

### DAILY POINTS

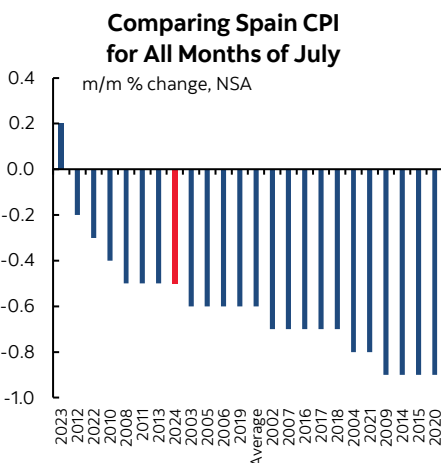
July 30, 2024 @ 7:00 EST

#### Contributors

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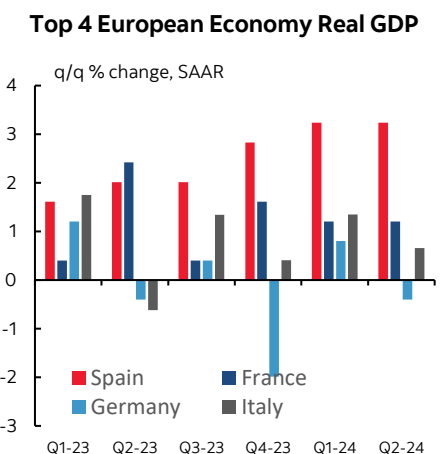
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Chart 1



Sources: Scotiabank Economics, INE.

Chart 2



Sources: Scotiabank Economics, Bloomberg.

#### On Deck for Tuesday, July 30

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	07-30	09:00	S&P/Case-Shiller Home Price Index (m/m)	May	0.3	0.3	0.4
US	07-30	09:00	S&P/Case-Shiller Home Price Index (y/y)	May	--	6.5	7.2
US	07-30	10:00	Consumer Confidence Index	Jul	100	99.7	100.4
US	07-30	10:00	JOLTS Job Openings (000s)	Jun	--	8000.0	8140.0

#### KEY POINTS:

- **Markets tread water ahead of the week's key developments**
- **Eurozone GDP growth lands a pinch faster than guesstimated...**
- **...while inflation is tentatively tracking a touch softer**
- **Mexico's economy expected to record sustained growth**
- **US JOLTS, consumer confidence & house prices on tap**

Moves across global markets are relatively small thus far as they await bigger developments starting tonight with the BoJ and tech earnings into tomorrow when the FOMC's communications arrive after Canadian GDP for May and June.

In the meantime, all we're left with today is a dump of Eurozone growth and inflation figures that plays second fiddle to more important readings on the path to the ECB's September decision. Big whoopdido. Modest US and Mexican data is also on tap.

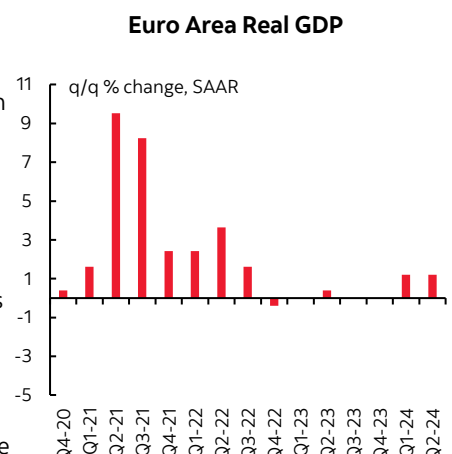
#### Softer Eurozone Inflation, Stronger Growth

The first two Eurozone countries have reported inflation figures averaging a touch below expectations. Spain's CPI print was weaker than expected (-0.5%, -0.3% consensus), but not as weak as a typical month of July (chart 1). Individual German states reported CPI inflation that was roughly in line with expectations for the national number due out later this morning (8amET). Most states landed at 0.3% m/m with one at 0.6%. France and Italy report tomorrow along with the Eurozone tally.

Eurozone GDP grew a little faster than expected in Q2 (0.3% q/q, 0.2% consensus). Charts 2 and 3. That matched the prior quarter's mild expansion. France (0.3%, 0.2% consensus) and Spain (0.8%, 0.5% consensus) beat while German disappointed (-0.1%, +0.1% consensus).

