

DAILY POINTS

January 14, 2026 @ 7:25 EST

Contributors

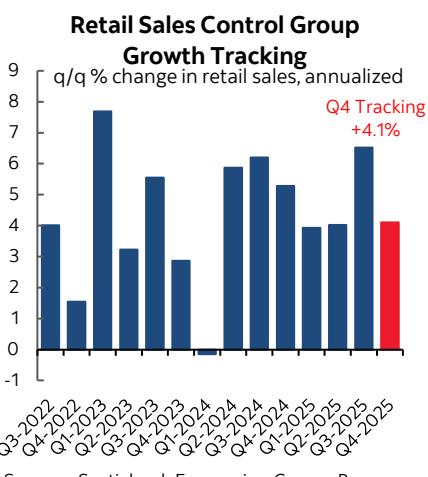
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Chart 1



Chart 2



On Deck for Wednesday, January 14th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	01-14	07:00	MBA Mortgage Applications (w/w)	Jan 09	--	--	-10.0
US	01-14	08:30	Current Account (US\$ bn)	3Q	--	-239.0	-251.3
US	01-14	08:30	PPI (m/m)	Nov	0.2	0.2	0.3
US	01-14	08:30	PPI ex. Food & Energy (m/m)	Nov	0.2	0.2	0.1
US	01-14	08:30	Retail Sales (m/m)	Nov	0.5	0.4	0.0
US	01-14	08:30	Retail Sales ex. Autos (m/m)	Nov	0.4	0.4	0.4
US	01-14	09:50	Fed's Paulson Speaks on Economic Outlook				
US	01-14	10:00	Business Inventories (m/m)	Oct	--	0.1	0.2
US	01-14	10:00	Existing Home Sales (mn a.r.)	Dec	4.3	4.2	4.1
US	01-14	10:00	Existing Home Sales (m/m)	Dec	4.1	2.2	0.5
US	01-14	10:00	Fed's Miran Speaks in Athens				
US	01-14	12:00	Fed's Kashkari Speaks in Virtual Town Hall				
US	01-14	12:00	Fed's Bostic Participates in Moderated Discussion				
US	01-14	14:10	Fed's Williams Delivers Opening Remarks				

KEY POINTS:

- **Gold and oil push higher as tough talk awaits action in Iran**
- **US bank earnings continue...**
- **...as card caps stumble in Congress**
- **SCOTUS tariff ruling—today or teasing again?**
- **US macro: PPI, retail sales, home resales**
- **Chinese trade diverts away from the US**
- **Carney in China—low headline risk until Friday**

Gold and oil prices are up again by about US\$50/oz and 1% respectively. Both are waiting on whether Trump will back his tough talk about how "help is on the way" by attacking Iran, how, and its effectiveness. I'll say it again, the best revolutions in history were driven by enormous sacrifice by the domestic body politic (France, US, wall coming down etc) and foreign interventions carry enormous risks. Broader markets are digesting another round of US bank earnings, while awaiting a potential SCOTUS ruling on tariffs and several US data releases. Trump's aggressive social media post about Greenland this morning claims that securing it would strengthen NATO as the UK and others in Europe are pondering whether to send troops and open consulates there.

Broader risk appetite is playing defence. Stocks are somewhat mixed with US futures down about ½%, TSX futures up a touch on higher commodities, European bourses mixed after the Nikkei posted another 1½% rise on firming developments toward a Japanese election next month. The dollar is little changed.

BANK EARNINGS CONTINUE; CARD CAPS STALLING IN CONGRESS

US bank earnings continue with BofA, Wells and Citi delivering. BofA solidly beat on EPS, revenues and provisions. Wells Fargo disappointed even as adjusted EPS of US\$1.76 beat consensus by almost a dime; net interest income disappointed and drove the share price lower. Citi is due out at 8amET (consensus Q4 EPS US\$1.63).

Trump's ill-conceived credit card rate caps have overshadowed the bank earnings season so far. Comments by House Speaker Johnson and Senate Majority Leader John Thune suggest that the cap is going nowhere. Their greater focus is a) keeping government open after January 30th to avert another shutdown, and b) scoping out room for another budget reconciliation bill that's less big and less beautiful.

CHINESE TRADE — THE BEST OF BOTH WORLDS?

China's trade surplus hit a new record high of US\$1.2 trillion in 2025 as exports continued to grow by 6.6% y/y in December and nearly doubling consensus while imports grew by

5.7% which was nearly six times consensus. Trump's incorrect ways of looking at trade balances are unlikely to be inflamed, however, as Chinese exports to the US fell by 20% last year which drove the US share of China's exports to about 11% from nearly 15% the prior year before tariff lunacy kicked in. Trade diversion was on full display in China's trade stats as the country's export machine pivoted toward seeking growth elsewhere; its trade surplus with the US fell sharply (chart 1).

