

# Market Review



INVESTING

December 7, 2018

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	24,388.95	-558.72	-2.24%	26951.81	23344.52	-1.34%
S&P 500	2,633.08	-62.87	-2.33%	2940.91	2532.69	-1.52%
NASDAQ COMPOSITE	6,969.25	-219.01	-3.05%	8133.30	6630.67	0.95%
S&P/TSX COMPOSITE	14,795.13	-141.87	-0.95%	16586.46	14639.70	-8.72%
STOXX EUROPE 50	2,828.92	21.96	0.78%	3283.23	2799.03	-10.98%
FTSE 100	6,778.11	74.06	1.10%	7903.50	6673.57	-11.83%
DAX PERFORMANCE-INDEX TR	10,788.09	-22.89	-0.21%	13596.89	10762.41	-16.49%
CAC40	4,813.13	32.67	0.68%	5657.44	4760.98	-9.40%
Nikkei 225 Index	21,678.68	177.06	0.82%	24448.07	20347.49	-4.77%
HANG SENG INDEX	26,063.76	-92.62	-0.35%	33484.08	24540.63	-12.89%
Shanghai SE Composite Index	2,605.89	0.71	0.03%	3587.03	2449.20	-21.20%

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### Stocks fall as trade concerns weigh

U.S. stocks fell on Friday as investors were uncertain about U.S. trade policy after conflicting comments from the White House administration. The technology and consumer discretionary sectors underperformed the broader market. Utilities was the only sector in the green. On the trade front, the White House trade advisor Peter Navarro told CNN that without a China deal in their 90-day negotiating period, U.S. officials would raise tariff rates. Meanwhile, the White House's chief economic advisor Larry Kudlow expressed optimism that the U.S. and China will make substantial progress during the negotiating period and President Trump also tweeted that "China talks are going very well," without providing any details. Investors also digested economic data that showed that U.S. job growth slowed in November and monthly wages increased less than expected, suggesting economic growth was moderating and supported expectations of fewer interest rate hikes by the Federal Reserve next year. The U.S. economy added 155,000 jobs in November, missing economist expectations of a 200,000 gain. In addition October's data was revised down to 237,000 from 250,000. The unemployment rate was steady at a 49 year low of 3.7%. Wage growth came in at an annualized 3.1%, matching October's pace. Interest rates futures suggested traders expect little chance of more than one rate hike in 2019, compared with expectations for possibly two rate hikes a month earlier. Gold traded near a five month high, the U.S. dollar fell and U.S. Treasuries fluctuated on the data before moving mostly higher as risk aversion increased on trade fears.

Canada's TSX Composite Index erased early gains despite a rally in oil prices and strong domestic economic data, which analysts said should help ease the Bank of Canada's concerns about a recent economic slowdown. The energy sector was the top performer as oil prices surged as much as 5% after OPEC and Russia agreed to reduce slash production by a combined 1.2 million barrels per day (bpd) from 2019 to reduce the global supply glut and support crude oil prices. This figure was larger than the minimum 1 million bpd that the market expected. The healthcare sector also got a boost from a rally in marijuana stocks on news that Altria Group Inc. is making a \$1.8 billion investment for a 45% stake in Canadian cannabis company Cronos Group Inc. StatsCan's Labour Force Survey showed that the Canadian economy added a record 94,100 jobs in November, on stronger full time hiring, much higher than consensus expectations of an 11,000 gain. The unemployment rate sank to 5.6%, the lowest in recorded history. The only blemish in the report was the decline in wage inflation for the sixth month in a row to 1.5%, to the lowest in over a year. Meanwhile, the Canadian dollar, which hit an 18 month low on Thursday, strengthened versus the greenback following the report and market expectations of an interest rate increase by the Bank of Canada on January 9th jumped to 23.89% from 12.39% prior to the report.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Eldorado Gold Corp	\$0.83	\$0.07	9.21%
New Gold Inc	\$1.14	\$0.09	8.57%
Aurora Cannabis Inc	\$7.60	\$0.55	7.80%
Guyana Goldfields Inc	\$1.52	\$0.10	7.04%
Detour Gold Corp	\$10.34	\$0.63	6.49%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Aphria Inc	\$6.93	-\$0.62	-8.21%
Shopify Inc	\$195.13	-\$14.52	-6.93%
Canada Goose Holdings Inc	\$77.77	-\$5.77	-6.91%
Dorel Industries Inc	\$17.54	-\$1.26	-6.70%
Restaurant Brands International Inc	\$72.73	-\$3.63	-4.75%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	148.36	1.60	1.09%	-23.13%
MATERIALS	214.35	0.39	0.18%	-12.77%
UTILITIES	229.83	-1.21	-0.52%	-8.01%
FINANCIALS	279.13	-2.88	-1.02%	-9.52%
INDUSTRIALS	238	-5.48	-2.25%	-0.95%
HEALTH CARE	97.69	1.07	1.11%	0.36%
CONS. DISCRETIONARY	181.9	-6.44	-3.42%	-15.50%
CONS. STAPLES	552.5	-7.99	-1.43%	0.09%
INFO TECH.	75.21	-2.27	-2.93%	14.16%
COMMUNICATION SVCS	172.59	-0.96	-0.55%	1.28%
REAL ESTATE	309.85	-1.48	-0.48%	2.14%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	2.00%	2.01%	2.07%	2.23%
U.S. (YLD%)	2.72%	2.70%	2.86%	3.15%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$52.50	\$1.010	1.96%	-13.11%
NATURAL GAS	\$4.51	\$0.184	4.25%	52.40%
GOLD	\$1,249.40	\$11.300	0.91%	-4.15%
COPPER	\$2.76	\$0.015	0.55%	-15.73%
CAD / USD	\$0.7511	\$0.0038	0.51%	-5.52%
CAD / EUR	€0.6583	€0.0015	0.23%	-0.65%
USD / EUR	€0.8763	-€0.0027	-0.31%	5.15%
USD / JPY	¥112.67	¥0.01	0.01%	-0.02%

Source: Thomson Eikon



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