

DAILY POINTS

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Contributors

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Chart 1

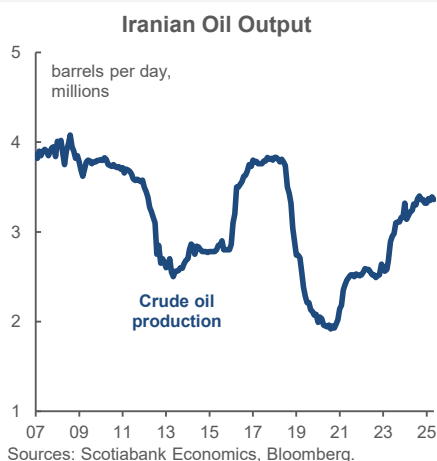
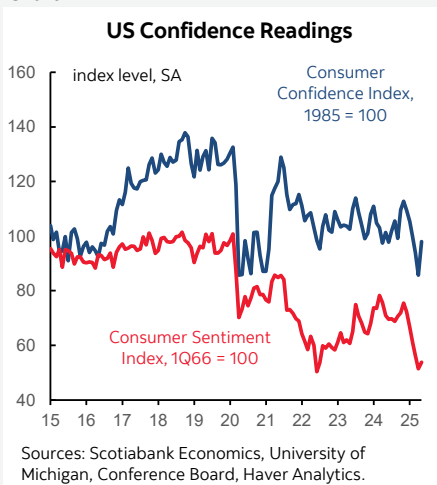


Chart 2



On Deck for Friday, June 13

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	06-13	08:30	Capacity Utilization (%)	1Q	79.6	79.8	79.8
CA	06-13	08:30	Manufacturing Shipments (m/m)	Apr	-2.0	-2.0	-1.4
CA	06-13	08:30	Wholesale Trade (m/m)	Apr	-0.9	-0.9	0.2
US	06-13	10:00	U. of Michigan Consumer Sentiment	Jun P	52.5	53.6	52.2

KEY POINTS:

- **Markets on tenterhooks amid unfolding events...**
- **...as Israel's attacks on Iran are ongoing...**
- **...and Iran pledges retaliation against US and Israel**
- **Trump's foreign policy is in tatters**
- **Peru's central bank held**
- **UMich sentiment will be stale on arrival**
- **Canada refreshes estimates for lower tier data**

The superstitious among you might be saying 'I told you so' this morning, given what the role the day plays at least in western culture. Israel's ongoing attacks on Iran's nuclear sites, its military leadership, and its scientists are having limited effects on financial markets outside of oil that is up by nearly 8–9% partly given the amount of oil output that is directly (chart 1) and indirectly vulnerable. Markets are functioning well amid modest risk-off price discovery. Stocks are broadly lower by about 1% across major benchmarks with resource-heavy benchmarks like the TSX falling by a little less. Sovereign bond yields are up across Europe by low single digit amounts across maturities while US Ts are mildly outperforming. The dollar is playing its traditional role as a safe haven. Gold is up by around US\$30/oz.

Many would agree that the Iranian regime should not possess the capability to make a nuclear bomb and that its actions appeared to be on the path toward having enough enriched uranium to do so within a short time period as it dragged out negotiations with the US.

The knock-on effects of the ongoing attacks will be monitored throughout the coming days; Israel just minutes ago launched further strikes. Iran has threatened the US. Trump's foreign policy is in tatters in Ukraine and the Middle East. It would be a huge escalation if Iran did strike Americans or American assets in the region.

OTHER DEVELOPMENTS

Peru's central bank held its reference rate unchanged at 4.5% last evening, as expected by all. Data dependent guidance and slight downward revisions to nearer term inflation projections offered a thinly dovish slant.

Light data is on tap with most of the emphasis on US UMich sentiment (chart 2) and components like inflation expectations that are superseded by this morning's developments that will hit US energy prices (10amET).

Canada releases revised estimates to initial flash readings for manufacturing and wholesale sales that recorded declines in April (8:30amET).

