

# Market Review



INVESTING

October 11, 2022

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	29,239.19	36.31	0.12%	36952.65	28715.85	-19.54%
S&P 500	3,588.84	-23.55	-0.65%	4818.62	3584.13	-24.70%
NASDAQ COMPOSITE	10,426.19	-115.91	-1.10%	16212.23	10449.04	-33.36%
S&P/TSX COMPOSITE	18,216.68	-366.45	-1.97%	22213.07	18169.86	-14.16%
STOXX EUROPE 50	3,348.26	-12.26	-0.36%	3872.11	3283.82	-12.31%
FTSE 100	6,885.23	-74.08	-1.06%	7687.27	6787.98	-6.76%
DAX PERFORMANCE-INDEX TR	12,220.25	-52.69	-0.43%	16290.19	11862.84	-23.07%
CAC40	5,833.20	-7.35	-0.13%	7384.86	5628.42	-18.45%
Nikkei 225 Index	26,401.25	-714.86	-2.64%	29960.93	24681.74	-8.30%
HANG SENG INDEX	16,832.36	-384.30	-2.23%	26234.94	16789.97	-28.06%
Shanghai SE Composite Index	2,979.79	5.65	0.19%	3708.94	2863.65	-18.13%

## Market Review

### Markets fear profit hit from inflation, rate hikes

The S&P500 and Nasdaq fell in the run-up to a key inflation reading and the start of third-quarter results from companies amid falling profit expectations, while gains in drugmaker Amgen helped boost the Dow. With recent jobs and inflation data suggesting more big interest rate hikes by the Federal Reserve, Wall Street's main indexes have been clocking losses in the past few sessions on fears of the economy slipping into a recession. The consumer prices report on Thursday is expected to show another rise in the headline inflation last month, which is likely to cement the case for another 75-basis-point (bps) hike in November. Money markets are pricing in a 94% chance of another 75 bps hike, while Wall Street analysts expect third-quarter profit for S&P 500 companies to have risen just 4.1% from a year ago, much lower than an 11.1% increase expected at the start of July. Quarterly reports from big U.S. banks on Friday are likely to provide more insight into the health of the economy. Recession fears have gripped markets, with the International Monetary Fund predicting a meager 1.6% growth in the U.S. economy this year and brokerage Nomura warning of a deeper downturn in 2023. The CBOE Volatility index (VIX), rose for a fourth straight session, inching closer to near two-weeks high.

Canada's main stock index slid almost 2%, tracking a fall in global markets as worries about a global recession unnerved investors returning from a long weekend, with energy, technology and financial stocks among to big losers. The Bank of Canada has raised its benchmark interest rate by 300 basis points since March, one of its steepest and fastest tightening cycles ever, with markets pricing in another 50 bps increase on Oct. 26. China stepped up COVID-19 restrictions after a flare-up in infections, pushing oil, gold and other metals prices lower on worries about consequent demand hit. The energy sector dropped about 4%. The Healthcare sector, which included cannabis companies, was the top loser, down more than 5%. Rate-sensitive tech stocks slipped about 3%, under pressure from Canadian government 10-year bond yield which hit 3.49%, its highest since June 28. WSP Global Inc. is giving up its effort to buy British consulting firm RPS Group plc. WSP had announced a deal in August to buy RPS, which focuses on climate change and energy consulting, for 206 pence per share or about 591.1 million pounds. However, Tetra Tech topped the offer with a bid of 222 pence per share or about 636 million pounds.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
West Fraser Timber Co Ltd	\$102.88	\$4.14	4.19%
Primo Water Corp	\$18.32	\$0.44	2.46%
OceanaGold Corp	\$2.17	\$0.05	2.36%
Interfor Corp	\$24.10	\$0.54	2.29%
Uni-Select Inc	\$34.96	\$0.77	2.25%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Canopy Growth Corp	\$3.28	-\$0.55	-14.36%
Athabasca Oil Corp	\$2.35	-\$0.24	-9.27%
BlackBerry Ltd	\$5.74	-\$0.55	-8.74%
Converge Technology Solutions Corp	\$6.16	-\$0.58	-8.61%
Tilray Brands Inc	\$3.97	-\$0.36	-8.31%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	237.97	-9.81	-3.96%	45.29%
MATERIALS	300.37	-4.27	-1.40%	-8.51%
UTILITIES	304.24	-5.55	-1.79%	-11.39%
FINANCIALS	330.09	-7.77	-2.30%	-18.12%
INDUSTRIALS	356.10	-2.76	-0.77%	-6.52%
HEALTH CARE	20.78	-1.14	-5.20%	-54.79%
CONS. DISCRETION.	232.78	-2.04	-0.87%	-14.96%
CONS. STAPLES	751.05	4.81	0.64%	-1.58%
INFO TECH.	118.77	-3.63	-2.97%	-44.04%
COMMUNICATION SVS	168.94	-1.89	-1.11%	-13.43%
REAL ESTATE	276.21	-3.48	-1.24%	-30.49%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	4.13%	3.61%	3.49%	3.34%
U.S. (YLD%)	4.31%	4.17%	3.94%	3.92%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$88.52	-\$2.61	-2.86%	17.70%
NATURAL GAS	\$6.57	\$0.14	2.10%	76.14%
GOLD	\$1,669.10	\$1.80	0.11%	-8.68%
COPPER	\$3.43	-\$0.03	-0.72%	-22.90%
CAD / USD	\$0.7243	-\$0.0013	-0.18%	-8.47%
CAD / EUR	€0.7463	-€0.0015	-0.20%	7.26%
USD / EUR	€1.0302	-€0.0004	-0.04%	17.15%
USD / JPY	¥145.84	¥0.16	0.11%	26.73%

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.