

Central Bank Speakers Recap for Week 06/2023

FX	Date	Days ago	Speaker	Bias	Relevant Points
USD	10.02.23	0	Harker	Neutral	Get the Fed Funds rate to 5% and then pause, unsure how far rates have to go above 5%, 50 bps hikes not necessary right now, we do not need to keep raising rates at the pace we were, may be able to ease rates in 2024 if inflation starts abating, base case is that there is no recession, odds for a soft landing are increasing, will take a couple of years for inflation to fall back to 2% target, yield curve inversion unlikely to be sending recession signal, unsure when the process of balance sheet cuts will end.
			Waller	Hawk	Spillover from crypto industry stress to the financial system are minimal so far, critical to ensure financial stability risks associated with crypto assets are mitigated.
	09.02.23	1	Barkin	Neutral	Makes sense for the Fed to steer "more deliberately" from here due to lagged effects of policy, inflation is likely past its peak but still elevated, median inflation has stayed high, will take longer for pullback in demand to further slow the pace of price increases, data continues to push back recession risk.
	08.02.23	2	Cook	Neutral	The Fed is not done raising rates, inflation still running too high even if it has moderated, we will need restrictive policy for some time, starting to see some improvement in inflation data, combination of strong labour market and moderating prices/wages has raised hopes for a soft landing.
			Kashkari	Hawk	We need to do more but how much more is not clear, wage growth now is too high to support inflation.
			Waller	Hawk	The Fed will need to keep a tight stance on policy for some time to slow activity further, the job on inflation isn't done and might be a long fight, needs to see continued moderation in inflation before changing outlook, some moderation seen in compensation isn't enough.
			Williams	Neutral	Still have some work to do to get inflation under control, maybe services prices will stay elevated and if that happens we need higher rates, seeing a significant slowdown in housing, seeing more positive signs on global growth and the US economy.
	07.02.23	3	Kashkari	Hawk	Still sees rate path moving to 5.4%, wants to see more evidence that underlying inflation was trending down more, if financial conditions are easier we have to do more on rates, I am more cautious on rate path than markets, housing market starting to show signs of life which is making our job harder and means we have to do more with our other tools, nobody should overreact to one jobs report, hard to imagine strong jobs growth can occur with wage growth moderating.
			Powell	Neutral	We will need further rate increases, still have not reached sufficiently restrictive level, disinflation has begun but has a long way to go, strong jobs report shows why this will be a long process, the reality is that we're going to react to the data, would certainly raise rates more if data were to come in stronger, will certainly take until next year to get down close to 2%.
	06.02.23	4	Bostic	Neutral	Higher rate hike on the table after blowout NFP, may have more work to do, expects to raise rates more than he has projected, could also consider moving back to a 50 bps hike if needed, expects inflation to be in the "low 3s" this year.
EUR	10.02.23	0	De Cos	Dove	Last week's ECB decision was well received by markets.
			Schnabel	Neutral	Whether another 50 bps in May will be needed will depend on incoming data, we still have a lot of ground to cover in terms of rates, will stay the course in raising rates to bring inflation back to 2% target, further rate hikes will help to do that, so far policy has had little impact on inflation, broad disinflation has not started in the Euro area, need to see robust evidence that underlying inflation is returning to our target in a timely and durable manner, a soft landing is possible but not guaranteed.
			Vujcic	n/a	Likely to see more policy tightening after March, not yet time to discuss the terminal rate, core inflation is still too high, need to see sustained decline in core inflation.
	09.02.23	1	Nagel	Hawk	ECB must act decisively to reduce risk of de-anchoring in inflation expectations.
			Villeroy	Neutral	Sees possible peak in French inflation between now and June and maybe even before that, can exclude a recession in France as of now.
	08.02.23	2	De Guindos	Dove	Won't rule out further hikes after March, markets may be too optimistic regarding inflation trend, a wage-price spiral must be avoided.
		Kazaks	Hawk	There is no reason to pause or stop hikes after March, rates must hit significantly restrictive levels, markets should listen to Lagarde.	

