

# Central Bank DATES



**ECONOMIC  
RESEARCH**

BMO  Capital Markets™

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**Dr. Sherry Cooper**  
Chief Economist

**Benjamin Reitzes**  
Economist

benjamin.reitzes@bmo.com  
416•359•5628  
1•800•613•0205

www.bmonesbittburns.com  
/economics

all dates are in local time

Monday	Tuesday	Wednesday	Thursday	Friday
		 Brazil <span style="float: right;">1</span>	 ECB <span style="float: right;">2</span> →  Riksbank  Malaysia	 Indonesia <span style="float: right;">3</span>
<span style="float: right;">6</span>	 RBA <span style="float: right;">7</span> →  BoJ	<span style="float: right;">8</span> →  BoC  BoJ <i>Monthly Report</i>  FOMC <i>Beige Book</i>	<span style="float: right;">9</span> →  BoE <span style="float: right;">10</span>  ECB <i>Monthly Report</i>  South Korea →  South Africa	 BoJ <i>Minutes from August 9-10</i>
<span style="float: right;">13</span>	<span style="float: right;">14</span>	<span style="float: right;">15</span>	<span style="float: right;">16</span>  RBNZ <i>Decision &amp; Monetary Policy Statement</i>  SNB  India	<span style="float: right;">17</span>
<span style="float: right;">20</span>	 FOMC <span style="float: right;">21</span>  RBA <i>Minutes from Sept. 7</i>	<span style="float: right;">22</span>  BoE <i>Minutes from Sept. 8-9</i>  Norges Bank  Iceland	<span style="float: right;">23</span>	 Mexico <span style="float: right;">24</span>
<span style="float: right;">27</span>  Hungary  Israel	<span style="float: right;">28</span>	<span style="float: right;">29</span> →  Poland	<span style="float: right;">30</span>  BoE <i>Q3 Credit Conditions Survey</i>	

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**CANADA**

The Bank of Canada faces a tough decision as the economic outlook appears to be worsening amid soft U.S. data. While the output gap was still closing in Q2 (though not much), that won't likely be the case in H2. Also, recent inflation data have been below the BoC's forecast. Look for a September hike followed by an extended pause.

**Official Rate: 0.75%** • **Quantitative Easing: No** • **Last Decision: July 20, +25 bps** • **Next Decision: September 8, +25 bps**


**U.S.**

The summer saw a stream of weaker-than-expected economic data, prompting the Fed to downgrade its near-term outlook. We anticipate the slowdown to continue through H2, which will push the Fed to restart quantitative easing before year end. However, we don't expect the shift to come in September, as the Fed doesn't appear to be convinced about the extent of the cooling just yet. Until employment and credit growth pick up, expect lacklustre growth and a policy tilt toward easing.

**Official Rate: 0%-to-0.25%** • **Quantitative Easing: Completed** • **Last Decision August 10, unch** • **Next Decision: September 21, unch**


**ECB**

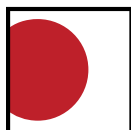
The Euro Area economy saw solid Q2 GDP growth, thanks largely to strength in Germany, taking pressure off the ECB to provide more stimulus. However, sovereign debt markets remain strained, which will likely keep the ECB purchasing bonds sporadically to limit market dislocations. We don't anticipate the ECB will ease policy further, though liquidity operations could be extended into 2011. Modest growth and modest inflation point to steady rates through 2011.

**Official Rate: 1.00%** • **Quantitative Easing: No** • **Last Decision: August 5, unch** • **Next Decision: September 2, unch**


**U.K.**

The Bank of England is facing the toughest conditions among major central banks, with growth expected to be weak through next year, while inflation is expected to stay close to, or above, 3%. Elevated inflation, thanks to a higher VAT, means the BoE won't likely opt to ease further unless conditions weaken significantly. Look for policy to hold steady throughout 2011 as the Bank balances high inflation and slow growth.

**Official Rate: 0.50%** • **Quantitative Easing: On Hold** • **Last Decision: August 4-5, unch** • **Next Decision: September 8-9, unch**


**JAPAN**

The Bank of Japan boosted its lending facility to ¥30 trln at an August 30 emergency meeting in the hopes of countering persistent yen strength. The move came under pressure from the government, but was well short of what the market expected. The lending facility won't likely have much impact on the yen or the economy, pointing to more drastic moves if the currency appreciates further. Perhaps ¥80 vs. the US\$ is a more significant trigger point for the BoJ, which is reluctant to increase quantitative easing. With growth likely to slow over the coming year, easing remains the only policy option on the table.

**Official Rate: 0.10%** • **Quantitative Easing: Yes** • **Last Decision: August 30, unch** • **Next Decision: September 6-7, unch**


**AUSTRALIA**

Global economic uncertainty and tame inflation suggest a continued pause from the RBA. Interest rates at "around their average levels of the past decade", and growth over the next year "likely to be about trend", also argue for a steady policy rate. However, if inflation jumps in Q3, tightening could resume late in the year.

**Official Rate: 4.50%** • **Quantitative Easing: No** • **Last Decision: August 3, unch** • **Next Decision: September 7, unch**












**NEW ZEALAND**

After two consecutive 25 bp rate hikes, the RBNZ took a more cautious tack in July with Governor Bollard noting that "the pace and extent of further [rate] increases is likely to be more moderate than was projected in the June Statement." The uncertain growth outlook is prompting the RBNZ to emphasize that some pauses are likely in the tightening campaign.

