

Central Bank Speakers Recap for Week 08/2023

FX	Date	Days ago	Speaker	Bias	Relevant Points
USD	24.02.23	0	Bullard	Hawk	Current situation may fall under the term "credible" disinflation, markets expect inflation to come under control in the quarters and years ahead, soft landing is feasible in the US.
			Collins	Neutral	More rate hikes needed to deal with "too high" inflation, will need to get rates up and potentially hold them for a long period, optimistic that a soft landing can be reached.
			Jefferson	Neutral	Wage growth is still running too high to be consistent with a timely and sustainable return to 2% inflation target, ongoing imbalance between supply and demand for labour suggests high inflation may come down only slowly.
			Mester	Hawk	Need to get rates above 5% and stay there for a while, declines to say whether 25 or 50 bps at the next meeting, need to keep at rate hikes until inflation trend breaks lower, inflation not yet on trend to get back sustainably to 2% target, new data affirms the case for rate hikes, costs of undershooting policy still outweigh the costs of overshooting with current strong labour market, unemployment can be low without creating inflation, long-run inflation expectations are still relatively anchored.
	22.02.23	2	Bullard	Hawk	Will have to go north of 5% to tame inflation, my projection has rates reaching 5.375%, we've got a little ways to go, Fed should only slow down once it has reached the terminal rate, markets may be overpricing the risk of a recession in 2023, not seeing financial stress right now.
EUR			Williams	Neutral	Absolutely committed to getting inflation back to 2% over the next few years, 2% inflation is a foundational target.
	24.02.23	0	Nagel	Hawk	Cannot rule out further significant rate hikes after March, latest data shows inflation is still too high, must be determined in tightening policy, headline inflation could possibly have reached a plateau but it is too early to say.
	22.02.23	2	Villeroy		We are already in restrictive territory at 2.5% and more when we will reach 3% in March, we will be in no way obliged to raise rates at each of the meetings from now until September, markets have overreacted a little with rate hike bets to strong US data and ECB communication since last week.
	21.02.23	3	Lagarde	Dove	Expects to hike by 50 bps in March, afterwards will be data-dependent, not seeing a wage-price spiral in the Eurozone, inflation has begun to slow.
	20.02.23	4	Rehn	Hawk	Appropriate to raise rates beyond March, hikes should not stop while core inflation is so high and rising, terminal rate could be reached this summer, rates need to be restrictive for some time, growth could be 1% in 2023.
GBP	24.02.23	0	Tenreyro	Dove	Shape of energy price shocks and monetary policy lags suggest risks of overtightening.
	23.02.23	1	Mann	Hawk	More tightening is needed, does not think policy is particularly restrictive, a pivot is not imminent, failing to do enough on rates now risks the worst of both higher inflation and lower activity, financial conditions are looser than what will be needed to moderate inflation, worries about extended persistence of inflation into this year and next, public expectations for inflation next year are way above 2%.
NZD	24.02.23	0	Silk		There will be no pause in tightening, all rate hike options are on the table for the April meeting, will do all that's necessary to control inflation, still concerns about inflation.
	22.02.23	2	Conway		The impact from the cyclone has boosted demand for labour, possibility that the build-back from the cyclone boosts inflation, more uncertainty around forward GDP track.
			Orr		Most focus was on 50 bps, very little discussion of a 25 bps rate hike, monetary conditions need to tighten further, 75 bps would need a very large inflationary shock, demand needs to slow significantly, there are early indications that inflation is slowing but core inflation and expectations are too high, still forecasting a recession 9-12 months ahead, too early to determine impact of Cyclone Gabrielle, prices for some goods are likely to spike in the weeks ahead, may require higher rates for longer.
CHF	20.02.23	4	Schlegel		SNB is still willing to be active in FX markets, very strict about price stability mandate.
JPY	24.02.23	0	Himino		Current monetary policy is appropriate, important to conduct current monetary policy flexibly, need to continue easing for now.
			Kishida (PM)		No discomfort over Ueda's remarks earlier today.
			Uchida		Uncertainty regarding the Japanese economy is very high, must maintain ultra-easy policy to support the economy, it is wrong to tweak monetary policy just to address side effects, the right approach is to come up with ways to mitigate side-effects and effectively maintain current policy.

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			Ueda		Current monetary easing is appropriate, can move towards normalizing policy if more evidence of inflation of 2% can be foreseen, need to guide policy based on the economy and prices, wants to limit the element of surprise in monetary policy decision as much as possible but it could still be a surprise, BOJ must support corporate efforts to hike wages by supporting the economy with monetary easing, inflation rate is peaking out and expected to fall below 2% around the middle of next fiscal year, price rises will continue but rate of inflation will slow down substantially from next CPI, wants to achieve price stability sustainably and stably, Japan needs more time for inflation to reach target sustainably, will work closely with the government to guide policy appropriately, sees no need to tweak language on the price target in the joint statement. There are various possibilities on what YCC could look like including targeting shorter-dated yields, BOJ must consider ways to maintain YCC if trend inflation does not improve, BOJ won't conduct bond-selling operation, if BOJ were to normalize policy it would do so by raising interest paid to reserves at the central bank, now is not the time to think about what to do with the bank's ETF holdings, no comment on exchange rates.
	23.02.23	1	Kuroda		Will continue monetary easing, no longer in a deflationary environment but wage inflation is low, import prices have come down and Japanese government's energy assistance will hold inflation rate below 2% target, expects CPI to be below 2% for FY 2023 and 2024.
	22.02.23	2	Tamura		Appropriate to maintain monetary easing, now at a stage where we will carefully watch whether Japan will achieve positive cycle of rising wages and inflation, will take more time to gauge impact of BOJ steps taken so far on market function, widening of the yield band in December was not aimed at monetary policy, personally feel that prolonged massive easing may have curbed the effect of the market mechanism, at some point in the future the BOJ must conduct assessment of policy framework and look at the balance of benefits and costs.
	21.02.23	3	Kuroda		Wage growth likely to accelerate as the economy improves given tightening labour market, outcome of spring wage negotiations likely to reflect tighter jobs market and recent price rises, will continue to watch FX moves and their impact on the economy closely.
			Suzuki (FinMin)		Government will watch the economy and markets carefully, important for the exchange rate to move stably reflecting fundamentals.
	20.02.23	4	Amamiya		BOJ has the operational tools to achieve exit from ultraloose policy, what is more difficult is to decide whether the conditions to exit easy policy have been met and also how to communicate the BOJ's intentions for such a change.