Global Daily Packet

TD Global Daily - North America Open

Global Rates, FX & Commodities Strategy
16 March 2026

UPCOMING

Webinar: What To Expect When The FOMC Meets	Monday, 16 March 2026 10:00 A.M. EST

New Trades

Position	Entry Level	Target Level	Stop-Loss
2s10s Gilt Steepeners	67bp	87bp	56bp

Closed Trades

Position	Exit Level	PnL
3s10s ACGB Flatttener	40.75bps	A$201k

G10 Data and Events

ET	UKT		Event	Market	TD	Comment
08:15	12:15		CAD Housing Starts (Feb)	255k		
08:30	12:30		USD Empire Manufacturing (Mar)	3.9		
08:30	12:30		CAD CPI NSA mom (Feb)	0.70%	0.70%	Tailwind from higher fuel prices
08:30	12:30		CAD CPI yoy (Feb)	1.90%	1.90%	Large deceleration in food
08:30	12:30		CAD CPI Core- Median yoy (Feb)	2.40%	2.40%	
08:30	12:30		CAD CPI Core- Trim yoy (Feb)	2.30%	2.30%	
09:15	13:15	▲	USD Industrial Production mom (Feb)	0.10%	0.20%	Jump in utilities to support headline as mfg cools
10:00	14:00		USD NAHB Housing Market Index (Mar)	37	37	
23:30	03:30		AUD RBA Cash Rate Target (Mar)	4.10%	4.10%	Growth running above potential
05:00	09:00		CAD Existing Home Sales mom (Feb)			
06:00	10:00	▲	GER ZEW Survey Expectations (Mar)	39.4	42	
06:00	10:00	▼	GER ZEW Survey Current Situation (Mar)	-67.9	-69	

Source: TD Securities, Bloomberg. Calendar last updated on 16 March 2026

Key: ▲ Upside Risk ▼ Downside Risk

EM Data and Events

ET	UKT	Event	Market	TD	Comment

Source: TD Securities, Bloomberg. Calendar last updated on 16 March 2026

Key: ▲ Upside Risk ▼ Downside Risk

TD Strategy Change of View

US **March FOMC: Oil Shock and Pause**

We are revising our Fed call and do not expect another rate cut until September as the Fed assesses the recent developments in Iran and waits for further inflation normalization. The policy rate will remain at 3.50-3.75% at the March meeting. The labor market remains in an on-net solid place while inflation progress has stalled. We expect the SEP to see upgrades to the near-term inflation outlook with no changes to the dot plot medians. Chair Powell is likely to maintain optionality with regard to the recent geopolitical developments, noting that policy is well-positioned to respond to dual-sided risks.

Watch and Listen

Replay | Webinar: Macro, Rates and the Age of AI

Replay | Webinar: Iran Shockwave – Feedback & Outlook on Energy Commodities & Equities

Market Signals

US

US Market Update

The curve steepened on Friday, reversing some of the cheapening in the front-end as it has found some footing during the sharp sell off over the past weeks. Core PCE rose at 0.363% m/m with a weaker headline of 0.28% m/m, while personal consumption continued at a solid pace of 0.4% m/m. UMich sentiment did not decline as much as expected, to 55.5. A Federal judge quashed the subpoenas sent to Powell, which brought back the argument of Fed independence, though markets did not move much on it as they remained squarely focused on oil.

Next week, focus will be on the Fed on Wednesday, where we expect them to remain on hold. PPI for February will also be in the morning before the meeting, so the committee's expectation for PCE should have the most up to date data. Markets will likely take a lack of response to the impact of higher oil on their outlook as hawkish. Still, any updates coming out of the Middle East will likely trump any data or Fed news.

G10 Data and Events

Previews for the Day Ahead

Canada
Inflation (Feb)

We look for headline CPI to slow by 0.4pp to 1.9% y/y in February (mkt: 1.9%) as prices rise by 0.7% m/m, underpinned by higher fuel prices and seasonal tailwinds. Softer food inflation will provide the key driver on a year-ago basis with a large base-effect from the unwind of last year's HST pause. Softer core inflation measures should add to the dovish tone, with CPI-trim/median forecast to slow 0.1pp to 2.3%/2.4% (in line with the mkt), which if realized would leave both headline and core CPI tracking below Bank of Canada projections from the January MPR. However, that softer trajectory is less relevant for the near-term policy outlook with the ongoing Iranian conflict and the upside risks to inflation from higher crude oil prices.

