

DAILY POINTS

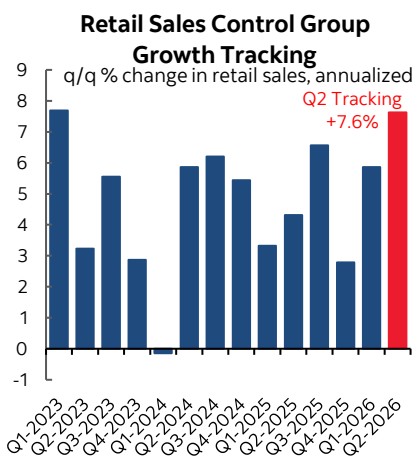
July 16, 2026 @ 7:10 EST

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Chart 1



On Deck for Thursday, July 16th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	07-16	08:15	Housing Starts (000s a.r.)	Jun	250	255.0	261.4
US	07-16	08:30	Initial Jobless Claims (000s)	Jul 11	215	217.0	215.0
US	07-16	08:30	Continuing Claims (000s)	Jul 04	1815	1820.0	1814.0
US	07-16	08:30	Philadelphia Fed Index	Jul	--	13.0	10.3
US	07-16	08:30	Retail Sales (m/m)	Jun	0.0	0.2	0.9
US	07-16	08:30	Retail Sales ex. Autos (m/m)	Jun	-0.2	-0.1	0.8
US	07-16	10:00	Business Inventories (m/m)	May	--	0.3	0.5
US	07-16	10:00	NAHB Housing Market Index	Jul	--	35.0	35.0
US	07-16	10:00	Pending Home Sales (m/m)	Jun	--	-0.5	3.8
US	07-16	12:30	Fed's Logan Speaks on the Economy and Monetary Policy				
US	07-16	13:25	Fed's Schmid Speaks at Kansas City Fed Economic Forum				
US	07-16	19:00	Fed's Jefferson Speaks on Economy and Monetary Policy				

KEY POINTS:

- **Stocks and bonds cheapen and this time it's not because of oil and Iran**
- **BoK hikes with hawkish bias**
- **Mixed UK growth signals, dovish BoE talk drive sterling weaker**
- **US retail sales to inform Q2 consumer tracking**
- **US pending home sales, claims, Canadian housing starts due**
- **More Fed-speak: Logan, Schmid, Jefferson**

Bonds and stocks are starting the day in the red with minor losses and this time it's not oil that's the culprit as WTI and Brent are flat. Tech is leading some of the decline, but there is significant sector breadth to the equity softness. Sovereign bond yields are up by 1–2bps across US Ts, gilts, EGBs and JGBs. Stocks are off by up to ¾% across European cash markets and N.A. futures with indices across the Europe leading decliners. Currencies are little changed on balance with minor exceptions including a strong post-hike gain by the won to the dollar and a modest depreciation of pound sterling that probably had more to do with dovish BoE talk than data.

BoK Hikes with Hawkish Bias

Another central bank hiked its policy rate overnight. This time it was the Bank of Korea and it had an airtight case for raising its repo rate by 25bps to 2.75% in a unanimous vote. The bias was hawkish but noncommittal on timing a future hike as Governor Shin said “The next several policy meetings are all live. We'll keep all options open and base our decisions on the incoming data.”

US Retail Sales to Inform Q2 Consumer Tracking

US retail sales during June will be refreshed at 8:30amET along with any revisions. The large prior gain in value terms of +0.9% m/m SA— of which half was in higher volumes— poses a sustainability challenge as does a dip in gasoline prices with somewhat of an offset from a mild gain in vehicle sales. Key will be the retail sales control group that excludes autos, gas, food and building materials and which speaks to core discretionary spending at retailers. The outcome will be used to inform how total consumer spending performed in Q2 with present tracking just under 2% q/q SAAR in volume terms. Retail sales in dollar terms are tracking about a 10% q/q SAAR gain in Q2 with the control group tracking a 7% gain (chart 1), but the volume of sales is tracking a 3% rise as higher prices dominate spending growth and probably at the expense of services spending.

More Post-Data Fed-Speak!

We'll get more Fed-speak this morning from the likes of Dallas Fed President Logan (12:30pmET, voting, hawk), KC President Schmid (1:25pmET, nonvoting until 2028, hawk)

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and Governor Jefferson (7pmET, permanent voter). Yesterday's remarks traded off what I interpreted to be patient remarks by NY Fed President Williams (permanent voter) against hawkish talk from Governor Cook who sounds ready to hike as soon as September in terms of her vote.

