

DAILY POINTS

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Contributors

Derek Holt

VP & Head of Capital Markets Economics
 Scotiabank Economics
 416.863.7707
derek.holt@scotiabank.com

Chart 1

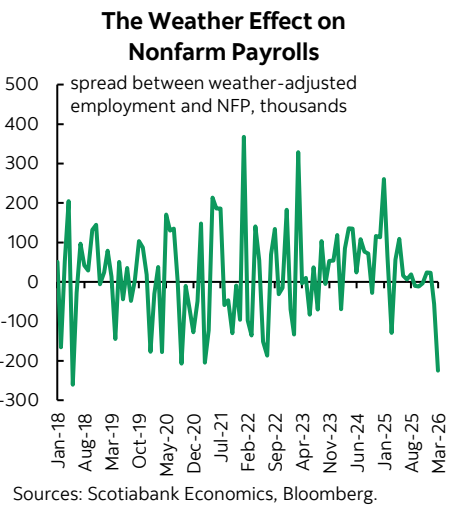
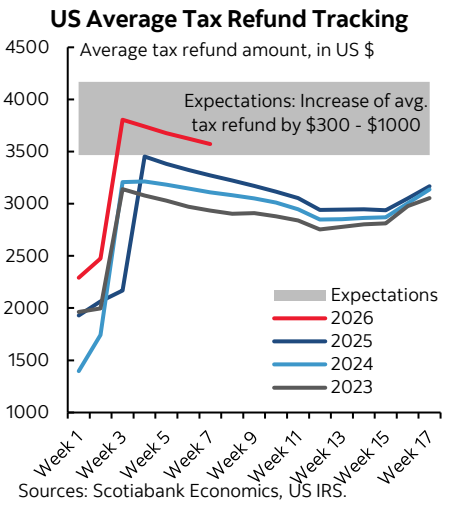


Chart 2



On Deck for Monday, April 6th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	04-06	09:30	S&P Global Canada Services PMI	Mar	--	--	46.5
CA	04-06	09:30	S&P Global Canada Composite PMI	Mar	--	--	47.1
US	04-06	10:00	ISM Non-Manufacturing Composite	Mar	55.0	54.9	56.1

KEY POINTS:

- **Rumours and unglued threats dominate thin market activity...**
- **... as most markets remain shut...**
- **...and haven't even reacted to nonfarm as yet...**
- **..that was an entirely weather-driven gain**
- **US ISM-services, Canadian PMIs on tap**
- **Global Week Ahead highlights**

Most global markets remain shut for Easter Monday. US and Canadian equity futures are flat to very slightly positive after the Nikkei posted a mild ½% gain overnight. Sovereign bonds are little changed with a mild cheapening bias that has Canadian govies underperforming US Treasuries partly as they catch up to US payrolls after Canada was shut on Friday. Oil prices are slightly lower by 1% or less. Most major currencies are appreciating a touch versus the USD. Europe is closed.

Many global markets have yet to be able to react to Friday's stale and distorted US nonfarm payrolls report (recap [here](#)); they'll get a first crack at doing so tonight into the Asian market open and into Europe's open.

Stale is obvious, but why distorted? The folks at the San Francisco Fed estimate that the 178k gain would have been a loss of 47k if not for weather effects ([here](#)). Chart 1 shows that this 225k weather effect was among the largest estimated weather effects in history and follows a positive weather contribution to February's payrolls of over 50k. Underlying hiring in the US economy remains in a troubled state.

In the context of thin global market activity this morning alongside lagging reactions to nonfarm and no useful macro reports, what we're left with to consider are threats, deadlines and the rumour mill that is swinging sentiment in the few markets that are trading this morning.

[This](#) and [this](#) are hardly PG friendly from America's President. I wish I could say nothing shocks me about this man by this point. After cutting through the vulgarities that at one time were beneath a President what we're left with is the threat around tomorrow evening's deadline for Iran to open the Strait of Hormuz or else civilian infrastructure will be bombed. What's good for the goose is good for the gander is the obvious concern in reverse. Trump speaks again today at 1pmET.

Absent a rumour, start one. Axios is doing so with a plant by those always trustworthy 'anonymous' sources about a low probability chance at a deal to avert further escalation of the war with Iran. That's why oil is off a bit this morning. Iran countered by saying "A ceasefire means creating a short pause to regroup and commit crime again and no rational personal would do that" and went on to demand "assurance that this cycle will not repeat." Iran then launched more missiles at Israel this morning. If deescalation is in order, then it would probably have to be in the form of another fake deadline set by Trump.

