

### DAILY POINTS

November 14, 2024 @ 7:30 EST

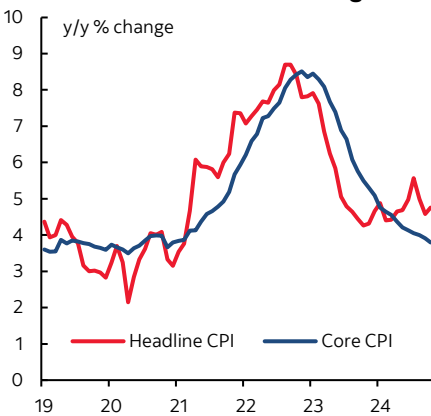
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Chart 1

#### Mexico Inflation Slowing Towards The Inflation Target



Sources: Scotiabank Economics, INEGI.

### On Deck for Thursday, November 14

Country	Date	Time	Indicator	Period	BNS	Consensus	Latest
US	11/14	07:00	Fed's Kugler Speaks				
US	11/14	08:30	Initial Jobless Claims (000s)	Nov 09	225	220	221
US	11/14	08:30	Continuing Claims (000s)	Nov 02	1870	1873	1892
US	11/14	08:30	PPI (m/m)	Oct	0.2	0.2	0.0
US	11/14	08:30	PPI ex. Food & Energy (m/m)	Oct	0.3	0.2	0.2
US	11/14	09:00	Fed's Barkin Speaks				
US	11/14	15:00	Powell Speaks at Event in Dallas				
US	11/14	16:45	Fed's Williams Speaks at NYFed Event				

#### KEY POINTS:

- **USD keeps strengthening ahead of Powell, data**
- **Banxico expected to cut**
- **Powell to speak on the outlook**
- **US core producer prices, claims on tap**
- **Australia keeps adding jobs**

Light overnight developments coincided with further dollar strengthening, very slightly richer US Ts as gilts and EGBs outperform a touch partly on soft industrial output data, widespread declines across Asian equities led by China, a more positive tone out of European equities and little change thus far across N.A. equity futures.

#### Australia Continues to Add Jobs

Australia's job market continued to chug along but to little effect on markets. Another 16k jobs were added in October (consensus 25k) and the prior month was slightly revised to 61k from 64k. The gain was split between full-time and part-time spots. The unemployment rate held at 4.1%.

They've had a ridiculously strong job market for a long time now. Employment is up by about 1.6 million since just before the pandemic, is 2.5 million higher than at the pandemic low, and 389k higher on a year-to-date basis. The UR, however, has risen from a low of 3.5% in late-2022 to 4.1% now which is still low, but driven by the move toward an all-time high labour force participation rate. The strength of the labour market including wages are part of the reason why the RBA keeps pushing back against nearer-term cuts.

#### Powell to Speak

Federal Reserve Chair Powell will speak on the economic outlook this afternoon (3pmET). There will be text plus moderated Q&A. Watch it on Bloomberg at Live <go> or register [here](#). He speaks in the wake of yesterday's core CPI print that continued to accelerate out of a temporary summertime soft patch (recap [here](#)).

#### Banxico Expected to Cut

The lone central bank to weigh in this week is expected to cut by 25bps this afternoon (2pmET). Consensus is almost unanimous with just two out of 27 expecting a surprise hold. Inflation has been falling toward the 2–4% target range (chart 1). The peso has depreciated by about 2½% to the dollar, about 1% versus CAD, only slightly to the CNH/ CNY since just before the US election results became clear but has appreciated to the euro, yen and sterling. How they balance currency and trade policy risks will be key.

#### More US Inflation Data

US data will include claims and producer prices as follow up to yesterday's CPI (8:30amET). The median estimate is for another subdued core PPI print of about 0.2% m/m SA but the mode is 0.3%. Jobless claims are expected to continue to be well behaved.

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.	4.28	4.29	4.20	4.30	4.31	4.17	4.44	4.45	4.33	4.62	4.64	4.53	Canada - BoC	3.75
CANADA	3.18	3.17	3.07	3.14	3.14	3.03	3.31	3.31	3.22	3.30	3.32	3.23	US - Fed	4.75
GERMANY	2.13	2.17	2.21	2.19	2.22	2.26	2.37	2.39	2.45	2.57	2.57	2.70	England - BoE	4.75
JAPAN	0.54	0.53	0.51	0.70	0.69	0.64	1.06	1.05	1.01	2.30	2.29	2.26		
U.K.	4.47	4.49	4.45	4.40	4.41	4.37	4.52	4.52	4.50	4.94	4.91	4.96		
	Spreads vs. U.S. (bps):													
CANADA	-110	-111	-113	-116	-116	-114	-113	-114	-111	-131	-132	-130	Euro zone - ECB	3.40
GERMANY	-215	-212	-199	-211	-209	-191	-207	-206	-188	-205	-206	-183	Japan - BoJ	-0.10
JAPAN	-374	-376	-370	-361	-362	-353	-338	-340	-332	-231	-235	-227	Mexico - Banxico	10.50
U.K.	19	20	25	9	10	19	8	7	17	32	27	43	Australia - RBA	4.35
Equities	Level						% change:						Next Meeting Date	
	Last		Change		1 Day		1-wk		1-mo		1-yr			
S&P/TSX	24989		66.0		0.3		1.4		2.1		24.8		Canada - BoC	Dec 11, 2024
Dow 30	43958		47.2		0.1		0.5		2.1		26.2		US - Fed	Dec 18, 2024
S&P 500	5985		1.4		0.0		1.0		2.1		33.1		England - BoE	Dec 19, 2024
Nasdaq	19231		-50.7		-0.3		1.3		3.9		36.4		Euro zone - ECB	Dec 12, 2024
DAX	19244		241.3		1.3		-0.6		-1.4		23.2		Japan - BoJ	Dec 19, 2024
FTSE	8069		38.7		0.5		-0.9		-2.7		8.4		Mexico - Banxico	Nov 14, 2024
Nikkei	38536		-186.0		-0.5		-2.1		-3.4		15.0		Australia - RBA	Dec 09, 2024
Hang Seng	19436		-387.6		-2.0		-7.2		-4.3		7.5		New Zealand - RBNZ	Nov 26, 2024
CAC	7294		77.2		1.1		-1.8		-4.1		1.5			
Commodities	Level						% change:							
WTI Crude	68.75		0.32		0.5		-5.0		-6.9		-12.2			
Natural Gas	2.95		-0.04		-1.2		9.4		18.1		-5.2			
Gold	2554.93		-18.05		-0.7		-5.6		14.6		30.1			
Silver	30.91		0.51		1.7		-2.8		-0.9		40.0			
CRB Index	280.28		0.89		0.3		-1.2		-3.7		1.0			
Currencies	Level						% change:							
USDCAD	1.4011		0.0014		0.1		1.1		1.6		2.3			
EURUSD	1.0531		-0.0033		-0.3		-2.5		-3.5		-3.2			
USDJPY	156.01		0.5500		0.4		2.0		4.2		3.8			
AUDUSD	0.6466		-0.0019		-0.3		-3.2		-3.9		-0.6			
GBPUSD	1.2658		-0.0050		-0.4		-2.5		-3.1		1.3			
USDCHF	0.8896		0.0039		0.4		2.0		3.1		0.1			

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