

### DAILY POINTS

December 8, 2025 @ 6:55 EST

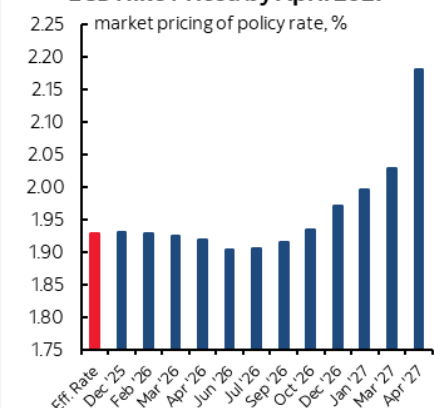
#### Contributors

##### Derek Holt

VP & Head of Capital Markets Economics  
Scotiabank Economics  
416.863.7707  
[derek.holt@scotiabank.com](mailto:derek.holt@scotiabank.com)

Chart 1

#### ECB Hike Priced by April 2027



Sources: Scotiabank Economics, Bloomberg.

#### On Deck for Monday, December 8

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	12-08	11:00	NY Fed 1-Yr Inflation Expectations (%)	Nov	--	--	3.2

#### KEY POINTS:

- ECB comments light up bond yields
- German factories are on a decent run
- Chinese exports grow faster than expected
- Yen underperforms on GDP revisions
- Quiet in N.A. ahead of a big week
- Global Week Ahead — Democratizing Economics (reminder [here](#))

ECB comments are driving bond yields higher this morning alongside a few overnight data teasers. Other asset classes are mixed with equities generally little changed so far, ditto for many commodities with oil down about 1% but little movement in gold, and currencies are divided against the dollar.

#### ECB'S SCHNABEL FEEDS HIKE BETS INTO 2027

ECB Executive Board Member Isabel Schnabel lit up EGBs this morning by saying:

"Both markets and survey participants expect that the next rate move is going to be a hike, albeit not anytime soon," she said last week in an interview in her office in Frankfurt. "I'm rather comfortable with those expectations."

The first full 25bps hike isn't priced until the April 2027 date which saw a 5bps increase on the back of her remarks (chart 1). There are trivial moves priced in before that point as the OIS curve begins to inflect toward remote chances at a hike late next year.

EGBs cheapened at the open by 3–6bps across maturities and countries. Gilts sold off in sympathy and some of this effect is trickling across the pond into US Ts.

Schnabel also said she is open to succeeding Lagarde if asked but she shouldn't hold her breath. Lagarde's term isn't up until October 2027.

#### LIGHT OVERNIGHT DATA

German industrial output may have also provided a lift with a gain of 1.8% m/m SA in October (0.3% consensus) and a slight downward revision (1.1% from 1.3%). This adds to a decent round of monthly data out of Germany including strong back to back gains in factory orders and with exports on tap for release tomorrow.

Chinese trade figures also beat. Exports were up by 5.9% y/y SA in November (4% consensus) but with imports up 1.9% (3% consensus). The trade surplus widened on both effects.

Q3 Japanese GDP was revised down three tenths to a slightly larger contraction of -2.3% q/q SA. That was because business spending flipped from a small gain to a small decline. Also, real wages fell at a slower than consensus pace in October (-0.7% y/y, -1.2% consensus).

There are no notable releases due out of the US or Canada today.

Fixed Income	Government Yield Curves (%):												Central Banks				
U.S. CANADA GERMANY JAPAN U.K.  CANADA GERMANY JAPAN U.K.  Equities	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			
	3.58	3.56	3.53	3.73	3.71	3.66	4.15	4.14	4.09	4.80	4.79	4.74					
	2.64	2.46	2.42	3.01	2.81	2.73	3.42	3.25	3.15	3.85	3.74	3.59	US - Fed	4.00			
	2.14	2.10	2.06	2.45	2.40	2.34	2.84	2.80	2.75	3.46	3.43	3.39					
	1.07	1.05	1.02	1.46	1.44	1.38	1.98	1.95	1.87	3.40	3.37	3.39	England - BoE	4.00			
	3.79	3.78	3.75	3.97	3.93	3.91	4.51	4.48	4.48	5.23	5.19	5.25					
	Spreads vs. U.S. (bps):													Euro zone - ECB	2.15		
	CANADA	-94	-110	-111	-72	-90	-94	-74	-88	-94	-95	-105	-114				
	GERMANY	-144	-147	-147	-128	-131	-132	-131	-134	-134	-134	-136	-135				
JAPAN	-251	-251	-251	-227	-228	-229	-218	-219	-221	-140	-143	-134					
U.K.	22	22	22	24	22	25	36	34	39	42	40	51	Japan - BoJ	0.50			
Equities	Level						% change:						Mexico - Banxico	7.25			
S&P/TSX Dow 30 S&P 500 Nasdaq DAX FTSE Nikkei Hang Seng CAC  Commodities WTI Crude Natural Gas Gold Silver CRB Index  Currencies USDCAD EURUSD USDJPY AUDUSD GBPUSD USDCHF	Last	Change			1 Day	1-wk	1-mo	1-yr	Australia - RBA	3.60							
	31311	-166.2			-0.5	-0.2	4.7	21.9									
	47955	104.0			0.2	0.5	2.1	7.4									
	6870	13.3			0.2	0.3	2.1	12.8									
	23578	73.0			0.3	0.9	2.5	18.7									
	24080	51.5			0.2	2.1	2.2	18.1									
	9670	2.6			0.0	-0.3	-0.1	16.4									
	50582	90.1			0.2	2.6	0.6	29.4									
	25765	-319.7			-1.2	-1.0	-1.8	29.7									
	8102	-12.3			-0.2	0.1	1.9	9.1									
	Commodities	Level						% change:						US - Fed	Dec 10, 2025		
	WTI Crude	59.45	-0.63			-1.0	0.2	-0.5			-11.5						
	Natural Gas	5.08	-0.20			-3.9	3.3	17.8			65.3						
	Gold	4212.13	14.35			0.3	-0.5	5.3			60.0						
Silver	58.11	0.54			0.9	7.8	22.0	85.4									
CRB Index	305.97	2.05			0.7	1.5	1.7	6.9	Japan - BoJ	Dec 19, 2025							
Currencies	Level						% change:						Mexico - Banxico	Dec 18, 2025			
USDCAD	1.3818	0.0001			0.0	-1.3	-1.4	-2.5									
EURUSD	1.1650	0.0008			0.1	0.3	0.8	10.4									
USDJPY	155.57	0.2400			0.2	0.1	0.9	2.9									
AUDUSD	0.6633	-0.0007			-0.1	1.4	1.5	3.0									
GBPUSD	1.3316	-0.0012			-0.1	0.8	1.1	4.4									
USDCHF	0.8058	0.0010			0.1	0.1	0.1	-8.3	New Zealand - RBNZ	Feb 17, 2026							

