

Weekly Market Monitor

March 13, 2020

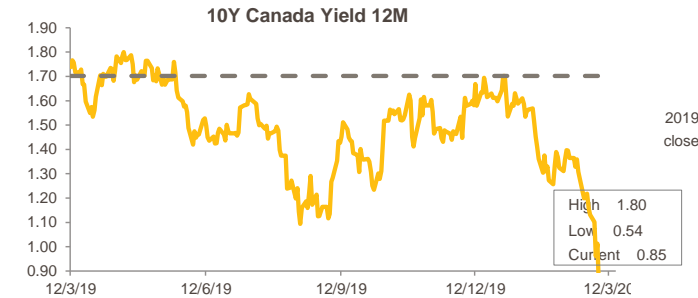
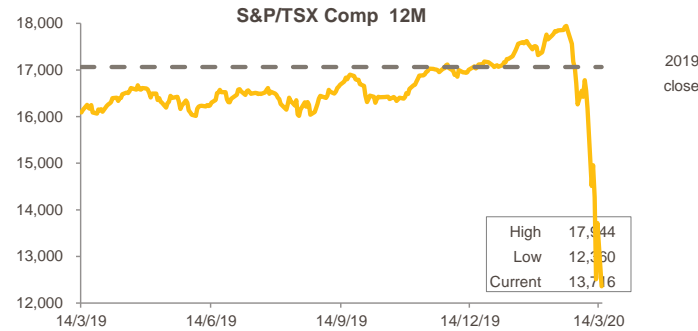
C\$ unless otherwise indicated. Index returns include dividends (total return) unless otherwise indicated.

Economic news

- The Bank of Canada announced an unexpected cut to its benchmark interest rate by 50bps to 0.75% - its second rate cut in less than two weeks. The surprise move is aimed at softening the economic impact of the coronavirus outbreak.
- The S&P/TSX Composite Index responded positively to the BoC's rate cut on Friday, ending the day up 9.7% from the previous day's close, but was down 15.2% for the week overall as concerns mounted over the potential economic impact of coronavirus.
- U.S. President Donald Trump declared coronavirus a national emergency on Friday, making \$50 billion available to fight the virus and increase Americans' access to testing.
- The S&P 500 Index responded positively to U.S. President Donald Trump's declaration of a national emergency on Friday, ending the day up 9.3% from previous close, but down 11.5% for the week overall as the number of coronavirus cases continued to grow in the U.S. and around the globe and the WHO declared the outbreak a pandemic.

Source: Bloomberg

Economic activity	Date	Last	1M prior	2M prior
Real GDP (MoM%)	Dec	0.30	0.10	-0.10
Real GDP (YoY%)	Dec	1.90	1.60	1.30
Core CPI (YoY%)	Jan	1.80	1.70	1.90
Headline CPI (YoY%)	Jan	2.40	2.20	2.20
Unemployment (%)	Feb	5.60	5.50	5.60



	Trailing P/E	Dividend yield (%)
S&P/TSX Comp	13.70	3.82
S&P 500	17.84	2.24
MSCI EAFE	14.15	4.36
MSCI EM	12.56	3.18

Index returns

	Week	QTD	YTD	YTD US\$
S&P/TSX Composite	-15.09%	-19.10%	-19.10%	-24.46%
S&P 500	-5.43%	-9.75%	-9.75%	-15.73%
MSCI EAFE	-15.40%	-21.80%	-21.80%	-26.98%
MSCI EM	-8.74%	-14.21%	-14.21%	-19.89%
MSCI ACWI	-9.17%	-14.18%	-14.18%	-19.87%
S&P/TSX Capped REIT	-15.52%	-10.64%	-10.64%	-16.56%
MSCI US REIT	-9.86%	-10.48%	-10.48%	-16.41%
FTSE EPRA/NAREIT Dev. RE	-13.19%	-14.52%	-14.52%	-20.19%
S&P Global Infrastructure	-17.71%	-20.27%	-20.27%	-25.55%
FTSE TMX Cda. Short Term Bond	-2.17%	0.49%	0.49%	-6.17%
FTSE TMX Cda. Universe Bond	-3.82%	2.18%	2.18%	-4.59%
BloombergBarclay Glb Agg Bond	-0.65%	6.20%	6.20%	-0.02%
FTSE TMX Cda. Long Term Bond	-9.35%	1.01%	1.01%	-5.69%
FTSE TMX Cda. Real Return Bond	-10.91%	-3.16%	-3.16%	-9.57%
S&P High Yield Corp Bond	-4.30%	-2.42%	-2.42%	-8.88%
JPM Emerging Market Bond	-10.08%	-6.46%	-6.46%	-12.66%