**Official Rate: 3.00%** • **Quantitative Easing: No** • **Last Decision: July 29, +25 bps** • **Next Decision: September 16, unch**





































## 2010 RATE DECISIONS

 <b>BANK OF CANADA</b>			 <b>BANK OF JAPAN</b>			 <b>RESERVE BANK OF NEW ZEALAND</b>		
January 19	0.25%	unch	January 25–26	0.10%	unch	January 28	2.50%	unch
March 2	0.25%	unch	February 17–18	0.10%	unch	March 11	2.50%	unch
April 20	0.25%	unch	March 16–17	0.10%	unch	April 29	2.50%	unch
June 1	0.50%	+25 bps	April 6–7	0.10%	unch	June 10	2.75%	+25 bps
July 20	0.75%	+25 bps	April 30	0.10%	unch	July 29	3.00%	+25 bps
September 8			May 20–21	0.10%	unch	September 16		
October 19			June 14–15	0.10%	unch	October 28		
December 7			July 14–15	0.10%	unch	December 9		
 <b>FEDERAL RESERVE</b>			August 9–10	0.10%	unch	 <b>SWISS NATIONAL BANK</b>		
January 26–27	0%-0.25%	unch	August 30	0.10%	unch	March 11	0%-0.75%	unch
March 16	0%-0.25%	unch	September 6–7			June 17	0%-0.75%	unch
April 27–28	0%-0.25%	unch	October 4–5			September 16		
June 22–23	0%-0.25%	unch	October 28			December 16		
August 10	0%-0.25%	unch	November 15–16			 <b>RIKSBANK (SWEDEN)</b>		
September 21			December 20–21			February 11	0.25%	unch
November 2–3			 <b>EUROPEAN CENTRAL BANK</b>			April 20	0.25%	unch
December 14			January 14	1.00%	unch	July 1	0.50%	+25 bps
 <b>BANK OF ENGLAND</b>			February 4	1.00%	unch	September 2		
January 6–7	0.50%	unch	March 4	1.00%	unch	October 26		
February 3–4	0.50%	unch	April 8	1.00%	unch	December 15		
March 3–4	0.50%	unch	May 6	1.00%	unch	 <b>NORGES BANK (NORWAY)</b>		
April 7–8	0.50%	unch	June 10	1.00%	unch	February 3	1.75%	unch
May 7 & 10	0.50%	unch	July 8	1.00%	unch	March 24	1.75%	unch
June 9–10	0.50%	unch	August 5	1.00%	unch	May 5	2.00%	+25 bps
July 7–8	0.50%	unch	September 2			June 23	2.00%	unch
August 4–5	0.50%	unch	October 7			August 11	2.00%	unch
September 8–9			November 4			September 22		
October 6–7			December 2			October 27		
November 3–4			 <b>RESERVE BANK OF AUSTRALIA</b>			December 15		
December 8–9			February 2	3.75%	unch			
			March 2	4.00%	+25 bps			
			April 6	4.25%	+25 bps			
			May 4	4.50%	+25 bps			
			June 1	4.50%	unch			
			July 6	4.50%	unch			
			August 3	4.50%	unch			
			September 7					
			October 5					
			November 2					
			December 7					



## INFLATION WATCH

		Current		Current			
		Inflation	Policy	Inflation	Policy		
Period		Rate	Rate	Rate	Rate		
		(percent)	(percent)	(percent)	(percent)		
<b>North America and Europe</b>							
 Australia	Jun-2010	3.1	4.50				
 Canada	Jul-2010	1.8	0.75				
 Eurozone	Aug-2010	1.6	1.00				
 Japan	Jul-2010	-0.9	0.10				
 New Zealand	Jun-2010	1.8	3.00				
 Norway	Jul-2010	1.9	2.00				
 Sweden	Jul-2010	1.1	0.50				
 Switzerland	Jul-2010	0.4	0 - 0.75				
 United Kingdom	Jul-2010	3.1	0.50				
 United States	Jul-2010	1.2	0.13				
<b>BRICs</b>							
 Brazil	Jul-2010	4.4	10.75				
 Russia	Jul-2010	5.5	7.75				
 India	Jul-2010	9.9	5.75				
 China	Jul-2010	3.1	5.31				
<b>Emerging Europe</b>							
 Czech Republic	Jul-2010	1.9	0.75				
 Hungary	Jul-2010	3.9	5.25				
 Poland	Jul-2010	2.0	3.50				
<b>Asia</b>							
 Hong Kong	Jul-2010	1.4	0.50				
 Indonesia	Jul-2010	6.2	6.50				
 South Korea	Jul-2010	2.6	2.25				
 Malaysia	Jul-2010	1.9	2.75				
 Pakistan	Jul-2010	12.3	13.00				
 Philippines	Jul-2010	3.9	4.00				
 Singapore	Jul-2010	3.1	0.19				
 Taiwan	Jul-2010	1.3	1.38				
 Thailand	Jul-2010	3.4	1.75				
 Vietnam	Aug-2010	9.1	6.00				
<b>Middle East and Africa</b>							
 Saudi Arabia	Jul-2010	6.0	2.00				
 Turkey	Jul-2010	7.6	2.50				
 South Africa	Jul-2010	3.5	6.50				
<b>Latin America</b>							
 Chile	Jul-2010	2.2	2.00				
 Colombia	Jul-2010	2.2	3.00				
 Mexico	Jul-2010	3.6	4.50				
 Peru	Jul-2010	1.8	2.50				
<b>Developed Countries</b>			(last month)	<b>Developing Countries</b>		(last month)	
Average Inflation Rate		1.7	1.7	Average Inflation Rate		4.7	4.7
Median Inflation Rate		1.7	1.7	Median Inflation Rate		3.8	3.9