

Market Review



INVESTING

February 28, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	25,916.00	-69.16	-0.27%	26951.81	21712.53	11.10%
S&P 500	2,784.49	-7.89	-0.28%	2940.91	2346.58	11.08%
NASDAQ COMPOSITE	7,532.53	-21.98	-0.29%	8133.30	6190.17	13.52%
S&P/TSX COMPOSITE	15,999.01	-75.29	-0.47%	16586.46	13776.88	11.70%
STOXX EUROPE 50	3,029.67	0.74	0.02%	3180.31	2673.54	9.77%
FTSE 100	7,074.73	-32.47	-0.46%	7903.50	6536.53	5.15%
DAX PERFORMANCE-INDEX TR	11,515.64	28.31	0.25%	13204.31	10279.20	8.84%
CAC40	5,240.53	15.18	0.29%	5657.44	4555.99	10.78%
Nikkei 225 Index	21,385.16	-171.35	-0.79%	24448.07	18948.58	6.85%
HANG SENG INDEX	28,633.18	-124.26	-0.43%	31978.14	24540.63	10.79%
Shanghai SE Composite Index	2,940.95	-12.87	-0.44%	3333.88	2440.91	17.93%

Market Review

TSX falls as bank earnings weigh

Global stocks fell for a third straight day, as weak Chinese economic data and mixed messages on the progress of trade talks between China and the United States weighed on investor sentiment. Also dampening sentiment was an abrupt end to the U.S.-North Korean nuclear summit and a spate of weak U.S. earnings reports. However, better than feared U.S. GDP data provided some support. Data showed that Chinese factory activity contracted to a three-year low and that China's export orders fell at their fastest pace since the global financial crisis a decade ago adding to worries about a slowdown in the world's second largest economy. U.S. Trade Representative Robert Lighthizer said his office was taking legal steps to implement President Trump's announcement on Sunday to delay a tariff increase on more than \$200 billion worth of Chinese goods that had been scheduled for Friday. But the office later issued a statement clarifying that it was not abandoning the threat of increasing the tariffs to 25% from 10%.

U.S. stocks fell on Thursday. Sector performance was mixed as cyclical sectors underperformed and defensive oriented sectors outperformed. Corporate earnings and forecasts disappointed with Booking Holdings, HP Inc., Box and L Brands shares falling after their quarterly reports. On the positive side, Monster Beverage shares jumped after beating top and bottom line estimates. J.C. Penney surged after the company beat quarterly expectations and announced it is closing more stores after a weak holiday sales season. Defense stocks rallied after President Trump walked away from the nuclear summit. In other corporate news Johnson & Johnson shares gained after favourable reports surfaced about a lack of asbestos in the company's talc-based baby powders. Data showed that the U.S. economy slowed less than expected in the fourth quarter supported by gains in consumption and business investment. Fourth quarter GDP rose at a 2.6% annualized rate, versus economist expectations for 2.3% growth rate.

Canada's TSX Composite Index traded lower on Thursday, with the heavy-weight financial sector the biggest drag amid disappointing earnings from Toronto-Dominion Bank and Canadian Imperial Bank of Commerce. TD reported a lower-than-expected increase in earnings due to losses at its wholesale banking business. CIBC reported a bigger-than-expected decline in first-quarter earnings, reflecting slower growth at its domestic business. Cascades Inc. and Maple Leaf Foods declined after both companies missed bottom line expectations. On the flip side, Encana, AltaGas and Tricon Capital shares rose after beating analyst's quarterly expectations. Economic data showed that Canada's current account deficit widened to C\$15.48 billion in the fourth quarter from a revised C\$10.11 billion deficit in the third quarter, on a higher deficit on trade goods. This reflects a sharp decline in energy prices. A separate report showed that producer prices fell 0.3% in January from December, below the 0.1% increase economists expected, on lower energy prices and petroleum products. Investors await Canada's fourth-quarter gross domestic product data on Friday.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
AltaGas Ltd	\$17.68	\$1.23	7.48%
Encana Corp	\$9.66	\$0.61	6.74%
Bombardier Inc	\$2.80	\$0.17	6.46%
Sleep Country Canada Holdings Inc	\$21.41	\$0.80	3.88%
Canopy Growth Corp	\$62.38	\$2.21	3.67%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Transcontinental Inc	\$18.95	-\$2.62	-12.15%
Cascades Inc	\$8.81	-\$0.93	-9.55%
Seven Generations Energy Ltd	\$9.62	-\$0.96	-9.07%
TORC Oil & Gas Ltd	\$4.63	-\$0.27	-5.51%
Tourmaline Oil Corp	\$19.97	-\$1.15	-5.45%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	157.55	-0.73	-0.46%	14.27%
MATERIALS	232.75	-1.98	-0.84%	5.92%
UTILITIES	241.56	2.20	0.92%	10.07%
FINANCIALS	299.58	-2.53	-0.84%	11.01%
INDUSTRIALS	254.77	-1.87	-0.73%	11.05%
HEALTH CARE	126.09	1.50	1.20%	46.58%
CONS. DISCRETIONARY	196.29	-0.20	-0.10%	10.85%
CONS. STAPLES	592.1	-1.97	-0.33%	6.49%
INFO TECH.	87.83	-0.09	-0.10%	19.33%
COMMUNICATION SVCS	178.5	0.23	0.13%	7.18%
REAL ESTATE	331.58	2.90	0.88%	12.40%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.78%	1.82%	1.95%	2.19%
U.S. (YLD%)	2.52%	2.52%	2.72%	3.08%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$57.22	\$0.280	0.49%	26.01%
NATURAL GAS	\$2.81	\$0.007	0.25%	-4.56%
GOLD	\$1,312.50	-\$5.200	-0.39%	2.68%
COPPER	\$2.95	-\$0.011	-0.37%	12.18%
CAD / USD	\$0.7596	-\$0.0002	-0.03%	3.60%
CAD / EUR	€0.6679	-€0.0004	-0.06%	4.49%
USD / EUR	€0.8792	-€0.0003	-0.03%	0.86%
USD / JPY	¥111.45	¥0.47	0.42%	1.73%

Source: Thomson Eikon



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