

Market Review



INVESTING

October 6, 2022

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	29,926.94	-346.93	-1.15%	36952.65	28715.85	-17.64%
S&P 500	3,744.52	-38.76	-1.02%	4818.62	3584.13	-21.44%
NASDAQ COMPOSITE	11,073.31	-75.33	-0.68%	16212.23	10565.14	-29.22%
S&P/TSX COMPOSITE	18,979.01	-256.08	-1.33%	22213.07	18169.86	-10.57%
STOXX EUROPE 50	3,401.31	-24.96	-0.73%	3872.11	3283.82	-10.92%
FTSE 100	6,997.27	-55.35	-0.78%	7687.27	6787.98	-5.24%
DAX PERFORMANCE-INDEX TR	12,470.78	-46.40	-0.37%	16290.19	11862.84	-21.49%
CAC40	5,936.42	-49.04	-0.82%	7384.86	5628.42	-17.01%
Nikkei 225 Index	27,311.30	190.77	0.70%	29960.93	24681.74	-5.14%
HANG SENG INDEX	18,012.15	-75.82	-0.42%	26234.94	16906.96	-23.02%
Shanghai SE Composite Index	3,024.39	Closed		3708.94	2863.65	-16.91%

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Bank of Canada delivered another hawkish message.

The Bank of Canada made it clear today it will not yet be pivoting away from its current rapid pace of interest rate increases. Governor Tiff Macklem told a business audience that there is no sign underlying inflation is easing and that there is more to be done. Overall, it was a hawkish speech that jolted markets to move back to fully pricing a 50-basis point October rate hike and more seriously contemplating a terminal rate above 4%. On the economic front, many statements were made regarding the economy operating above its potential, and Macklem made it abundantly clear that in order for inflation to fall back to target, spending needs to be slowed in the economy so supply can catch up with demand. Macklem also stressed that labour markets “remain very tight” with job vacancies “exceptionally high” and wage growth rising and broadening. Clearly, the Bank isn’t spooked by three straight months of LFS job losses, which we’ll get a fresh read on tomorrow. Macklem conceded that there’s evidence that global inflationary forces have begun to ease but domestic inflationary pressures have yet to ease and that a cheaper Canadian dollar isn’t helping. The U.S. dollar strength will offset some of this global improvement by making US goods and vacations more expensive for Canadians. Regarding the housing market, Macklem mentioned that the slowdown is proceeding as intended from unsustainable levels. Economic data released today showed that the Canadian economic activity expanded at a slower pace in September as employment growth cooled. The Ivey Purchasing Managers Index (PMI) fell to 59.5 from 60.9 in August. The Ivey PMI measures the month-to-month variation in economic activity as indicated by a panel of purchasing managers from across Canada. A reading above 50 indicates an increase in activity. The gauge of employment fell to an adjusted 62.5 from 66.3 in August, while the prices paid index rose to 68.1 from 64.4. In the U.S., the number of Americans filing new claims for unemployment benefits increased by the most in four months last week, but some of the larger-than-expected jump in jobless claims reported was blamed on Hurricane Fiona, with filings surging in Puerto Rico, which was ravaged by the storm in the second half of September.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Tilray Brands Inc	\$5.37	\$1.32	32.59%
Canopy Growth Corp	\$5.16	\$0.98	23.44%
Cronos Group Inc	\$4.64	\$0.61	15.14%
Fortuna Silver Mines Inc	\$4.21	\$0.45	11.97%
Headwater Exploration Inc	\$6.30	\$0.37	6.24%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Sleep Country Canada Holdings Inc	\$22.96	-\$1.54	-6.29%
Capital Power Corp	\$44.57	-\$2.88	-6.07%
ECN Capital Corp	\$4.56	-\$0.26	-5.39%
SNC-Lavalin Group Inc	\$23.21	-\$1.29	-5.27%
Saputo Inc	\$30.26	-\$1.63	-5.11%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	247.26	4.71	1.94%	50.96%
MATERIALS	316.72	4.58	1.47%	-3.53%
UTILITIES	314.42	-10.40	-3.20%	-8.43%
FINANCIALS	346.01	-9.32	-2.62%	-14.17%
INDUSTRIALS	367.68	-4.70	-1.26%	-3.48%
HEALTH CARE	24.80	1.99	8.72%	-46.04%
CONS. DISCRETION.	241.08	-2.24	-0.92%	-11.92%
CONS. STAPLES	750.95	-22.26	-2.88%	-1.59%
INFO TECH.	127.97	-1.64	-1.27%	-39.71%
COMMUNICATION SVS	171.93	-3.81	-2.17%	-11.89%
REAL ESTATE	286.45	-4.22	-1.45%	-27.91%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	4.02%	3.49%	3.31%	3.21%
U.S. (YLD%)	4.26%	4.07%	3.82%	3.79%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$88.93	\$1.17	1.33%	18.24%
NATURAL GAS	\$6.93	\$0.00	-0.06%	85.68%
GOLD	\$1,713.60	\$2.20	0.13%	-6.24%
COPPER	\$3.50	-\$0.03	-0.88%	-21.26%
CAD / USD	\$0.7274	-\$0.0069	-0.94%	-8.08%
CAD / EUR	€0.7425	-€0.0004	-0.05%	6.71%
USD / EUR	€1.0207	€0.0090	0.89%	16.07%
USD / JPY	¥145.12	¥0.49	0.34%	26.10%

Source: Refinitiv



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