

DAILY POINTS

April 24, 2025 @ 7:25 EST

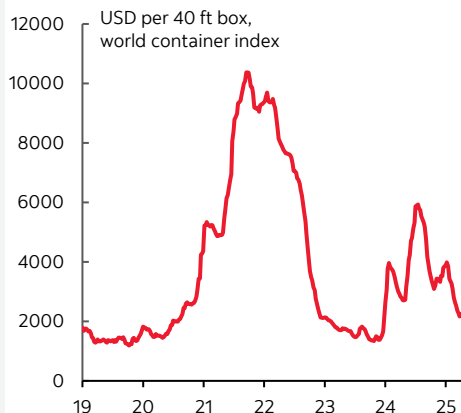
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Chart 1

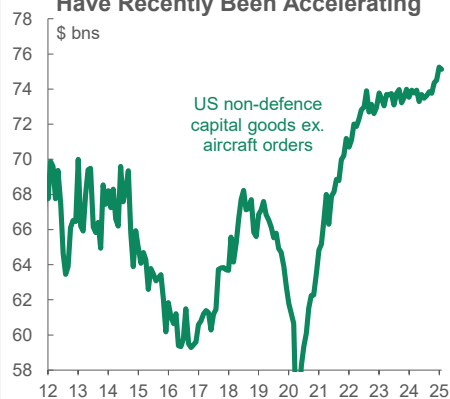
Shipping Costs are Plunging



Sources: Scotiabank Economics, Drewry World Container Index.

Chart 2

US Core Capital Goods Orders Have Recently Been Accelerating



Sources: Scotiabank Economics, US Census Bureau.

On Deck for Thursday, April 24

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	04-24	08:30	Payroll Employment Change (000s m/m)	Feb	--	--	26.8
US	04-24	08:30	Durable Goods Orders (m/m)	Mar P	1.5	2.0	1.0
US	04-24	08:30	Durable Goods Orders ex. Trans. (m/m)	Mar P	0.3	0.3	0.7
US	04-24	08:30	Initial Jobless Claims (000s)	Apr 19	225	221.5	215.0
US	04-24	08:30	Continuing Claims (000s)	Apr 12	1870	1863.0	1885.0
US	04-24	10:00	Existing Home Sales (mn a.r.)	Mar	4.10	4.13	4.26
US	04-24	10:00	Existing Home Sales (m/m)	Mar	-3.8	-3.1	4.2
US	04-24	17:00	Fed's Kashkari Speaks in Moderated Discussion				

KEY POINTS:

- **Antsy markets second guess trade progress**
- **China rejects US trade talks**
- **Bessent, Trump downplay China offer**
- **Trump renews insulting attacks on Canada, threatens higher auto tariffs**
- **US to update capital goods orders, home resales, claims**

Very mild risk-off sentiment is pushing equities slightly lower across US and Canadian futures and European cash markets. Sovereign bond yields are gently lower across maturities and countries. Against a traditional risk-off set of moves is dollar weakness.

As for catalysts, it seems that nobody wants to play along with Trump's hardball tactics on trade while his erratic ways are back on display as demand for shipping containers falls (chart 1). Call it the art of the misdeal and how the rest of the world believes the US administration isn't playing with a full deck. A Chinese Commerce Ministry spokesman said China demands all US unilateral tariffs be removed before trade talks while saying "any reports on developments in talks are groundless."

Speculation in the press by those mischievously labelled "people familiar with the matter" that the US was backing off tariffs was shot down by Bessent and Trump yesterday. Treasury Secretary Bessent said earlier in the day that there was no unilateral offer from the US to lower tariffs on China and insisted that there had to be agreement by both countries to de-escalate their trade war which China clearly rejected this morning. Then Trump said late yesterday that he was not considering lowering auto tariffs.

Trump also hurled fresh insults at Canada and indicated auto tariffs on the country could rise. He said "I have to be honest, as a state it works great." Clearly honesty isn't Trump's thing, but he went on to repeat made-up nonsense about how the US "subsidizes" Canada by \$200 billion per year, and grossly exaggerated the significance of US trade to Canada by saying "95% of what they do is they buy from us and they sell to us" which is several multiples of the actual trade share of Canadian GDP with the US. Trump is easily baited, and so in response to a question on whether he could raise tariffs on Canada he said "At some point, it could go up. All we're saying is we don't want your cars with all due respect." Respect?? Trump??? Bwah.

