

# Market Review



INVESTING

December 23, 2020

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	30,129.83	114.32	0.38%	30343.59	18213.65	5.58%
S&P 500	3,690.01	2.75	0.07%	3726.70	2191.86	14.21%
NASDAQ COMPOSITE	12,771.11	-36.80	-0.29%	12840.57	6631.42	42.33%
S&P/TSX COMPOSITE	17,593.57	41.11	0.23%	17970.51	11172.73	3.11%
STOXX EUROPE 50	3,075.17	25.53	0.84%	3539.89	2260.11	-9.63%
FTSE 100	6,495.75	42.59	0.66%	7689.67	4898.79	-13.88%
DAX PERFORMANCE-INDEX TR	13,587.23	169.12	1.26%	13795.24	8255.65	2.55%
CAC40	5,527.59	60.73	1.11%	6111.41	3632.06	-7.54%
Nikkei 225 Index	26,524.79	88.40	0.33%	26905.67	16358.19	12.12%
HANG SENG INDEX	26,343.10	223.85	0.86%	29174.92	21139.26	-6.55%
Shanghai SE Composite Index	3,382.32	25.54	0.76%	3465.73	2646.80	10.89%

## Market Review

### Canada's economy expands more than expected

Canada's main stock index rose as the domestic economy grew more-than-expected in October, spurring hopes for a quicker economic recovery, while gains in energy stocks further lifted sentiment. Gross domestic product grew 0.4 per cent in October from a month earlier, Statistics Canada said. Economists were expecting 0.3 per cent growth in October. The agency also released a preliminary estimate for November, which showed a 0.4 per cent expansion. LG Electronics Inc. plans to spin off some its electric-car components business into a new joint venture with Canada's Magna International Inc. Magna will buy a 49 per cent stake in the new unit for 501.6 billion won (US\$453 million) while the remainder will be owned by LG Electronics. Magna's stock was a top gainer today.

The number of Americans filing first-time claims for unemployment benefits unexpectedly fell last week, though remaining elevated as more businesses face restrictions and consumers hunker down amid an explosion of new COVID-19 cases. Initial claims for state unemployment benefits fell 89,000 to a seasonally adjusted 803,000 for the week ended Dec. 19, the Labor Department said. Economists had forecast 885,000 applications in the latest week. Including a government-funded program for the self-employed, gig workers and others who do not qualify for the regular state unemployment programs, 1.3 million people filed claims. There were about 20.4 million people collecting unemployment benefits in early December. Congress on Monday approved additional fiscal stimulus worth almost \$900 billion, but economists said this was too little and too late. President Donald Trump has threatened not to sign the relief bill because he wants Congress to raise the amount in the stimulus checks to \$2,000 for individuals, instead of the \$600 that is in the legislation. The United States is being battered by a new wave of coronavirus cases, with more than 18 million people infected and over 320,000 dead. A second report from the Commerce Department showed consumer spending, which accounts for more than two-thirds of U.S. economic activity, fell 0.4% in November after gaining 0.3% in October. Personal income decreased 1.1% in November, pulled down by the expiration of a government loan program for businesses hit by COVID-19. With consumer spending weak, inflation remained muted. The personal consumption expenditures (PCE) price index excluding the volatile food and energy components increased 1.4% year-on-year in November, matching October's gain. A third report from the Commerce Department showed business spending rising in November, though the pace has slowed. Still, business investment could blunt some of the impact of slowing consumer spending and keep the economy on a moderate growth path this quarter. The department also reported that new home sales plunged 11.0% to a seasonally adjusted annual rate of 841,000 units last month, the lowest level since June. The S&P 500 and the Dow rose, while the Nasdaq lagged as investors shifted out of technology and into cheaper sectors that are poised to benefit from an eventual economic recovery. Elsewhere, reports that the European Union and Britain were in the final stages of a Brexit trade deal also brewed some optimism in markets. Drugmaker Pfizer Inc rose more than 2% after a deal to supply the United States with 100 million additional doses of its COVID-19 vaccine by July.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
MEG Energy Corp	\$4.65	\$0.40	9.41%
Crescent Point Energy Corp	\$3.05	\$0.25	8.93%
Magna International Inc	\$92.96	\$7.29	8.51%
Enerplus Corp	\$4.04	\$0.28	7.45%
Whitecap Resources Inc	\$4.88	\$0.26	5.63%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Shopify Inc	\$1,542.46	-\$106.77	-6.47%
Constellation Software Inc	\$1,687.22	-\$86.54	-4.88%
Enghouse Systems Ltd	\$61.26	-\$3.00	-4.67%
Kinaxis Inc	\$176.25	-\$7.44	-4.05%
Altus Group Ltd (Ontario)	\$49.29	-\$1.82	-3.56%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	92.17	3.85	4.36%	-36.85%
MATERIALS	322.88	4.54	1.43%	20.30%
UTILITIES	317.04	1.77	0.56%	9.79%
FINANCIALS	305.89	2.95	0.97%	-3.04%
INDUSTRIALS	329.1	0.06	0.02%	15.08%
HEALTH CARE	62.44	1.30	2.13%	-18.29%
CONS. DISCRETIONARY	236.56	4.84	2.09%	17.65%
CONS. STAPLES	639.91	-2.52	-0.39%	3.35%
INFO TECH.	186.64	-7.14	-3.68%	58.26%
COMMUNICATION SVCS	164.67	0.75	0.46%	-8.11%
REAL ESTATE	300.03	-0.28	-0.09%	-13.39%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.24%	0.44%	0.73%	1.28%
U.S. (YLD%)	0.12%	0.37%	0.95%	1.69%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$48.08	\$1.060	2.25%	-21.31%
NATURAL GAS	\$2.62	-\$0.164	-5.90%	19.51%
GOLD	\$1,878.80	\$12.200	0.65%	23.65%
COPPER	\$3.55	\$0.030	0.84%	26.97%
CAD / USD	\$0.7780	\$0.0033	0.43%	1.04%
CAD / EUR	€0.6380	€0.0012	0.19%	-7.08%
USD / EUR	€0.8201	-€0.0019	-0.23%	-8.03%
USD / JPY	¥103.52	-¥0.11	-0.11%	-4.69%

Source: Refinitiv



1) National Bank Financial is an indirect wholly owned subsidiary of National Bank of Canada.

2) National Bank of Canada is a public company listed on Canadian stock exchanges.

3) National Bank Financial may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services.

4) National Bank Financial and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time in the open market or otherwise.

5) The information contained herein was obtained from sources which we believe to be reliable, however we cannot represent that it is accurate or complete.

6) This is not a recommendation for any security or investment sector as it may not be suitable for all types of investors. Please contact your investment advisor before purchase to discuss your investor profile and to further discuss these risk factors.