

Weekly economic review

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A look at this week's markets

At the close on Thursday



| | <i>Week-to-date</i> | | <i>Year-to-date</i> | |
|--------------------------------------|-----------------------|--------------------|-----------------------|---------------|
| | <i>Local currency</i> | <i>In CAD</i> | <i>Local currency</i> | <i>In CAD</i> |
| Canadian Bonds (total return) | | | | |
| FTSE TMX Universe | 0.30% | | 4.59% | |
| FTSE TMX Long Corps | 0.51% | | 8.02% | |
| | 0.28% | | 4.98% | |
| Equities (total return) | | | | |
| S&P/TSX | -1.42% | | 14.17% | |
| S&P 500 | -1.29% | -1.17% | 13.50% | 12.14% |
| MSCI EAFE | -1.24% | -1.14% | 10.53% | 7.56% |
| MSCI Emerging | -1.09% | -0.95% | 3.93% | 1.38% |
| Other | Current price | Return WTD* | Return YTD* | |
| Oil (WTI) | 57.91 \$ | -7.73% | 27.53% | |
| USD/CAD | 0.7422 \$ | -0.12% | 1.21% | |
| Gold | 1 283.45 \$ | 0.46% | 0.07% | |

What caught our eye this week

- **U.S. - China**
 - Tension remains very high
- **Markets:**
 - Risk-off, but not as bad as you might expect
- **Canada:**
 - Economic surprises near a 10-year high

U.S. and China: Another tense week!



Donald J. Trump @realDonaldTrump · 3h
For 10 months, China has been paying Tariffs to the USA of 25% on 50 Billion Dollars of High Tech, and 10% on 200 Billion Dollars of other goods. These payments are partially responsible for our great economic results. The 10% will go up to 25% on Friday. 325 Billions Dollars....

5.1K 12K 44K

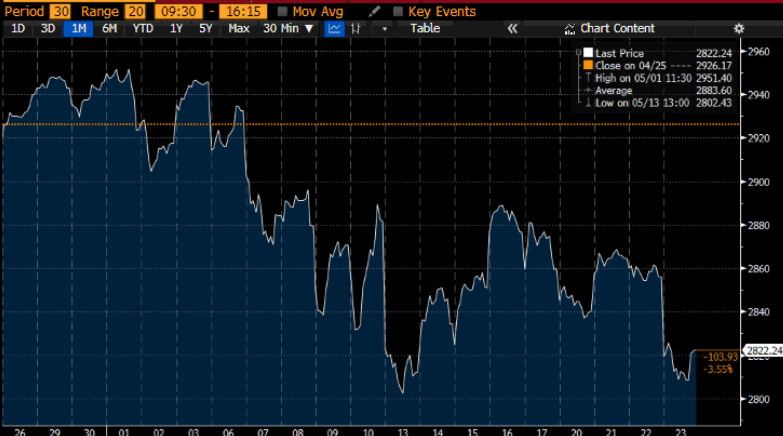
Donald J. Trump @realDonaldTrump · 3h
...of additional goods sent to us by China remain untaxed, but will be shortly, at a rate of 25%. The Tariffs paid to the USA have had little impact on product cost, mostly borne by China. The Trade Deal with China continues, but too slowly, as they attempt to renegotiate. No!

4.3K 9.3K 35K

“If the United States wants to continue trade talks, they should show sincerity and correct their wrong actions. Negotiations can only continue on the basis of equality and mutual respect,” Chinese Commerce Ministry spokesman Gao Feng told a weekly briefing.”
-- Globe and Mail, 23 mai 2019

SPX C 2822.24 -34.03 2790.69 / 2848.84
On 23 May 0 2836.70 H 2836.70 L 2805.49 Prev 2822.24