US MACRO REPORTS

US macro data is on tap including an expected rise in retail sales (8:30amET), two PPI reports for October and November (8:30amET) that will only marginally help to inform PCE tracking because we won't have CPI m/m for October or November, and home resales (10amET). Retail sales growth has been tracking a sharp slowdown in 2025Q4 pending this morning's figures, but the important 'control group' that reflects how retail sales get captured in broad consumption within GDP has continued to register solid growth (chart 2). As for PPI, chart 3 shows the categories that are included in PCE and that markets are likely to pay the most attention to given their roughly one-fifth weighting in the Fed's preferred inflation measure.

IS TODAY THE DAY FOR SCOTUS IEEPA DECISION?

The US Supreme Court has another opinion day today and could issue any possible IEEPA tariff decision at 10amET. Trump's reaction would likely be rather quick in terms of shifting to other less appealing (to him) tariffs that themselves may be challenged.

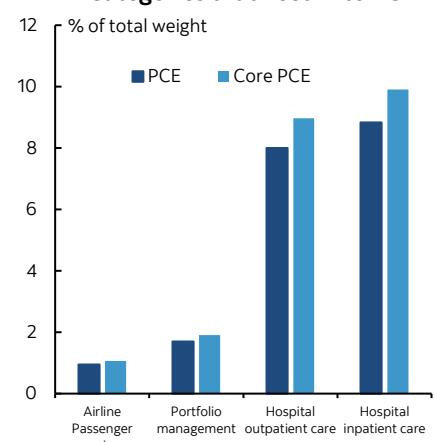
OTHER

Canadian PM Carney is in China now to kick off three days of meetings including with President Xi Jinping (Friday) after Premier Li Qiang (Thursday). There will likely be low headline risk until then.

Fed-speak will continue with Philly Fed President Paulson (9:50amET), Governor Miran (10amET), Atlanta's Bostic (12pmET) and NY's Williams (2:10pmET) all speaking.

Chart 3

PPI Categories that Feed Into PCE



Sources: Scotiabank Economics, BEA, BLS.

Fixed Income	Government Yield Curves (%):												Central Banks	
	2-YEAR			5-YEAR			10-YEAR			30-YEAR				
	Last	1-day	1-wk	Last	1-day	1-wk	Last	1-day	1-wk	Last	1-day	1-wk		
U.S.	3.51	3.53	3.47	3.73	3.75	3.71	4.15	4.18	4.15	4.82	4.84	4.83	Canada - BoC	
CANADA	2.55	2.56	2.56	2.93	2.93	2.93	3.39	3.41	3.39	3.85	3.86	3.85	US - Fed	
GERMANY	2.09	2.09	2.09	2.39	2.40	2.40	2.84	2.85	2.81	3.44	3.45	3.45	England - BoE	
JAPAN	1.18	1.17	1.17	1.62	1.61	1.58	2.19	2.17	2.12	3.52	3.50	3.51	Euro zone - ECB	
U.K.	3.66	3.66	3.68	3.85	3.86	3.86	4.38	4.40	4.42	5.13	5.14	5.16	Japan - BoJ	
Spreads vs. U.S. (bps):														
CANADA	-96	-98	-91	-80	-82	-78	-76	-77	-76	-97	-98	-99	Mexico - Banxico	
GERMANY	-143	-144	-138	-134	-135	-131	-132	-133	-134	-138	-138	-139	Australia - RBA	
JAPAN	-233	-237	-230	-211	-214	-212	-197	-201	-203	-129	-133	-132	New Zealand - RBNZ	
U.K.	15	12	21	12	10	16	23	22	27	32	30	32	Next Meeting Date	
Equities	Level			% change:										
	Last	Change		1 Day	1-wk	1-mo	1-yr							
S&P/TSX	32870	-4.3		-0.0	1.4	4.3	33.7							
Dow 30	49192	-398.2		-0.8	-0.5	1.5	15.7							
S&P 500	6964	-13.5		-0.2	0.3	2.0	19.2							
Nasdaq	23710	-24.0		-0.1	0.7	2.2	24.5							
DAX	25303	-118.1		-0.5	0.7	4.6	24.8							
FTSE	10169	31.5		0.3	1.2	5.4	24.0							
Nikkei	54341	792.1		1.5	3.5	6.9	41.2							
Hang Seng	27000	151.3		0.6	2.0	3.9	40.5							
CAC	8351	3.6		0.0	1.4	3.5	12.5							
Commodities	Level			% change:										
WTI Crude	61.74	0.59		1.0	10.3	7.5	-20.3							
Natural Gas	3.34	-0.08		-2.3	-5.2	-18.8	-15.8							
Gold	4634.95	48.43		1.1	4.0	7.8	73.1							
Silver	85.82	1.75		2.1	9.4	33.0	187.2							
CRB Index	306.64	2.60		0.9	1.5	2.8	-0.2							
Currencies	Level			% change:										
USDCAD	1.3877	-0.0014		-0.1	0.1	0.8	-3.3							
EURUSD	1.1646	0.0004		0.0	-0.2	-0.9	13.0							
USDJPY	158.65	-0.4900		-0.3	1.2	2.2	0.4							
AUDUSD	0.6684	0.0002		0.0	-0.6	0.6	7.9							
GBPUSD	1.3449	0.0027		0.2	-0.1	0.5	10.1							
USDCHF	0.8010	-0.0001		-0.0	0.4	0.6	-12.2							

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