

WEEKLY ECONOMIC REVIEW JUNE 5, 2026

Recalibration in progress

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MACRO PLAYLIST

<https://mcmahon.ia.ca/en>

 @SebMcMahon_IA

 Sebastien Mc Mahon



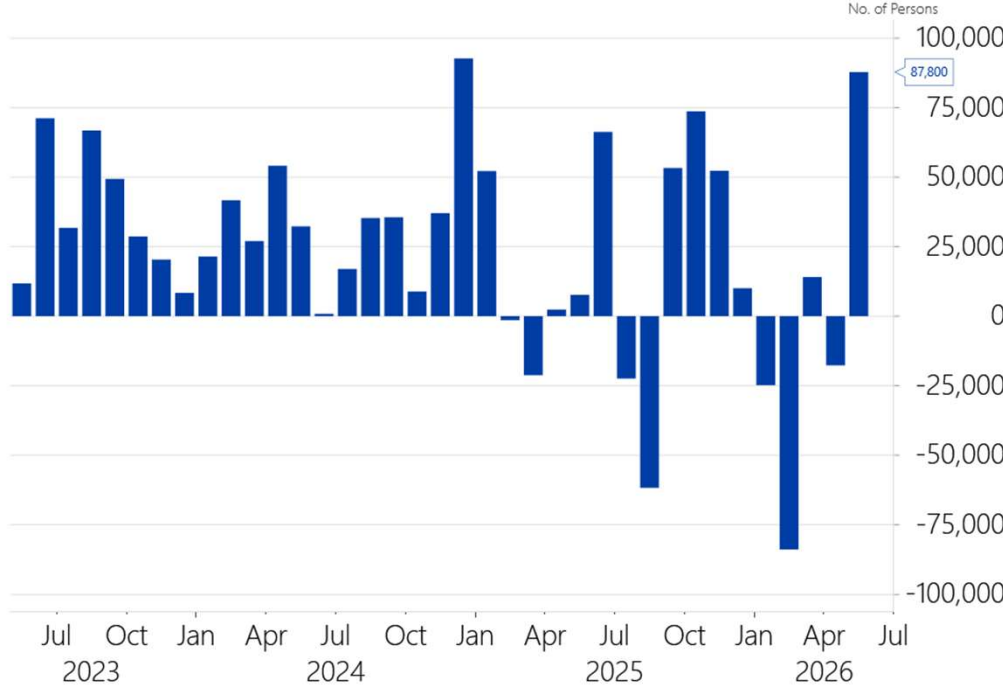
A look at markets this week

Total returns, at the close on Thursday

		WEEK TO DATE		YEAR TO DATE	
		Return in local currency	Return in CAD	Return in local currency	Return in CAD
Canadian bonds	FTSE TMX Universe	-0.04%		1.68%	
	FTSE TMX Long	-0.07%		2.84%	
	Corps	0.04%		1.86%	
Equities	S&P/TSX	1.32%		12.07%	
	S&P 500	0.09%	0.92%	11.36%	12.86%
	NASDAQ	-0.50%	0.33%	15.75%	17.30%
	MSCI EAFE	-0.03%	0.30%	9.09%	10.25%
	MSCI Emerging	1.05%	1.27%	28.18%	27.86%
		Current price	Return WTD	Return YTD	
Other	Oil (WTI)	93.04 \$	6.50%	62.03%	
	USD/CAD	0.7190 \$	-0.83%	-1.32%	
	EUR/USD	1.1611 \$	-0.41%	-1.15%	
	Gold	4 474.80 \$	-1.44%	3.60%	

