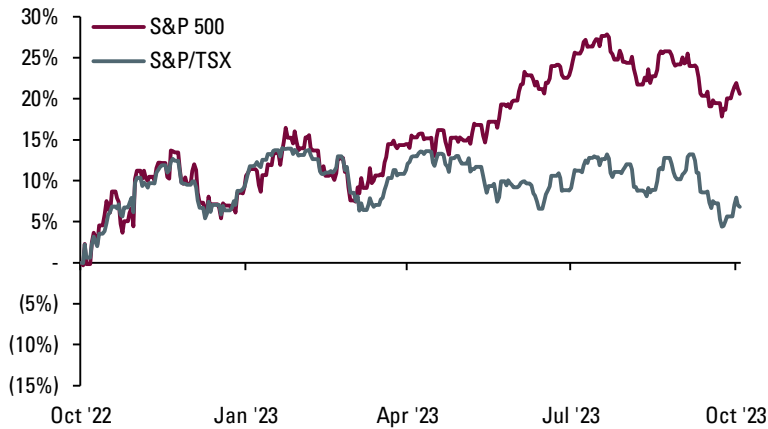


Equity Returns: Last Twelve Months



Weekly Update

Economics

- US Producer prices rose 0.5% MoM in September, primarily attributed to higher prices for goods, along with a 5.4% surge in gasoline cost. A notable rise in costs for deposit services (partial) jumping 13.9%, with service prices up 0.3%.
- The US CPI index increased 0.3% in September, with service prices climbing 0.6% from August. This can be partially attributed to the shelter index, which contributes to a third of the overall CPI index, indicating increased demand. Overall, compared to the previous year, core consumer prices increased 4.1% in September
- The Canadian Dollar experienced a significant decline against the USD due to worse-than-expected US CPI inflation data on Thursday, causing the USD/CAD to enter the 1.3700 territory. Conversely, the Dollar gained momentum, up 0.6%, as investors flocked to historically defensive investments. Gold also rose by a staggering 5.4%.

Politics

- US officials and the Qatari government have chosen to prevent Iran from accessing \$6 billion in oil revenue. This decision, made just weeks after the US and Iran announced the deal, could impact future negotiations and marks a shift in US relations.
- Canada faces challenges in recovering the approximately C\$35 billion invested in the Trans Mountain oil pipeline. Finding buyers is difficult due to uncertainties about shipping costs, increased expansion costs, and a limited pool of interested parties.

Markets

- The S&P 500 finished the week up 0.4% while the S&P/TSX led gains of 1.1%. However, major North American equity indices, the S&P, NASDAQ, and Dow Jones, are all down in the past month by ~2.9% on average.
- WTI crude futures surged 5.9% to \$87.7 per barrel on Friday as energy prices rose this past week due to heightened geopolitical conflict in the Middle East. A weekly report from the EIA indicated a weakening US oil market. The report pointed out rising exports, production, fuel demand, and refinery activity, indicating an easing in the previously constrained and price-stable oil market.
- In August, the UK's GDP experienced a 0.2% rise following a previously worse-than-expected decline. The recovery was led by the services industry, but economists caution that the UK economy still faces a risk of recession.
- Birkenstock (NYSE: BIRK), a well-known German shoe retailer, made its debut on Wall Street on Wednesday, with an IPO price set at \$46 per share. Unfortunately, the stock performed poorly in its first session. As of Thursday, the stock has marked an 18% drop, now trading at \$37.79.
- Thousands of autoworkers at Ford's (NYSE: F) profitable truck plant in Kentucky went on strike unexpectedly. The United Auto Workers (UAW) union had been in talks with Ford and felt progress was being made. However, the strike was called because workers believed Ford was not acting on their demands for a fair contract.

