

DAILY POINTS

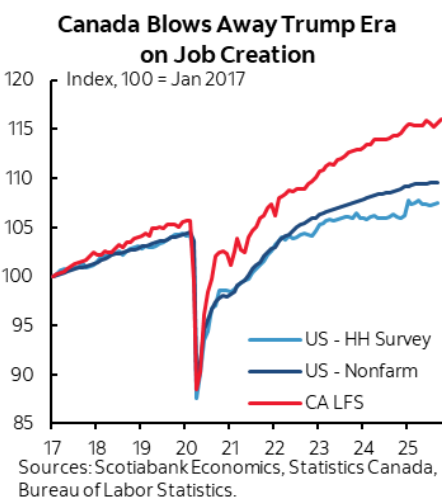
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Chart 1



On Deck for Monday, November 24

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	11-24	10:30	Dallas Fed. Manufacturing Activity	Nov	--	--	-5.0

KEY POINTS:

- **Markets continue to be buoyed by Fed-speak**
- **Trump's Fed Chair decision pushed out again**
- **A very light calendar to kick off the week**
- **On Mr. Vance's linkage between diversity and living standards**
- **Global Week Ahead—A Playbook for a Nimble FOMC (reminder [here](#))**

Global markets are picking up where they left off on Friday when NY Fed President lent support for a rate cut in the near-term. December's probability of a cut stands at about 70% now with about 17bps priced in. Our call remains unchanged in favour of a 25bps cut. Stocks are rallying pretty much everywhere this morning.

Fed-Speak Update

A couple of Fed speakers are weighing in with updated comments. Governor Waller is consistent with support for a cut next month. Boston Fed President Collins reaffirmed her relatively hawkish stance on Saturday when she said "it doesn't suggest an urgency to be more accommodative in monetary policy" but that she hasn't made a decision on how she will vote at the December 9th–10th FOMC meeting. This is nothing new; I already had her down as a 'hold' in the survey of voting FOMC members provided in my weekly.

Delayed Fed Chair Announcement

White House Director of the National Economic Council Kevin Hassett commented about the search for a new Federal Reserve Chair yesterday. He said "we" may decide around new year, that Trump may interview them in the next couple of months and that potentially new fed leadership could cut rates. Funny, Trump keeps saying he's already made up his mind. Online [betting](#) still has Hassett viewed as the most likely Chair.

Canadian PM Carney Tries to be Coy About Trade Talks

Canadian PM Carney said "who cares" in response to a question about when he will next speak with Trump but that he's ready to return to talks when the US is ready. Canadian markets are taking it in stride.

Light Data

Mexican bi-weekly core CPI remained at 4.3% y/y for the week ending November 15th.

The only N.A. data on tap will be the Dallas Fed's manufacturing reading for November (10:30amET) and the Federal Reserve's annual revisions to industrial production (12pmET).

Statcan offered preliminary guidance that October's manufacturing sales slipped by 1.1% m/m in nominal terms. That's not terribly surprising after a 3.3% surge in September.

Rebuttal to Vance's Assault on Canadian Diversity

Over the weekend, US Veep J.D. Vance tied the surge of immigration and its diverse population to falling Canadian living standards.

For starters, let's get the cause and effect right by pointing to the US evidence. Economists generally argue that US immigration policy will cost the country's prosperity. Mass deportations are estimated to curtail GDP growth with one such study being [here](#). I

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figure that turning off the immigration taps will cost the US between ½% and 1% on GDP growth into next year which may be serendipitously masked by surging AI investment if it continues. No immigration means lost business opportunities for small businesses that can't find workers, dented demand for housing and consumer spending, slower business start ups etc. Most economists would argue that immigration and diversity were massive contributors to US fortunes including bouts of new arrivals at key points in its history like the late 1800s and post-war era.

