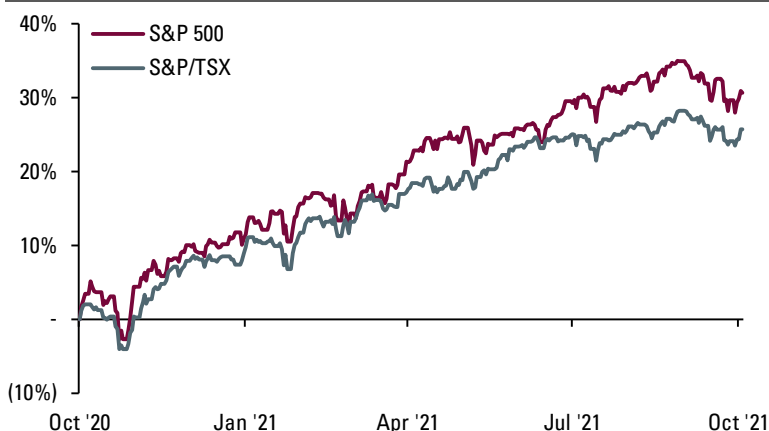


Equity Returns: Last Twelve Months



Weekly Update

Economics

- The US added just 194k jobs vs estimates of 500k and the fall in the unemployment rate (to 4.8% vs 5.2% in August) was largely due to people leaving the labour force. Canada added 157k jobs last month vs estimates of just 60k, reaching pre-COVID level after losing 3 million jobs to the pandemic. However, hours worked remain low and long-term unemployment is still elevated.
- 136 countries in the OECD have reached a landmark agreement to tax multinational corporations at a minimum rate of 15% and also encourages governments to tax companies in the countries of which they do business, irrespective of a physical presence. The tentative deal still faces controversy over concessions some feel hinder efforts to fully tackle profit shifting and provide inadequate revenues to most OECD member countries. ▪ X

Politics

- Facebook whistleblower Frances Haugen spoke at a US Senate hearing over Facebook placing profit before child safety, society, and democracy. The company simultaneously experienced outages as key platforms were taken offline on Monday. Shares are down 13% over the past week.
- The US Senate reached an agreement to raise the debt ceiling by US\$480 billion, averting the threat of default but only delaying the issue until December. Treasuries continued to sell-off.
- The ICIJ released the "Pandora Papers", a leak of millions of documents exposing the usage of offshore companies powerful individuals use to hide their wealth, including 35 world leaders and over 100 billionaires. This follows the Offshore Leaks (2013), Panama Papers (2016), and Paradise Papers (2017).




Markets

- In wake of the Evergrande crisis another Chinese developer, Fantasia Holdings Group, failed to repay a US\$206 million bond and highlighted further red flags of indebtedness and moral hazard in China's property sector.
- UK and European energy prices have skyrocketed through a combination of inadequate supply/delivery resources, high Asian demand, and geopolitical tensions with Russia. UK inflation forecasts have reached multi-decade highs.
- Global debt levels may reach 260% of GDP by year-end, with the ability to service the debt predicated on low interest rates.
- Scrutiny over "stablecoins" (cryptocurrencies that peg their market value to an external reference) is growing. Notably Tether, a US\$68 billion stablecoin tied to the USD, faces accusations of holding inadequate reserves vs its market cap, investing some reserves in risky assets such as Chinese commercial paper, and made loans worth billions to other crypto companies. Tether has denied any wrongdoing. Janet Yellen and Jerome Powel are both pushing for quick regulation of stablecoins.
- Elon Musk announced Tesla will relocate its headquarter from Palo Alto, California to Austin, Texas. The company has also raised prices and revised delivery targets amid the global chip shortage.