Changes & Ranges

Security	Price	Weekly Δ	52 Week Range
S&P 500	4,328	0.4%	3,577 - 4,589
S&P/TSX	19,463	1.1%	18,206 - 20,767
10Y Yield	4.61%	-19 bps	3.31% - 4.80%
10Y TIPS	2.27%	-21 bps	1.05% - 2.49%
USD Index	106.6	0.6%	99.8 - 113.3
VIX Index	19.3	1.9	12.8 - 33.6
WTI	87.7/bbl	5.9%	66.74 - 93.68
Gold	1,933/oz	5.45%	1,628.0 - 2,050.3

Recent Transaction Activity

Name	Type	Value	Notes
PIONEER NATURAL RESOURCES	M&A	\$60.3B	Exxon Mobil Corp (NYSE: XOM) to acquire Pioneer Natural Resources (NYSE: PXD).
MIRATI THERAPEUTICS	M&A	\$4.1B	Bristol-Myers Squibb Co (NYSE: BMY) to merge with Mirati Therapeutics Inc (NASDAQ: MRTX), a biotechnology services provider.
NATIONAL WESTERN LIFE GROUP COMPANY	M&A	\$2.0B	USA Life Insurance Co, a subsidiary of Prosperity Life Insurance, to acquire National Western Life Group Inc (NASDAQ: NWLI).

DFIC Notices



Welcome Back!

DFIC hopes everyone had a restful Thanksgiving weekend and Reading Week. After a short break, the Newsletter is back to deliver weekly market updates.



Fall Midterms

The Fall Midterm Season starts after Reading Week which was this past October 9–13th. **Good luck to everyone preparing for upcoming midterms!**

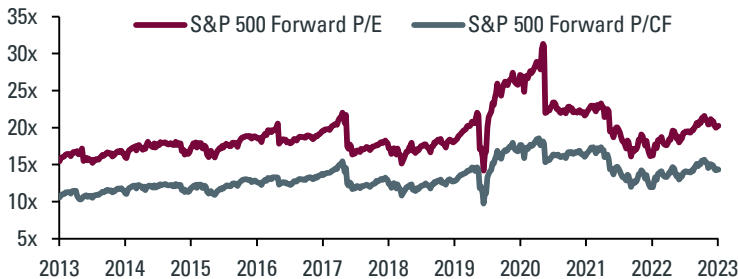


Stay Tuned

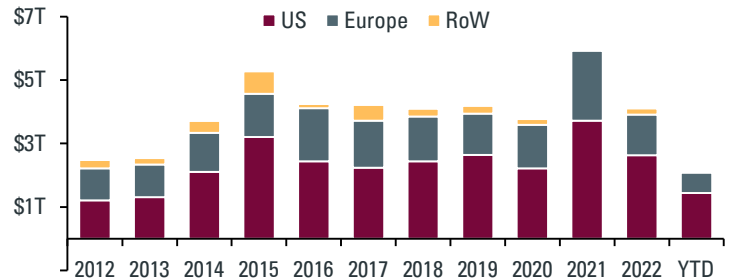
Stay tuned for upcoming events next week. DFIC will continue to host various speaker sessions and workshops in October. Keep an eye out on DFIC's Instagram for the latest event info.

