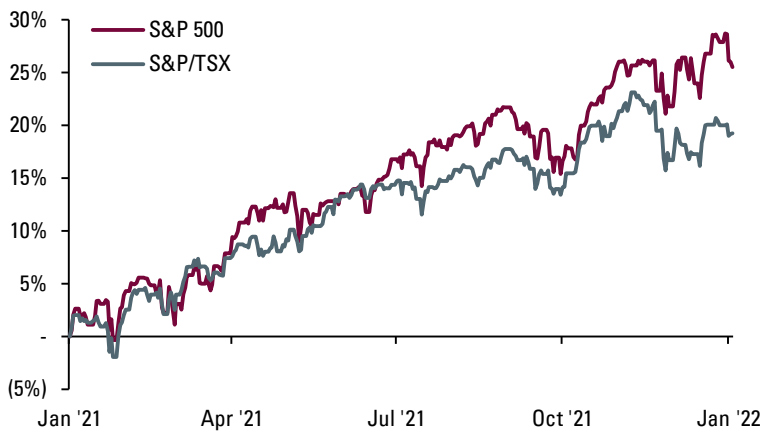


Equity Returns: Last Twelve Months



Weekly Update

Economics

- Central bankers indicated this week that in addition to raising interest rates and tapering asset purchases in the near future, a balance sheet reduction is also a possibility as the Fed seeks to further combat inflation. It is predicted that US inflation grew at its fastest rate in 40 years during 2021.
- A study conducted by Nanos Research found that 87% of Canadians are more worried about the rising cost of everyday goods than they are about rising interest rates. Canada's inflation rate has been hovering around 5% in recent months, the highest levels since 2003.
- The unemployment rate fell to 3.9% in the US during December, a pandemic low as more people returned to work. The economy is about 3.6 million jobs short of its pre-pandemic level and economists warn of a slow in job growth during January and February.

Politics

- The Biden administration is warning of penalizing Russia if the country decides to invade Ukraine. Some officials are wary that depending on the parameters of the sanctions they could evoke a retaliation from Russia and cause economic damage.
- Ontario is launching a new \$10,000 grant to small businesses that have been forced to close with the lockdown. There will also be electricity rate relief beginning on January 18th setting prices at the off-peak rate for 24 hours a day.

Markets

- Shimao, a Chinese real estate developer, has defaulted after failing to make full repayment on a trust loan. Economist Gary Ng says this is concerning as Shimao was considered one of China's healthier real estate firms, and it may indicate future troubles for the industry.
- Elizabeth Holmes, founder and CEO of the failed tech startup Theranos, was found guilty on four counts of criminally defrauding investors. The former Silicon Valley icon faces up to a maximum of 20 years in prison.
- Blackberry has officially discontinued software and infrastructure support for its smartphones, further signalling the companies shift away from handheld tech and towards cybersecurity, AI, and the Internet of Things.
- After initially denying it, Verizon and AT&T have accepted a request from the US Transportation Department to delay the rollout of a new variation of 5G by two weeks over concerns that it would interfere with airline electronics.
- Citigroup will be the first among major Wall Street institutions to require full vaccination as a condition of employment as of January 31st.
- Bitcoin dropped to a three-month low of below \$41,000 as of Friday amid US policy tightening. As well as due to the internet shutdown in Kazakhstan over deadly protests against the government while it is the world's second-biggest bitcoin mining hub.

Changes & Ranges

Security	Price	Weekly Δ	52 Week Range
S&P 500	4,677	(1.9%)	3,714 - 4,797
S&P/TSX	21,084	(0.7%)	17,337 - 21,769
10Y Yield	1.76%	+25 bps	0.95% - 1.76%
10Y TIPS	(0.77%)	+33 bps	-1.20% - -0.59%
USD Index	95.7	0.1%	89.4 - 96.9
VIX Index	18.8	1.5	15.0 - 37.2
WTI	78.9/bbl	4.9%	\$49.93 - \$84.65
Gold	\$1,797/oz	(1.8%)	\$1,684 - \$1,950

Recent Transaction Activity

Name	Type	Value	Notes
intel	M&A	\$7.0B	SK Hynix (KRX:000660) completed the acquisition of Intel Corp.'s (NASDAQ:INTC) NAND & SSD business.
mapletree	M&A	\$5.6B	Mapletree Commercial Trust (SGX:N2IU) announced the acquisition of Mapletree North Asia Commercial Trust (SGX:RW0U).
V	M&A	\$2.7B	Stryker Corp. (NYSE:SYK) announced the acquisition of Vocera Communications (NYSE:VCRA).