Changes & Ranges

| Security | Price | Weekly Δ | 52 Week Range |
|-----------|------------|----------|-------------------|
| S&P 500 | 4,391 | 0.8% | 3,270 - 4,537 |
| S&P/TSX | 20,416 | 1.3% | 15,581 - 20,821 |
| 10Y Yield | 1.61% | +15 bps | 0.73% - 1.74% |
| 10Y TIPS | (0.90%) | +2 bps | -1.20% - -0.59% |
| USD Index | 94.1 | 0.0% | 89.4 - 94.3 |
| VIX Index | 18.8 | (2.4) | 15.1 - 40.3 |
| WTI | 79.4/bbl | 4.6% | \$35.79 - \$79.35 |
| Gold | \$1,757/oz | (0.2%) | \$1,684 - \$1,951 |

Recent Transaction Activity

| Name | Type | Value | Notes |
|---|------|-----------|--|
|  KL | M&A | \$10,728M | Agnico Eagle Mines (TSE:AEM) announced a merger with Kirland Lake Gold (TSE:KL), continuing consolidation in the gold sector |
|  TK | M&A | \$4,071M | Stonepeak Partners announced the acquisition of Teekay LNG Partners (NYSE:TGP) |
|  VOLVO | M&A | \$2,870M | Volvo Cars, owned by Chinese Geely Holdings, announced an IPO, citing its shift into a fully electric car company by 2030 |

Upcoming DFIC Events

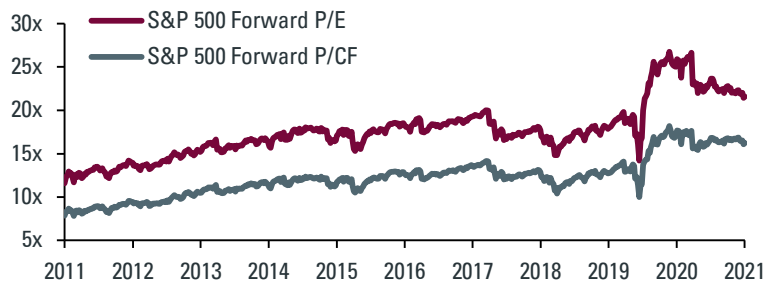


Reading Week

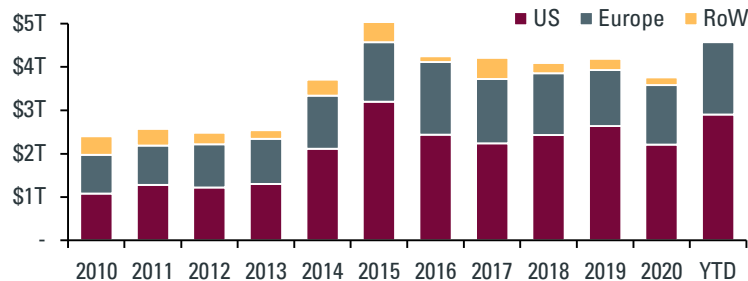
- Happy Thanksgiving!