UK Economy, Dovish BoE-Speak Weigh on Sterling

The UK economy eked out modest growth in May that was led by services. GDP was up 0.1% m/m SA for a tick above consensus expectations. Services expanded by 0.3% m/m (0.1% consensus) with a mild upward revision. Construction output fell 0.8% m/m, industrial output fell 0.5% m/m, but manufacturing output stayed positive at 0.1% m/m. Trade was a winner, however, as exports grew by 2.8% m/m and were led by goods (7% m/m) but imports tumbled by 4.3% m/m entirely due to lower goods imports.

Bank of England Deputy Governor Breeden shared remarks this morning that have her sounding off against a hike in Bank Rate. She downplayed second-round effects of oil on inflation by flagging a soft economy and labour market slack: "Those two things mean that that shock is less likely to become embedded and lead to inflationary dynamics that we might need to lean against."

Other minor stuff on tap includes Canadian housing starts in June (8:15amET), US weekly jobless claims (8:30amET) and US pending home sales during June (10amET).

Fixed Income	Government Yield Curves (%):												Central Banks		
U.S. CANADA GERMANY JAPAN U.K. 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			
	4.15	4.14	4.18	4.28	4.26	4.28	4.57	4.55	4.55	5.11	5.08	5.07	Canada - BoC	2.25	
	2.83	2.82	2.81	3.16	3.14	3.12	3.55	3.53	3.52	3.96	3.94	3.94	US - Fed	3.75	
	2.76	2.75	2.65	2.85	2.83	2.77	3.14	3.12	3.08	3.66	3.64	3.63			
	1.44	1.44	1.44	1.97	1.94	2.00	2.72	2.70	2.88	3.84	3.78	4.02	England - BoE	3.75	
	4.33	4.32	4.24	4.51	4.50	4.43	4.96	4.94	4.90	5.66	5.64	5.62			
	Spreads vs. U.S. (bps):														
	-132	-132	-137	-112	-113	-116	-102	-102	-103	-114	-114	-113	Euro zone - ECB	2.40	
	-139	-139	-153	-143	-143	-152	-143	-143	-147	-145	-144	-144	Japan - BoJ	1.00	
-271	-270	-274	-231	-232	-229	-185	-185	-168	-126	-130	-104				
17	18	6	23	23	14	39	39	34	56	56	56	Mexico - Banxico	6.50		
Equities	Level					% change:									
	Last	Change			1 Day	1-wk	1-mo	1-yr							
S&P/TSX	35416	95.7			0.3	1.4	0.1	30.4						Australia - RBA	4.35
Dow 30	52659	150.4			0.3	0.6	1.3	19.0							
S&P 500	7572	28.8			0.4	1.2	0.8	20.9						New Zealand - RBNZ	2.50
Nasdaq	26269	162.2			0.6	1.5	-0.4	26.7							
DAX	24839	-160.6			-0.6	-1.1	-0.3	3.5							
FTSE	10485	-30.6			-0.3	0.1	-0.1	17.5							
Nikkei	66836	-1916.0			-2.8	-1.3	-3.7	68.5						Canada - BoC	Sep 02, 2026
Hang Seng	25009	327.5			1.3	4.1	2.1	2.0						US - Fed	Jul 29, 2026
CAC	8327	-55.8			-0.7	0.0	-1.4	7.8							
Commodities	Level					% change:									
WTI Crude	79.65	0.05			0.1	10.5	4.7	20.0						England - BoE	Jul 30, 2026
Natural Gas	2.92	-0.01			-0.2	-3.2	-9.9	-17.9							
Gold	4028.95	-31.60			-0.8	-2.3	-7.0	20.4						Euro zone - ECB	Jul 23, 2026
Silver	56.51	-1.29			-2.2	-5.8	-19.3	49.0							
CRB Index	379.33	1.87			0.5	3.4	4.6	25.1						Japan - BoJ	Jul 31, 2026
Currencies	Level					% change:									
USDCAD	1.4034	-0.0008			-0.1	-0.9	0.3	2.6						Mexico - Banxico	Aug 06, 2026
EURUSD	1.1461	-0.0002			-0.0	0.3	-1.3	-1.5							
USDJPY	162.13	-0.0600			-0.0	-0.2	1.1	9.6						Australia - RBA	Aug 11, 2026
AUDUSD	0.7004	0.0000			0.0	0.9	-0.9	7.3							
GBPUSD	1.3501	-0.0039			-0.3	0.7	0.6	0.6						New Zealand - RBNZ	Sep 01, 2026
USDCHE	0.8071	0.0018			0.2	0.0	1.8	0.8							

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