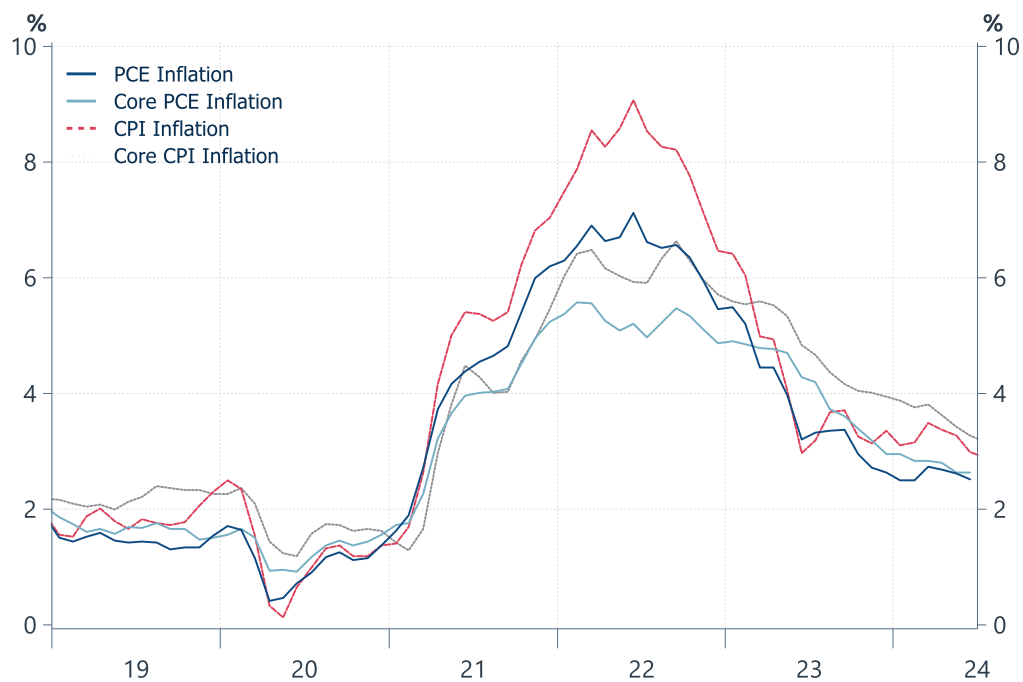


The week ahead

In the US, attention will shift back to core PCE prices this week as investors evaluate the state of disinflation and its implications for future monetary policy. For context, core PCE inflation in the US was relatively stable in June, holding at 2.6% y/y, with only modest declines observed so far this year from December's 2.9%. In addition to the core PCE data, a range of other important economic releases is expected, including the second estimate of US GDP, July personal income and spending figures, and consumer survey results from both the Conference Board and the University of Michigan. In Canada, investors will be focused on the Q2 GDP report. Although quarterly growth in Canada has been on a prolonged downward trend, recent monthly GDP figures suggest some early signs of a pickup in Q2. However, much of the Q2 performance will depend on the June growth results.