MINOR DATA ON TAP

The US releases ISM-services for March this morning (10amET). Consensus expects a softer reading (54.9 from 56.1 prior). Watch the prices paid measure that is likely to skyrocket as a first take on the war's effects.

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Canada updates S&P PMIs for March (9:30amET). The manufacturing PMI was released last week and dipped a point to 50.0. This morning's releases will include the services and composite gauges.

GLOBAL WEEK AHEAD HIGHLIGHTS

Here are highlights of what to expect this week in lieu of a formal week ahead publication because I was meeting with clients in London, Paris and Lisbon last week.

CANADA—A Jobs Rebound?

The main focus in Canada will be upon Friday's jobs report for March.

Consensus sits at a gain of 15k (Scotia 30k) with the unemployment rate's prior reading of 6.7% facing a divided perspective as the median call is for an uptick to 6.8% (Scotia 6.6%). Many estimates have yet to be inputted into Bloomberg's survey.

UNITED STATES—A First Take on March Inflation

In a mixture of predominantly stale data one report may stand out a tad more than the others.

US CPI (Friday) will offer a very tentative take on how the war against Iran by Israel and the US impacted inflation during March. CPI is estimated to rise by 1% m/m SA and 3.4% y/y (2.4% prior). Core CPI is estimated to rise by 0.3% m/m and 2.7% y/y (2.5% prior).

It's a first stab for two reasons. One is that the fuller effects—including transmission into core inflation—will take many reports to properly assess as residual inflation pressures from an economy in excess aggregate demand still dealing with tariff pass through transitions toward evaluating how much of the diversified spike in commodity prices will be passed on. Two is that data quality issues at the BLS have lowered faith in the readings due to heavy budget cuts but also a multi-year failure by the agency to pivot toward alternative data collection tactics.

Other data is likely to be stale in a pre-war sense:

- durable goods orders (Tuesday): February's reading is expected to drop by 1% m/m SA (-1.5% Scotia) on transportation orders but ex-transportation is forecast to rise by 0.4% m/m.
- FOMC minutes (Wednesday): The minutes to the March 17th–18th FOMC meetings will probably have little to offer markets that are pricing a hold until well into next year at the moment. That may change if the commodities shock wallops growth and nonfarm, but time and data will inform that perspective.
- Personal incomes and spending (Thursday): February's income growth is likely to grow less than previously envisaged as tax refunds continue to track lower than expected (chart 2). Spending, however, could get a boost from the retail sales control group that was up by 0.5% m/m SA in nominal terms which often serves as a decent guide to total spending.
- PCE inflation (Thursday): February's reading will take a back seat to the next day's fresher CPI readings for March.
- Jobless claims (Thursday): Tighter rules in this cycle are expected to keep claims reasonably well behaved.
- Q4 GDP-r (Thursday): The third swing at estimating Q4 GDP growth is not expected to change the prior 0.7% q/q SAAR reading that demonstrated weak GDP growth. A fuller take on services spending is always a risk at this stage.
- Core PCE-r Q4 (Thursday): Q4's reading of 2.7% q/q SAAR is expected to be unchanged in this revision.
- real wages (Friday): March's reading is likely to fall as the inflation shock erodes inflation-adjusted pay.
- factory orders (Friday): February's reading depends on Tuesday's durables report plus estimated changes in orders for nondurable goods.
- UMich (Friday): April's consumer sentiment print is widely expected to weaken on war effects.

ASIA-PACIFIC—RBI, BoK, Inflation Reports

Three central bank decisions are likely to stand out amid several inflation readings for March.

The RBNZ is widely expected to hold its official cash rate unchanged at 2.25% tomorrow evening. Markets agree.

The Reserve Bank of India is unanimously expected within consensus to hold its repurchase rate unchanged at 5.25% on Wednesday but markets lean toward the chance at a hike.

The Bank of Korea (Friday) is unanimously expected to hold its base rate unchanged at 2.5% with market pricing outside.

CPI reports for March will provide initial estimates of the war's effects in the Philippines (Monday night), Thailand (Monday night), Taiwan (Wednesday) and China (Thursday).

LATIN AMERICA—Peru's CB, Inflation Reports

A single central bank decision and a few March inflation readings could add some spice to more dominant war themes.

Peru's central bank is unanimously expected to stay on hold at 4.25% on Thursday evening.