This report has been prepared by Scotiabank Economics as a resource for the clients of Scotiabank. Opinions, estimates and projections contained herein are our own as of the date hereof and are subject to change without notice. The information and opinions contained herein have been compiled or arrived at from sources believed reliable but no representation or warranty, express or implied, is made as to their accuracy or completeness. Neither Scotiabank nor any of its officers, directors, partners, employees or affiliates accepts any liability whatsoever for any direct or consequential loss arising from any use of this report or its contents.

These reports are provided to you for informational purposes only. This report is not, and is not constructed as, an offer to sell or solicitation of any offer to buy any financial instrument, nor shall this report be construed as an opinion as to whether you should enter into any swap or trading strategy involving a swap or any other transaction. The information contained in this report is not intended to be, and does not constitute, a recommendation of a swap or trading strategy involving a swap within the meaning of U.S. Commodity Futures Trading Commission Regulation 23.434 and Appendix A thereto. This material is not intended to be individually tailored to your needs or characteristics and should not be viewed as a “call to action” or suggestion that you enter into a swap or trading strategy involving a swap or any other transaction. Scotiabank may engage in transactions in a manner inconsistent with the views discussed this report and may have positions, or be in the process of acquiring or disposing of positions, referred to in this report.

Scotiabank, its affiliates and any of their respective officers, directors and employees may from time to time take positions in currencies, act as managers, co-managers or underwriters of a public offering or act as principals or agents, deal in, own or act as market makers or advisors, brokers or commercial and/or investment bankers in relation to securities or related derivatives. As a result of these actions, Scotiabank may receive remuneration. All Scotiabank products and services are subject to the terms of applicable agreements and local regulations. Officers, directors and employees of Scotiabank and its affiliates may serve as directors of corporations.

Any securities discussed in this report may not be suitable for all investors. Scotiabank recommends that investors independently evaluate any issuer and security discussed in this report, and consult with any advisors they deem necessary prior to making any investment.

**This report and all information, opinions and conclusions contained in it are protected by copyright. This information may not be reproduced without the prior express written consent of Scotiabank.**

™ Trademark of The Bank of Nova Scotia. Used under license, where applicable.

Scotiabank, together with “Global Banking and Markets”, is a marketing name for the global corporate and investment banking and capital markets businesses of The Bank of Nova Scotia and certain of its affiliates in the countries where they operate, including: Scotiabank Europe plc; Scotiabank (Ireland) Designated Activity Company; Scotiabank Inverlat S.A., Institución de Banca Múltiple, Grupo Financiero Scotiabank Inverlat, Scotia Inverlat Casa de Bolsa, S.A. de C.V., Grupo Financiero Scotiabank Inverlat, Scotia Inverlat Derivados S.A. de C.V. – all members of the Scotiabank group and authorized users of the Scotiabank mark. The Bank of Nova Scotia is incorporated in Canada with limited liability and is authorised and regulated by the Office of the Superintendent of Financial Institutions Canada. The Bank of Nova Scotia is authorized by the UK Prudential Regulation Authority and is subject to regulation by the UK Financial Conduct Authority and limited regulation by the UK Prudential Regulation Authority. Details about the extent of The Bank of Nova Scotia's regulation by the UK Prudential Regulation Authority are available from us on request. Scotiabank Europe plc is authorized by the UK Prudential Regulation Authority and regulated by the UK Financial Conduct Authority and the UK Prudential Regulation Authority.

Scotiabank Inverlat, S.A., Scotia Inverlat Casa de Bolsa, S.A. de C.V., Grupo Financiero Scotiabank Inverlat, and Scotia Inverlat Derivados, S.A. de C.V., are each authorized and regulated by the Mexican financial authorities.

Not all products and services are offered in all jurisdictions. Services described are available in jurisdictions where permitted by law.