Description	Price	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
United States									
Equity Indices									
S&P 500 Index	4,328	0.4%	(3.1%)	(4.0%)	0.9%	12.7%	17.9%	(0.8%)	56.4%
NASDAQ Composite Index	13,407	(0.2%)	(2.9%)	(5.2%)	1.4%	28.1%	25.9%	(8.0%)	78.8%
Dow Jones Industrial Average	33,670	0.8%	(2.6%)	(2.1%)	0.5%	1.6%	12.1%	(2.1%)	32.9%
CBOE SPX Volatility Index	19.3	0.9	4.8	4.7	0.8	(3.4)	(13.6)	(0.3)	(3.0)
US Dollar Index	106.6	0.6%	1.8%	6.9%	0.4%	3.0%	(5.1%)	13.4%	12.0%
S&P 500 Sector Performance									
Consumer Discretionary	1,252	(0.7%)	(8.4%)	(8.4%)	(0.9%)	24.5%	13.1%	(14.4%)	44.7%
Consumer Staples	706	0.2%	(6.7%)	(9.1%)	(3.0%)	(9.4%)	(1.5%)	(3.0%)	30.9%
Energy	686	4.5%	(2.3%)	7.1%	(1.1%)	2.1%	7.0%	60.7%	27.0%
Financials	552	0.5%	(4.1%)	(3.7%)	(0.0%)	(3.1%)	5.3%	(13.2%)	25.7%
Healthcare	1,517	0.1%	(1.7%)	0.3%	1.0%	(4.3%)	4.4%	3.7%	43.9%
Industrials	861	1.0%	(2.3%)	(6.6%)	0.4%	3.6%	17.5%	1.8%	38.5%
Information Technology	2,996	0.2%	(1.0%)	(4.3%)	3.1%	37.9%	42.2%	12.8%	141.0%
Materials	489	(0.4%)	(4.4%)	(7.3%)	(1.2%)	(0.2%)	10.1%	(5.0%)	44.8%
Telecommunication Services	229	(0.2%)	(0.4%)	2.0%	2.8%	43.4%	38.9%	(14.4%)	50.2%
Utilities	301	3.6%	(7.1%)	(11.7%)	0.6%	(16.0%)	(6.0%)	(9.0%)	12.0%
Global Indices									
Americas									
S&P/TSX Composite	19,463	1.1%	(4.0%)	(4.0%)	(0.4%)	0.4%	4.6%	(5.6%)	26.3%
Mexico IPC Index	49,380	(0.6%)	(4.2%)	(9.0%)	(2.9%)	1.9%	7.9%	(4.7%)	4.1%
Brazil Bovespa Index	115,754	1.4%	(2.0%)	(2.9%)	(0.7%)	5.5%	1.3%	2.0%	39.6%
Europe									
EURO STOXX 50 Index	4,136	(0.2%)	(2.1%)	(5.8%)	(0.9%)	9.0%	23.0%	1.3%	29.5%
FTSE 100 Index	7,600	1.4%	1.0%	2.1%	(0.1%)	2.0%	10.9%	6.4%	8.6%
Germany DAX Index	15,187	(0.3%)	(3.0%)	(5.9%)	(1.3%)	9.1%	22.9%	(0.4%)	31.8%
France CAC 40 Index	7,004	(0.8%)	(3.0%)	(5.0%)	(1.8%)	8.2%	19.1%	6.2%	37.4%
Switzerland SMI Index	10,900	0.6%	(0.7%)	(1.1%)	(0.6%)	1.6%	6.6%	(7.7%)	25.9%
Asia									
Nikkei 225 Index	32,316	4.3%	(1.2%)	(0.3%)	1.4%	23.8%	23.2%	14.8%	42.4%
Hang Seng Index	17,813	1.9%	(1.1%)	(7.9%)	0.0%	(9.9%)	8.7%	(28.6%)	(31.0%)
S&P/ASX 200 Index	7,051	1.4%	(1.4%)	(2.7%)	0.0%	0.2%	6.1%	(3.0%)	19.6%

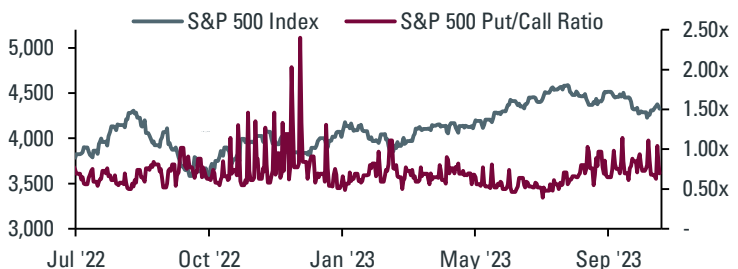
S&P 500 Valuation Multiples (10-year)



