

Market Review



INVESTING

February 27, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	25,985.16	-72.82	-0.28%	26951.81	21712.53	11.39%
S&P 500	2,792.38	-1.52	-0.05%	2940.91	2346.58	11.39%
NASDAQ COMPOSITE	7,554.51	5.21	0.07%	8133.30	6190.17	13.85%
S&P/TSX COMPOSITE	16,074.30	6.39	0.04%	16586.46	13776.88	12.23%
STOXX EUROPE 50	3,028.93	-4.06	-0.13%	3180.31	2673.54	9.74%
FTSE 100	7,107.20	-43.92	-0.61%	7903.50	6536.53	5.63%
DAX PERFORMANCE-INDEX TR	11,487.33	-53.46	-0.46%	13204.31	10279.20	8.57%
CAC40	5,225.35	-13.37	-0.26%	5657.44	4555.99	10.46%
Nikkei 225 Index	21,556.51	107.12	0.50%	24448.07	18948.58	7.70%
HANG SENG INDEX	28,757.44	-14.62	-0.05%	31978.14	24540.63	11.27%
Shanghai SE Composite Index	2,953.82	12.31	0.42%	3333.88	2440.91	18.44%

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Global stocks fall as trade optimism wanes

Global stocks fell on Wednesday after U.S. Trade Representative Robert Lighthizer said in testimony at a congressional hearing that any deal between the U.S. and China must include a way to ensure commitments are met and it is too early to predict an outcome in U.S.-China trade talks and that U.S. issues with China are "too serious" to be resolved with promises of more purchases of U.S. goods by Beijing. Investors were also cautious with the kick off of the second U.S.-North Korean nuclear summit and heightened tension between India and Pakistan after both countries shot down each other's fighter jets.

On Wall Street, the S&P 500 declined as much as 0.7% before paring losses. The energy, financial and industrial sectors outperformed, while the real estate, communications services and healthcare sectors underperformed. Boeing was the best performer on the Dow Jones Industrial Average after the company signed two deals worth upwards of US\$15.7 billion. Best Buy shares surged as much as 16.5% after the consumer electronics retailer beat quarterly same store sales expectations and announced a dividend hike and share buyback program. Generic drugmaker Mylan shares slumped as much as 12.5% after its quarterly profit and 2019 earnings guidance missed expectations. Investors also digested soft data that pointed to a slowdown in U.S. economic growth in the fourth quarter. The U.S. goods trade deficit widened sharply in December, jumping 12.8% to US\$79.5 billion, as slowing global demand and a strong U.S. dollar weighed on exports. Other data showed orders for U.S. factory goods rose only 0.1% in December and business spending on equipment was softer than expected. Investors await the federal government's advance fourth-quarter gross domestic product report on Thursday. In other economic news, Federal Reserve Chairman Jerome Powell, on the second day of his two-day appearance in the U.S. Congress, repeated the testimony delivered to a Senate panel on Tuesday, in which he said the Fed will remain "patient" in deciding on further interest rate hikes.

Canada's TSX Composite traded near its flat line on Wednesday afternoon. Sector performance was mixed with energy leading the gains amid a 3% gain in crude prices and materials the biggest laggard as gold and base metals stocks fell. In corporate news, Cogeco Communications rose after the company sold its cloud services unit for \$720 million. Laurentian Bank, Sleep Country Canada slid after reporting disappointing fourth quarter results. The Canadian dollar strengthened against the U.S. dollar as higher oil prices offset tame domestic inflation data that reinforced expectations that the Bank of Canada will hold off raising interest rates. Canada's consumer price index fell 1.4% in January (annualized) from 2.0% in December, driven by sharp decline in energy prices. The numbers were in line with consensus. The Bank of Canada's three core inflation measures were unchanged, hovering close to the central bank's 2% inflation target. The Bank of Canada is widely expected to leave its benchmark interest rate on hold at 1.75% at its next policy meeting on March 6th.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Cogeco Communications Inc	\$81.76	\$6.71	8.94%
TransAlta Corp	\$8.28	\$0.52	6.70%
Centerra Gold Inc	\$6.93	\$0.28	4.21%
Bausch Health Companies Inc	\$31.63	\$1.15	3.77%
Birchcliff Energy Ltd	\$3.71	\$0.13	3.63%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Turquoise Hill Resources Ltd	\$2.40	-\$0.38	-13.67%
Laurentian Bank of Canada	\$41.54	-\$4.52	-9.81%
Uni-Select Inc	\$12.37	-\$0.96	-7.20%
Alacer Gold Corp	\$3.38	-\$0.26	-7.14%
Sleep Country Canada Holdings Inc	\$20.61	-\$1.49	-6.74%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	158.28	0.94	0.60%	14.80%
MATERIALS	234.73	-3.08	-1.30%	6.82%
UTILITIES	239.36	-0.57	-0.24%	9.06%
FINANCIALS	302.11	1.06	0.35%	11.95%
INDUSTRIALS	256.64	0.78	0.30%	11.86%
HEALTH CARE	124.59	-0.71	-0.57%	44.84%
CONS. DISCRETIONARY	196.49	-1.03	-0.52%	10.97%
CONS. STAPLES	594.07	-0.17	-0.03%	6.85%
INFO TECH.	87.92	0.52	0.59%	19.46%
COMMUNICATION SVCS	178.27	0.31	0.17%	7.04%
REAL ESTATE	328.68	-1.54	-0.47%	11.42%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.78%	1.80%	1.92%	2.16%
U.S. (YLD%)	2.50%	2.48%	2.69%	3.07%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$56.96	\$1.460	2.63%	25.43%
NATURAL GAS	\$2.81	\$0.010	0.36%	-4.56%
GOLD	\$1,317.30	-\$8.000	-0.60%	3.05%
COPPER	\$2.97	\$0.021	0.71%	12.86%
CAD / USD	\$0.7604	\$0.0012	0.16%	3.71%
CAD / EUR	€0.6684	€0.0024	0.36%	4.57%
USD / EUR	€0.8790	€0.0018	0.21%	0.84%
USD / JPY	¥111.00	¥0.43	0.39%	1.31%

Source: Thomson Eikon



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