So, softer inflation and stronger growth are roughly cancel each other out and the deviations are small in any event. It means a little lighter inflation tracking, but less of a push toward required disinflationary spare capacity. The August CPI reading one month from now and Q2 negotiated wages are more likely to carry the ECB's September decision.

Chart 3



Sources: Scotiabank Economics, Bloomberg.

Mexico's economy could post a mild acceleration of back-to-back gains following a brief slow down in Q4 of last year. GDP is expected to grow by about 0.4% q/q SA nonannualized (8amET).

US data may spark some volatility, but likely won't have much if any bearing on Friday's nonfarm payrolls call in terms of JOLTS openings for June (10amET) or consumers' impressions about job availability in the confidence reading for July (10amET). Meanwhile, house prices keep edging higher with a 15<sup>th</sup> consecutive monthly rise expected for May's figures (9amET).

Fixed Income	Government Yield Curves (%):												Central Banks	
U.S. CANADA GERMANY JAPAN U.K.  CANADA GERMANY JAPAN U.K.	2-YEAR			5-YEAR			10-YEAR			30-YEAR			Current Rate	
	Last	1-day	1-wk	Last	1-day	1-wk	Last	1-day	1-wk	Last	1-day	1-wk		
	4.39	4.40	4.49	4.07	4.08	4.16	4.17	4.18	4.25	4.42	4.42	4.49	Canada - BoC	4.50
	3.57	3.57	3.71	3.21	3.21	3.33	3.28	3.28	3.39	3.33	3.33	3.39	US - Fed	5.50
	2.60	2.59	2.71	2.30	2.29	2.40	2.36	2.36	2.44	2.57	2.57	2.63		
	0.38	0.40	0.35	0.59	0.60	0.61	1.00	1.03	1.07	2.12	2.12	2.18		
	3.87	3.88	4.03	3.86	3.86	3.94	4.05	4.05	4.12	4.61	4.62	4.64	England - BoE	5.25
	Spreads vs. U.S. (bps):													
	-83	-83	-79	-86	-86	-83	-89	-89	-86	-109	-109	-109	Euro zone - ECB	4.25
	-179	-181	-178	-177	-178	-177	-181	-182	-181	-185	-185	-185		
-401	-400	-414	-348	-347	-356	-316	-315	-319	-230	-230	-230	Japan - BoJ	-0.10	
-52	-52	-47	-21	-21	-22	-12	-13	-13	18	19	15			
Equities	Level						% change:						Mexico - Banxico	11.00
	Last	Change					1 Day	1-wk	1-mo	1-yr				
S&P/TSX	22780	-35.3					-0.2	-0.4	4.1	11.0				
Dow 30	40540	-49.4					-0.1	0.3	3.6	14.3				
S&P 500	5464	4.4					0.1	-1.8	0.1	19.2				
Nasdaq	17370	12.3					0.1	-3.5	-2.0	21.3				
DAX	18404	83.1					0.5	-0.8	0.9	11.7				
FTSE	8276	-16.2					-0.2	1.3	1.4	7.6				
Nikkei	38526	57.3					0.1	-2.7	-2.7	17.6				
Hang Seng	17003	-235.4					-1.4	-2.7	-4.0	-14.6				
CAC	7478	34.1					0.5	-1.6	-0.0	0.0				
Commodities	Level						% change:						Next Meeting Date	
WTI Crude	75.74	-0.07					-0.1	-1.6	-7.1	-6.0				
Natural Gas	2.06	0.02					1.1	-5.9	-20.8	-21.9				
Gold	2390.39	6.20					0.3	-0.8	7.2	22.0				
Silver	28.14	0.39					1.4	-3.2	-4.2	16.2				
CRB Index	274.94	0.00					0.0	-2.0	-5.3	-2.0				
Currencies	Level						% change:							
USDCAD	1.3849	-0.0004					-0.0	0.5	0.8	5.0				
EURUSD	1.0832	0.0011					0.1	-0.2	0.9	-1.5				
USDJPY	154.82	0.8000					0.5	-0.5	-4.1	8.8				
AUDUSD	0.6538	-0.0011					-0.2	-1.2	-1.8	-2.7				
GBPUSD	1.2853	-0.0009					-0.1	-0.4	1.6	0.1				
USDCHF	0.8860	-0.0001					-0.0	-0.6	-1.9	1.6				

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