Australia
RBA Cash Rate

We expect the RBA to deliver a 25bps hike as well as signal that a follow-up 25bps hike is likely at the next meeting in May. Growth is running above potential and little labor market slack points to upside inflation risks. For our full thoughts, please see here.

Overnight Commentary

US
PCE (Jan)

PCE prices for January come in line with consensus expectations. Core PCE rose 0.36% m/m (TD: 0.3%, cons: 0.4%) with headline weaker at 0.28% (TD: 0.2%, cons: 0.3%). January data has tended to be strong, but the details are not encouraging for FOMC members looking for early signs of inflation progress. Supercore PCE accelerated up to 0.43% m/m. This brings core PCE up to 3.1% y/y with headline at 2.8%. Regardless, this data (and February's) do not reflect the recent run-up in oil prices. We are expecting a slight moderation for Feb PCE to 0.31% m/m, but the Fed will likely stay on hold through September as they assess the impacts of the Iran conflict and wait for more progress on inflation.

Personal consumption growth continued at a solid pace of 0.4% m/m in January (TD: 0.1%, cons: 0.3%). However, in real terms, spending was a modest 0.1% m/m. As was the case in December, real spending was entirely supported by services. Goods spending declined 0.4% m/m in real terms, dragged down by higher prices from tariffs. Services spending was a more robust 0.3% m/m in real terms. The outlook for spending in the near-term is murky. We expect that larger tax refunds can help support consumption in Q2, but higher gasoline prices could lead to a pullback in discretionary purchases.

Meanwhile, personal income picked up to 0.4% m/m in Jan (TD and cons: 0.5%) from 0.3%, supported by a pickup in compensation along with strong social security COLA adjustments

US
JOLTS (Jan)

Job openings surprised to the upside at the start of the year, posting an increase to 6,946k from 6,550k (TD: 6,800k, cons: 6,750k). This report also produced revisions to last year given the typical benchmarking process (similar to NFP). While the January data look better vs December, we now know that last year was even worse in terms of hiring with negative revisions for that measure. The message remains the same: low levels of hiring, layoffs under control. Governor Waller's threshold for too-low job openings was triggered earlier than we thought.

Canada
Jobs Report (Feb)

CAD employment surprised sharply to the downside with 84k jobs lost in February, building on the 25k decline last month as the unemployment rate rose by 0.2pp to 6.7%. Underlying details were even softer, with full-time employment down 108k, hours worked down 1.1%, and broad weakness across goods and services.

This report takes some shine off recent labour market strength and reinforces the softer domestic backdrop heading into the March Bank of Canada meeting, even if it won't have as much impact on the Bank's deliberations with the upside risks from higher oil prices.

Rates: The soft employment reversed the directionality we've had over the past couple weeks, as the resulting rally brought yields in the front-end down almost 10 bps and CAN-US 2s tighter by ~7 bps. However, with WTI crude still above $90, global moves should take the driver's seat again as the Iranian conflict continues. We continue to be biased selling Canada vs the US in 10s, and see the move as a good opportunity for entry.

EM Data and Events

Overnight Commentary

China
Activity Data (Jan-FEb)

China's Jan-Feb industrial production exceeded expectations at 6.3% y/y YTD (cons: 5.3%, TD: 6.5%). The upside surprise wasn't a shocker to us given how strong exports growth was last week at 21.8% y/y YTD. Retail growth also held firm at 2.8% (cons: 2.5%, TD: 3.2%) due to stimulus funds and early indication of higher Lunar New Year spending relative to 2025. The big surprise today was the sharp rebound in FAI growth to 1.8% y/y (cons: -5.1% y/y)- recall that FAI declined 3.8% over 2025. We believe the bounce was due to quasi-fiscal tools like policy banks borrowing which was disbursed in Q4'25. Looking ahead, China's economy started on a strong footing for 2026, but the economy faces headwinds if oil prices continue to climb due to the Middle East Conflict. We expect authorities to roll out policy support measures (e.g., tax cuts and subsidies) to support SMEs/manufacturers if oil prices stay around US$100/bbl for the next 3 months.

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