March CPI will offer insights into war-related price pressures in Chile (Wednesday), Mexico and Colombia (Thursday), and Brazil (Friday).

EUROPE—War Watching

European markets will mostly observe developments elsewhere this week. There just isn't anything that will grab you on the release calendar because it's mostly stale and second-tier data.

Mild exceptions include Swedish CPI (Tuesday) and GDP (Friday) for Riksbank watchers, and Norwegian CPI for Norges Bank watchers (Friday).

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.	3.87	3.84	3.83	4.01	3.99	3.99	4.36	4.35	4.35	4.92	4.91	4.91	Canada - BoC	2.25
CANADA	2.86	2.81	2.88	3.14	3.08	3.14	3.53	3.48	3.51	3.96	3.91	3.90	US - Fed	3.75
GERMANY	2.62	2.62	2.67	2.71	2.71	2.81	2.99	2.99	3.09	3.47	3.47	3.55	England - BoE	3.75
JAPAN	1.40	1.39	1.37	1.82	1.80	1.79	2.42	2.39	2.37	3.76	3.69	3.79	Euro zone - ECB	2.15
U.K.	4.32	4.32	4.48	4.38	4.38	4.54	4.83	4.83	4.97	5.46	5.46	5.59	Japan - BoJ	0.75
	Spreads vs. U.S. (bps):													
CANADA	-101	-104	-95	-87	-90	-85	-83	-87	-84	-96	-100	-101	Mexico - Banxico	6.75
GERMANY	-125	-123	-116	-130	-128	-118	-137	-135	-126	-145	-144	-136	Australia - RBA	4.10
JAPAN	-247	-245	-246	-219	-219	-219	-194	-196	-198	-116	-122	-112	New Zealand - RBNZ	2.25
U.K.	45	48	65	37	40	55	47	49	62	54	55	67		
Equities	Level			% change:								Next Meeting Date		
	Last		Change	1 Day	1-wk	1-mo	1-yr							
S&P/TSX	33108		150.3	0.5	3.8	0.1	42.7						Canada - BoC	Apr 29, 2026
Dow 30	46505		-61.1	-0.1	1.2	-2.1	21.4						US - Fed	Apr 29, 2026
S&P 500	6583		7.4	0.1	1.6	-2.3	29.7						England - BoE	Apr 30, 2026
Nasdaq	21879		38.2	0.2	2.2	-2.3	40.4						Euro zone - ECB	Apr 30, 2026
DAX	23168		-130.8	-0.6	2.5	-1.8	17.1						Japan - BoJ	Apr 28, 2026
FTSE	10436		71.5	0.7	4.7	1.5	35.5						Mexico - Banxico	May 07, 2026
Nikkei	53414		290.2	0.5	2.9	-4.0	71.5						Australia - RBA	May 05, 2026
Hang Seng	25117		-177.5	-0.7	1.0	-2.5	24.8						New Zealand - RBNZ	Apr 07, 2026
CAC	7962		-18.9	-0.2	2.5	-0.4	14.9							
Commodities	Level			% change:										
			Change	1 Day	1-wk	1-mo	1-yr							
WTI Crude	109.95		-1.59	-1.4	6.9	21.0	77.4						England - BoE	Apr 30, 2026
Natural Gas	2.83		0.03	1.1	-2.0	-11.2	-26.2						Euro zone - ECB	Apr 30, 2026
Gold	4690.14		13.38	0.3	4.0	-9.3	57.2						Japan - BoJ	Apr 28, 2026
Silver	70.99		-3.88	-5.2	5.5	-25.0	109.6							
CRB Index	381.02		9.90	2.7	5.3	8.2	32.1							
Currencies	Level			% change:										
			Change	1 Day	1-wk	1-mo	1-yr							
USDCAD	1.3922		-0.0023	-0.2	-0.0	2.6	-2.3						Mexico - Banxico	May 07, 2026
EURUSD	1.1545		0.0026	0.2	0.7	-0.6	5.8						Australia - RBA	May 05, 2026
USDJPY	159.57		-0.1000	-0.1	-0.1	1.1	7.9						New Zealand - RBNZ	Apr 07, 2026
AUDUSD	0.6926		0.0031	0.4	1.1	-1.5	15.7							
GBPUSD	1.3240		0.0038	0.3	0.4	-1.3	4.1							
USDCHF	0.7982		-0.0021	-0.3	-0.2	2.9	-7.1							

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