| Description | Price | Performance | | | | | | | |
|---------------------------------------|---------|-------------|--------|---------|--------|--------|-------|--------|---------|
| | | 1w | 1m | 3m | Qtd | Ytd | 1y | 2y | 5y |
| United States | | | | | | | | | |
| Equity Indices | | | | | | | | | |
| S&P 500 Index | 4,391 | 0.8% | (2.7%) | 1.6% | 0.8% | 16.9% | 27.4% | 51.8% | 103.9% |
| NASDAQ Composite Index | 14,580 | 0.1% | (4.6%) | 0.1% | 0.1% | 13.1% | 27.7% | 86.3% | 175.5% |
| Dow Jones Industrial Average | 34,746 | 1.2% | (0.8%) | 0.9% | 1.2% | 13.5% | 22.2% | 32.8% | 90.5% |
| CBOE SPX Volatility Index | 18.8 | (3.4) | (0.2) | (1.2) | (3.4) | (5.0) | (8.6) | (2.5) | 4.3 |
| US Dollar Index | 94.1 | 0.0% | 1.5% | 1.8% | 0.0% | 4.6% | 0.5% | (5.1%) | (2.7%) |
| S&P 500 Sector Performance | | | | | | | | | |
| Consumer Discretionary | 1,451 | 0.9% | (1.6%) | (0.8%) | 0.9% | 11.4% | 16.9% | 57.3% | 129.1% |
| Consumer Staples | 726 | 1.4% | (3.4%) | 0.8% | 1.4% | 4.3% | 8.3% | 17.3% | 35.3% |
| Energy | 429 | 5.0% | 20.3% | 9.7% | 5.0% | 50.1% | 80.9% | 4.1% | (17.5%) |
| Financials | 649 | 2.3% | 3.7% | 9.4% | 2.3% | 32.3% | 54.9% | 46.0% | 99.2% |
| Healthcare | 1,480 | (0.3%) | (6.5%) | (1.1%) | (0.3%) | 11.8% | 18.2% | 45.1% | 78.0% |
| Industrials | 853 | 1.8% | (1.7%) | (0.9%) | 1.8% | 13.8% | 25.6% | 36.6% | 71.5% |
| Information Technology | 2,669 | 0.3% | (4.2%) | 1.4% | 0.3% | 16.5% | 28.2% | 93.1% | 233.2% |
| Materials | 510 | 1.0% | (3.0%) | (0.3%) | 1.0% | 11.8% | 22.8% | 47.4% | 73.2% |
| Telecommunication Services | 272 | (0.1%) | (5.0%) | 2.5% | (0.1%) | 22.8% | 38.3% | 65.3% | 66.1% |
| Utilities | 329 | 1.4% | (6.7%) | 0.3% | 1.4% | 3.2% | 2.0% | 1.5% | 37.5% |
| Global Indices | | | | | | | | | |
| Americas | | | | | | | | | |
| S&P/TSX Composite | 20,416 | 1.3% | (1.6%) | 1.8% | 1.3% | 17.1% | 23.5% | 25.3% | 40.2% |
| Mexico IPC Index | 51,137 | 0.1% | (0.6%) | 3.2% | 0.1% | 16.0% | 33.2% | 20.2% | 7.4% |
| Brazil Bovespa Index | 112,833 | (0.1%) | (0.5%) | (10.0%) | (0.1%) | (5.2%) | 15.2% | 12.9% | 84.6% |
| Europe | | | | | | | | | |
| EURO STOXX 50 Index | 4,073 | 0.9% | (2.5%) | 2.0% | 0.9% | 14.7% | 25.1% | 18.7% | 35.8% |
| FTSE 100 Index | 7,096 | 1.0% | 0.0% | 0.9% | 1.0% | 9.8% | 18.7% | (0.7%) | 0.7% |
| Germany DAX Index | 15,206 | 0.3% | (2.6%) | (1.4%) | 0.3% | 10.8% | 16.6% | 27.0% | 44.9% |
| France CAC 40 Index | 6,560 | 0.6% | (1.6%) | 2.6% | 0.6% | 18.2% | 33.6% | 20.2% | 47.4% |
| Switzerland SMI Index | 11,765 | 1.6% | (3.7%) | (1.3%) | 1.6% | 9.9% | 14.6% | 20.0% | 44.8% |
| Asia | | | | | | | | | |
| Nikkei 225 Index | 28,049 | (2.5%) | (7.1%) | (0.2%) | (2.5%) | 2.2% | 18.6% | 29.9% | 66.4% |
| Hang Seng Index | 24,838 | 1.1% | (5.6%) | (8.5%) | 1.1% | (8.8%) | 2.7% | (4.1%) | 4.1% |
| S&P/ASX 200 Index | 7,320 | 1.9% | (2.6%) | (0.3%) | 1.9% | 11.1% | 20.0% | 11.0% | 33.9% |

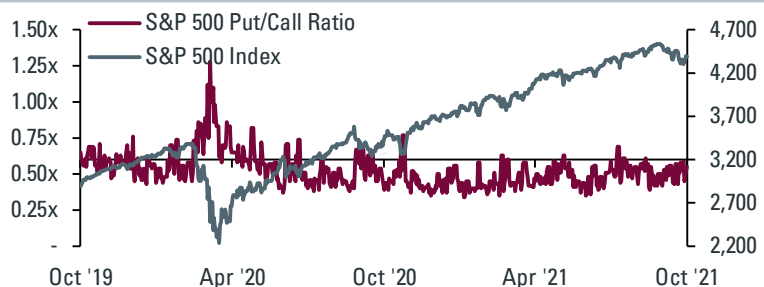
S&P 500 Valuation Multiples (10-year)



