

DAILY POINTS

March 6, 2026 @ 7:00 EST

Contributors

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Chart 1

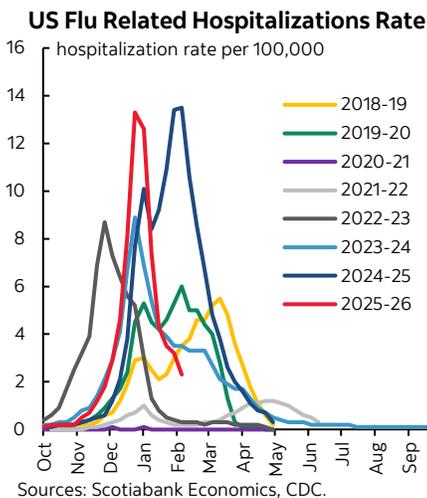
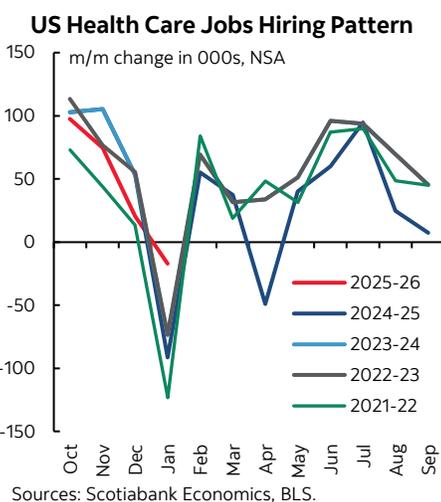


Chart 2



On Deck for Friday, March 6th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	03-06	07:30	Fed's Waller on Bloomberg TV				
US	03-06	08:30	Average Hourly Earnings (m/m)	Feb	0.3	0.3	0.4
US	03-06	08:30	Average Hourly Earnings (y/y)	Feb	3.7	3.7	3.7
US	03-06	08:30	Average Weekly Hours	Feb	--	34.3	34.3
US	03-06	08:30	Nonfarm Employment Report (000s m/m)	Feb	10	57.0	130.0
US	03-06	08:30	Unemployment Rate (%)	Feb	4.4	4.3	4.3
US	03-06	08:30	Household Employment Report (000s m/m)	Feb	--	--	528.0
US	03-06	08:30	Retail Sales (m/m)	Jan	-0.5	-0.3	0.0
US	03-06	08:30	Retail Sales ex. Autos (m/m)	Jan	0.0	0.0	0.0
US	03-06	08:30	Fed's Daly on CNBC				
US	03-06	09:50	Fed's Goolsbee on Bloomberg TV				
US	03-06	10:00	Business Inventories (m/m)	Dec	--	0.1	0.1
US	03-06	10:15	Fed's Daly & Paulson Participate in Panel Discussion				
US	03-06	11:30	Fed's Schmid Speaks on Policy and Outlook				
US	03-06	11:30	Fed's Miran on CNBC				
US	03-06	13:20	Fed's Collins Delivers Keynote Address				
US	03-06	13:30	Fed's Hammack Speaks at Monetary Policy Forum				
US	03-06	15:00	Consumer Credit (US\$ bn m/m)	Jan	--	12.7	24.0
US	03-06	15:10	Fed's Hammack Appears on Bloomberg TV				

KEY POINTS:

- **War's effects and nonfarm expectations are driving bonds and equities lower**
- **Nonfarm preview—will health hiring tank after a record January?**
- **Key are the timing and gyrations of flu cases and health hiring this season**
- **Remember January's drop in the US unemployment rate? Well, watch for major revisions to January's US household survey today.**
- **US retail sales—upside to a stale consensus?**
- **FOMC officials to react to nonfarm**

Alrighty we've got a cage match lined up for you this morning with Iran and the single most important macro indicator in the world competing for the market's affections.