Second, yes Canada overshot on poorly managed immigration policy coming out of the pandemic and immigration policy tightening over the past year is the response. I have more confidence Canada will return to its welcoming stance in favour of immigration over coming years than the US. Immigration has long been a strength of Canada's economy. While there are some haters in Canada—just check social media feeds—in my opinion it's not the same toxic debate that it is in the US. Canadian immigration policy is more about a temporary course correction now than what I judge to be a much more isolationist and xenophobic stance in the US. Most Canadians are welcoming.

Third, Canada has its challenges for sure, but they date back long before the surge of immigration after the pandemic and its diversity is a strength, not a liability. Weak Canadian labour productivity, underinvestment, low rates of technology adoption, low spending on R&D, and a frustrating stance on developing resources over the past decade are definite challenges—and nothing new. The Carney administration is trying to fix some of that.

To blame diversity for the challenges facing Canada's economy is a) without evidence, b) against what most economists would say is a strength, and c) the kind of toxic nonsense designed to divide people and pit them against each other.

It's also the latest example of senior US administration officials inserting themselves into domestic Canadian politics throughout Trump 1.0 and Trump 2.0. Governor. 51st state. Assimilation. The US administration has made it perfectly fair game for many other countries to poke their noses into American politics on the path to the midterms and the 2028 Presidential election in a you started it sense.

All that said, here's an updated Canada-US comparison that shows we're not all bad at everything we do north of the border Mr. Vance.

1. Canada has a better track record at generating jobs than the US under both Trump 2.0 and since Trump 1.0 (chart 1). Since inauguration 2025, Canadian employment is up by +0.4% which slightly edges out US nonfarm payrolls at +0.36% and significantly exceeds the more complete US household survey's measure of employment at -0.15%. Since inauguration day in 2017, there is simply no comparison. Canadian employment has been up by 15.6% versus a 9.6% gain in nonfarm payrolls and a 7.6% rise in the US household survey's measure.

Furthermore, Canada ranks higher than the US across many socioeconomic readings. Among them are political stability, civil rights, and health care. Canada's government doesn't shut down all the time in keeping with the nation's 'peace, order and good government' motto.

2. There is little question that US incomes on average are higher than Canada's and that Canada's GDP per capita has been falling at least temporarily, although reducing the population of temporary residents is likely to improve this measure. But much of that comparison reflects a skewness toward the very well off.

3. As evidence, on income inequality there is no comparison. Canada's Gini coefficient is much lower than the US ([here](#)).

4. World Bank Human Capital Index: Canada ranks above the United States in every single category including overall human capital index, the index for men and the index for women, expected years of school, harmonized test scores, years of school and survival rates. Get the data [here](#) although it is dated as the latest available data is for 2020 yet they say it isn't cancelled.

5. Canada ranks just above the US on the UN's Human Development Index. Go [here](#), click on download dataset.

6. The Economist's Global Liveability Index includes one Canadian city (Vancouver) in the top 10 and four in the top 20 worldwide and no US cities in the top 20. Toronto is 12th, Calgary 18th, and Montreal is right behind at #19. The highest-ranked US city in the world is Honolulu—at #23. Washington is #38, New York 69th. [Here](#).

7. Canada ranks higher than the US on harmonized test scores ([here](#) and [here](#)).

8. Canada ranks far safer than the US on overall crime rates. [These](#) folks rank Canada as a category 3 country on a 1–11 scale and rank the US at 7 on the same scale. The US murder rate is far higher than Canada's.

9. US fiscal policy is mismanaged by a massively wide margin to Canada. The US Federal government's deficit to GDP ratio is almost 6%. Canada's is about 2½%.

10. Canada has longer life expectancy than the US by several years on average according to both the UN and World Bank measures ([here](#)).

11. Both countries have shameful stats on drug use, but the US drug use rate per 100,000 is estimated to be more than 75% higher than Canada's ([here](#)).

