

Market Review



INVESTING

December 16, 2020

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	30,154.54	-44.77	-0.15%	30325.79	18213.65	5.66%
S&P 500	3,701.17	6.55	0.18%	3712.39	2191.86	14.56%
NASDAQ COMPOSITE	12,658.19	63.13	0.50%	12607.14	6631.42	41.08%
S&P/TSX COMPOSITE	17,567.42	60.94	0.35%	17970.51	11172.73	2.95%
STOXX EUROPE 50	3,101.23	28.62	0.93%	3539.89	2260.11	-8.87%
FTSE 100	6,570.91	57.59	0.88%	7689.67	4898.79	-12.88%
DAX PERFORMANCE-INDEX TR	13,565.98	203.11	1.52%	13795.24	8255.65	2.39%
CAC40	5,547.68	17.37	0.31%	6111.41	3632.06	-7.20%
Nikkei 225 Index	26,757.40	69.56	0.26%	26894.25	16358.19	13.11%
HANG SENG INDEX	26,460.29	253.00	0.97%	29174.92	21139.26	-6.14%
Shanghai SE Composite Index	3,366.98	-0.25	-0.01%	3465.73	2646.80	10.39%

Market Review

U.S. retail sales fall for second consecutive month

The U.S. major averages were mixed on Wednesday as grim U.S. retail sales data was weighed against report that a U.S. Congress were nearing an agreement on a \$900 billion coronavirus fiscal stimulus bill. The deal is expected to include direct payment checks, unemployment benefits, small business relief, and various funding for vaccine distribution. As widely expected, the Federal Reserve kept its benchmark interest rate unchanged at the record-low level of near-zero until an economic recovery is complete. The Fed also promised to keep bond purchases going until it sees "substantial further progress" in employment and inflation.

After initially pulling back following the Fed statement, the Dow Jones Industrial Average pared its losses and the S&P500 and Nasdaq extended gains. Consumer discretionary and technology were the top performing sectors on the S&P500, led by solid gains in Amazon and Microsoft. Utilities and industrials were the weakest performing sectors on the S&P500. Data showed U.S retail sales decreased for the second month in a row, adding to signs that the U.S. economic rebound is losing momentum amid surging cases of COVID-19 and highlighting the need for additional fiscal stimulus. U.S. retail sales fell 1.1% in November, worse than the 0.3% drop expected by consensus. Adding to the disappointment, the previous month's result was revised downward from +0.3% to -0.1%. Core retail sales were down 0.5% in the month. Separate data showed U.S. business activity slowed in the first half of December as many jurisdictions re-imposed lockdown measures to try to slow the pandemic. IHS Markit's preliminary Composite PMI fell to 55.7, from 58.6 in November. The Manufacturing PMI for December decreased to 56.5 from 56.7 in November, while the Services PMI decreased to 55.3 from 58.4 in November.

Canada's main stock index rose on Wednesday. Technology was among the top performing sectors, boosted by a surge in Shopify on the prospect of the U.S. fiscal stimulus bill including direct payments to consumers, which weren't in the prior proposal. Energy the biggest drag on the index. In M&A news, Equinox Gold slid on a \$470.9 million deal to buy Premier Gold Mines. Aphria rose after it agreed to combine its operations with Tilray Inc, creating the largest cannabis producer by sales. Meanwhile, Air Canada sank after pricing its \$850 million offering at a discount. Economic data showed Canada's November's Consumer Price Index came in stronger than expected as annual inflation accelerated to 1.0%, up from the 0.7% increase in October. The average of the Bank of Canada's three core CPI measures was unchanged at 1.7%, holding below the central bank's 2% target. Separate data showed that Canadian wholesale trade rose by 1.0% in October from September, the sixth consecutive monthly increase on higher sales of machinery, motor vehicles and building materials.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Shopify Inc	\$1,474.68	\$113.11	8.31%
First Majestic Silver Corp	\$15.40	\$1.02	7.09%
Wesdome Gold Mines Ltd	\$10.71	\$0.66	6.57%
Pan American Silver Corp	\$41.03	\$2.40	6.21%
Centerra Gold Inc	\$14.05	\$0.80	6.04%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Air Canada	\$23.69	-\$2.65	-10.06%
CI Financial Corp	\$16.21	-\$0.79	-4.65%
Northland Power Inc	\$42.91	-\$1.97	-4.39%
Prairiesky Royalty Ltd	\$10.52	-\$0.46	-4.19%
Brookfield Renewable Partners LP	\$49.95	-\$2.13	-4.09%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	92.76	-2.39	-2.51%	-36.45%
MATERIALS	320.1	4.37	1.38%	19.26%
UTILITIES	315.37	-2.87	-0.90%	9.21%
FINANCIALS	306.48	0.28	0.09%	-2.85%
INDUSTRIALS	325.8	-2.21	-0.67%	13.93%
HEALTH CARE	63.76	-0.32	-0.50%	-16.57%
CONS. DISCRETIONARY	228.76	-0.16	-0.07%	13.77%
CONS. STAPLES	649.24	-3.43	-0.53%	4.86%
INFO TECH.	181.89	3.31	1.85%	54.24%
COMMUNICATION SVCS	166.25	-0.23	-0.14%	-7.23%
REAL ESTATE	308.8	-0.75	-0.24%	-10.86%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.26%	0.46%	0.74%	1.30%
U.S. (YLD%)	0.12%	0.37%	0.92%	1.66%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$47.82	\$0.200	0.42%	-21.73%
NATURAL GAS	\$2.68	-\$0.001	-0.04%	22.48%
GOLD	\$1,857.90	\$5.600	0.30%	22.27%
COPPER	\$3.55	\$0.016	0.45%	27.20%
CAD / USD	\$0.7845	-\$0.0028	-0.36%	1.88%
CAD / EUR	€0.6436	-€0.0041	-0.63%	-6.26%
USD / EUR	€0.8205	-€0.0022	-0.27%	-7.98%
USD / JPY	¥103.49	-¥0.17	-0.16%	-4.71%

Source: Refinitiv



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