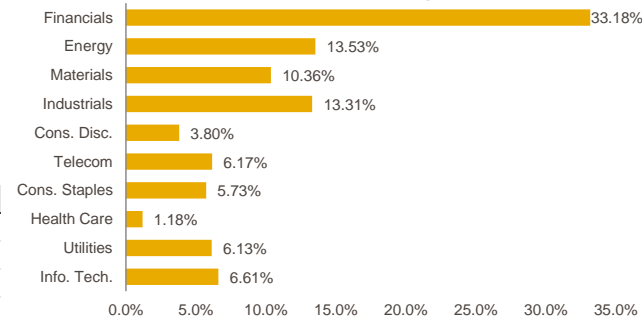
Equity returns by market cap¹

	QTD				YTD		
	Canada	US	World		Canada	US	World
Large	-17.78%	-9.75%	-13.13%	Large	-17.78%	-9.75%	-13.13%
	-23.89%	-19.40%	-19.39%		-23.89%	-19.40%	-19.39%
	-32.99%	-23.65%	-23.11%		-32.99%	-23.65%	-23.11%
Mid				Mid			
Small				Small			

Fixed income returns by issuer and maturity²

	QTD				YTD		
	Short	Mid	Long		Short	Mid	Long
Fed	2.00%	5.54%	6.87%	Fed	2.00%	5.54%	6.87%
	2.36%	3.43%	2.53%		2.36%	3.43%	2.53%
	-2.84%	-1.64%	-9.53%		-2.84%	-1.64%	-9.53%
Prov				Prov			
Corp				Corp			

S&P/TSX Comp sector weights



S&P/TSX Comp index drivers

	Week	Index wt	Impact
Top contributors			
BlackBerry Ltd	1.52%	0.15	0.00%
Jamieson Wellness Inc	1.07%	0.05	0.00%
Linamar Corp	-0.77%	0.10	0.00%
Real Matters Inc	-2.13%	0.06	0.00%
Westshore Terminals Investment	-4.03%	0.04	0.00%

Top detractors

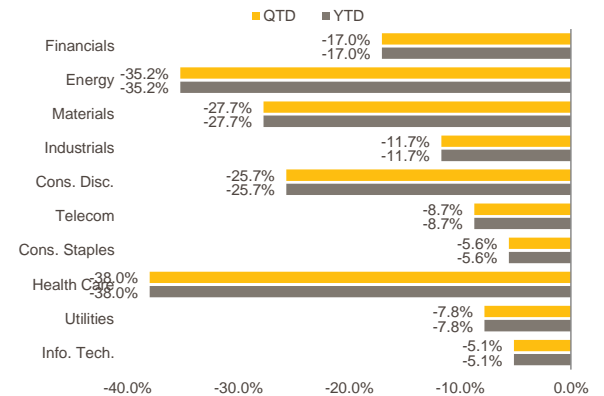
Enbridge Inc	-15.08%	4.01	-0.61%
Suncor Energy Inc	-33.03%	1.57	-0.52%
TC Energy Corp	-17.96%	2.55	-0.46%
Royal Bank of Canada	-7.36%	5.88	-0.43%
Barrick Gold Corp	-23.79%	1.76	-0.42%

Rates	13/3/20	28/2/20	31/12/19	31/12/19
BoC Target Overnight Rate	0.75%	1.75%	1.75%	1.75%
2Y Canada Yield	0.53%	1.15%	1.69%	1.69%
5Y Canada Yield	0.67%	1.07%	1.68%	1.68%
10Y Canada Yield	0.85%	1.13%	1.70%	1.70%
10Y US Treasury Yield	0.96%	1.15%	1.92%	1.92%
Canada 10Y vs 2Y spread	0.31%	-0.02%	0.00%	0.00%
US Treasury 10Y vs 2Y spread	0.47%	0.24%	0.35%	0.35%

Currencies	13/3/20	MTD	QTD	YTD
US\$ per C\$	0.7243	-3.00%	-5.91%	-5.91%
US\$ per Euro€	1.1107	0.73%	-0.95%	-0.95%
Yen¥ per US\$	107.6200	-0.25%	-0.91%	-0.91%

Commodities (spot, US\$)	13/3/20	MTD	QTD	YTD
Gold	1,529.83	-3.52%	0.83%	0.83%
WTI Crude	31.73	-29.11%	-48.03%	-48.03%
Brent Crude	33.85	-33.00%	-48.71%	-48.71%
Western Canada Select	19.53	-37.22%	-49.36%	-49.36%
Henry Hub Natural Gas	1.87	10.99%	-14.62%	-14.62%
Bloomberg Commodity Index	139.28	-7.96%	-19.03%	-19.03%