So far, Iran is winning at least judged by market effects. Oil is up a few bucks again with WTI at about US\$84 and Brent at \$87. Stocks are broadly lower with US and Canadian futures down about -1/2% and European cash markets down by a little more. Sovereign bond yields are up by a few points across curves with gilts underperforming by the most as BoE cut expectations get repriced over multiple future meetings. The dollar is firmer except against CAD and a couple of lesser plays. Gold is doing nothing.

NONFARM PAYROLLS PREVIEW

My nonfarm preview is available [here](#) as part of my weekly. It was very deliberately called 'a sick call' since the only thing that blew my zero call in January was a gusher of hiring in the health care sector specifically in jobs related to looking after the unusual timing and magnitude of respiratory virus cases this year. I expect that to reverse and went over the timing of related hiring in relation to the different timing and peaks of flu cases this year compared to prior years. Other arguments and drivers were also explored.

Chart 1 shows the timing and peaks of flu cases in the US; this year started a little slower than others but dramatically picked up into December and January and then fell off faster than most years.

Chart 2 shows the pattern of health sector hiring year-by-year. It started high and then in January—when normally hiring is ebbing—it did so by much less than seasonally normal. Apply seasonal adjustments to the figures and January was a massive overshoot of health

sector hiring in categories related to the sick season and the only major reason why nonfarm payrolls overshot estimates in January.

Another way of showing it is through charts 3–6 that track health hiring in seasonally unadjusted terms by month comparing like months across history. October and November started off relatively high in 2025 compared to past like months in history, then subsided in December before it was all hands on deck as workers were called in to deal with the massive surge of sickies.

There are other parts of the call that were explored in my fuller preview, but a key one is that health sector hiring hit an all-time record for a month of January in seasonally adjusted terms and that’s expected to revert lower in February.

We learned nothing more to inform the call from the labour market readings we got this week. ADP? Pffft. At best it gives you probabilities of major surprises

The dip by Revelio’s nonfarm proxy? Be careful with this gauge; it lines up ok after both it and nonfarm get revised a million times, but not at all on the first estimates (chart 7). It’s the same issue with ADP btw as you need to look at the initial ADP readings lined up with initial private nonfarm.

ISM employment gauges are weak guides to nonfarm. You’ll never get nonfarm right looking at claims data.

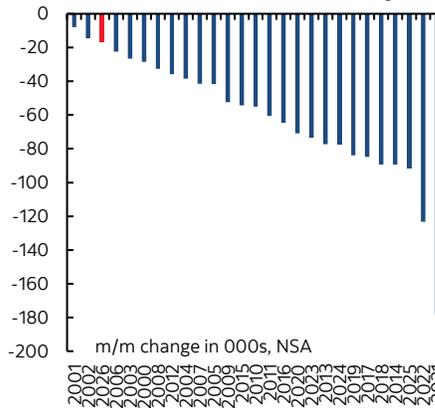
In short, nonfarm is its own beast with its own sample, its own methodology including birth-death models and SA factors etc, and its own approach to revisions and assorted other quirks.

Also keep an eye on BLS incorporation of annual population benchmarking revisions to the household survey from which the unemployment rate is derived. They normally do this in January of each year but guided they’ll get to it asap until [this](#) note (scroll down to ‘population control adjustment’) said today is the day. Instead of incorporating them into February numbers that I had thought they might absent guidance, they will revise January’s household survey estimates of employment and the labour force. So, remember when markets loved the decline in the UR to 4.3% last month? That may very well have been

totally fabricated as previously argued. My weekly went into the math behind why this year’s population revisions could be a record (chart 8). If so, then the math also went through what it could mean to the household survey’s employment and labour force counts.

Chart 3

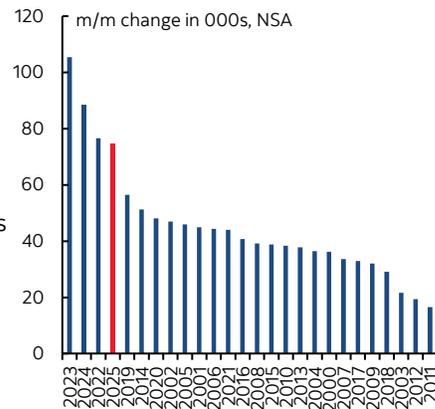
Comparing US Health Care Payroll NSA for All Months of January



Source: Scotiabank Economics.

