Scotiabank

GLOBAL ECONOMICS

DAILY POINTS

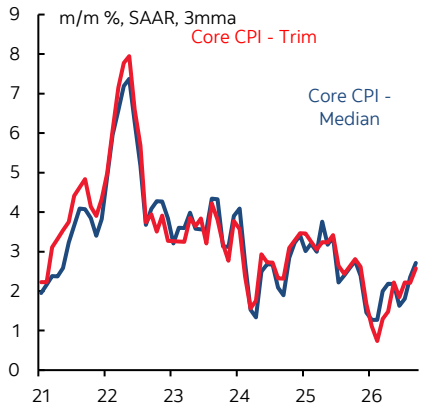
November 16, 2026 @ 6:50 *EST*

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Chart 1

Central Tendency Core Measures



Sources: Scotiabank Economics, Statistics Canada.

On Deck for Monday, November 16th

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
CA	11-16	08:30	Core CPI - Median (y/y)	Oct	--	2.0	1.9
CA	11-16	08:30	Core CPI - Trim (y/y)	Oct	--	1.9	1.8
CA	11-16	08:30	CPI, All items (m/m)	Oct	0.4	0.3	0.1
CA	11-16	08:30	CPI, All items (y/y)	Oct	3.3	3.2	3.1
CA	11-16	08:30	CPI, All items (index)	Oct	--	170.5	170.0
US	11-16	08:30	Empire State Manufacturing Index	Nov	--	17.9	25.5
CA	11-16	08:30	Core CPI - Common (y/y)	Oct	--	--	2.4
CA	11-16	08:30	CPI SA, All items (m/m)	Oct	--	--	0.4
US	11-16	09:05	Fed's Williams Gives Opening Remarks				
US	11-16	12:00	Fed's Warsh Gives Opening Remarks				
US	11-16	14:15	Fed's Hammack on Bloomberg TV				

KEY POINTS:

- **Mild risk-off sentiment driven by tech, airlines, faltering Asian economies**
- **Canadian CPI may not impact the BoC's concerns about forward inflation-risk**
- **Japan's Q3 GDP misses due to upward revisions**
- **China's economy softened in October**
- **Warsh to kick off the Fed's first task force communications today…**
- **…with low expectations for a significant leap forward**
- **Thai GDP misses expectations**
- **Global Week Ahead—The Four Ps of the AI Economy (here)**

Mild risk-off sentiment is kicking off a week full of impactful developments. Tech stocks are on the run with Nvidia continuing to slip. So are US airlines after a massive nationwide grounding highlights the growing flight risks in the US over recent years that may merit weakened confidence in flying and reconsideration of nonessential flights. US equity futures are down by as much as about 1% (Nasdaq). TSX futures are a touch lower with European cash markets mixed between small gains and small losses. The dollar is gaining against most of the majors. Sovereign bond yields have a mild cheapening bias across major benchmarks. Oil is down a few dimes and gold's lost allure continues as it's now down by over $1500/oz from the peak earlier this year.

Some of the market concerns to start the week also stems from evidence of a weakening Chinese and Japanese economies. If uncertainty surrounding the Fed's task force conference today is playing a role in diminished risk appetite, then perhaps it shouldn't; more Qs than As are expected today and there are low odds on any impactful guidance from Chair Warsh's brief remarks.

CANADIAN INFLATION—BACKWARD DATA, FORWARD RISKS

Canada updates CPI for the month of October this morning (8:30amET). My estimate of 0.4% m/m NSA became the mode, and the median call is 0.3% m/m. My estimate would raise the year-over-year rate to 3.3% from 3.1%.

Core measures will be key, but they're unlikely to alter much thinking at the BoC because the BoC is principally forward-looking with concern about inflation risk and because one print is unlikely to meaningfully alter the trend and drivers. Chart 1 shows the smoothed upward trend in the core measures on a higher frequency basis. See my weekly for more.

THE FED'S PRODUCTIVITY AND JOBS TASK FORCE CONFERENCE

Chair Warsh will deliver opening remarks at the start of the Productivity and Jobs Task Force Conference that are to last 15 minutes and then it's onto panels with the agenda available (**here**). The event is to be live streamed from the same link if you've got 3–4 hours to spare. See my weekly for an in-depth look at the issues.

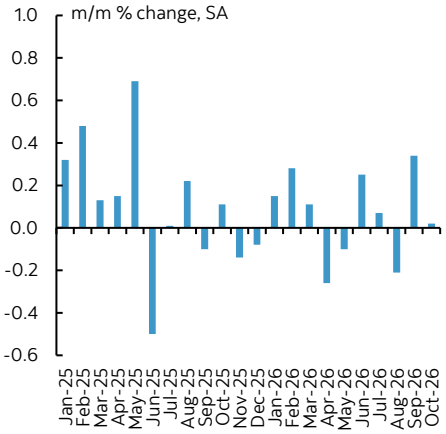
GLOBAL MACRO READINGS—ASIAN ECONOMIES DISAPPOINT

Japan's economy unexpectedly shrank in Q3. The overnight reading for GDP slipped by -0.1% q/q SAAR (+0.2% consensus) but the miss was likely because of an upward revision to Q2 (now +1.7% q/q SAAR from 1.4%). Consumer spending shrank -0.3%, net exports dragged -0.6% off GDP growth and inventories were a flat contribute. Business spending was up by 1.6% alongside an upward revision.

