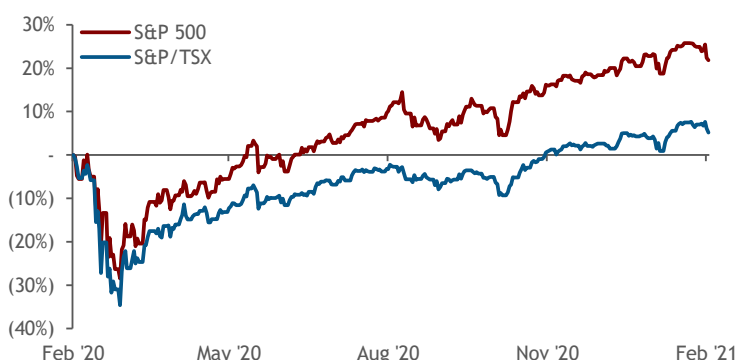


## Equity Returns: Last Twelve Months



## Recent News Articles

### U.S. Yields Hit 1.6%, Wreaking Havoc Across Markets

- **Benchmark 10-year treasury yields catapulted to their highest rate in more than a year at +1.6%**
- Locked in the same patterns for months by the COVID-19 crisis, **markets now appear to have begun a long-awaited process of repricing themselves.** Trillions of dollars in federal spending and positive vaccine results have increased the probability that developed countries will recover faster than what central bankers expect
- "The economy is already recovering and a lot of people think that this stimulus proposed is much more than what's needed," said John Carey, portfolio manager at Amundi Asset Management U.S. "You put too many coals on the fire and we build the fire to a very intense level. People start to think the Fed won't be able to keep rates where they are"
- Right now those rates are increasing at a pace that may be unsettling to strategies such as risk parity, and the fixed income volatility is spilling over into other assets," said Sameer Samana, Wells Fargo Investment Institute's senior global market strategist. "Until the speed at which rates are rising slows, we may need to mentally prepare ourselves for more days like this"

### Big Six Banks' Mortgage Books 'On Fire' As Housing Heats Up

- Canada's Big Six banks generated lots of headlines as they reported their fiscal first-quarter results this week. Loan-loss provisions plunged far more than analysts had expected, driving big earnings beats across the sector
- **Banks are selling more residential mortgages than ever before, and reported sharp increases in their Canadian residential mortgage balances over the past year.** Low interest rates and work-from-home requirements are compelling Canadians to buy homes. And that's a good thing for the banks in an otherwise stagnant market for personal lending.
- Rob Wessel, a former Bay Street bank analyst, stated that low interest rates are the key factor behind strong mortgage demand. He also noted that, for the banks, rising home prices mean higher loan values. This drives loan volume growth in mortgages, their most important lending category
- **The gains are important because they provide an important source of growth at a time when loan growth in their core Canadian retail banking units is difficult to achieve.** For instance, the **12%** gain in residential mortgage balances at Royal looks pretty appealing when compared to its stagnant credit card book (\$17 billion in outstanding balances, down **14%** from a year earlier) and low-growth small business book (\$5.7 billion, up **3.6%** from previous year).

### Judge In Google Case Disturbed That 'Incognito' Users Are Tracked

- When Google users browse in "Incognito" mode, just how hidden is their activity? The Alphabet Inc. unit says activating the stealth mode in Chrome, or "private browsing" in other browsers, means the company won't "remember your activity." But a judge with a history of taking Silicon Valley giants to task about their data collection has raised doubts
- **At a hearing Thursday in San Jose, California, U.S. District Judge Lucy Koh said she's "disturbed" by Google's data collection practices in a class-action lawsuit that describes the company's private browsing promises as a "ruse" and seeks \$5,000 in damages for each of the millions of people whose privacy has been compromised since June of 2016**

## Changes & Ranges

Security	Price	Weekly Δ	52 Week Range
S&P 500	3,811	(2.4%)	2,237 - 3,935
S&P/TSX	18,060	(1.8%)	11,228 - 18,493
10Y Yield	1.40%	7 bps	0.51% - 1.52%
10Y TIPS	(0.74%)	7.5	-1.11% - 0.59%
USD Index	90.9	0.6%	89.4 - 102.8
VIX Index	28.0	5.9%	20.0 - 82.7
WTI	61.50/bbl	3.8%	-\$37.63 - \$63.53
Gold	\$1,734/oz	(2.8%)	\$1,471 - \$2,064

## Recent Transaction Activity: M&A / IPO / SEO

Name	Type	Value	Notes
PRA Health Sciences	M&A	\$11,700M	ICON PLC announces the acquisition of PRA Health Sciences for \$11,700M
Interpipeline	M&A	\$10,100M	Brookfield Infrastructure Corp to acquire Inter Pipeline Ltd for \$10,100M
MetBank	M&A	\$7,000M	People's United Financial Inc acquired by M&T Bank Corp for \$7,000M

## Upcoming DFIC Events

- Working at a Boutique Investment Bank**
  - Find out what it's like to work at a boutique investment bank on March 4th at 5:45pm with David Bar and Alex Recio
  - David Bar is an investment banking associate at Integral Wealth and Alex Recio is an investment banking associate at Blair Franklin
- Road to CFO III**
  - Our third Road to CFO is here! Join us on March 11th at 5:45pm
  - Come out to hear from Aida Cipolla from Toronto Hydro
- Trading Simulation**
  - Register for our March 13th trading event
  - Take the same simulation used to train new graduate hires at Morgan Stanley, Bank of America, Credit Suisse and Citi

