

### DAILY POINTS

February 9, 2026 @ 7:20 EST

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Chart 1

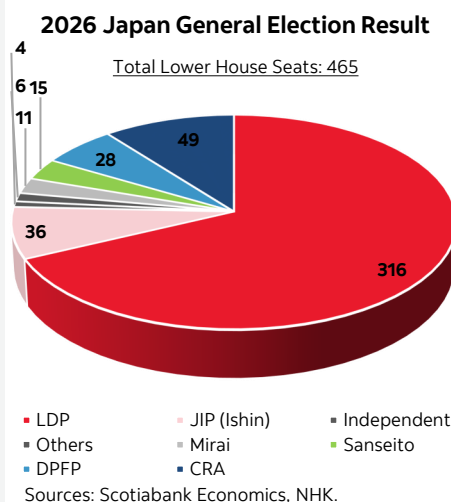
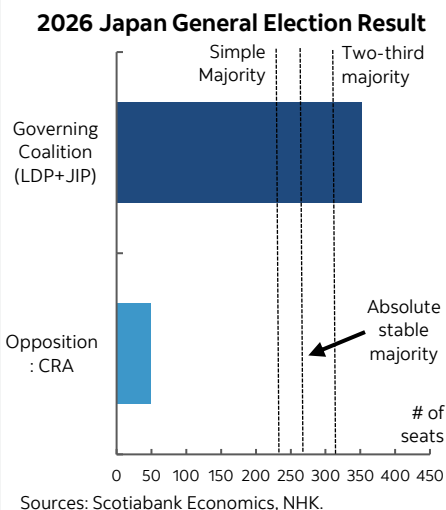


Chart 2



### On Deck for Monday, February 9<sup>th</sup>

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	02-09	13:30	Fed's Waller Speaks on Digital Assets				
US	02-09	14:30	Fed's Miran in Moderated Conversation				
US	02-09	15:15	Fed's Bostic Speaks in Moderated Conversation				
US	02-09	17:00	Fed's Miran in Podcast Interview				

#### KEY POINTS:

- **What happened in Japan, stayed in Japan**
- **Japan's election drive equities and bond yields higher...**
- **...as Japanese and US equity markets trade places**
- **BoJ hike guidance, ebbing contraction of Japanese real wages faded behind election**
- **Mexican core inflation continues to rise, validating Banxico hold**
- **Fed's Waller, Miran, Bostic to speak**
- **Canada just can't quash those election rumours**
- **Global Week Ahead — Trading Places ([here](#))**

Japanese stocks gained nearly 4% with solid gains across every major sector but led by IT, JGB yields rose 3bps in 2s and double that in 10s and the yen strengthened a touch to become roughly tied with CHF and the euro as outperformers on a down day for the dollar. All of that was in reaction to Japan's election results. Very little of the enthusiasm spread elsewhere. Hawkish BoJ Board member talk and Japanese real wage figures played a back seat to election results.

There is nothing material on tap in the N.A. session. Cyber currencies are selling off this morning while gold gains 1%.

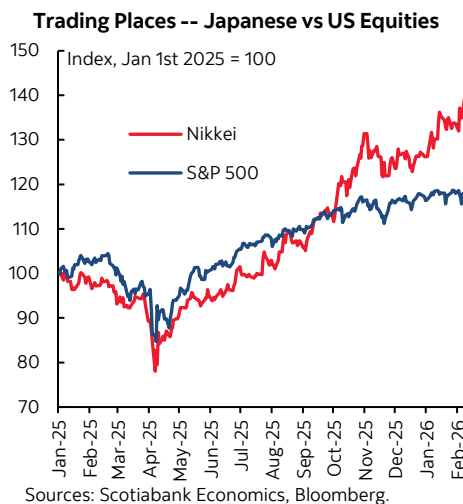
#### Japan's Election — Trading Places

Japan's Liberal Democratic Party alone won a super-majority in the lower house of its Diet (charts 1, 2). It didn't even need its new coalition partner—the Japan Innovation Party—to pull it off. The 316 seats that went to the LDP was a massive gain from the 198 going in and exceeds the 310 needed for a so-called super majority. This was PM Takaichi's dream result because it means the LDP can chair and possess a majority of seats on the powerful committees, can override Upper House rulings with a two-thirds vote which matters since the LDP does not hold enough seats in the Upper House, and pursue changes to the Constitution. Constitutional changes could address Japan's pacifist stance but this requires a referendum.

That was the easy part. Now the pressure is on to see what PM Takaichi does. She will likely move very quickly to maintain momentum.

For now, the market response is reinforcing the view that Japan and the US have traded places (chart 3). US equity futures are slightly lower this morning while Japanese equities soar. It all started around when Takaichi first became PM last October and coincided with greater questions over US tech, the Fed outlook, and the state of the US job market and investment

Chart 3



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picture ex-AI. It was previously the case that the carry trade—borrowing cheaply in yen to finance Japanese investments abroad—was reversing as the Bank of Japan pivoted to tighter monetary policy. Money was flowing back into Japan. That incentive is now stronger. Japanese equities offer more competition to US equities.

In short, there's a new kid in town and we'll see how enamoured Trump remains as a more intense competitor for equity flows steps up.

## Otherwise Light Developments

Weekend developments were otherwise light.