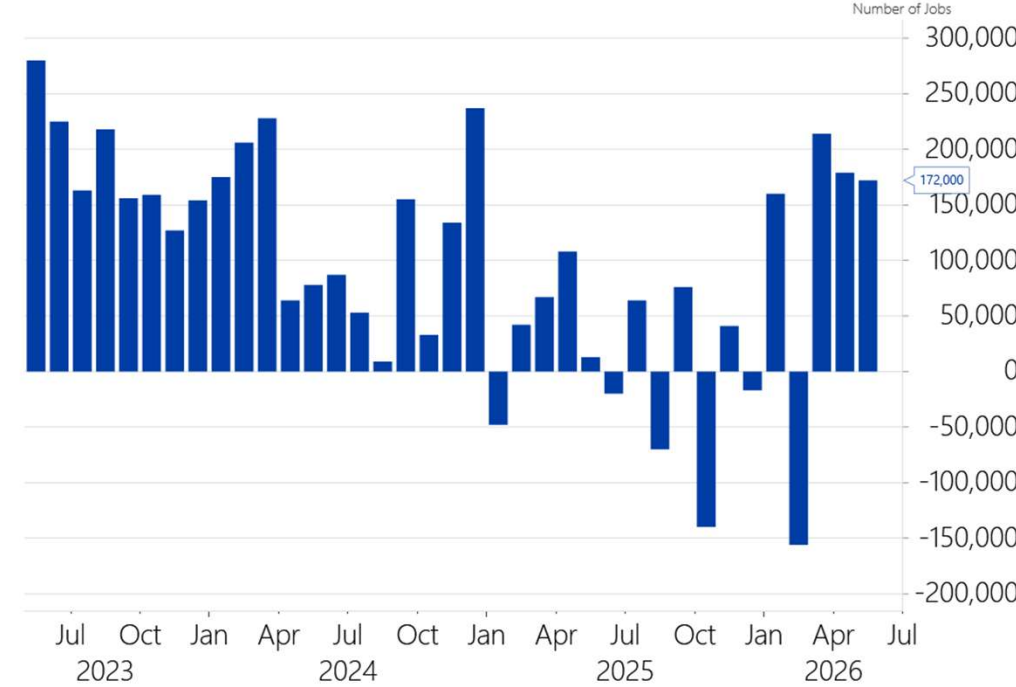
Jobs: Strong beats on both sides of the border

Canada: Net Change in Employment
Labour Force Survey, MoM, as at 5/2026



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U.S.: Net Change in Nonfarm Payrolls
U.S. Bureau of Labor Statistics (BLS), MoM, as at 5/2026



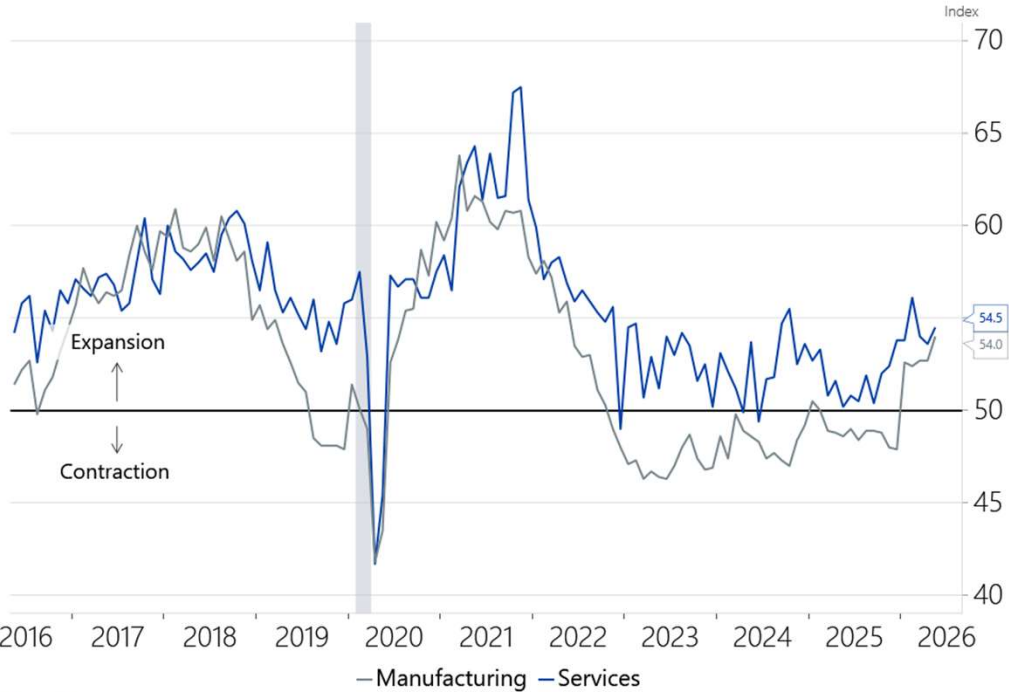
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A quick read of the recent manufacturing and services data