SPX Index Line Chart



VIX ↑ 16.20 -0.72
At 7:59 0 16.34 H 16.38 L 15.61 Prev 16.92

VIX Index Line Chart



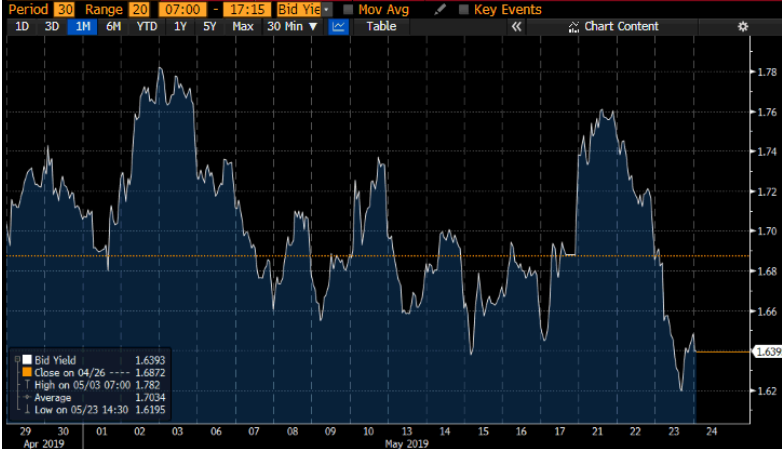
SPTSX C 16164.61 -162.74 16139.56 / 16192.67
On 23 May Vol 243,742,153 0 16216.88 H 16228.47 L 16105.53 Prev 16164.61

SPTSX Index Line Chart



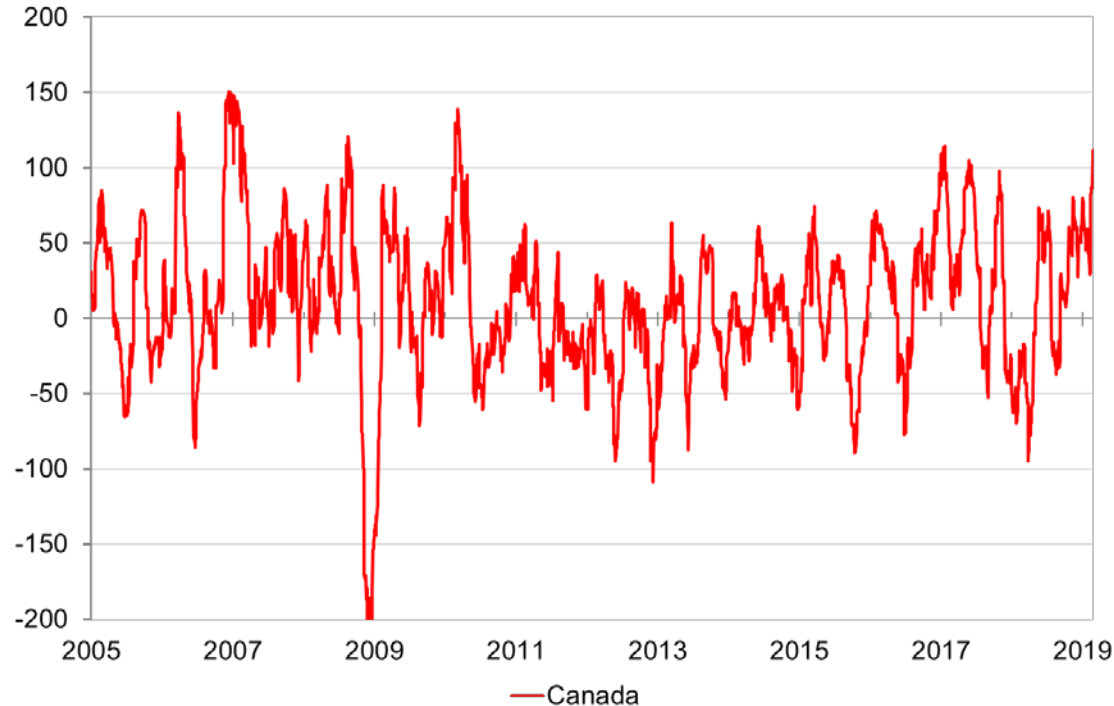
CAN 2 3 06/01/29 ↑ 105.634 +.020 105.617 / 105.651 1.639 / 1.636
At 8:00 -- x -- Source BGN

GTCAD10Y Govt Line Chart



Economic surprise index

Citigroup index



What we'll be watching next week

- **Canada:**

- Bank of Canada Rate Decision (consensus : no change)
- GDP Growth in March (last month: +1.1% YoY)

- **U.S.:**

- Conf Board Consumer Confidence Index (consensus: higher at 130.5 in May)
- Revision to Q1 GDP Growth (consensus: 3.1%)
- Core PCE Inflation (consensus: +1.6% YoY)

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