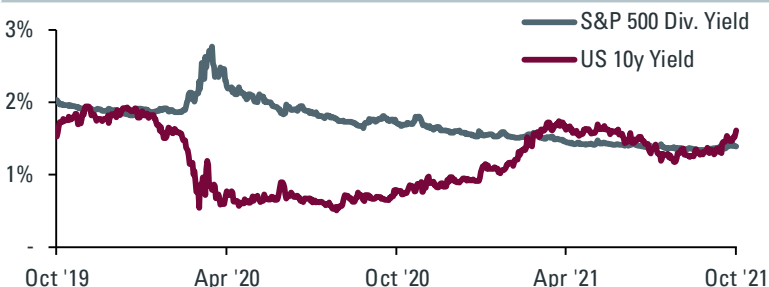
M&A Transaction Value



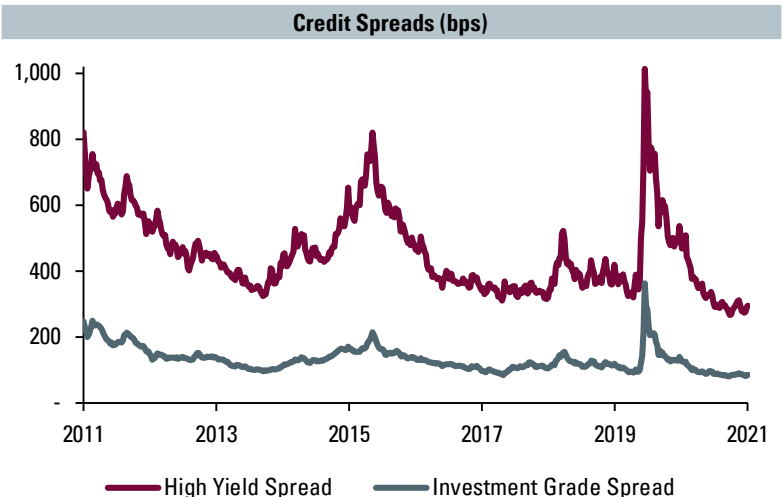
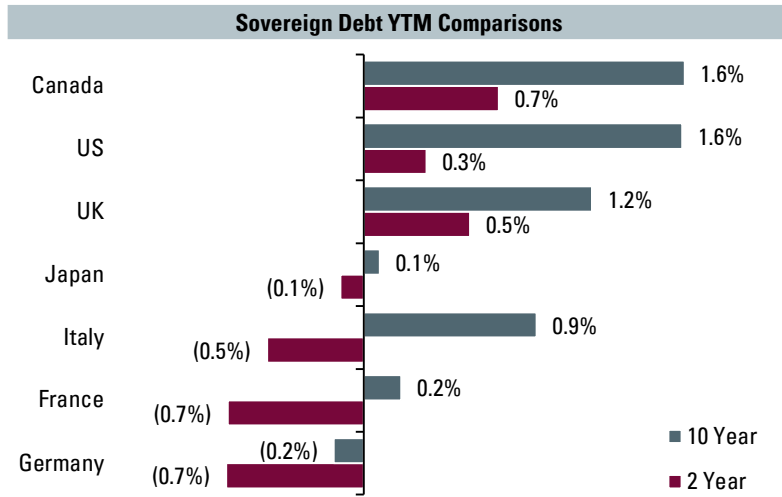
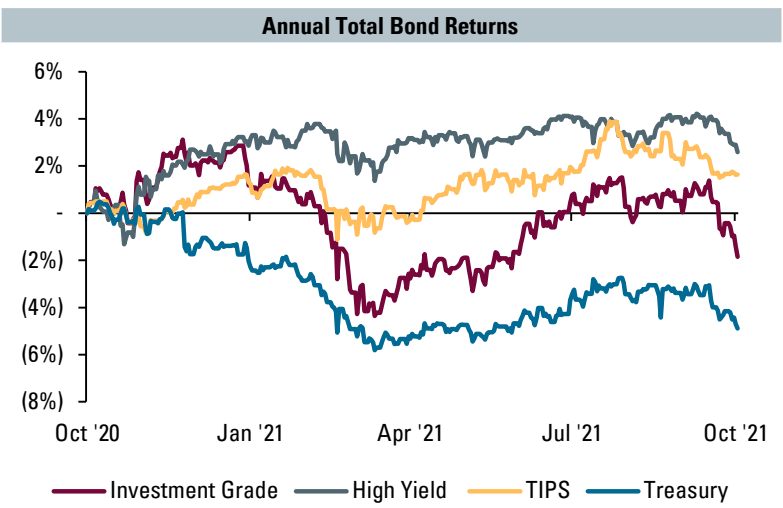
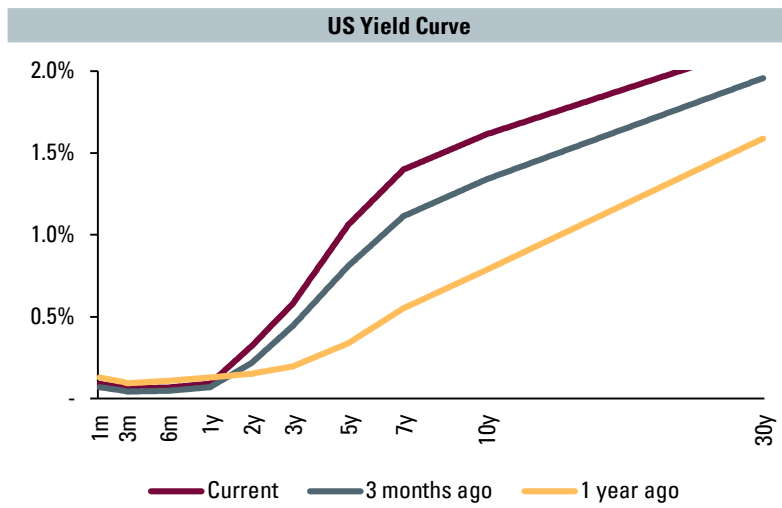
Put/Call Ratio