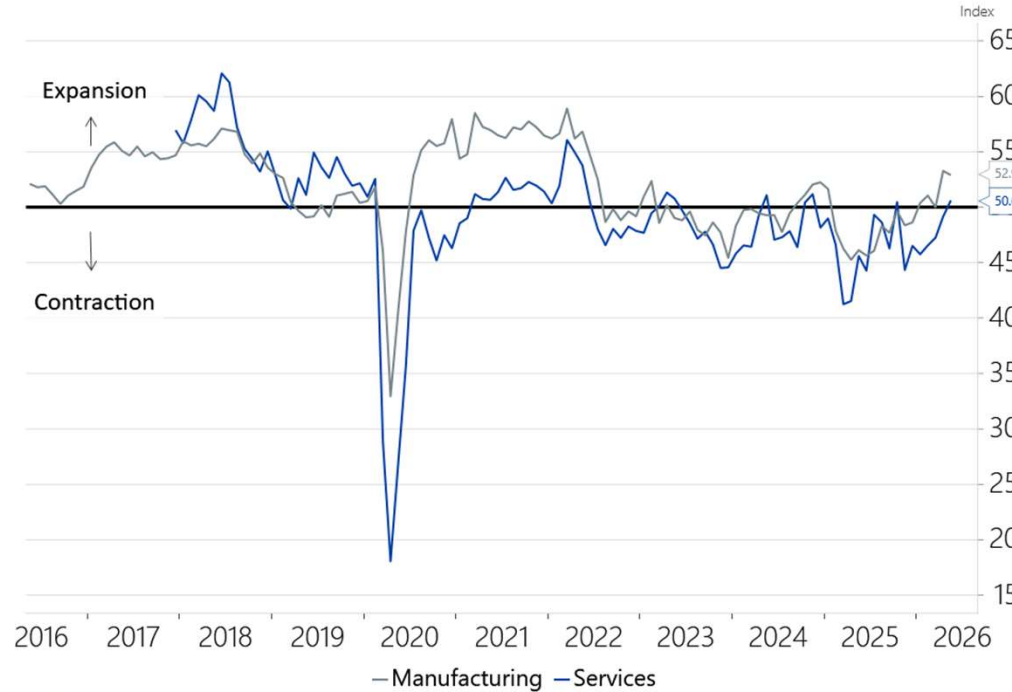
U.S.: ISM Indices

Institute for Supply Management (ISM), as at 5/2026



Canada: PMI Indices

S&P Global, as at 5/2026



Looking forward to next week's BoC decision

Canada's central bank may have kept its benchmark interest rates steady Wednesday amid global economic uncertainty, but Bank of Canada **Governor Tiff Macklem says they might consider "consecutive increases" if the price of oil keeps climbing.**

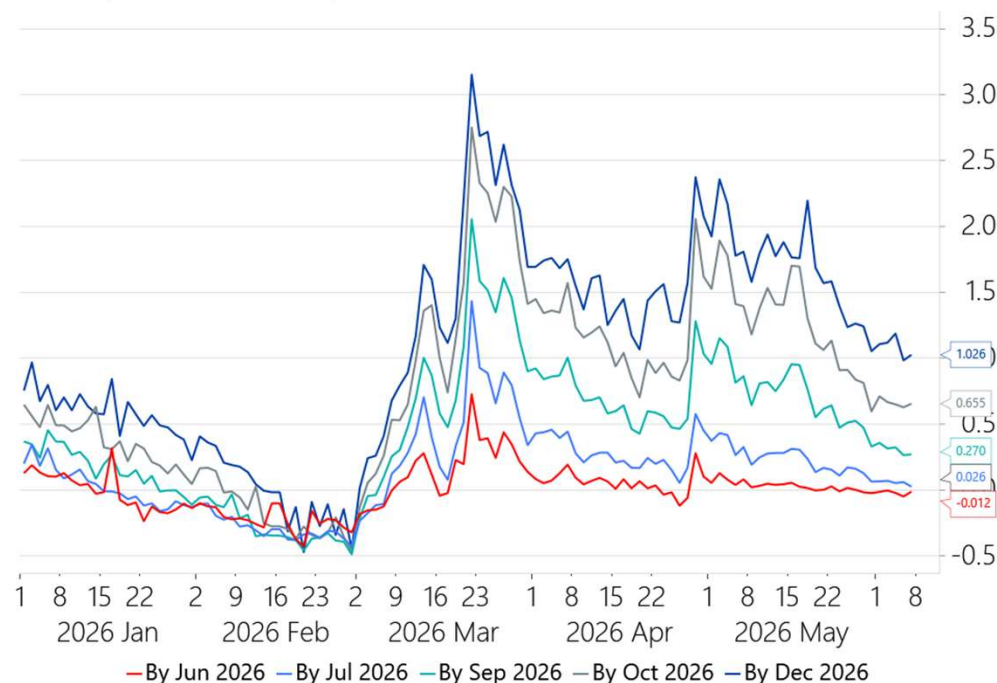
The Bank of Canada held its benchmark interest rate unchanged at 2.25 per cent as the Iran war entered its third month, leading to a continued fog of uncertainty over the global economy.

This marks the fourth straight rate hold for the central bank since it delivered a 0.25 per cent cut in October 2025.

-- Global News, April 29, 2026

Bank of Canada: Number of Hikes/Cuts Expected By Month

Market Implied, OIS Model as of 6/5/2026



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What we'll be watching next week

Canada

- Bank of Canada Rate Decision

United States

- CPI Inflation
- PPI Inflation
- U. of Michigan Survey

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