Upcoming DFIC Events



BMO Event

- Join us and the DeGroot CPD team at the BMO recruitment event on January 13th from 5-6pm for their Summer 2022 internships.

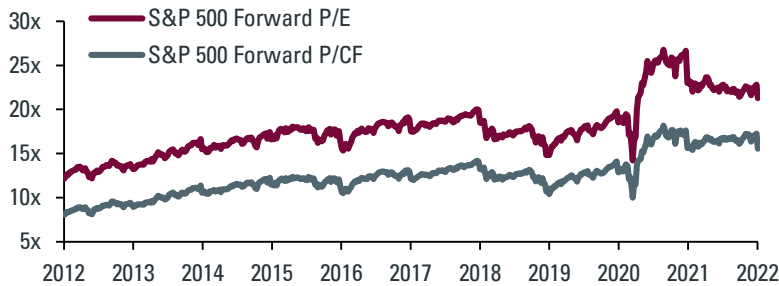


Coming soon

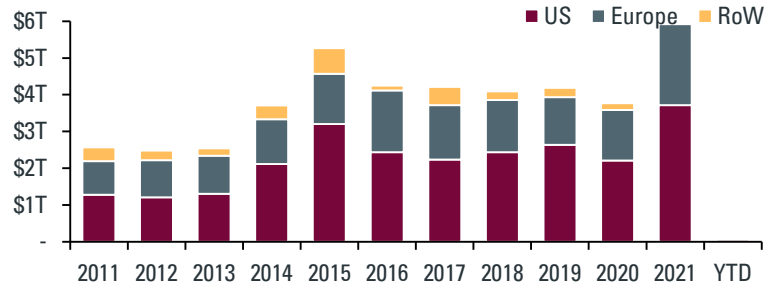
- Stay tuned for upcoming events!

Description	Price	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
United States									
Equity Indices									
S&P 500 Index	4,677	(1.9%)	(0.2%)	6.3%	(1.9%)	(1.9%)	23.0%	44.5%	105.4%
NASDAQ Composite Index	14,936	(4.5%)	(4.8%)	1.9%	(4.5%)	(4.5%)	14.3%	64.7%	170.5%
Dow Jones Industrial Average	36,232	(0.3%)	1.4%	4.2%	(0.3%)	(0.3%)	16.7%	26.8%	81.5%
CBOE SPX Volatility Index	18.8	0.5	(4.1)	(1.8)	0.5	0.5	(4.6)	4.0	6.4
US Dollar Index	95.7	0.1%	(0.7%)	1.6%	0.1%	0.1%	6.6%	(1.3%)	(6.3%)
S&P 500 Sector Performance									
Consumer Discretionary	1,569	(2.6%)	(3.7%)	7.6%	(2.6%)	(2.6%)	18.1%	58.0%	136.7%
Consumer Staples	808	0.4%	6.5%	11.0%	0.4%	0.4%	17.7%	26.7%	50.9%
Energy	468	10.6%	8.4%	12.3%	10.6%	10.6%	49.4%	1.3%	(16.1%)
Financials	685	5.4%	5.1%	6.1%	5.4%	5.4%	33.2%	35.1%	75.1%
Healthcare	1,568	(4.6%)	1.5%	5.4%	(4.6%)	(4.6%)	15.1%	32.3%	91.1%
Industrials	901	0.6%	1.7%	5.5%	0.6%	0.6%	18.6%	29.0%	65.1%
Information Technology	2,912	(4.7%)	(3.8%)	8.7%	(4.7%)	(4.7%)	27.5%	79.2%	251.9%
Materials	561	(1.5%)	2.0%	9.5%	(1.5%)	(1.5%)	15.9%	50.7%	76.5%
Telecommunication Services	260	(2.7%)	(2.1%)	(4.8%)	(2.7%)	(2.7%)	17.9%	40.6%	49.1%
Utilities	358	(1.6%)	2.7%	7.9%	(1.6%)	(1.6%)	13.9%	10.3%	44.3%
Global Indices									
Americas									
S&P/TSX Composite	21,084	(0.7%)	(0.4%)	3.3%	(0.7%)	(0.7%)	17.0%	22.8%	36.1%
Mexico IPC Index	53,202	(0.1%)	4.5%	4.6%	(0.1%)	(0.1%)	15.2%	20.5%	15.5%
Brazil Bovespa Index	102,720	(2.0%)	(4.5%)	(7.1%)	(2.0%)	(2.0%)	(16.1%)	(12.0%)	66.6%
Europe									
EURO STOXX 50 Index	4,306	0.2%	0.7%	5.1%	0.2%	0.2%	18.9%	14.5%	29.6%
FTSE 100 Index	7,485	1.4%	2.0%	5.8%	1.4%	1.4%	9.2%	(1.2%)	3.8%
Germany DAX Index	15,948	0.4%	0.8%	4.6%	0.4%	0.4%	14.2%	20.6%	37.5%
France CAC 40 Index	7,219	0.9%	2.2%	9.4%	0.9%	0.9%	27.3%	20.1%	47.0%
Switzerland SMI Index	12,798	(0.6%)	2.3%	8.8%	(0.6%)	(0.6%)	18.7%	19.8%	52.0%
Asia									
Nikkei 225 Index	28,479	(1.1%)	0.1%	2.9%	(1.1%)	(1.1%)	3.6%	20.8%	46.4%
Hang Seng Index	23,493	0.4%	(2.0%)	(4.9%)	0.4%	0.4%	(14.7%)	(17.0%)	4.4%
S&P/ASX 200 Index	7,453	0.1%	1.9%	2.7%	0.1%	0.1%	11.0%	9.2%	29.5%