Dividend Yields



| Description | Yield | Performance | | | | | | | |
|--------------------------------|--------|-------------|----|----|-----|-----|------|------|------|
| | | 1w | 1m | 3m | Qtd | Ytd | 1y | 2y | 5y |
| North America | | | | | | | | | |
| US Treasury Yields | | | | | | | | | |
| 3-month | 0.06 | 3 | 2 | 1 | 3 | -1 | -3 | -162 | -26 |
| 12-month | 0.09 | 2 | 2 | 3 | 2 | -2 | -4 | -151 | -54 |
| 2-year | 0.32 | 6 | 10 | 13 | 6 | 20 | 17 | -110 | -51 |
| 10-year | 1.61 | 15 | 28 | 32 | 15 | 70 | 83 | 8 | -11 |
| 30-year | 2.17 | 14 | 21 | 24 | 14 | 52 | 58 | 14 | -29 |
| 5-year TIPS | -1.68 | -1 | 13 | 1 | -1 | -5 | -41 | -180 | -140 |
| 10-year TIPS | -0.90 | 2 | 14 | 5 | 2 | 19 | 5 | -96 | -98 |
| 30-year TIPS | -0.21 | 4 | 9 | 3 | 4 | 17 | 7 | -69 | -87 |
| 2-10-year spread | 129.00 | 9 | 17 | 19 | 9 | 50 | 66 | 118 | 41 |
| 1-year inflation expectations | 3.06 | 35 | 36 | 14 | 35 | 104 | 232 | 200 | 192 |
| 10-year inflation expectations | 2.51 | 13 | 13 | 28 | 13 | 52 | 78 | 104 | 87 |
| Canada Treasury Yields | | | | | | | | | |
| 3-month | 0.12 | 0 | -3 | -3 | 0 | 5 | 2 | -151 | -38 |
| 12-month | 0.34 | 5 | 7 | 9 | 5 | 17 | 16 | -131 | -24 |
| 2-year | 0.69 | 18 | 29 | 20 | 18 | 49 | 45 | -76 | 9 |
| 10-year | 1.63 | 16 | 42 | 36 | 16 | 95 | 101 | 35 | 45 |
| Fixed Income Indices | | | | | | | | | |
| USD High Yield | 2.95 | 2 | 13 | 24 | 2 | -65 | -179 | -123 | -171 |
| USD Investment Grade | 0.86 | 2 | -2 | 1 | 2 | -10 | -42 | -35 | -48 |
| US 3-month LIBOR | 0.12 | -1 | 1 | 0 | -1 | -12 | -10 | -189 | -75 |
| US12-month LIBOR | 0.25 | 1 | 2 | 1 | 1 | -9 | -10 | -164 | -134 |