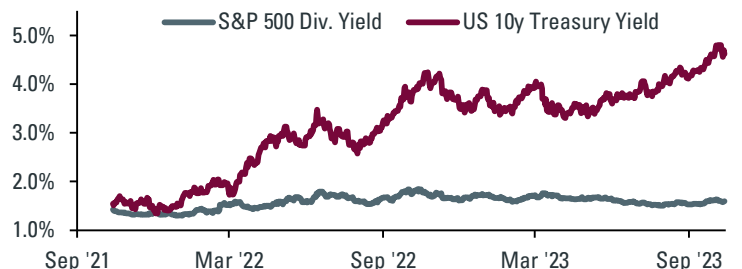
M&A Transaction Value



Put/Call Ratio

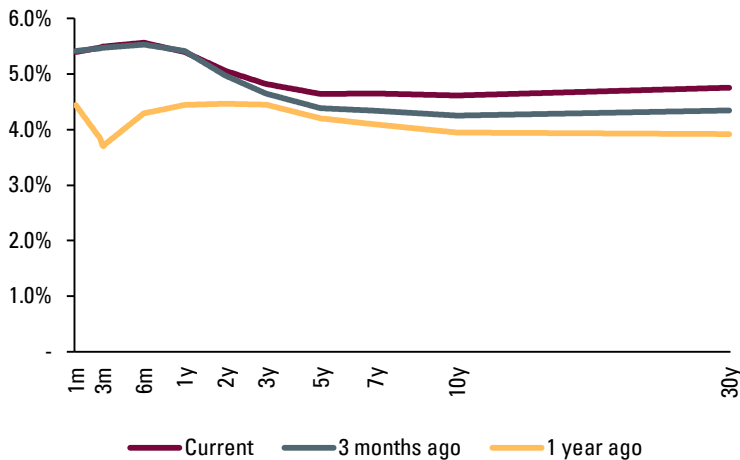


Dividend Yields

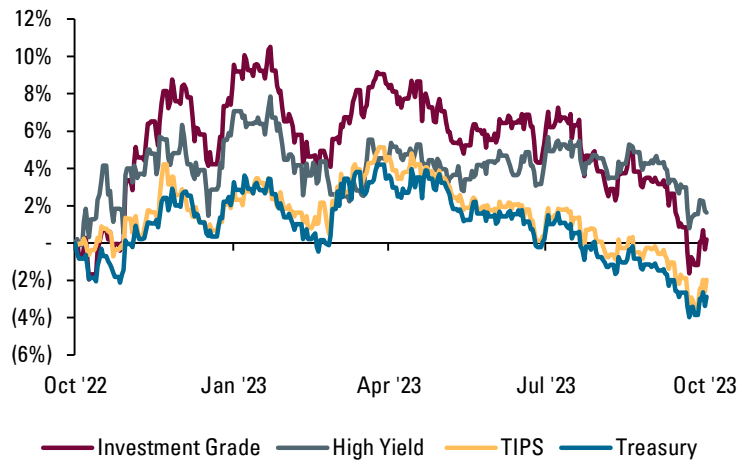


Description	Yield	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
North America									
US Treasury Yields									
3-month	5.49	-2	2	10	4	112	179	545	323
12-month	5.40	-3	-2	12	-7	69	95	530	275
2-year	5.06	-3	9	42	1	63	59	470	220
10-year	4.61	-19	36	85	4	74	67	308	145
30-year	4.75	-22	41	85	5	79	84	272	142
5-year TIPS	2.40	-21	25	59	-0	74	56	409	138
10-year TIPS	2.27	-21	35	74	4	70	68	326	124
30-year TIPS	2.37	-19	34	73	5	71	67	270	118
2-10-year spread	-44.78	-16	28	43	3	11	7	-162	-75
1-year inflation expectations	1.75	53	-8	35	2	-38	-107	-153	84
10-year inflation expectations	2.34	2	1	10	-0	4	-1	-19	21
Canada Treasury Yields									
3-month	5.16	2	4	17	4	90	130	504	356
12-month	5.30	-3	8	13	-0	69	100	488	323
2-year	4.85	0	16	27	-2	80	74	408	258
10-year	3.97	-19	28	62	-6	67	55	237	147
Fixed Income Indices									
USD High Yield	4.12	-10	38	27	18	-57	-115	111	68
USD Investment Grade	1.24	-1	3	1	3	-6	-39	38	15
US 3-month LIBOR	5.66	-0	-1	9	1	90	159	554	323
US 12-month LIBOR	NA	NA	NA	NA	NA	NA	NA	NA	NA

