacturing PMI	Dec	50.6	50.7	50.8
HK	01/03	03:30	Retail Sales - Volume (y/y)	Nov	--	--	3.6
HK	01/03	19:30	Purchasing Managers Index	Dec	--	--	50.7
JN	01/03	19:30	Markit/JMMA Manufacturing PMI	Dec F	54.2	--	54.2
CH	01/03	21:45	HSBC Services PMI	Dec	--	--	51.9
TH	01/03	22:00	CPI (y/y)	Dec	0.9	--	1.0
JN	JAN 3-11		Official Reserve Assets (US\$ bn)	Dec	--	--	1261.2
JN	01/04	18:50	Monetary Base (y/y)	Dec	--	--	13.2
AU	01/04	19:30	Trade Balance (AUD mn)	Nov	--	500.0	105.0
SI	JAN 4-12		Real GDP (y/y)	4Q A	3.5	2.5	5.2
JN	01/05	00:00	Vehicle Sales (y/y)	Dec	--	--	-5.4
TA	01/05	03:00	CPI (y/y)	Dec	0.8	--	0.4

LATIN AMERICA

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CO	12/28	10:00	Urban Unemployment Rate (%)	Nov	--	9.1	9.5
CL	12/29	07:00	Industrial Production (y/y)	Nov	-0.8	--	0.6
CL	12/29	07:00	Unemployment Rate (%)	Nov	6.6	--	6.7
PE	01/01		Consumer Price Index (m/m)	Dec	--	--	-0.2
PE	01/01		Consumer Price Index (y/y)	Dec	--	--	1.5
BZ	01/02	07:00	PMI Manufacturing Index	Dec	--	--	53.5
BZ	JAN 2-5		Trade Balance (FOB) - Monthly (US\$ mn)	Dec	--	--	3546
CL	JAN 2-5		CPI (m/m)	Dec	0.0	--	0.1
CL	JAN 2-5		CPI (y/y)	Dec	2.1	--	1.9
CL	JAN 2-5		Economic Activity Index SA (m/m)	Nov	--	--	-0.3
CL	JAN 2-5		Economic Activity Index NSA (y/y)	Nov	1.8	--	2.9
CL	JAN 2-5		Retail Sales (y/y)	Nov	2.9	--	3.7
CO	JAN 2-5		Consumer Price Index (m/m)	Dec	--	--	0.2
CO	JAN 2-5		Consumer Price Index (y/y)	Dec	--	--	4.1
BZ	01/05	06:00	Industrial Production SA (m/m)	Nov	--	--	0.2
BZ	01/05	06:00	Industrial Production (y/y)	Nov	--	--	5.3

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

Global Auctions for the week of December 25 – January 5**NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
US	12/26	13:00	U.S. to Sell USD26 Bln 2-Year Notes
US	12/27	11:30	U.S. to Sell USD13 Bln 2-Year Floating Rate Notes
US	12/27	13:00	U.S. to Sell USD34 Bln 5-Year Notes
US	12/28	13:00	U.S. to Sell USD28 Bln 7-Year Notes

EUROPE

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
IT	12/27	05:00	Italy to Sell Up to EUR2.5 Bln Zero 2019 Bonds
IT	12/28	05:00	Italy to Sell Up to EUR2.5 Bln 0.9% 2022 Bonds
IT	12/28	05:00	Italy to Sell Up to EUR2 Bln Floating 2025 Bonds
IT	12/28	05:00	Italy to Sell Up to EUR1.5 Bln 2.05% 2027 Bonds
IT	12/28	05:00	Italy to Sell Up to EUR1 Bln 2.2% 2027 Bonds

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CH	12/25	20:30	Yunnan to Sell CNY1 Bln 3Y Bonds
JN	12/25	22:45	Japan to Sell 2-Year Bonds
CH	12/26	01:00	Hunan to Sell CNY1 Bln 7Y Bonds

Source: Bloomberg, Scotiabank Economics.

Events for the week of December 25 – January 5**NORTH AMERICA**

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
MX	12/28	10:00	Central Bank Monetary Policy Minutes
US	01/03	14:00	FOMC Meeting Minutes
US	01/04	13:30	Fed's Bullard Speaks at Economics Convention in Philadelphia
US	01/05	10:15	Fed's Harker Speaks on the Economic Outlook at AEA
US	01/05	12:30	Fed's Mester Speaks on Panel on Monetary Policy Coordination

ASIA-PACIFIC

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
JN	12/25	18:50	BOJ Minutes of Oct. 30-31 Meeting
JN	12/25	23:00	BOJ Kuroda makes a speech in Keidanren
JN	12/27	18:50	BOJ Summary of Opinions at Dec. 20-21 Meeting

LATIN AMERICA

<u>Country</u>	<u>Date</u>	<u>Time</u>	<u>Event</u>
CO	12/28	14:00	Colombia Monetary Policy Minutes

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	1.00	January 17, 2018	1.00	1.25
Federal Reserve – Federal Funds Target Rate	1.50	January 31, 2018	1.50	1.50
Banco de México – Overnight Rate	7.25	February 8, 2018	7.25	--

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	January 25, 2018	0.00	--
Bank of England – Bank Rate	0.50	February 8, 2018	0.50	--
Swiss National Bank – Libor Target Rate	-0.75	March 15, 2018	-0.75	--
Central Bank of Russia – One-Week Auction Rate	7.75	February 9, 2018	7.75	--
Sweden Riksbank – Repo Rate	-0.50	February 14, 2018	-0.50	-0.50
Norges Bank – Deposit Rate	0.50	January 25, 2018	0.50	--
Central Bank of Turkey – Benchmark Repo Rate	8.00	January 18, 2018	8.00	--

ASIA PACIFIC

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
Bank of Japan – Policy Rate	-0.10	January 23, 2018	-0.10	--
Reserve Bank of Australia – Cash Target Rate	1.50	February 5, 2018	1.50	1.50
Reserve Bank of New Zealand – Cash Rate	1.75	February 7, 2018	1.75	1.75
People's Bank of China – Lending Rate	4.35	TBA	--	--
Reserve Bank of India – Repo Rate	6.00	February 7, 2018	6.00	--
Bank of Korea – Bank Rate	1.50	TBA	1.50	--
Bank of Thailand – Repo Rate	1.50	February 14, 2018	1.50	1.50
Bank Negara Malaysia – Overnight Policy Rate	3.00	January 25, 2018	3.25	--
Bank Indonesia – 7-Day Reverse Repo Rate	4.25	TBA	4.25	--

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	7.00	February 7, 2018	7.00	--
Banco Central de Chile – Overnight Rate	2.50	February 1, 2018	2.50	--
Banco de la República de Colombia – Lending Rate	4.75	January 25, 2018	4.75	--
Banco Central de Reserva del Perú – Reference Rate	3.25	January 18, 2018	3.25	--

AFRICA

<u>Rate</u>	<u>Current Rate</u>	<u>Next Meeting</u>	<u>Scotia's Forecasts</u>	<u>Consensus Forecasts</u>
South African Reserve Bank – Repo Rate	6.75	January 18, 2018	6.75	--

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