Chart 5

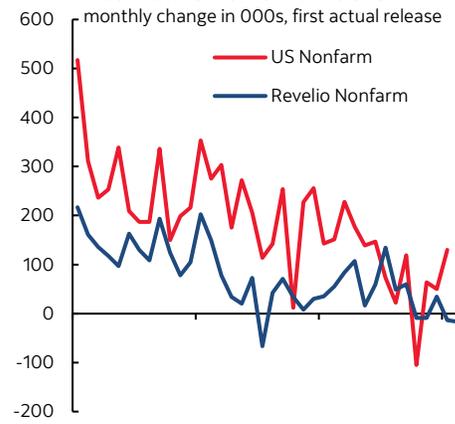
Comparing US Health Care Payroll NSA for All Months of November



Sources: Scotiabank Economics,

Chart 7

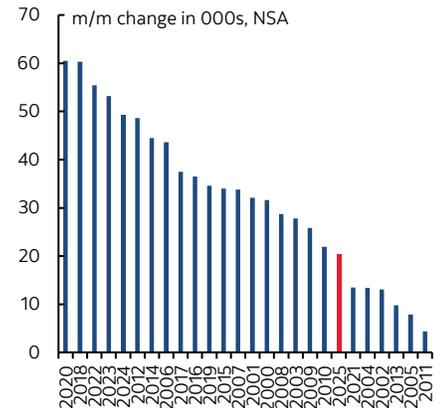
Alternative Nonfarm Tracker



Sources: Scotiabank Economics, Revelio Labs, BLS.

Chart 4

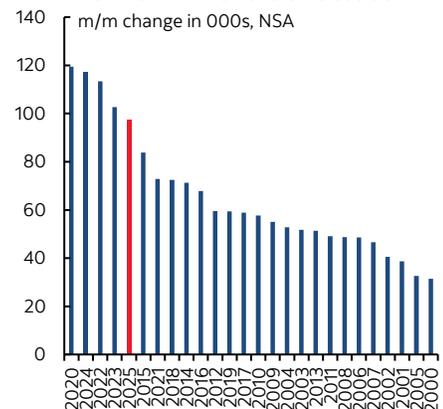
Comparing US Health Care Payroll NSA for All Months of December



Sources: Scotiabank Economics,

Chart 6

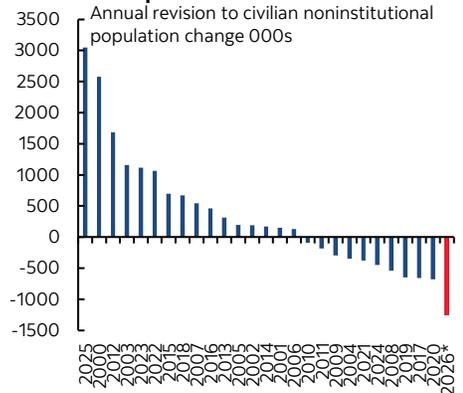
Comparing US Health Care Payroll NSA for All Months of October



Sources: Scotiabank Economics,

Chart 8

US Adjustments to Household Survey Population Estimates



* Estimate. Sources: Scotiabank Economics, BLS.

WATCH FED REACTIONS

Several Fed-speakers will wrestle for the mic right after nonfarm hits. Given all of the inflation fears at the Fed even before the war broke out it may be a stretch to assume nonfarm disappointment will matter whereas bonds would feel no love from an upside surprise.

The Fed's Daly (8:30amET) and then Daly and Paulson (10:15amET), Collins (1:20pmET), and Hammack (1:30pmET) are among the scheduled speakers and we may hear from more beyond the regional Presidents.

It would be surprising if officials signalled a material change in stance affecting their near-term views on the back of these numbers as war rages in the Middle East.