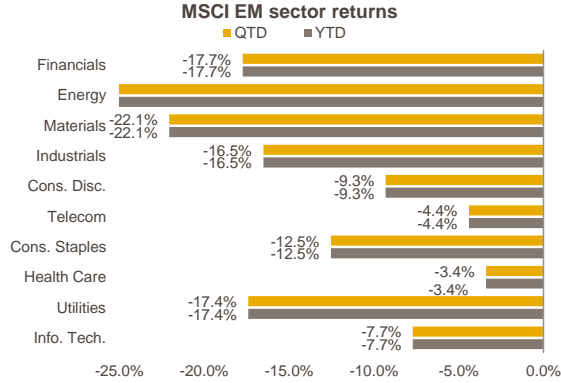
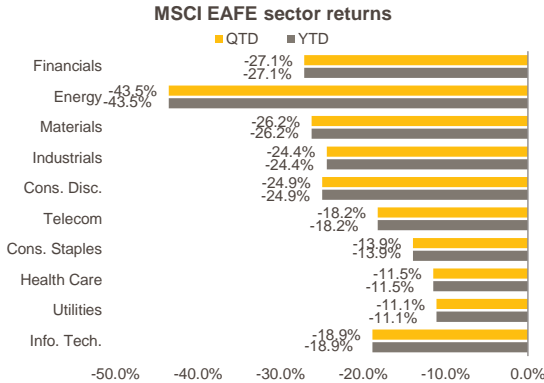
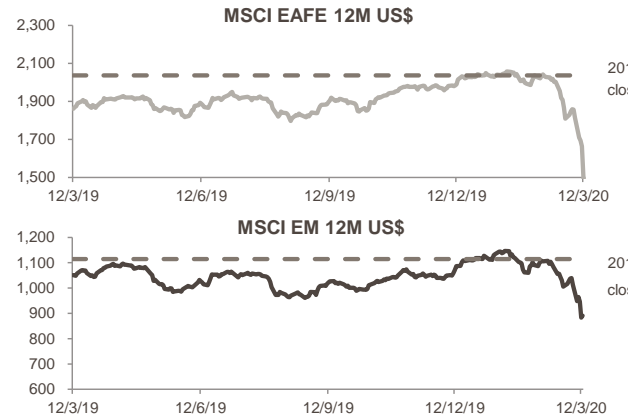
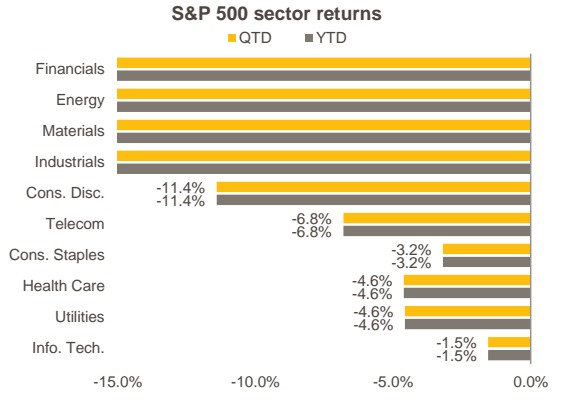
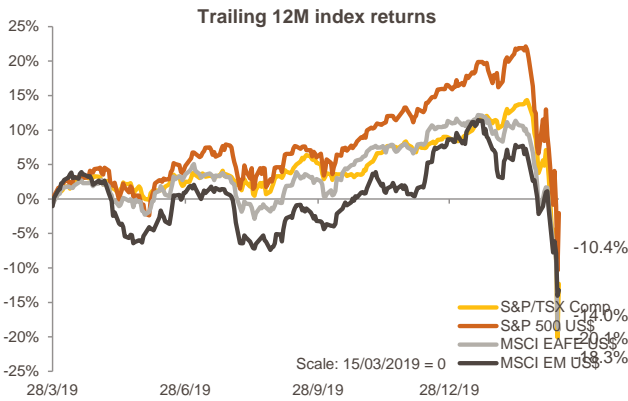
S&P/TSX Comp sector returns



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¹ Equity returns by market cap represented by the following indices respectively: **Canada large, mid, small:** S&P/TSX 60, S&P/TSX Completion, S&P/TSX Small cap; **US large, mid, small:** S&P 500, S&P MidCap 400, S&P SmallCap 600; **World large, mid, small:** MSCI World Large Cap, MSCI World Mid Cap, MSCI World Small Cap.

² Fixed income returns by maturity and issuer represented by the following ETFs respectively: **Federal short term, mid term, long term:** BMO Short Federal Bond, BMO Mid Federal Bond, BMO Long Federal Bond; **Provincial short term, mid term, long term:** BMO Short Provincial Bond, BMO Mid Provincial Bond, BMO Long Provincial Bond; **Corporate short term, mid term, long term:** BMO Short Corporate Bond, BMO Mid Corporate Bond, BMO Long Corporate Bond.

Source: Bloomberg.

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