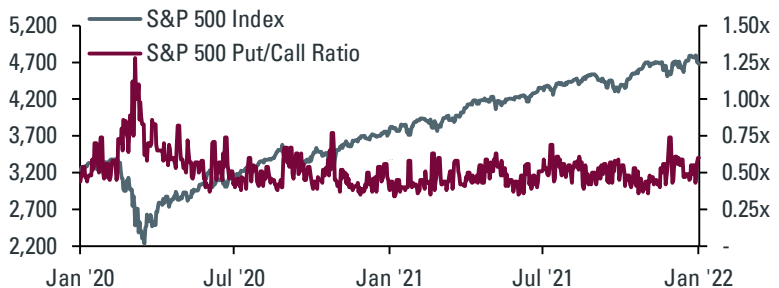
S&P 500 Valuation Multiples (10-year)



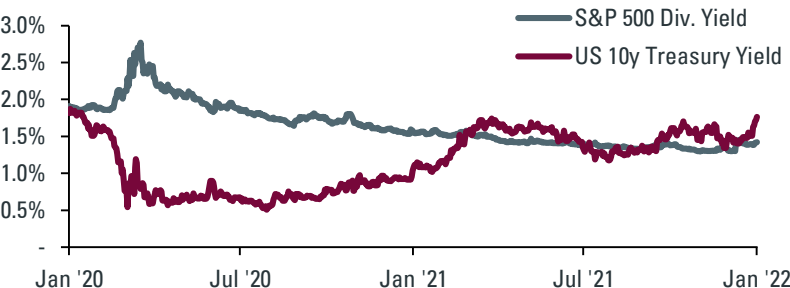
M&A Transaction Value



Put/Call Ratio

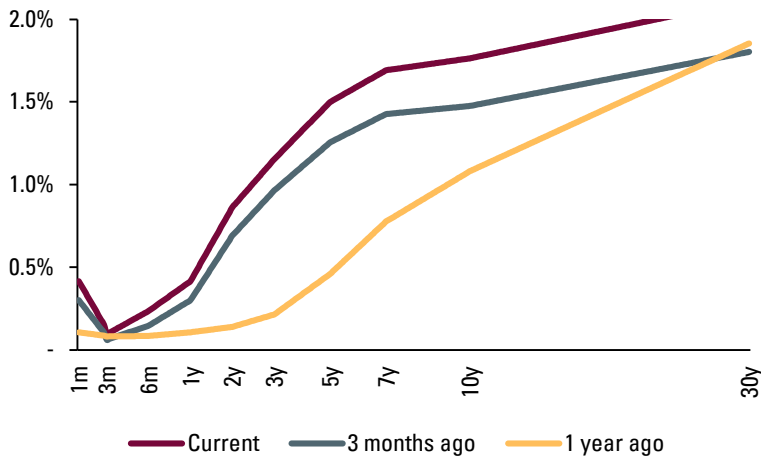


Dividend Yields

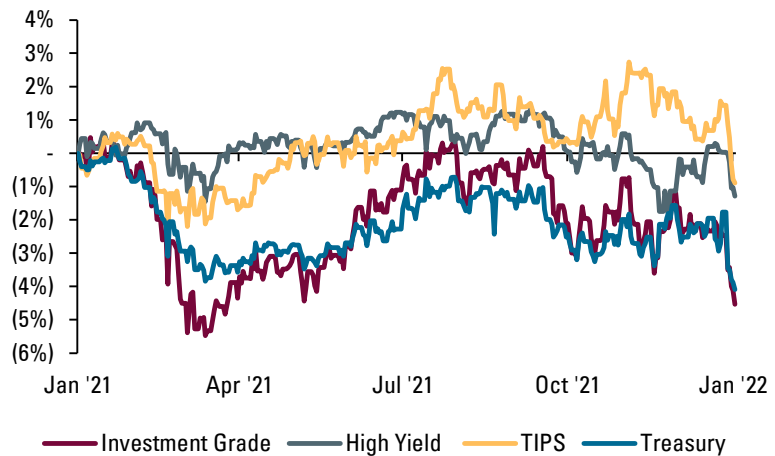


Description	Yield	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
North America									
US Treasury Yields									
3-month	0.10	5	3	5	5	5	1	-144	-42
12-month	0.42	3	12	32	3	3	31	-110	-42
2-year	0.86	13	17	56	13	13	72	-68	-35
10-year	1.76	25	29	19	25	25	68	-5	-66
30-year	2.12	21	31	-1	21	21	26	-19	-89
5-year TIPS	-1.33	33	28	37	33	33	35	-126	-129
10-year TIPS	-0.77	33	28	13	33	33	26	-85	-121
30-year TIPS	-0.17	29	33	5	29	29	10	-69	-110
2-10-year spread	89.59	12	12	-37	12	12	-4	62	-31
1-year inflation expectations	3.54	11	-37	51	11	11	108	205	211
10-year inflation expectations	2.52	-7	1	4	-7	-7	43	78	53
Canada Treasury Yields									
3-month	0.26	8	22	14	8	8	20	-139	-20
12-month	0.89	12	5	58	12	12	74	-82	26
2-year	1.07	12	-8	43	12	12	88	-57	31
10-year	1.72	29	14	16	29	29	93	14	-1
Fixed Income Indices									
USD High Yield	2.98	15	8	5	15	15	-52	-34	-85
USD Investment Grade	0.92	-	-3	7	-	-	-4	-6	-30
US 3-month LIBOR	0.23	2	3	11	2	2	1	-165	-78
US 12-month LIBOR	0.65	6	17	40	6	6	32	-131	-104