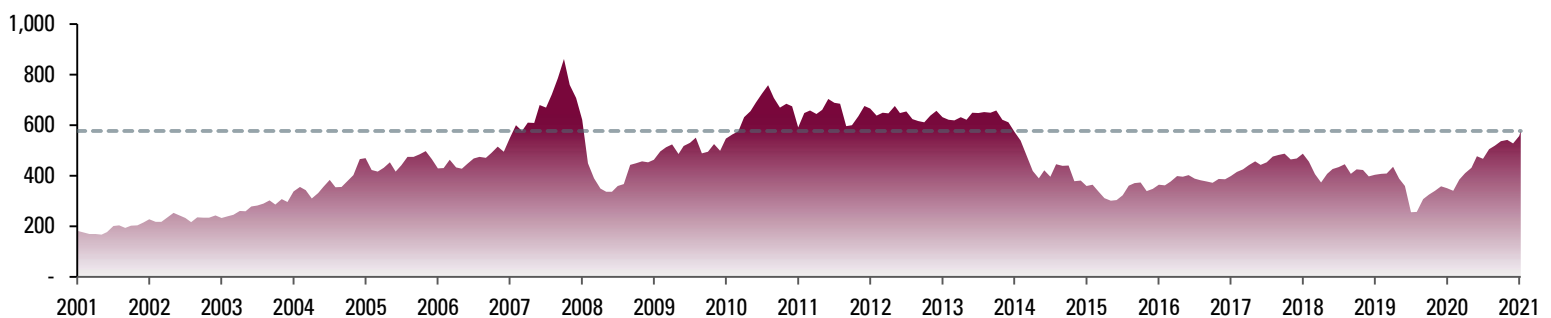


Currencies & Commodities

October 8, 2021

| Description | Price | Performance | | | | | | | |
|---|--------|-------------|--------|---------|--------|---------|---------|---------|---------|
| | | 1w | 1m | 3m | Qtd | Ytd | 1y | 2y | 5y |
| Commodities | | | | | | | | | |
| Precious Metals | | | | | | | | | |
| Gold spot (US\$/oz) | 1,757 | (0.2%) | (1.8%) | (2.5%) | (0.2%) | (7.5%) | (7.2%) | 16.7% | 39.8% |
| Silver spot (US\$/oz) | 22.68 | 0.6% | (5.3%) | (12.6%) | 0.6% | (14.1%) | (4.9%) | 27.9% | 29.2% |
| Platinum spot (US\$/oz) | 1,029 | 5.3% | 4.6% | (4.7%) | 5.3% | (4.1%) | 18.6% | 15.6% | 6.3% |
| Palladium spot (US\$/oz) | 2,079 | 8.2% | (7.7%) | (25.9%) | 8.2% | (15.1%) | (12.6%) | 24.1% | 210.6% |
| Base and Industrial Metals | | | | | | | | | |
| LME copper spot (US\$/lb) | 4.19 | 1.5% | (0.1%) | (0.2%) | 1.5% | 19.4% | 39.8% | 63.6% | 95.0% |
| LME lead spot (US\$/lb) | 1.02 | 4.6% | (3.6%) | (1.2%) | 4.6% | 14.4% | 26.8% | 3.6% | 8.5% |
| LME zinc spot (US\$/lb) | 1.41 | 3.3% | 1.5% | 6.4% | 3.3% | 13.8% | 31.5% | 35.0% | 33.2% |
| LME nickel spot (US\$/lb) | 8.56 | 4.1% | (4.3%) | 3.8% | 4.1% | 14.1% | 28.5% | 7.5% | 83.9% |
| LME aluminum spot (US\$/lb) | 1.32 | 1.3% | 4.6% | 19.2% | 1.3% | 46.7% | 62.5% | 67.6% | 73.3% |
| NYME coil steel (US\$/tonne) | 1,882 | (1.8%) | (0.7%) | 8.5% | (1.8%) | 157.1% | 227.3% | NA | NA |
| Energy | | | | | | | | | |
| WTI (US\$/bbl) | 79.35 | 4.6% | 14.5% | 8.8% | 4.6% | 63.5% | 92.6% | 50.8% | 59.3% |
| ICE Brent (US\$/bbl) | 82.39 | 3.9% | 14.7% | 14.9% | 3.9% | 62.3% | 78.5% | 48.4% | 34.2% |
| Natural Gas (US\$/mmd) | 5.57 | (1.0%) | 12.2% | 49.5% | (1.0%) | 99.0% | 90.8% | 128.7% | 84.2% |
| Other | | | | | | | | | |
| Baltic dry index (US\$/tonne/day) | 5,526 | 6.2% | 52.7% | 68.4% | 6.2% | 304.5% | 180.5% | 206.8% | 500.0% |
| CBT corn futures (US\$/bu) | 531 | (2.0%) | 6.5% | (16.8%) | (2.0%) | 9.6% | 37.1% | 34.0% | 56.1% |
