

DAILY POINTS

November 18, 2025 @ 7:30 EST

Contributors

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Chart 1

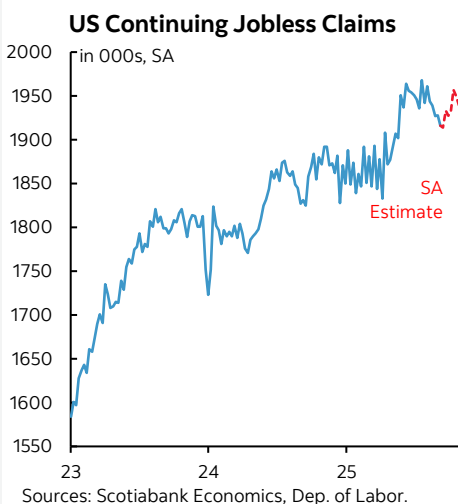
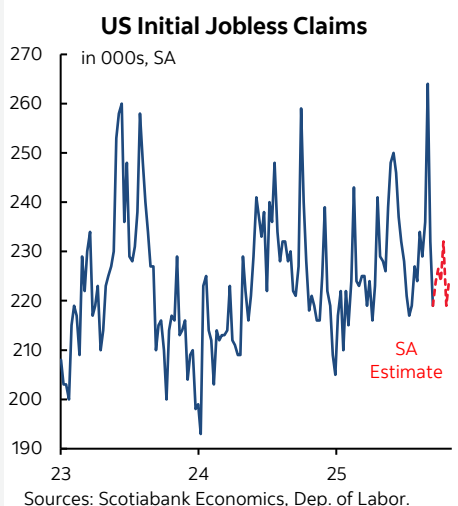


Chart 2



On Deck for Tuesday, November 18

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	11-18	08:15	Housing Starts (000s a.r.)	Oct	250	265.0	279.2
US	11-18	08:30	Export Prices (m/m) - DELAYED BY SHUTDOWN	Oct	--	--	0.3
US	11-18	08:30	Import Prices (m/m) - DELAYED BY SHUTDOWN	Oct	--	--	0.3
US	11-18	09:15	Capacity Utilization (%) - DELAYED BY SHUTDOWN	Oct	--	77.3	77.4
US	11-18	09:15	Industrial Production (m/m) - DELAYED BY SHUTDOWN	Oct	--	--	0.1
US	11-18	10:00	Factory Orders (m/m)	Aug	1.4	1.4	-1.3
US	11-18	10:00	NAHB Housing Market Index	Nov	--	37.0	37.0
US	11-18	10:30	Fed's Barr Speaks on Bank Supervision at American University				
US	11-18	11:00	Fed's Barkin Speaks on the Economic Outlook				
US	11-18	16:00	Total Net TIC Flows (US\$ bn) - DELAYED BY SHUTDOWN	Sep	--	--	2.1
US	11-18	16:00	Net Long-term TIC Flows (US\$ bn) - DELAYED BY SHUTDOWN	Sep	--	--	49.2
US	11-18	19:55	Fed's Logan Delivers Closing Remarks at Conference				

KEY POINTS:

- **Risk off sentiment continues**
- **Why? Take your pick from many overlapping narratives**
- **Canadian Budget drama finally ends**
- **US mass layoffs are tracking high again into November**
- **US continuing jobless claims point to rising unemployment for longer**
- **US weekly ADP payrolls merely add more unhelpful noise**
- **Chile's economy contracted in Q3 due to mining and utilities**
- **...with Colombian GDP up next**

Global markets are in risk-off mode this morning. Sovereign bonds are rallying—mainly US Ts—and equity benchmarks are broadly lower. Gilts are underperforming because of the coming UK budget mess next week. The dollar is a touch firmer against most major crosses except CAD (post budget vote, see below) and the Antipodean crosses. Gold is flat. So are oil prices. Crypto is feeling the love like an economist at a White House press briefing.

Why? Pick your narrative or take them all together as they're not mutually exclusive. It's because of sudden realization that crypto is wildly expensive and stocks may be too; you don't say! It's because of uncertainty ahead of tomorrow's Nvidia earnings given it's the biggest stock on the s&p. It's because of fears of a year-end dollar funding and liquidity challenge even though SOFR is currently better behaved relative to fed funds than it was a couple of weeks ago or so. It's because of uncertainty over lagging US data releases with Thursday's nonfarm payrolls for September in sight. It's because of mounting concerns about the health of the US job market and how that could drag the economy down (see below). It's because of divisions at the Fed on the appropriate forward rate path and the ambiguity around how each member weights concerns about the job market versus inflation risk. Or maybe it's uncertainty over who will get the Fed's top job and how dovish (not hawkish...) they may be; enter Warsh's slavish WSJ op-ed as the latest entry by the various candidates seeking Trump's affections and that have numbed my gag reflex.