China's economy somewhat underperformed expectations in October (charts 2–4). Retail sales grew by 0.4% y/y (0.8% consensus) and were flat in seasonally adjusted m/m terms. Industrial output grew by 4.8% y/y (5.3% consensus) and about 0.2% m/m SA. House prices continue to fall with another -0.2% m/m SA drop in October, extending the string of declines in new home prices to 41 months and for resale home prices to 42 straight months. The jobless rate fell a tick to 5.1%. Investment continues to fall with property investment leading the way with a 22% ytd y/y drop.

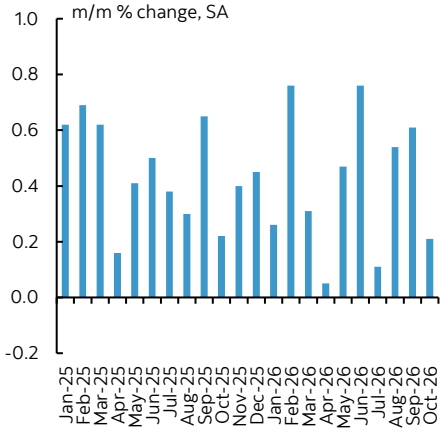
Thai GDP missed expectations with Q3 growing 0.3% q/q (0.8% consensus) and only partly due to an upward revision (0% in Q2 instead of -0.2%).

Chart 2



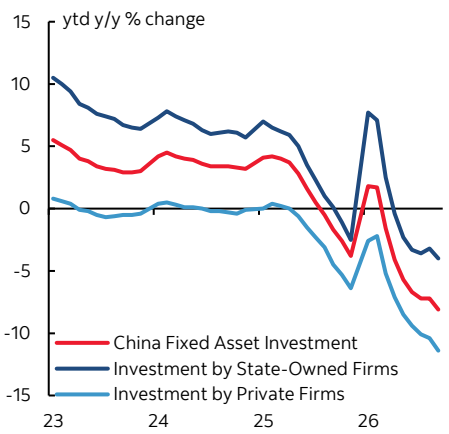
Sources: Scotiabank Economics, National Bureau of Statistics of China.

Chart 3



Sources: Scotiabank Economics, National Bureau of Statistics of China.

Chart 4



Sources: Scotiabank Economics, National Bureau of Statistics of China.

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.	4.85	4.84	4.56	4.96	4.96	4.68	5.13	5.14	4.88	5.46	5.47	5.28
CANADA	3.36	3.35	3.14	3.59	3.55	3.37	3.85	3.81	3.66	4.16	4.11	4.00
GERMANY	3.16	3.13	3.01	3.23	3.20	3.08	3.39	3.38	3.26	3.74	3.74	3.64
JAPAN	1.88	1.88	1.77	2.27	2.25	2.09	2.89	2.87	2.67	4.05	4.01	3.85
U.K.	5.00	4.97	4.75	5.03	5.00	4.78	5.35	5.34	5.13	5.79	5.78	5.59
	Spreads vs. U.S. (bps):											
CANADA	-149	-150	-143	-137	-141	-131	-128	-133	-123	-130	-136	-128
GERMANY	-168	-172	-155	-173	-176	-160	-175	-176	-162	-172	-173	-164
JAPAN	-297	-296	-279	-269	-271	-259	-224	-227	-222	-142	-146	-143
U.K.	15	13	18	7	4	11	22	20	25	33	31	31

Equities	Level		% change:			
	Last	Change	1 Day	1-wk	1-mo	1-yr
S&P/TSX	36106	-31.3	-0.1	0.9	-0.2	19.1
Dow 30	52348	50.5	0.1	2.1	0.7	11.0
S&P 500	7562	-30.7	-0.4	2.5	-1.3	12.3
Nasdaq	25136	-229.8	-0.9	2.3	-3.8	9.8
DAX	26714	-36.0	-0.1	1.7	4.3	11.9
FTSE	10932	29.6	0.3	1.4	0.5	12.7
Nikkei	59662	-1480.3	-2.4	1.5	-8.7	18.4
Hang Seng	23754	116.2	0.5	-2.8	-1.8	-10.6
CAC	8379	10.4	0.1	1.8	5.3	2.6
Commodities	Level		% change:			
WTI Crude	88.10	-0.46	-0.5	1.4	-13.1	46.6
Natural Gas	3.15	-0.08	-2.4	-2.0	1.2	-30.9
Gold	3874.59	-9.90	-0.3	-6.4	-7.0	-4.2
Silver	47.76	-0.98	-2.0	-10.6	-16.2	-4.9
CRB Index	386.51	-1.76	-0.5	-1.0	-7.9	27.8
Currencies	Level		% change:			
USDCAD	1.4286	0.0016	0.1	1.2	1.0	1.6
EURUSD	1.1007	-0.0016	-0.1	-1.9	-2.1	-5.0
USDJPY	159.61	-0.1000	-0.1	1.1	1.0	2.8
AUDUSD	0.6755	-0.0017	-0.3	-2.5	-2.7	4.0
GBPUSD	1.3188	-0.0026	-0.2	-1.9	-1.0	0.2
USDCHF	0.8404	0.0016	0.2	2.6	2.0	5.6

Central Banks	
Current Rate	
Canada - BoC	2.50
US - Fed	4.00
England - BoE	4.00
Euro zone - ECB	2.65
Japan - BoJ	1.25
Mexico - Banxico	6.25
Australia - RBA	4.85
New Zealand - RBNZ	2.75
Next Meeting Date	
Canada - BoC	Dec 09, 2026
US - Fed	Dec 09, 2026
England - BoE	Dec 17, 2026
Euro zone - ECB	Dec 17, 2026
Japan - BoJ	Dec 18, 2026
Mexico - Banxico	Dec 17, 2026
Australia - RBA	Dec 07, 2026
New Zealand - RBNZ	Dec 08, 2026

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