

# Market Review



INVESTING

December 4, 2018

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	25,027.07	-799.36	-3.10%	26951.81	23344.52	1.25%
S&P 500	2,700.22	-90.15	-3.23%	2940.91	2532.69	1.00%
NASDAQ COMPOSITE	7,158.43	-283.09	-3.80%	8133.30	6630.67	3.69%
S&P/TSX COMPOSITE	15,063.59	-211.39	-1.38%	16586.46	14639.70	-7.07%
STOXX EUROPE 50	2,944.32	-11.32	-0.38%	3283.23	2839.28	-7.35%
FTSE 100	7,022.76	-39.65	-0.56%	7903.50	6851.59	-8.65%
DAX PERFORMANCE-INDEX TR	11,335.32	-130.14	-1.14%	13596.89	11009.25	-12.25%
CAC40	5,012.66	-41.32	-0.82%	5657.44	4894.30	-5.65%
Nikkei 225 Index	22,036.05	0.00	0.00%	24448.07	20347.49	-3.20%
HANG SENG INDEX	27,260.44	78.40	0.29%	33484.08	24540.63	-8.89%
Shanghai SE Composite Index	2,665.96	11.16	0.42%	3587.03	2449.20	-19.39%

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### Stocks Weakened by Trade and Yield Concerns

U.S. stocks pulled back today on a litany of concerns wiped out the rally in risk assets. Trade-sensitive shares sank as angst mounted that the U.S. and China made no meaningful progress on the trade front this weekend. Financial shares got hammered as the yield curve continued to flatten, with the latest nudge from a hawkish comment by a Federal Reserve official. U.S. President Donald Trump on Tuesday held out the possibility of an extension of the 90-day trade truce with China but warned he would revert to tariffs if the two sides could not resolve their differences. Trump said his team of trade advisers led by China trade hawk U.S. Trade Representative Robert Lighthizer would determine whether a "REAL deal" with China was possible. "If it is, we will get it done," Trump said in a Twitter post. "But if not remember, I am a Tariff Man." The threat of an escalating trade war between the world's two largest economies has loomed large over financial markets and the global economy for much of the year and investors greeted the ceasefire agreed by Trump and Chinese President Xi Jinping over the weekend with relief. In the Treasury market, all eyes remain on the yield curve after three-year yields climbed above those of their five-year peers on Monday, potentially foreshadowing the end of the Federal Reserve's tightening campaign. The more closely watched part of the curve -- the gap between two-year and 10-year yields -- remains upwardly sloped. In economic news, Canadian labor productivity grew by 0.3 percent in the third quarter, reflecting a slowdown in business output from the previous quarter, while hours worked edged up, Statistics Canada said on Tuesday.

In corporate news, Bank of Montreal beat market forecasts on Tuesday with a 19 percent rise in fourth quarter earnings, helped by a strong performance at its retail and wealth management businesses, closing a mixed earnings season for Canada's biggest banks. Dollar General reported better-than-expected same-store sales in its third quarter, bolstered by strong sales of fast moving consumable goods as well as its seasonal and home offerings. Same-store sales at the retail chain rose 2.8 percent for the quarter ended Nov 2. Toll Brothers reported a fall in fourth-quarter orders, as demand was hurt by rising interest rates and higher home prices. Exxon Mobil Corp is seeking to sell its stake in Azerbaijan's largest oil field, once dubbed the "contract of the century", as the U.S. oil and gas giant re-focuses its global operations, industry and banking sources said. Teck Resources said it has agreed to sell a 30 percent stake in its Quebrada Blanca copper mine expansion in northern Chile to Japan's Sumitomo for \$1.2 billion.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Dollarama Inc	\$36.67	\$1.43	4.06%
Dorel Industries Inc	\$18.70	\$0.54	2.97%
Agnico Eagle Mines Ltd	\$48.69	\$1.34	2.83%
Gibson Energy Inc	\$20.28	\$0.54	2.74%
Torex Gold Resources Inc	\$11.07	\$0.29	2.69%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Aphria Inc	\$5.99	-\$1.61	-21.18%
Paramount Resources Ltd	\$7.06	-\$0.79	-10.06%
Nuvista Energy Ltd	\$3.61	-\$0.39	-9.75%
Maxar Technologies Ltd	\$20.06	-\$1.93	-8.78%
Trican Well Service Ltd	\$1.21	-\$0.11	-8.33%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	151.2	-3.38	-2.19%	-21.65%
MATERIALS	212.34	-0.71	-0.33%	-13.58%
UTILITIES	230.54	0.43	0.19%	-7.73%
FINANCIALS	286.1	-4.63	-1.59%	-7.26%
INDUSTRIALS	244.95	-7.03	-2.79%	1.94%
HEALTH CARE	96.5	-4.64	-4.59%	-0.86%
CONS. DISCRETIONARY	191.3	-3.12	-1.60%	-11.13%
CONS. STAPLES	560.29	-1.11	-0.20%	1.50%
INFO TECH.	76.97	-1.49	-1.90%	16.83%
COMMUNICATION SVCS	172.52	0.73	0.42%	1.24%
REAL ESTATE	307.37	-1.75	-0.57%	1.33%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	2.12%	2.14%	2.18%	2.27%
U.S. (YLD%)	2.79%	2.79%	2.91%	3.17%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$52.92	-\$0.030	-0.06%	-12.41%
NATURAL GAS	\$4.49	\$0.148	3.41%	51.59%
GOLD	\$1,238.30	\$4.400	0.36%	-5.00%
COPPER	\$2.75	-\$0.052	-1.86%	-15.98%
CAD / USD	\$0.7545	-\$0.0031	-0.41%	-5.09%
CAD / EUR	€0.6653	-€0.0019	-0.28%	0.41%
USD / EUR	€0.8817	€0.0011	0.12%	5.80%
USD / JPY	¥112.74	-¥0.91	-0.80%	0.04%

Source: Thomson Eikon



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