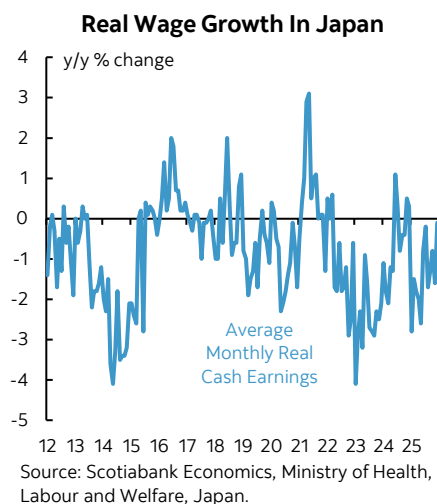
Japanese wage growth accelerated to 2.4% y/y in December from an upwardly revised 1.7% (previously

0.5%) the prior month. That still means real wages are falling (-0.1% y/y) but at a lessening pace including positive revisions (chart 4).

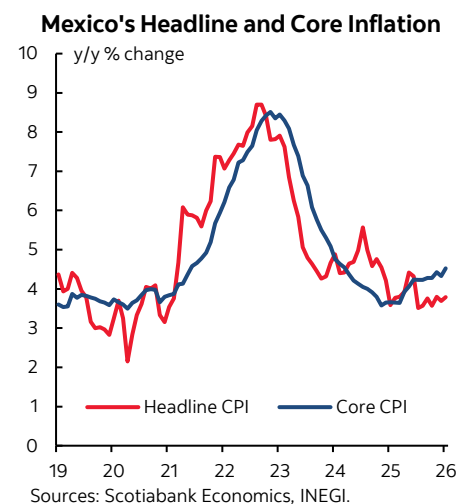
Mexico's CPI landed on the screws at 0.4% m/m (3.8% y/y) in January and ditto for core at 0.6% m/m (4.5% y/y). Core CPI continues to accelerated off the lows of late 2024 into early 2025 (chart 5). Hence why Banxico held last Thursday with markets not expecting much action for an extended period.

The Canadian election rumour mill remains alive and kicking. PM Carney and Ontario Premier Ford—a ‘Tory’—reportedly discussed an early federal election ([here](#)). A federal communications spokesperson tried to downplay the talk which is as expected. Then again, I watched PM Carney’s courtship by the BoE while in his post at the BoC being met with endless denials of interest until ‘ok’.

### Chart 4



### Chart 5



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			
	3.50	3.50	3.57	3.77	3.76	3.84	4.23	4.21	4.28	4.88	4.85	4.91	Canada - BoC	2.25	
	2.56	2.55	2.57	2.92	2.91	2.94	3.42	3.40	3.43	3.87	3.85	3.88	US - Fed	3.75	
	2.08	2.09	2.11	2.41	2.41	2.45	2.85	2.84	2.87	3.53	3.51	3.52	England - BoE	3.75	
	1.32	1.29	1.27	1.74	1.69	1.66	2.29	2.23	2.24	3.57	3.57	3.66			
	3.63	3.62	3.70	3.92	3.90	3.94	4.55	4.51	4.51	5.37	5.34	5.27			
Spreads vs. U.S. (bps):															
CANADA	-94	-95	-100	-84	-85	-90	-81	-81	-85	-100	-100	-104	Euro zone - ECB	2.15	
GERMANY	-141	-141	-146	-136	-135	-139	-138	-137	-141	-134	-134	-140	Japan - BoJ	0.75	
JAPAN	-218	-221	-231	-203	-207	-218	-194	-198	-204	-131	-129	-125			
U.K.	13	12	13	15	14	10	33	31	23	50	48	36			
Equities	Level						% change:						Mexico - Banxico	7.00	
	Last	Change			1 Day	1-wk	1-mo	1-yr							
S&P/TSX	32471	476.4			1.5	1.7	-0.4	27.6					Australia - RBA	3.85	
Dow 30	50116	1207.0			2.5	2.5	1.2	13.1					New Zealand - RBNZ	2.25	
S&P 500	6932	133.9			2.0	-0.1	-0.5	15.0							
Nasdaq	23031	490.6			2.2	-1.8	-2.7	18.0							
DAX	24818	96.3			0.4	0.1	-1.8	13.9							
FTSE	10362	-8.2			-0.1	0.2	2.3	19.1							
Nikkei	56364	2110.3			3.9	7.0	8.5	45.3					Canada - BoC	Mar 18, 2026	
Hang Seng	27027	467.2			1.8	0.9	3.0	27.9					US - Fed	Mar 18, 2026	
CAC	8282	7.8			0.1	1.2	-1.0	3.9							
Commodities	Level						% change:								
WTI Crude	63.89	0.34			0.5	2.8	8.1	-10.0					England - BoE	Mar 19, 2026	
Natural Gas	3.20	-0.22			-6.4	-1.1	1.0	-3.2							
Gold	5010.95	46.59			0.9	7.5	11.1	75.1					Euro zone - ECB	Mar 19, 2026	
Silver	74.94	-3.77			-4.8	-27.4	-4.5	134.0					Japan - BoJ	Mar 19, 2026	
CRB Index	309.51	0.15			0.0	-3.3	2.7	0.7							
Currencies	Level						% change:								
USDCAD	1.3621	-0.0054			-0.4	-0.4	-2.1	-4.9					Mexico - Banxico	Mar 26, 2026	
EURUSD	1.1877	0.0062			0.5	0.7	2.1	15.2							
USDJPY	156.46	-0.7600			-0.5	0.5	-0.9	2.9					Australia - RBA	Mar 16, 2026	
AUDUSD	0.7044	0.0031			0.4	1.4	5.3	12.2							
GBPUSD	1.3649	0.0038			0.3	-0.1	1.8	10.4					New Zealand - RBNZ	Feb 17, 2026	
USDCHF	0.7707	-0.0053			-0.7	-1.1	-3.8	-15.4							

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