Canada's Budget Drama is Finally Over

The Carney administration survived last night's confidence vote and the Budget will proceed toward implementation with no election in sight at least for now. Several abstentions and the Green Party's Elizabeth May's yay pushed the vote over the top. Like it was ever seriously in doubt with polls indicating an election would have yielded the same outcome as in April and no party in good enough standing to fight another campaign. Thank heavens. Now the cottage industry can move on from the budget to perhaps more gainful activities, or not.

US Job Markets Souring

US jobless claims were sort of updated early this morning for the week ending October 18th. They were quietly updated on the Department of Labor's website but not for the three prior weeks. How can you update one week in the middle of the gap and not the prior ones? Very good of you to ask; treat with caution. If the data is sound, then there are two keys.

One is that continuing claims moved higher again and are floating around post-pandemic highs (chart 1). This matters because of the correlations with the unemployment rate; folks are finding it harder to get work after filing initial claims as the US labour market is losing its ability to reabsorb people who have lost their jobs. Witness that the duration of unemployment had climbed to 24.5 weeks back in August as we await Thursday's September update but will never get October's reading; that's the highest reading since early 2022. Folks are remaining unemployed for longer and longer.

Second is that initial claims came in at 232k that same mid-October week which remains fairly tame. Our seasonally adjusted sum of states reading for initial claims right up to the freshest week also remains tame (chart 2) but it may be too soon for the suddenness of mass layoffs to show up in initial claims. Enter the next points.

US mass layoffs are tracking at high levels again in November. We can point to a few indications. One is updated data behind [this](#) piece by KC Fed economists. 39,000 advance notices of coming layoffs were filed in October which means more pink slips are coming over November. The measure tracks impending mass layoff notices under the WARN Act. The tally usually undershoots Challenger layoffs but is an advance indicator of such although an overstated guide (chart 3). Still, the number of advance notices filed in October is likely to spill over into Challenger layoffs and jobless claims and the unemployment rate with a lag. We can also point to tech layoff tracking sites and individual announcements such as Verizon's this month.

US ADP weekly payrolls are on tap for the week ending November 1st (8:15amET) and so we're not yet into either the ADP or nonfarm monthly reference periods. Still, the drop at the end of October points to the initial monthly ADP reading for October being revised downward. Chart 4 shows that the weekly ADP private payrolls gauge doesn't actually track the monthly measure terribly well. Bolt that onto the fact ADP's monthly measure throws off many head fakes when forecasting nonfarm and it makes one wonder why anyone still pays attention to it.

Other Developments

RBA minutes to the November meeting emphasized that they could "afford to be patient" which merely reinforces the general sentiment.

Chile's economy stumbled in Q3. GDP slipped by -0.1% q/q SA nonannualized (+0.1% consensus, 0.4% prior). Mining (-4.6% q/q SA) and utilities (-4.5%) were the weakest areas of the economy. Mining has contracted in three of the past four quarters and led by copper.

Q3 GDP Colombia is due out later this morning (11amET).

Canada updates housing starts for October shortly (8:15amET). A modest pullback is guesstimated based on permits.

Chart 3

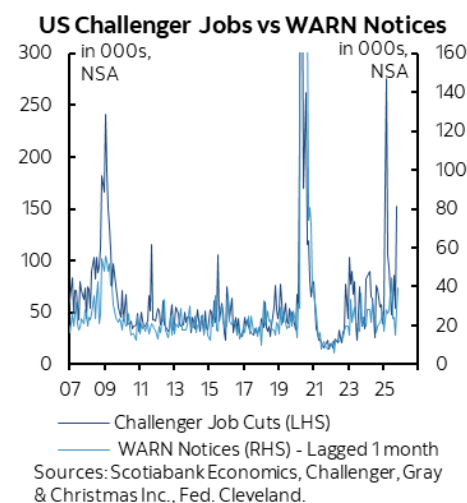
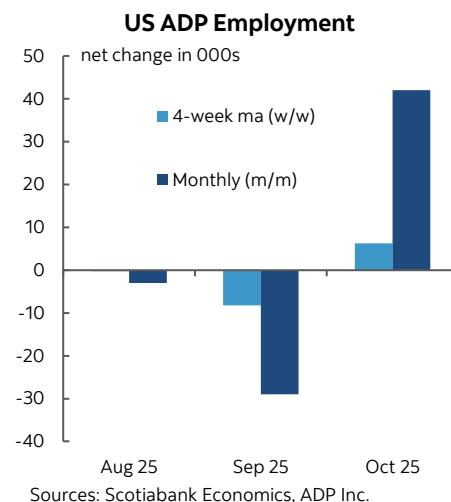