In short, if you're going to blame diversity and immigration policy for all that ails Canada, then this list offers a compelling rebuttal in a rounded defence of our society. The key is to leverage diversity's advantages by getting more of the others stuff right while retaining the things that make Canada a great place to live.

Last, if you want to see diversity in action in Canada, then come to Toronto or Vancouver when the World Cup starts next July. They're among the best cities in the world to observe and participate in the Cup as evidenced by the rich array of different flags and shirts being worn across the cities during the contest. #diversity.

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	Canada - BoC	2.25		
	3.51	3.51	3.61	3.61	3.62	3.73	4.04	4.07	4.14	4.68	4.71	4.74				
	2.44	2.44	2.49	2.77	2.77	2.81	3.18	3.19	3.23	3.64	3.66	3.67			US - Fed	4.00
	2.02	2.01	2.04	2.29	2.29	2.31	2.70	2.70	2.71	3.33	3.34	3.31				
	0.95	0.95	0.94	1.31	1.31	1.26	1.78	1.78	1.74	3.32	3.32	3.27				
3.77	3.78	3.80	3.95	3.96	3.96	4.53	4.55	4.54	5.35	5.37	5.35	England - BoE	4.00			
Spreads vs. U.S. (bps):													Euro zone - ECB	2.15		
-107	-107	-112	-84	-85	-92	-86	-87	-91	-104	-106	-107					
-149	-150	-157	-132	-134	-142	-134	-136	-143	-135	-137	-143	Japan - BoJ			0.50	
-256	-256	-267	-230	-231	-247	-226	-229	-240	-136	-139	-147					
26	27	19	35	34	24	49	48	40	67	65	61	Mexico - Banxico	7.25			
Equities	Level					% change:					Australia - RBA	3.60				
	Last			Change			1 Day	1-wk	1-mo	1-yr						
S&P/TSX	30161			254.1			0.8	-0.5	-0.6	18.5						
Dow 30	46245			493.2			1.1	-1.9	-2.0	4.4						
S&P 500	6603			64.2			1.0	-1.9	-2.8	10.6						
Nasdaq	22273			195.0			0.9	-2.7	-4.0	17.2						
DAX	23228			136.2			0.6	-1.5	-4.2	20.2						
FTSE	9547			7.7			0.1	-1.3	-1.0	15.6						
Nikkei	48626			-1198.1			-2.4	-3.5	-1.4	25.4						
Hang Seng	25717			496.5			2.0	-2.5	-1.7	33.7						
CAC	7977			-5.6			-0.1	-1.7	-3.0	10.0						
Commodities	Level					% change:					New Zealand - RBNZ	2.50				
WTI Crude	58.20			0.14			0.2	-2.9	-5.4	-18.3						
Natural Gas	4.50			-0.08			-1.8	3.1	36.1	43.8						
Gold	4078.66			13.53			0.3	0.8	-0.8	50.2						
Silver	48.91			-1.94			-3.8	-6.0	-2.1	57.4						
CRB Index	295.58			-2.04			-0.7	-2.2	-2.4	2.0						
Currencies	Level					% change:					Canada - BoC	Dec 10, 2025				
USDCAD	1.4103			0.0002			0.0	0.3	0.8	0.8						
EURUSD	1.1539			0.0026			0.2	-0.5	-0.8	9.9						
USDJPY	156.95			0.5400			0.3	1.1	2.7	1.8						
AUDUSD	0.6450			-0.0005			-0.1	-0.7	-1.0	-0.8						
GBPUSD	1.3101			0.0002			0.0	-0.4	-1.6	4.2						
USDCHF	0.8075			-0.0008			-0.1	1.4	1.5	-8.9	Japan - BoJ	Dec 19, 2025				
											Euro zone - ECB	Dec 18, 2025				
											Mexico - Banxico	Dec 18, 2025				
											Australia - RBA	Dec 08, 2025				
											New Zealand - RBNZ	Nov 25, 2025				

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