

Market Review



INVESTING

February 8, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	25,106.33	-63.20	-0.25%	26951.81	21712.53	7.63%
S&P 500	2,707.88	1.83	0.07%	2940.91	2346.58	8.02%
NASDAQ COMPOSITE	7,298.20	9.85	0.14%	8133.30	6190.17	9.99%
S&P/TSX COMPOSITE	15,633.33	-70.03	-0.45%	16586.46	13776.88	9.15%
STOXX EUROPE 50	2,915.86	-6.02	-0.21%	3180.31	2673.54	5.64%
FTSE 100	7,071.18	-22.40	-0.32%	7903.50	6536.53	5.10%
DAX PERFORMANCE-INDEX TR	10,906.78	-115.24	-1.05%	13204.31	10279.20	3.09%
CAC40	4,961.64	-23.92	-0.48%	5657.44	4555.99	4.88%
Nikkei 225 Index	20,333.17	-418.11	-2.01%	24448.07	18948.58	1.59%
HANG SENG INDEX	27,946.32	-43.89	-0.16%	31978.14	24540.63	8.13%
Shanghai SE Composite Index	2,618.23	33.66	1.30%	3487.72	2440.91	4.99%

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U.S. stocks fall on global growth and trade concerns

U.S. stocks fell for the third consecutive session on Friday amid continued concerns about slowing global economic growth and as investors were skeptical that the U.S. and China would reach a trade agreement before the March 1st deadline. While there is another round of high level talks next week, President Trump on Thursday said he did not plan to meet Chinese President Xi Jinping before the deadline. If the talks are unsuccessful, additional U.S. tariffs on Chinese goods will be implemented. Adding to the risk-off sentiment was uncertainty around U.S. - European Union trade talks as the countries are far apart and experts doubt a resolution will occur soon. A Commerce Department report on the Trump administration's proposed car tariffs is due this month, which could make or break the start of talks.

Losses on the S&P500 were broad-based with energy, financials and consumer discretionary sectors leading the decline. Falling U.S. treasury yields weighed on the interest rate financials sector. Meanwhile Amazon was the biggest drag on the consumer discretionary sector, falling as much as 2.4%, as markets focussed on news that CEO Jeff Bezos accused the National Enquirer's publisher of blackmail and as the company is reconsidering locating its second headquarters in NYC due to local opposition of the plan. In earnings news Coty shares surged as after reporting better than expected quarterly sales and earnings, and said that it expects to post a net profit in the second half of fiscal 2019. Toy maker Mattel shares jumped after reporting a surprise fourth quarter profit and providing a positive financial outlook for 2019. However, rival toymaker Hasbro shares dropped after reporting a bigger than expected fall in quarterly revenue as it struggled with lost sales from the bankruptcy of Toys "R" Us and weak demand in the UK. Refiner Phillips 66 shares gained after reporting more than a four-fold surge in fourth quarter profits as low crude prices boosted refining margins. Skechers rose after the company beat earnings estimates and guided Q1 EPS above consensus.

Canada's TSX Composite Index followed the global markets lower, but was on track to finish the week higher for the seventh consecutive week. The two heaviest weighted sectors - financials and energy - were the biggest drag on the index. Gold stocks rallied with the precious metal. The Canadian dollar strengthened against the U.S. dollar after a much stronger-than-expected gain for domestic jobs supported the Bank of Canada's view that the economy is healthy. The Canadian economy added 66,800 jobs in January, well above consensus expectations for a gain of 8000 jobs boosted by the jump in services-producing sector. However, the unemployment rate rose two ticks to 5.9% as more people sought employment. A separate report showed Canadian housing starts fell 5.7K to a slightly above consensus 208K in January as a gain in the multifamily segment was not enough to offset the 10.4% drop in single detached category.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
ARC Resources Ltd	\$9.55	\$0.71	8.03%
Eldorado Gold Corp	\$5.37	\$0.29	5.71%
Semafo Inc	\$2.98	\$0.15	5.30%
OceanaGold Corp	\$4.20	\$0.21	5.26%
Detour Gold Corp	\$13.07	\$0.62	4.98%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Cronos Group Inc	\$26.04	-\$2.35	-8.28%
Linamar Corp	\$48.13	-\$3.94	-7.57%
First Quantum Minerals Ltd	\$13.72	-\$0.77	-5.31%
Interfor Corp	\$16.67	-\$0.84	-4.80%
CI Financial Corp	\$17.62	-\$0.88	-4.76%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	144.69	-1.35	-0.92%	4.94%
MATERIALS	234.85	0.97	0.41%	6.88%
UTILITIES	237.63	-0.30	-0.13%	8.27%
FINANCIALS	293.62	-1.08	-0.37%	8.80%
INDUSTRIALS	247.61	-0.99	-0.40%	7.93%
HEALTH CARE	123.86	-3.75	-2.94%	43.99%
CONS. DISCRETIONARY	194.8	-1.28	-0.65%	10.01%
CONS. STAPLES	595.16	-0.31	-0.05%	7.05%
INFO TECH.	83.21	0.51	0.62%	13.06%
COMMUNICATION SVCS	176.37	0.17	0.10%	5.90%
REAL ESTATE	327.49	-0.16	-0.05%	11.02%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.77%	1.80%	1.88%	2.14%
U.S. (YLD%)	2.47%	2.45%	2.64%	2.98%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$52.69	\$0.050	0.09%	16.03%
NATURAL GAS	\$2.61	\$0.058	2.27%	-11.26%
GOLD	\$1,313.30	\$3.900	0.30%	2.74%
COPPER	\$2.81	-\$0.024	-0.83%	6.74%
CAD / USD	\$0.7538	\$0.0024	0.32%	2.81%
CAD / EUR	€0.6657	€0.0036	0.54%	4.15%
USD / EUR	€0.8830	€0.0019	0.22%	1.30%
USD / JPY	¥109.77	¥0.03	-0.03%	0.19%

Source: Thomson Eikon



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