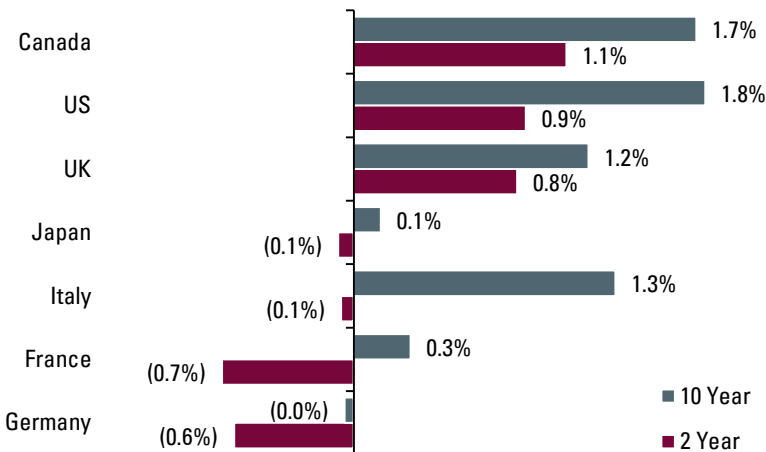
US Yield Curve



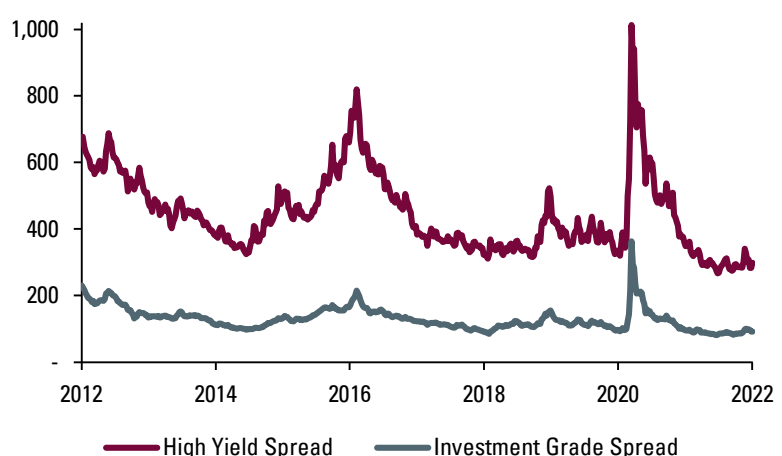
Annual Total Bond Returns



Sovereign Debt YTM Comparisons



Credit Spreads (bps)

