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GLOBAL ECONOMICS

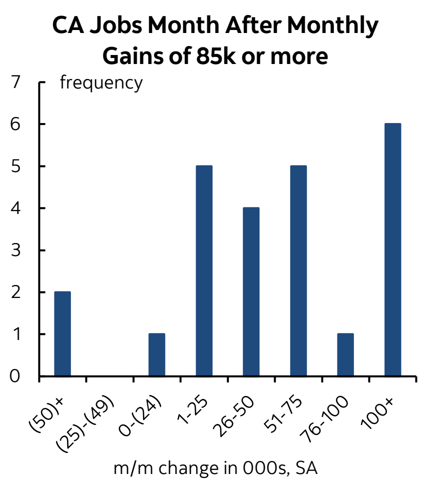
DAILY POINTS

July 10, 2026 @ *6:30 EST*

Contributors

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

Chart 1



Sources: Scotiabank Economics, Statistics Canada.

On Deck for Friday, July 10th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	07-10	08:30	Building Permits (m/m)	May	--	1.0	-7.6
CA	07-10	08:30	Employment (000s m/m)	Jun	10	10.0	87.8
CA	07-10	08:30	Unemployment Rate (%)	Jun	6.6	6.6	6.6

KEY POINTS:

- **Markets playing it safe ahead of a packed week**
- **Canadian jobs the last set up before the BoC**
- **NOK slips, Norges hike pricing reined in after CPI softens**

The week is ending with much of the focus upon expectations for next week's developments especially on Tuesday morning when US CPI, Chair Warsh's testimony, and US bank earnings hit within the space of about 4–5 hours. Analysts have been firming up their earnings calls into the start of the Q2 season. Otherwise, the day's focus will include Canadian jobs, perpetual negotiations and tension in the Middle East, and other light developments.

Sovereign bonds are slightly richer across major markets with Norway's curve outperforming all others on a bull steepener move post-CPI that surprised lower (2.7% y/y, 3.1% prior and consensus) and turned pricing for the August decision by Norges into a coin flip. The dollar is little changed except for modest gains by the yen and NZ$ and a weaker NOK post CPI. Stocks are highly mixed around small gains and losses.

Canadian Jobs Will Segue to Next Week's BoC

The main macro focus of Canadian market participants will be the Labour Force Survey for June (8:30amET). My guesstimate is a repeat gain of 10k that was submitted before knowing consensus would land at the same median number.

The range of estimates runs from 0k to 35k with an average of 12k. There is no real clustering of estimates within the range.

The unemployment rate is widely expected to hold around 6.6%.

Historically when Canada posts a large gain as it did in May (88k), the next month tends to be higher (chart 1). One reason is the LFS methodology that uses a rotating panel sample in which the same survey dwellings remain in the sample for six consecutive months with the first month dropping out as a new month's sample is added. This can drive persistence in the readings because most of the same folks are being asked.

Other arguments behind the estimate were provided in last week's **weekly**.

Also watch hours worked that are tracking a mild Q2 gain in support of rebounding GDP. A challenge to the hours figure is tha the prior month's huge rise in full-time jobs (154k) and drop in part-time (-66k) may swap places this time in a manner that weighs on hours.

Wage growth may struggle to remain positive in m/m terms after the prior month's large gain.

And then there are the usual reminders. It's a wonky survey with sky-high statistical noise. The 95% confidence interval around estimated changes in employment is +/-57k. You could spin the CN Tower sideways and still fit it through such a range. Its noise factor is akin to the US household survey. Unfortunately, Canada's payrolls survey is no better as it a) lags, and b) unlike the LFS, it is revised each month and very often by tens of thousands of jobs every time, thereby destroying any notion that payroll data is higher quality in Canada. Onto the mopping up.

Fixed Income	Government Yield Curves (%):											
	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.	4.16	4.18	4.14	4.26	4.28	4.23	4.53	4.55	4.49	5.05	5.07	4.99
CANADA	2.81	2.86	2.76	3.13	3.18	3.06	3.52	3.57	3.44	3.94	3.95	3.85
GERMANY	2.64	2.65	2.54	2.75	2.77	2.65	3.06	3.08	2.94	3.61	3.63	3.51
JAPAN	1.43	1.44	1.39	1.95	2.00	1.94	2.74	2.88	2.79	3.90	4.02	4.05
U.K.	4.22	4.24	4.12	4.41	4.43	4.30	4.87	4.90	4.78	5.60	5.62	5.52
	Spreads vs. U.S. (bps):											
CANADA	-136	-132	-138	-114	-110	-117	-101	-99	-104	-111	-111	-113
GERMANY	-153	-153	-160	-151	-152	-158	-147	-147	-155	-144	-144	-148
JAPAN	-273	-274	-274	-231	-229	-230	-179	-168	-170	-115	-104	-93
U.K.	5	6	-2	14	14	7	34	34	30	55	56	53

Equities	Level		% change:			
	Last	Change	1 Day	1-wk	1-mo	1-yr
S&P/TSX	35200	264.6	0.8	0.7	3.1	30.0
Dow 30	52487	139.0	0.3	0.3	5.1	17.6
S&P 500	7544	60.9	0.8	0.8	3.8	20.1
Nasdaq	26207	336.2	1.3	0.6	4.1	27.0
DAX	25121	2.7	0.0	-2.6	3.8	2.7
FTSE	10482	9.4	0.1	-1.8	2.2	16.8
Nikkei	68558	813.9	1.2	-1.7	6.8	72.9
Hang Seng	24175	144.9	0.6	3.5	-1.0	0.6
CAC	8333	6.3	0.1	-2.1	2.1	5.4
Commodities	**Level**		**% change:**			
WTI Crude	71.96	-0.12	-0.2	4.8	-20.1	8.1
Natural Gas	2.99	-0.03	-0.9	-6.6	-6.3	-10.5
Gold	4108.34	-15.30	-0.4	-1.6	0.9	23.6
Silver	59.68	-0.28	-0.5	-4.4	-5.8	61.3
CRB Index	368.51	1.50	0.4	4.1	-1.3	22.7
Currencies	**Level**		**% change:**			
USDCAD	1.4164	-0.0004	-0.0	-0.3	1.6	3.7
EURUSD	1.1431	0.0001	0.0	-0.1	-0.9	-2.3
USDJPY	161.73	-0.6500	-0.4	0.2	0.7	10.6
AUDUSD	0.6951	0.0010	0.1	0.2	-0.7	5.5
GBPUSD	1.3419	0.0011	0.1	0.5	0.4	-1.2
USDCHF	0.8065	-0.0005	-0.1	0.4	0.8	1.2

Central Banks	
Current Rate	
Canada - BoC	2.25
US - Fed	3.75
England - BoE	3.75
Euro zone - ECB	2.40
Japan - BoJ	1.00
Mexico - Banxico	6.50
Australia - RBA	4.35
New Zealand - RBNZ	2.50
Next Meeting Date	
Canada - BoC	Jul 15, 2026
US - Fed	Jul 29, 2026
England - BoE	Jul 30, 2026
Euro zone - ECB	Jul 23, 2026
Japan - BoJ	Jul 31, 2026
Mexico - Banxico	Aug 06, 2026
Australia - RBA	Aug 11, 2026
New Zealand - RBNZ	Sep 01, 2026

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