

Market Review



INVESTING

October 27, 2022

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	32,033.28	194.17	0.61%	36952.65	28660.94	-11.85%
S&P 500	3,807.30	-23.30	-0.61%	4818.62	3491.58	-20.12%
NASDAQ COMPOSITE	10,792.68	-178.32	-1.63%	16212.23	10088.83	-31.02%
S&P/TSX COMPOSITE	19,352.11	72.35	0.38%	22213.07	17873.18	-8.81%
STOXX EUROPE 50	3,508.53	2.10	0.06%	3872.11	3279.47	-8.12%
FTSE 100	7,073.69	17.62	0.25%	7687.27	6707.62	-4.21%
DAX PERFORMANCE-INDEX TR	13,211.23	15.42	0.12%	16290.19	11862.84	-16.83%
CAC40	6,244.03	-32.28	-0.51%	7384.86	5628.42	-12.71%
Nikkei 225 Index	27,345.24	-86.60	-0.32%	29960.93	24681.74	-5.02%
HANG SENG INDEX	15,427.94	110.27	0.72%	25746.71	14947.39	-34.06%
Shanghai SE Composite Index	2,982.90	-16.60	-0.55%	3708.94	2863.65	-18.05%

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The U.S. economy rebounds in the third quarter

The U.S. major averages were mixed in a choppy trading session on Thursday. The Dow Jones Industrial Average rose following upbeat corporate earnings reports and as U.S. data eased fears of an economic recession. The S&P500 and the Nasdaq fell, pressured by losses in mega cap growth stocks after Meta Platforms posted a drop in third quarter profit and provided a dismal outlook. Its results come a day after disappointing results from Alphabet, Microsoft, and Snap. Investors await key earnings reports from tech-heavyweights Amazon.com and Apple after today's market close. Meanwhile, Caterpillar, Merck and McDonalds provided the biggest lift to the Dow after their results beat expectations. Other names with positive reactions to their quarterly earnings were ServiceNow, KLA-Tencor and Honeywell. On the flip side, Old Dominion, Stanley Black & Decker, Baxter International and Align Technologies fell after disappointing quarterly results and/or outlook.

U.S. treasury yields fell after economic data reinforced investor optimism that the Federal Reserve would back off of its aggressive pace of interest rate hikes at their December meeting. After two consecutive quarterly contractions, the U.S. economy returned to growth in the third quarter as the trade deficit narrowed sharply. However, domestic demand weakened due to higher inflation and rising interest rates. The preliminary estimate for GDP came in at 2.6% annualized in the quarter, ahead of consensus expectations for a 2.4% print. Consumer spending, which represents about 70% of the U.S. economy, slowed to a 1.4% rate from 2.0% in the prior quarter. The GDP deflator, an estimate of price pressures, pulled back to 4.1% from 9% in the prior quarter. This was below expectations of a 5.3% print and was viewed by the market as a sign that inflation is peaking. A separate report showed new orders for core capital goods, which is viewed as a barometer for business spending plans, unexpectedly fell 0.7% in September, versus economist expectations to of a 0.5% increase. Meanwhile new orders for durable goods increased by 0.4% in September, below economist expectations for a 0.6% increase. Excluding transportation goods, new orders dropped 0.5%. Finally, U.S. weekly jobless claims increased a modest 3,000 to 217,000 last week.

Canada's TSX Composite Index rose on Thursday, led by gains in the technology sector after Shopify beat top and bottom-line estimates. The materials sector fell as a stronger U.S. dollar pressured commodity prices. One of the biggest drags on the sector was Teck Resources, which slid after reporting that it swung to a loss in the third quarter. Teck also recorded a non-cash impairment charge of \$952 million in the third quarter after it agreed to sell its 21.3% stake in the Fort Hills oil sands project to Suncor Energy Inc. for about \$1 billion cash.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Shopify Inc	\$46.22	\$6.76	17.13%
Osisko Mining Inc	\$2.96	\$0.25	9.23%
NFI Group Inc	\$9.55	\$0.58	6.47%
Interfor Corp	\$24.47	\$1.25	5.38%
Canfor Corp	\$20.00	\$0.69	3.57%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Converge Technology Solutions Corp	\$5.98	-\$0.77	-11.41%
Park Lawn Corp	\$20.83	-\$1.99	-8.72%
Bausch Health Companies Inc	\$9.03	-\$0.73	-7.48%
K92 Mining Inc	\$6.50	-\$0.50	-7.14%
Tricon Residential Inc	\$11.41	-\$0.80	-6.55%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	257.98	-1.04	-0.40%	57.51%
MATERIALS	307.64	-2.21	-0.71%	-6.30%
UTILITIES	311.75	1.40	0.45%	-9.21%
FINANCIALS	350.60	1.73	0.50%	-13.03%
INDUSTRIALS	377.51	0.03	0.01%	-0.90%
HEALTH CARE	22.18	-0.84	-3.65%	-51.74%
CONS. DISCRETION.	249.50	-0.14	-0.06%	-8.85%
CONS. STAPLES	790.75	-0.74	-0.09%	3.63%
INFO TECH.	132.78	4.97	3.89%	-37.44%
COMMUNICATION SVS	181.50	0.75	0.41%	-6.99%
REAL ESTATE	294.36	-3.39	-1.14%	-25.92%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	3.81%	3.32%	3.19%	3.30%
U.S. (YLD%)	4.29%	4.05%	3.90%	4.06%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$89.02	\$1.11	1.26%	18.36%
NATURAL GAS	\$5.19	-\$0.17	-3.00%	39.03%
GOLD	\$1,659.00	-\$5.40	-0.32%	-9.23%
COPPER	\$3.60	-\$0.03	-0.95%	-19.16%
CAD / USD	\$0.7366	-\$0.0011	-0.15%	-6.91%
CAD / EUR	€0.7389	€0.0071	0.97%	6.19%
USD / EUR	€1.0031	€0.0111	1.12%	14.07%
USD / JPY	¥146.13	¥0.22	-0.15%	26.98%

Source: Refinitiv



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