Chart 4



Fixed Income	Government Yield Curves (%):												Central Banks		
U.S. 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	Canada - BoC	2.25	
	3.57	3.61	3.59	3.68	3.73	3.71	4.10	4.14	4.12	4.71	4.74	4.71			
	2.49	2.49	2.45	2.80	2.81	2.75	3.22	3.23	3.17	3.67	3.67	3.61			
	2.02	2.04	2.00	2.28	2.31	2.26	2.70	2.71	2.66	3.32	3.31	3.25			
	0.93	0.94	0.94	1.25	1.26	1.25	1.75	1.74	1.69	3.31	3.27	3.18			
3.80	3.80	3.72	3.97	3.96	3.86	4.54	4.54	4.39	5.36	5.35	5.17	England - BoE	4.00		
CANADA GERMANY JAPAN U.K.	Spreads vs. U.S. (bps):												Euro zone - ECB	2.15	
	-108	-112	-114	-89	-92	-97	-88	-91	-95	-105	-107	-109			
	-155	-157	-159	-140	-142	-146	-140	-143	-146	-140	-143	-145	Japan - BoJ	0.50	
	-264	-267	-266	-243	-247	-246	-236	-240	-242	-140	-147	-153			
	23	19	13	28	24	14	44	40	27	65	61	47	Mexico - Banxico	7.25	
Equities	Level						% change:								
	Last	Change					1 Day	1-wk	1-mo	1-yr					
S&P/TSX	30076	-250.3					-0.8	-0.8	-0.1	20.4	Australia - RBA	3.60			
Dow 30	46590	-557.2					-1.2	-1.6	0.9	7.4	New Zealand - RBNZ	2.50			
S&P 500	6672	-61.7					-0.9	-2.3	0.1	13.2					
Nasdaq	22708	-192.5					-0.8	-1.3	0.1	20.8					
DAX	23234	-356.1					-1.5	-3.5	-2.5	21.1					
FTSE	9539	-136.9					-1.4	-3.6	2.0	17.6					
Nikkei	48703	-1620.9					-3.2	-4.2	2.4	27.4	Canada - BoC	Dec 10, 2025			
Hang Seng	25930	-454.3					-1.7	-2.9	2.7	32.5	US - Fed	Dec 10, 2025			
CAC	8001	-117.6					-1.4	-1.9	-2.1	9.9					
Commodities	Level						% change:								
	59.90	-0.01					-0.0	-1.9	4.1	-13.4					
WTI Crude	4.33	-0.03					-0.8	-5.2	43.8	45.5	England - BoE	Dec 18, 2025			
Natural Gas	4033.41	-11.55					-0.3	-0.9	80.9	54.4	Euro zone - ECB	Dec 18, 2025			
Gold	51.06	-0.96					-1.8	2.0	-5.6	66.5	Japan - BoJ	Dec 19, 2025			
Silver	301.64	-0.71					-0.2	0.2	2.8	6.2					
CRB Index	Currencies	Level						% change:							
	1.4028	-0.0027					-0.2	0.1	-0.1	0.1					
USDCAD	1.1585	-0.0007					-0.1	0.0	-0.5	9.3	Mexico - Banxico	Dec 18, 2025			
EURUSD	155.35	0.0900					0.1	0.8	3.1	0.4	Australia - RBA	Dec 08, 2025			
USDJPY	0.6502	0.0008					0.1	-0.4	-0.2	-0.1	New Zealand - RBNZ	Nov 25, 2025			
AUDUSD	1.3146	-0.0010					-0.1	-0.0	-1.9	3.7					
GBPUSD	0.7967	0.0005					0.1	-0.5	0.5	-9.8					
USDFH	Next Meeting Date														
													Canada - BoC	Dec 10, 2025	
													US - Fed	Dec 10, 2025	
													England - BoE	Dec 18, 2025	
													Euro zone - ECB	Dec 18, 2025	
													Japan - BoJ	Dec 19, 2025	
													Mexico - Banxico	Dec 18, 2025	
													Australia - RBA	Dec 08, 2025	
													New Zealand - RBNZ	Nov 25, 2025	

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