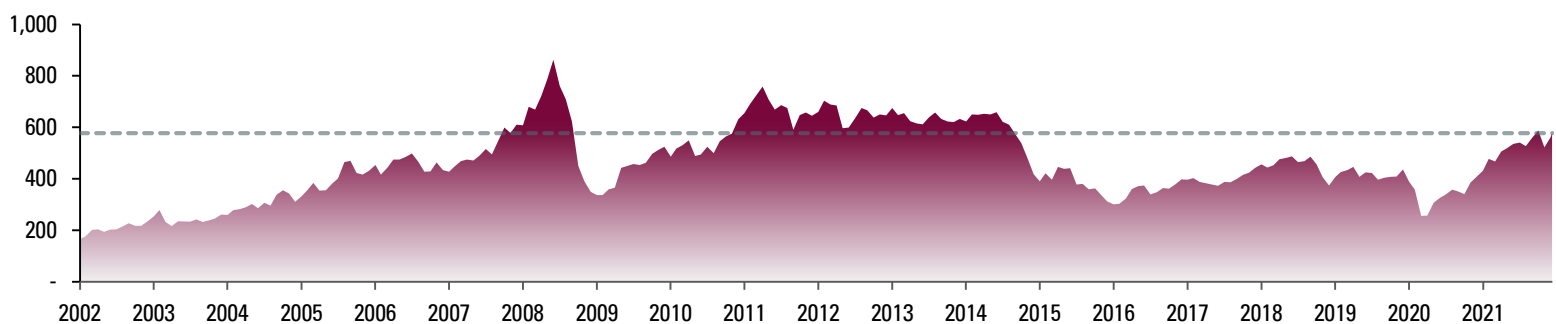


Currencies & Commodities

January 7, 2022

Description	Price	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
Commodities									
Precious Metals									
Gold spot (US\$/oz)	1,797	(1.8%)	0.7%	2.3%	(1.8%)	(1.8%)	(6.1%)	14.1%	53.2%
Silver spot (US\$/oz)	22.37	(4.0%)	(0.6%)	(1.0%)	(4.0%)	(4.0%)	(17.6%)	21.5%	35.6%
Platinum spot (US\$/oz)	962	(0.7%)	0.6%	(2.2%)	(0.7%)	(0.7%)	(14.1%)	(1.0%)	(0.6%)
Palladium spot (US\$/oz)	1,935	1.6%	4.3%	(1.5%)	1.6%	1.6%	(20.3%)	(5.8%)	155.6%
Base and Industrial Metals									
LME copper spot (US\$/lb)	4.34	(1.3%)	(0.9%)	4.2%	(1.3%)	(1.3%)	19.0%	55.9%	72.5%
LME lead spot (US\$/lb)	1.04	(1.6%)	2.8%	5.0%	(1.6%)	(1.6%)	13.1%	20.3%	12.2%
LME zinc spot (US\$/lb)	1.63	(1.1%)	9.2%	18.7%	(1.1%)	(1.1%)	26.5%	53.0%	39.2%
LME nickel spot (US\$/lb)	9.29	(2.1%)	0.9%	12.3%	(2.1%)	(2.1%)	14.2%	47.8%	101.1%
LME aluminum spot (US\$/lb)	1.32	3.8%	11.0%	(0.1%)	3.8%	3.8%	45.0%	62.3%	69.1%
NYME coil steel (US\$/tonne)	1,415	(1.4%)	(3.3%)	(4.2%)	(1.4%)	(1.4%)	92.5%	NA	NA
Energy									
WTI (US\$/bbl)	78.90	4.9%	9.5%	0.8%	4.9%	4.9%	55.2%	25.8%	46.1%
ICE Brent (US\$/bbl)	81.75	5.1%	8.9%	2.5%	5.1%	5.1%	58.4%	39.6%	37.4%
Natural Gas (US\$/mmd)	3.92	5.0%	6.6%	(32.6%)	5.0%	5.0%	27.7%	47.7%	23.6%
Other									
Baltic dry index (US\$/tonne/day)	2,296	3.6%	(31.5%)	(59.4%)	3.6%	3.6%	58.6%	190.3%	138.4%
CBT corn futures (US\$/bu)	607	2.3%	3.5%	13.6%	2.3%	2.3%	22.8%	57.8%	69.5%
CBT wheat futures (US\$/bu)	759	(1.6%)	(5.1%)	2.3%	(1.6%)	(1.6%)	18.1%	37.8%	79.2%