| CBT wheat futures (US\$/bu) | 734 | (2.8%) | 5.1% | 19.9% | (2.8%) | 14.6% | 23.3% | 46.7% | 85.9% |
| CBT soybean futures (US\$/bu) | 1,243 | (0.3%) | (2.2%) | (10.6%) | (0.3%) | (5.5%) | 18.4% | 35.0% | 29.9% |
| Lumber futures (US\$/1,000 bf) | 721 | 15.3% | 44.9% | 0.4% | 15.3% | (17.4%) | 22.9% | 99.1% | 110.1% |
| Bitcoin / USD cross rate (US\$) | 53,993 | 12.2% | 17.2% | 64.5% | 12.2% | 84.6% | 395.4% | 564.1% | 8637.6% |
| Currencies | | | | | | | | | |
| Foreign Exchange Ratios (US\$ Cross) | | | | | | | | | |
| US dollar index | 94.07 | 0.0% | 1.5% | 1.8% | 0.0% | 4.6% | 0.5% | (5.1%) | (2.7%) |
| Euro | 0.86 | 0.2% | 2.1% | 2.3% | 0.2% | 5.5% | 1.6% | (5.3%) | (3.2%) |
| British pound | 0.73 | (0.5%) | 1.2% | 1.3% | (0.5%) | 0.4% | (5.0%) | (10.3%) | (8.7%) |
| Japanese yen | 112.24 | 1.1% | 1.8% | 2.3% | 1.1% | 8.8% | 5.9% | 4.8% | 9.0% |
| Canadian dollar | 1.25 | (1.4%) | (1.7%) | (0.5%) | (1.4%) | (2.0%) | (5.5%) | (6.4%) | (6.2%) |
| Australian dollar | 1.37 | (0.6%) | 0.8% | 1.7% | (0.6%) | 5.3% | (1.9%) | (7.9%) | 3.8% |
| Chinese yuan | 6.44 | (0.0%) | (0.3%) | (0.7%) | (0.0%) | (1.3%) | (5.1%) | (9.8%) | (3.4%) |
| Mexican peso | 20.70 | 1.2% | 3.8% | 3.5% | 1.2% | 4.0% | (3.3%) | 5.5% | 7.3% |
| Chilean peso | 824.06 | 2.6% | 4.7% | 9.5% | 2.6% | 15.8% | 3.2% | 13.7% | 23.0% |
| Brazilian real | 5.51 | 2.7% | 3.5% | 4.7% | 2.7% | 6.0% | (1.7%) | 34.5% | 71.2% |
| Argentine peso | 98.95 | 0.2% | 1.0% | 3.1% | 0.2% | 17.6% | 28.3% | 71.0% | 551.2% |
| Swiss franc | 0.93 | (0.4%) | 0.6% | 1.3% | (0.4%) | 4.7% | 1.1% | (6.6%) | (5.1%) |
| Turkish lira | 8.97 | 1.2% | 5.9% | 3.2% | 1.2% | 20.6% | 12.9% | 53.8% | 194.0% |
| Russian ruble | 71.88 | (1.2%) | (1.7%) | (3.9%) | (1.2%) | (3.4%) | (7.1%) | 10.2% | 15.4% |
| South African rand | 14.93 | 0.3% | 5.2% | 4.1% | 0.3% | 1.6% | (10.0%) | (2.3%) | 7.6% |
| Indian rupee | 74.99 | 1.2% | 1.9% | 0.4% | 1.2% | 2.5% | 2.4% | 5.6% | 12.5% |

GSCI Commodities Spot Index



Source: Bloomberg