Also hanging over markets is a heavy line-up of developments next week. Should conflict spread, it could upend the G7+ Summit in Alberta, Canada particularly if some participants pull out. A large number of central banks will be weighing in with decisions including heavy-hitters like the Fed, BoJ, and BoE.

Fixed Income	Government Yield Curves (%):												Central Banks	
	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		
U.S.	3.93	3.91	4.04	3.99	3.97	4.12	4.38	4.36	4.51	4.86	4.84	4.97	Canada - BoC	2.75
CANADA	2.71	2.68	2.70	2.97	2.93	2.96	3.38	3.33	3.34	3.67	3.62	3.58	US - Fed	4.50
GERMANY	1.83	1.82	1.88	2.10	2.08	2.18	2.50	2.48	2.58	2.94	2.93	3.01	England - BoE	4.25
JAPAN	0.74	0.76	0.76	0.97	1.01	1.01	1.41	1.45	1.46	2.89	2.92	2.89		
U.K.	3.93	3.87	4.01	4.05	3.99	4.16	4.53	4.48	4.64	5.23	5.19	5.34		
	Spreads vs. U.S. (bps):													
CANADA	-122	-123	-134	-102	-104	-117	-100	-103	-117	-119	-122	-139	Euro zone - ECB	2.15
GERMANY	-210	-209	-216	-188	-189	-195	-188	-188	-193	-192	-191	-196	Japan - BoJ	0.50
JAPAN	-319	-315	-327	-302	-296	-311	-297	-291	-305	-197	-193	-208		
U.K.	-0	-4	-2	6	2	3	15	12	14	37	35	37	Mexico - Banxico	8.50
Equities	Level						% change:							
	Last				Change		1 Day	1-wk	1-mo	1-yr				
S&P/TSX	26616				91.6		0.3	1.0	3.9	22.7			Australia - RBA	3.85
Dow 30	42968				101.9		0.2	1.5	2.0	11.2			New Zealand - RBNZ	3.25
S&P 500	6045				23.0		0.4	1.8	2.7	11.3				
Nasdaq	19662				46.6		0.2	1.9	3.4	11.3				
DAX	23414				-357.4		-1.5	-3.7	-0.9	28.2				
FTSE	8846				-38.7		-0.4	0.1	2.8	8.4				
Nikkei	37834				-338.8		-0.9	0.2	-0.9	-2.3			Canada - BoC	Jul 30, 2025
Hang Seng	23893				-142.8		-0.6	0.4	3.4	31.9			US - Fed	Jun 18, 2025
CAC	7672				-93.1		-1.2	-1.7	-2.6	-0.5			England - BoE	Jun 19, 2025
Commodities	Level						% change:							
WTI Crude	73.70				5.66		8.3	14.1	15.8	-6.3			Euro zone - ECB	Jul 24, 2025
Natural Gas	3.53				0.04		1.2	-6.6	-3.1	19.4			Japan - BoJ	Jun 17, 2025
Gold	3413.83				27.91		0.8	-0.9	53.1	48.2			Mexico - Banxico	Jun 26, 2025
Silver	36.18				-0.02		-0.1	1.1	13.0	23.1			Australia - RBA	Jul 08, 2025
CRB Index	302.76				-0.33		-0.1	1.4	0.7	2.4			New Zealand - RBNZ	Jul 08, 2025
Currencies	Level						% change:							
USDCAD	1.3637				0.0033		0.2	-0.4	-2.1	-0.8				
EURUSD	1.1504				-0.0080		-0.7	0.9	2.9	7.1				
USDJPY	144.34				0.8600		0.6	-0.4	-2.1	-8.1				
AUDUSD	0.6468				-0.0065		-1.0	-0.3	-0.0	-2.5				
GBPUUSD	1.3533				-0.0080		-0.6	0.0	1.7	6.0				
USDCHF	0.8141				0.0039		0.5	-1.0	-3.0	-8.9				

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