CBT soybean futures (US\$/bu)	1,402	5.5%	12.1%	12.4%	5.5%	5.5%	3.0%	49.9%	42.1%
Lumber futures (US\$/1,000 bf)	1,188	3.5%	25.1%	75.6%	3.5%	3.5%	33.6%	200.5%	279.7%
Bitcoin / USD cross rate (US\$)	41,882	(9.6%)	(17.1%)	(22.7%)	(11.5%)	(11.5%)	5.4%	422.1%	4563.1%
Ethereum / USD cross rate (US\$)	3,215	(12.8%)	(25.1%)	(11.3%)	(14.3%)	(14.3%)	156.4%	2156.0%	NA
Currencies									
Foreign Exchange Ratios (US\$ Cross)									
US dollar index	95.74	0.1%	(0.7%)	1.6%	0.1%	0.1%	6.6%	(1.3%)	(6.3%)
Euro	0.88	0.1%	(0.8%)	1.7%	0.1%	0.1%	8.0%	(1.8%)	(7.3%)
British pound	0.74	(0.5%)	(2.6%)	0.2%	(0.5%)	(0.5%)	(0.2%)	(3.4%)	(9.6%)
Japanese yen	115.56	0.4%	1.7%	3.5%	0.4%	0.4%	11.3%	6.6%	(1.2%)
Canadian dollar	1.26	0.0%	0.0%	0.7%	0.0%	0.0%	(0.4%)	(2.8%)	(4.5%)
Australian dollar	1.39	1.1%	(0.9%)	1.8%	1.1%	1.1%	8.2%	(4.3%)	1.6%
Chinese yuan	6.38	0.3%	0.2%	(1.0%)	0.3%	0.3%	(1.6%)	(8.2%)	(7.9%)
Mexican peso	20.40	(0.6%)	(3.0%)	(1.2%)	(0.6%)	(0.6%)	1.9%	8.0%	(3.9%)
Chilean peso	828.65	(2.7%)	(1.3%)	1.8%	(2.7%)	(2.7%)	16.7%	7.7%	24.1%
Brazilian real	5.63	1.0%	0.4%	2.1%	1.0%	1.0%	4.3%	38.6%	74.8%
Argentine peso	103.29	0.5%	1.8%	4.4%	0.5%	0.5%	21.5%	72.7%	553.4%
Swiss franc	0.92	0.6%	(0.7%)	(1.0%)	0.6%	0.6%	3.8%	(5.3%)	(9.7%)
Turkish lira	13.87	4.3%	2.8%	56.2%	4.3%	4.3%	89.5%	132.2%	280.6%
Russian ruble	75.75	1.4%	2.3%	5.7%	1.4%	1.4%	2.5%	22.5%	27.1%
Indian rupee	74.31	(0.0%)	(1.5%)	(0.6%)	(0.0%)	(0.0%)	1.3%	3.5%	9.3%

GSCI Commodities Spot Index



Source: Bloomberg