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			Knot	Hawk	Keeping current pace of hikes into may could well be needed if underlying inflation does not materially abate, headline inflation appears to have peaked, policy rates have been brought into the neutral range, once we see a clear and decisive turn in inflation I expect the ECB to move in smaller steps, we have more ground to cover than the Fed, slowdown in growth seems even more shallow and short-lived than expected.
	07.02.23	3	Nagel	Hawk	More significant rate hikes are needed, rate cuts are not on the agenda, it would be dangerous to think inflation problem is solved.
			Schnabel	Neutral	Intends to hike by 50 bps, cannot give the all clear on inflation, inflation slowing is due to energy and not ECB policy, keeping a particularly close eye on core inflation.
			Villeroy	Neutral	We are not very far from the peak of inflation, does not think the ECB has to choose between fighting inflation an avoiding a recession.
	06.02.23	4	Holzmann	Hawk	The risk of doing too little dwarfs the risk of overtightening policy, must continue to show teeth untial a credible convergence to the inflation target.
			Kazaks	Hawk	There will be a 50 bps rate hike in March barring a significant data shock.
	05.02.23	5	Visco	Dove	Policy tightening can now continue with due caution, unwarranted excess tightening would have serious consequences, bank loan writedowns could double to nearly 1% in 2023 and 2024.
GBP	09.02.23	1	Bailey	Neutral	We have a very tight labour market, expects inflation to come down rapidly this year, base effects will put powerful negative trajectory in UK inflation, concerned about inflation persistence, need to see more evidence of inflation pressures easing, would urge that the rapid fall forecast for inflation is taken into account in pay demands.
			Haskel	Hawk	Economic theory shows inflation uncertainty should be met with more forceful action.
			Pill	n/a	There is a danger of over-steering on rates given lags in transmission and substantial further tightening is yet to come, no room for complacency, anticipates a period of economic weakness in the UK.
			Tenreyro	Dove	Rates are too high right now, a big recession is much needed to keep inflation at 2%, would consider a rate cut right now but can't say at which meeting she would vote for such an option.
	07.02.23	3	Cunliffe	Dove	Have made no decision yet on whether a digital pound would use digital ledger technology, we propose a limit of between 10,000 and 20,000 GBP per person to hold digital pound.
	06.02.23	4	Pill	n/a	We have to guard against doing too much with monetary policy and we are reaching a point where it concerns our minds, we are prepared to do more to get inflation back to target, tightening is having an impact, still a lot to come through, chance of inflation becoming more embedded in the UK is greater than in continental Europe.
CAD	07.02.23	3	Macklem		If the economy develops as forecast and inflation falls as predicted more hikes will not be needed, expects growth be close to zero for the first three quarters in 2023, need to pause rates before the economy slows too much which is what we're doing now, we don't know how long the pause is going to be, inflation is still too high but monetary policy is working and it's turning the corner, more hikes will be needed if wage growth doesn't moderate, risks to inflation forecast are balanced, prepared to raise rates if upside risks materialize, real estate market will probably soften further before it stabilizes later this year.
JPY	10.02.23	0	Amamiya		Appropriate to maintain current ultra-loose policy, premature to debate exit from easy policy including what to do with BOJ's ETF holdings, buying ETFs is abnormal policy from a central bank, demerits of YCC include impact on market functioning, will seek to improve market functioning via the fund supply operation against pooled collateral, no need to make YCC more flexible, 2% inflation target is a global standard and seen as appropriate.
			Kuroda		Benefits of easing outweigh the costs of side-effects.
			Suzuki (FinMin)		Inflation has yet to stably hit the BOJ's 2% inflation target, Japan's fiscal situation is severe.
		Ueda		Possible candidate to succeed Kuroda. BOJ monetary policy is appropriate and needs to be continued, when asked about reports he would be nominated as next BOJ governor: nothing has been decided.	

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	07.02.23	3	Suzuki (FinMin)		Important for exchange rates to move stably and reflect economic fundamentals, FX intervention in October 2022 had certain impacts.
	06.02.23	4	Kuroda		CPI sustainable at 2% accompanied by wage growth has not yet been achieved, there was no other monetary policy mean BOJ could have taken to achieve goals.