US RETAIL SALES UPSIDE?

US retail sales will also be refreshed at the same time as nonfarm and are expected to be soft, but most estimates were submitted before an upside surprise to vehicle sales that we got a few days ago. Key will be the control group that feeds into how consumption is captured in GDP accounts; it could rebound and be the detail that bites.

Fixed Income	Government Yield Curves (%):												Central Banks	
	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		
U.S.	3.62	3.58	3.38	3.77	3.73	3.50	4.17	4.14	3.94	4.78	4.75	4.61	Canada - BoC	2.25
CANADA	2.63	2.59	2.39	2.95	2.90	2.66	3.39	3.35	3.13	3.84	3.80	3.62	US - Fed	3.75
GERMANY	2.30	2.24	2.00	2.52	2.49	2.24	2.86	2.84	2.64	3.42	3.43	3.31	England - BoE	3.75
JAPAN	1.25	1.26	1.23	1.62	1.62	1.59	2.17	2.16	2.12	3.41	3.39	3.35		
U.K.	3.94	3.81	3.53	4.15	4.03	3.68	4.63	4.54	4.23	5.30	5.24	5.04		
	Spreads vs. U.S. (bps):													
CANADA	-99	-99	-99	-83	-83	-84	-78	-79	-82	-94	-95	-99	Euro zone - ECB	2.15
GERMANY	-132	-134	-138	-126	-124	-126	-131	-130	-130	-136	-132	-130	Japan - BoJ	0.75
JAPAN	-237	-232	-214	-215	-211	-192	-200	-197	-182	-137	-136	-126		
U.K.	31	23	15	38	31	18	46	40	29	52	49	43	Mexico - Banxico	7.00
Equities	Level						% change:							
	Last		Change		1 Day		1-wk		1-mo		1-yr			
S&P/TSX	33610		-332.9		-1.0		-2.6		3.5		36.7		Australia - RBA	3.85
Dow 30	47955		-784.7		-1.6		-3.1		-4.3		12.6		New Zealand - RBNZ	2.25
S&P 500	6831		-38.8		-0.6		-1.1		-1.5		19.0			
Nasdaq	22749		-58.5		-0.3		-0.6		-1.2		25.9			
DAX	23627		-188.7		-0.8		-6.6		-4.4		0.9			
FTSE	10361		-52.5		-0.5		-5.0		-0.1		19.3			
Nikkei	55621		342.8		0.6		-5.5		2.5		47.5		Canada - BoC	Mar 18, 2026
Hang Seng	25757		436.0		1.7		-3.3		-3.0		5.7		US - Fed	Mar 18, 2026
CAC	7974		-71.8		-0.9		-7.1		-3.6		-2.7			
Commodities	Level						% change:							
WTI Crude	85.77		4.76		5.9		28.0		35.0		29.2		England - BoE	Mar 19, 2026
Natural Gas	3.05		0.05		1.7		6.8		-10.8		-29.0		Euro zone - ECB	Mar 19, 2026
Gold	5083.11		0.81		0.0		-3.7		2.4		74.6		Japan - BoJ	Mar 19, 2026
Silver	84.22		-2.57		-3.0		-2.6		7.0		161.1			
CRB Index	336.85		9.17		2.8		8.7		8.8		11.9			
Currencies	Level						% change:							
USDCAD	1.3667		-0.0011		-0.1		0.2		-0.1		-4.4		Mexico - Banxico	Mar 26, 2026
EURUSD	1.1561		-0.0048		-0.4		-2.1		-2.1		7.2			
USDJPY	157.98		0.3900		0.2		1.2		0.5		6.8		Australia - RBA	Mar 16, 2026
AUDUSD	0.6991		-0.0017		-0.2		-1.8		-0.3		10.4			
GBPUSD	1.3317		-0.0040		-0.3		-1.2		-2.2		3.4		New Zealand - RBNZ	Apr 07, 2026
USDCHF	0.7822		0.0011		0.1		1.7		0.8		-11.5			

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