Other overnight developments were light. German IFO business confidence was little changed in April even in terms of expectations. South Korea's economy shrank by -0.2% q/q SA nonannualized (+0.1% consensus).

On tap in the N.A. session will be US macro reports including recently rising big-ticket core durable goods orders (chart 2) for March (8:30amET), US existing home sales for the same month (10amET), and weekly jobless claims (8:30amET). Canada refreshes the lagging and incomplete payrolls report for February (8:30amET); the timelier LFS jobs report for April won't arrive for another two weeks.

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			
	3.83	3.87	3.80	3.98	4.02	3.94	4.35	4.38	4.33	4.79	4.82	4.80	Canada - BoC	2.75	
	2.61	2.63	2.51	2.82	2.85	2.73	3.21	3.24	3.13	3.54	3.56	3.46	US - Fed	4.50	
	1.70	1.75	1.69	2.01	2.05	2.02	2.47	2.50	2.47	2.90	2.91	2.90	England - BoE	4.50	
	0.68	0.70	0.66	0.89	0.91	0.87	1.33	1.34	1.32	2.70	2.70	2.68			
	3.90	3.92	3.92	4.01	4.04	4.04	4.53	4.55	4.57	5.30	5.31	5.34			
	Spreads vs. U.S. (bps):														
	-123	-124	-129	-116	-117	-121	-113	-114	-119	-126	-127	-134	Euro zone - ECB	2.40	
	-213	-213	-211	-197	-198	-192	-188	-189	-185	-189	-191	-190	Japan - BoJ	0.50	
-316	-318	-314	-309	-311	-307	-302	-305	-301	-210	-212	-212				
6	4	12	3	2	10	18	17	24	50	49	54				
Equities	Level					% change:							Mexico - Banxico	9.00	
S&P/TSX Dow 30 S&P 500 Nasdaq DAX FTSE Nikkei Hang Seng CAC	Last	Change				1 Day	1-wk	1-mo	1-yr					Australia - RBA	4.10
	24473	166.7				0.7	1.7	-3.3	11.9						
	39607	419.6				1.1	-1.9	-7.0	3.0					New Zealand - RBNZ	3.50
	5376	88.1				1.7	-0.4	-6.8	6.0						
	16708	407.6				2.5	-0.7	-8.1	6.3						
	21922	-40.2				-0.2	3.1	-4.1	21.2						
	8401	-1.8				-0.0	1.8	-2.7	4.5						
	35039	170.5				0.5	1.9	-6.8	-8.9					Canada - BoC	Jun 04, 2025
	21910	-162.9				-0.7	2.1	-8.3	27.4					US - Fed	May 07, 2025
	7468	-14.5				-0.2	1.8	-6.9	-7.7						
Commodities	Level					% change:									
WTI Crude Natural Gas Gold Silver CRB Index	63.03	0.76				1.2	0.9	-8.8	-23.9					England - BoE	May 08, 2025
	2.97	-0.05				-1.7	-8.5	-24.1	79.8						
	3341.04	52.70				1.6	0.4	49.8	44.2					Euro zone - ECB	Jun 05, 2025
	32.96	0.35				1.1	0.0	-0.7	22.5						
	295.62	-1.68				-0.6	2.2	-3.5	-0.5					Japan - BoJ	May 01, 2025
Currencies	Level					% change:									
USDCAD EURUSD USDJPY AUDUSD GBPUSD USDCHF	1.3855	-0.0027				-0.2	0.1	-3.2	1.1					Mexico - Banxico	May 15, 2025
	1.1389	0.0073				0.6	0.2	5.4	6.4						
	142.40	-1.0500				-0.7	-0.0	-5.5	-8.3					Australia - RBA	May 20, 2025
	0.6386	0.0026				0.4	-0.1	1.6	-1.7						
	1.3318	0.0064				0.5	0.4	3.1	6.9					New Zealand - RBNZ	May 27, 2025
0.8254	-0.0052				-0.6	0.7	-6.5	-9.8							
Next Meeting Date															
												Canada - BoC	Jun 04, 2025		
												US - Fed	May 07, 2025		
												England - BoE	May 08, 2025		
												Euro zone - ECB	Jun 05, 2025		
												Japan - BoJ	May 01, 2025		
												Mexico - Banxico	May 15, 2025		
												Australia - RBA	May 20, 2025		
												New Zealand - RBNZ	May 27, 2025		

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