

# Market Review



INVESTING

January 9, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	23,879.12	91.67	0.39%	26951.81	21712.53	2.36%
S&P 500	2,584.96	10.55	0.41%	2940.91	2346.58	3.12%
NASDAQ COMPOSITE	6,957.08	60.08	0.87%	8133.30	6190.17	4.85%
S&P/TSX COMPOSITE	14,804.73	199.58	1.37%	16586.46	13776.88	3.36%
STOXX EUROPE 50	2,816.54	5.46	0.19%	3283.23	2673.54	2.05%
FTSE 100	6,906.63	45.03	0.66%	7903.50	6536.53	2.65%
DAX PERFORMANCE-INDEX TR	10,893.32	89.34	0.83%	13596.89	10279.20	2.96%
CAC40	4,813.58	40.31	0.84%	5657.44	4555.99	1.75%
Nikkei 225 Index	20,427.06	0.00	0.00%	24448.07	18948.58	2.06%
HANG SENG INDEX	26,462.32	586.87	2.27%	33484.08	24540.63	2.39%
Shanghai SE Composite Index	2,544.34	17.88	0.71%	3587.03	2440.91	2.02%

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### Bank of Canada holds rates but talks of more hikes.

Canada's main stock index gain for the fourth consecutive session on Wednesday, helped by optimism that the United States and China could be nearing a trade deal, which boosted oil prices by almost 5%. The Bank of Canada held interest rates steady as expected today but said more increases would be necessary even though low oil prices and a weak housing market will harm the economy in the short term. Governor Stephen Poloz mentioned during the press conference that the challenges facing the economy were temporary and that he still believed the economy would at some stage be operating at full capacity. The bank, which has raised rates five times since July 2017 also said today that rates would need to rise "over time," the first time it has used those words to describe the pace of tightening. The talk of further hikes helped boost the Canadian dollar. The central bank trimmed its forecast for 2019 growth to 1.7%, from 2.1% to reflect the impact of crude prices but predicted the economy would post above-potential growth in 2020. The bank noted that much of the economy was operating close to capacity but said consumption spending and housing investment had been weaker than expected as housing markets adjusted to tougher mortgage rules and higher interest rates.

Data released today by the Canadian Mortgage and Housing Corporation showed, housing starts fell in December as groundbreaking on multiple unit urban homes fell 6.8%, while single-detached urban starts also lost ground. The seasonally adjusted annualized rate of housing starts fell to 213,419 units from an upwardly revised 224,349 units in November. On the corporate side, pipeline operator TransCanada Corp. announced that it will change the company's name to TC Energy to better reflect its scope of operations.

Wall Street also rallied for a fourth session today, led by Apple, chipmakers and other trade-sensitive stocks. China and the U.S. ended their trade talks in Beijing on Wednesday on a positive note, with China pledging to purchase "a substantial amount" of agricultural, energy, manufactured goods and services from the United States. Market participants were also encouraged by indications the Federal Reserve is in no rush to raise interest rates. The U.S. Federal Reserve released minutes showing a range of policymakers said in December they could be patient about future interest rate increases and a few did not support the central bank's rate increase that month. Shares in Constellation Brands Inc. sank more than 10%, dragging down the consumer staples index, after the Corona brewer cut its fiscal 2019 profit outlook.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Canopy Growth Corp	\$44.50	\$5.23	13.32%
New Gold Inc	\$1.61	\$0.18	12.59%
Precision Drilling Corp	\$2.96	\$0.30	11.28%
Lucara Diamond Corp	\$1.57	\$0.14	9.79%
Aurora Cannabis Inc	\$7.17	\$0.49	7.34%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Pretium Resources Inc	\$10.33	-\$1.29	-11.10%
Eldorado Gold Corp	\$4.27	-\$0.11	-2.51%
Onex Corp	\$73.71	-\$1.69	-2.24%
Cineplex Inc	\$26.33	-\$0.50	-1.86%
Chemtrade Logistics Income Fund	\$10.67	-\$0.13	-1.20%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	147.61	2.89	2.00%	7.06%
MATERIALS	218.38	2.60	1.20%	-0.62%
UTILITIES	223.99	0.81	0.36%	2.06%
FINANCIALS	277.22	4.07	1.49%	2.72%
INDUSTRIALS	236.61	3.26	1.40%	3.13%
HEALTH CARE	98.38	5.73	6.18%	14.37%
CONS. DISCRETIONARY	185.67	3.24	1.78%	4.86%
CONS. STAPLES	570.47	5.50	0.97%	2.60%
INFO TECH.	75.89	1.34	1.80%	3.11%
COMMUNICATION SVCS	169.01	0.61	0.36%	1.48%
REAL ESTATE	302.17	2.04	0.68%	2.43%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.91%	1.91%	1.98%	2.18%
U.S. (YLD%)	2.56%	2.55%	2.71%	3.00%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$52.16	\$2.380	4.78%	14.86%
NATURAL GAS	\$3.00	\$0.032	1.08%	2.01%
GOLD	\$1,289.30	\$6.100	0.48%	0.86%
COPPER	\$2.67	\$0.011	0.41%	1.66%
CAD / USD	\$0.7568	\$0.0036	0.48%	3.22%
CAD / EUR	€0.6557	-€0.0025	-0.38%	2.58%
USD / EUR	€0.8663	-€0.0075	-0.86%	-0.62%
USD / JPY	¥108.12	-¥0.61	-0.56%	-1.31%

Source: Thomson Eikon



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