

Central Bank Speakers Recap for Week 30/2023

FX	Date	Days ago	Speaker	Bias	Relevant Points	Src
USD	26.07.23	2	Powell	Neutral	The full effect of monetary policy tightening has yet to be felt, the process of getting inflation back to target still has "a long way to go", inflation has proved repeatedly stronger than we and other forecasters expected, monetary policy is restrictive and more so after today, expecting to hold policy at restrictive levels for some time, September decision could be another hike or remaining where we are, there's a range of views on the Committee on this meeting and the next, prepared to act if incoming data suggests more hikes are needed, doesn't think there will be rate cuts this year, rate cuts next year will be about our certainty that inflation has come down, could be continuing QT while cutting rates, there is still a strong pace of jobs growth, labour demand still exceeds supply substantially, inter-meeting data was broadly in line with our expectations, CPI was a bit better than expectations but it's just one reading, we want to see core inflation coming down, we're looking for moderate growth.	source
EUR	28.07.23	0	Kazimir	n/a	The ECB is nearing the completion of policy tightening, premature to consider a September pause the end of the tightening cycle, we should take a firm step further on our way to the top, the ECB's mission is still not fulfilled, there is still a risk of inflation coming in higher than expected, we are looking for the right place to stay for a large part of next year.	source
			Simkus	Hawk	Choice in September is between a 25 bps rate hike and no change, rate cuts unlikely in first half of 2024.	source
			Stournas	n/a	A September rate hike is "unlikely" but if it were to be the case it would be the last for this year.	source
			Villeroy	Neutral	Upcoming decisions will be entirely data-driven, perseverance is now key given the time needed for full transmission of policy, French inflation is falling even without a recession.	source
	27.07.23	1	Lagarde	Dove	Today's decision was unanimous, slight change of a verb was not random or irrelevant (re: change from "rates will be brought to restrictive levels" to "will be set at restrictive levels" in the statement), the near-term economic outlook for the eurozone has deteriorated, we will continue to follow a data-dependent path, declines to repeat that they're not even thinking about stopping hiking, "Do we have more ground to cover? At this point I wouldn't say so", we only know that we won't be cutting rates, we may hike or we may hold, there will be two readings of inflation before the September meeting, we have an opening mind on September and beyond, price pressures from wages and profit margins are becoming an increasing source of inflation, we have not discussed the reduction of our balance sheet.	source
JPY	28.07.23	0	Suzuki (FinMin)		Will not comment on the BOJ policy decision, expects the BOJ to conduct policy appropriately, understands that today's decision is aimed at making YCC more flexible and make monetary easing sustainable, no comment on what the BOJ's policy would have on forex markets, closely watching price hikes in guiding economic policy, wants to achieve wage rises that beat inflation.	source
			Ueda		Need to patiently continue monetary easing to support the economy, maintaining strong monetary easing is appropriate, will not hesitate to ease policy further if needed, today's decision is aimed at making YCC more sustainable, long-term rates could move beyond 0.5% cap, the BOJ will step in if rates exceed 1% mark, not expecting long-term yields to rise to 1%, the 1% mark is defined as a "just in case cap", will respond to speed and level of long-term rates if they move beyond 0.50%, we now have added room to deal with upward moves in interest rates, we aim to rely on markets to determine long-term rates but there are limits, there is still a distance to achieving 2% inflation target.	source
	27.07.23	1	Sources		Nikkei: BOJ will discuss tweaking yield curve control and letting long-term rise above 0.50% "by a certain degree", would permit gradual increases above the 0.50% threshold but still clamp down on any sudden spike, would keep the rate ceiling but allow for moderate rises beyond that level.	source
	24.07.23	4	Kanda		Recent price and wage rises are overshooting forecasts, corporate wage behaviours are changing, the BOJ is likely to revise its forecasts for inflation, not in a position to comment on the BOJ's monetary policy.	source
			Sources		Bloomberg: BOJ policy board likely to raise the CPI projection to around 2.5% for the year ending in March up from 1.8% in the April estimate, expect projections for the following fiscal year to be largely unchanged due to a lack of confidence that the 2% inflation goal can be achieved in a stable manner.	source