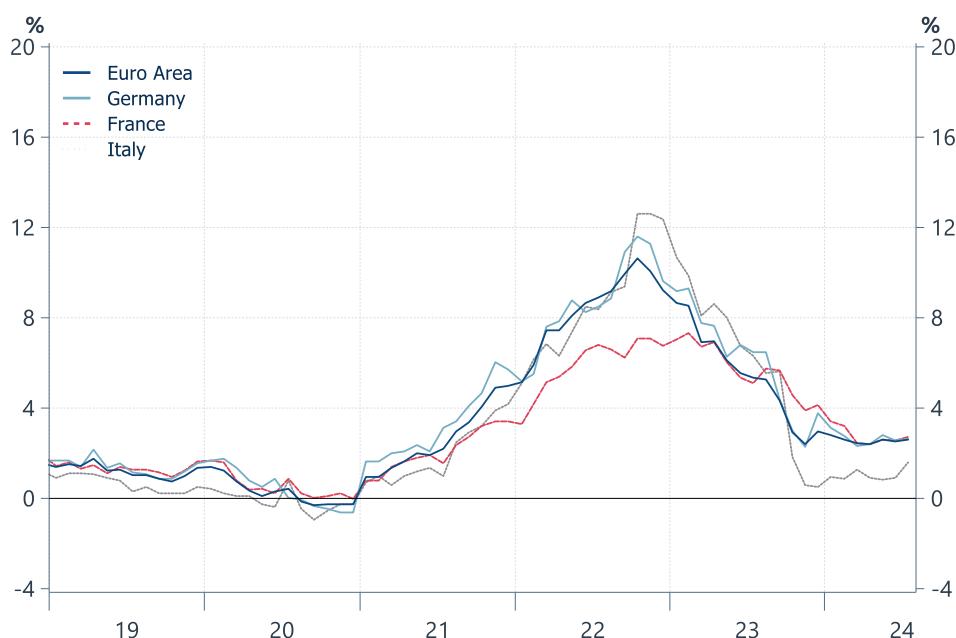
US Inflation Measures



Sources: BEA, BLS/Haver

Inflation in Europe will also attract attention this week, alongside a range of important survey results. The slew of major inflation reports will commence on Thursday with Germany's regional readings, followed by the national flash estimate and corresponding data from France and Spain. On Friday, Italy's the Euro area's flash estimate will be released. Disinflation in the Euro area has come to a stall, with recent headline readings hovering just above the 2% mark. Regarding survey results, Germany's Ifo survey and GfK consumer climate survey are scheduled for Monday and Tuesday, respectively. Additionally, Euro area business and consumer survey results are expected on Thursday.

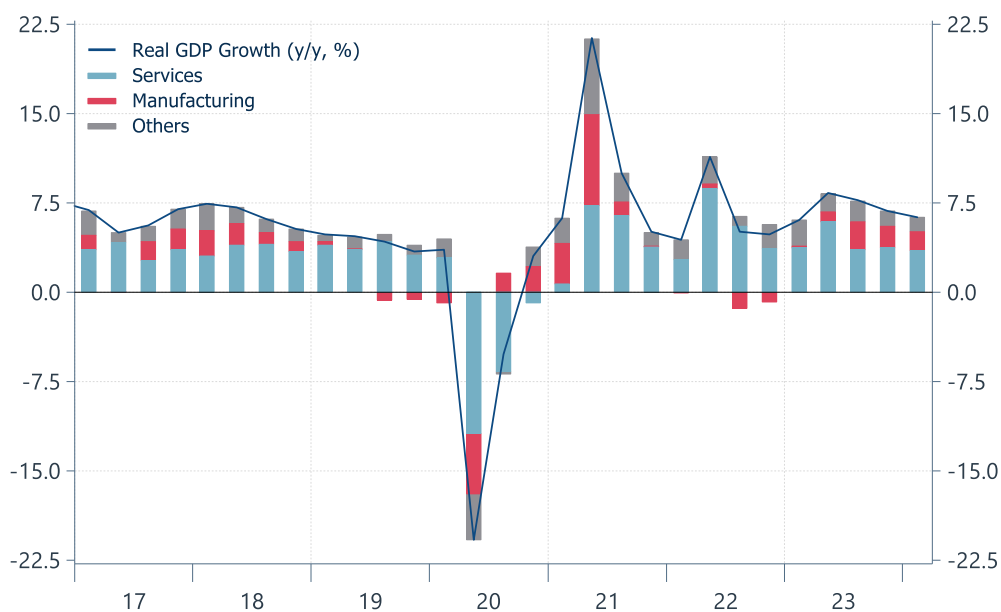
Euro Area CPI Inflation by Economy



Source: Statistical Office of the European Communities/Haver Analytics

In Asia, attention will turn to growth-related indicators and concerns, particularly India's Q2 GDP and China's August official PMI readings. For India, investors will be keen to see if its positive growth narrative can continue. In China, there will be interest in whether August shows signs of a turnaround, given the mixed signals from previous months. Additionally, Japan's economic and labor market data for July will be noteworthy, with industrial production, retail sales, and labor market figures scheduled for release on Friday.

India Real GDP Growth Drivers by Sector (ppts)



Source: Central Statistics Office/Haver Analytics