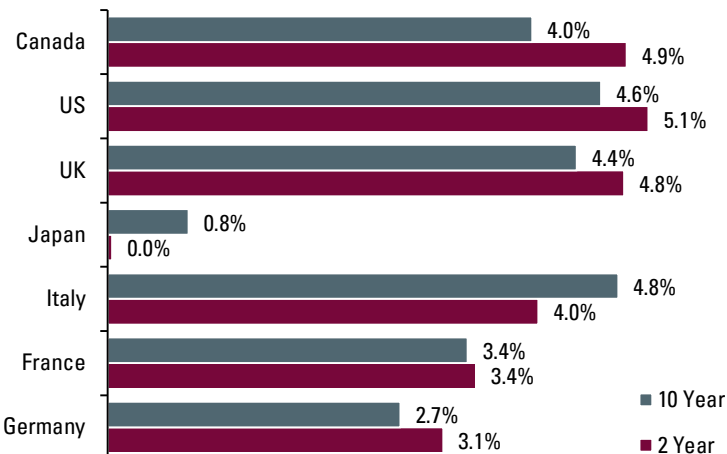
US Yield Curve



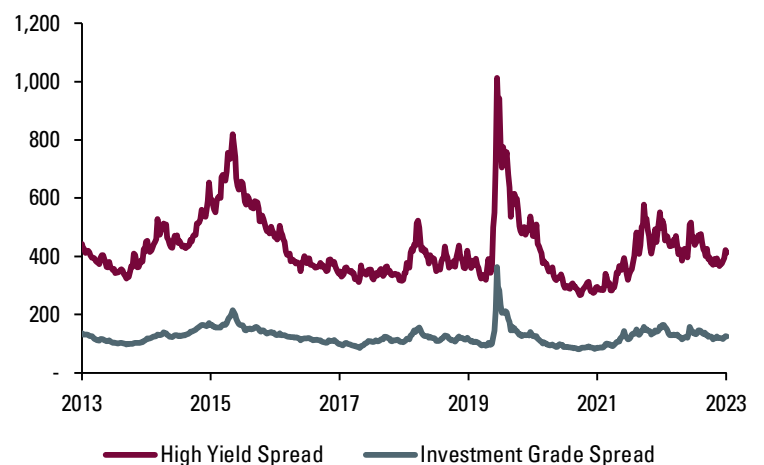
Annual Total Bond Returns



Sovereign Debt YTM Comparisons



Credit Spreads (bps)

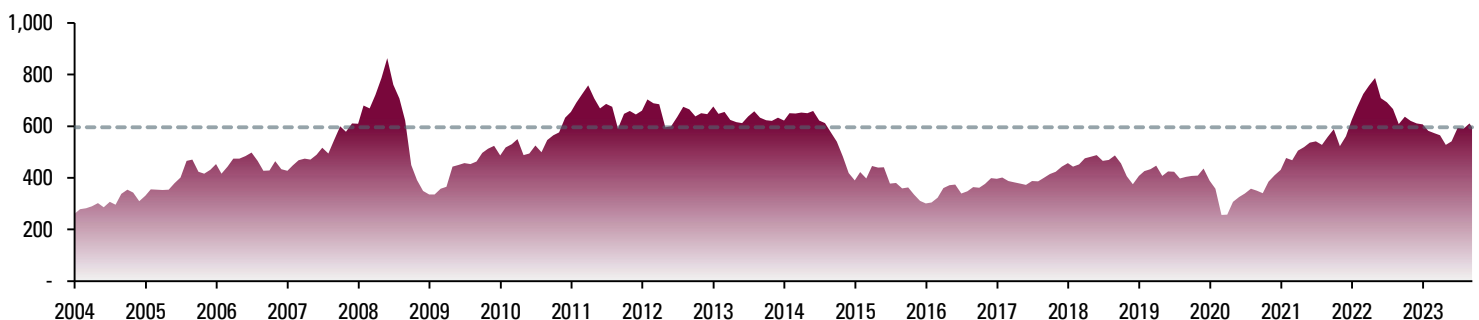


Currencies & Commodities

October 13, 2023

Description	Price	Performance							
		1w	1m	3m	Qtd	Ytd	1y	2y	5y
Commodities									
Precious Metals									
Gold spot (US\$/oz)	1,933	5.4%	1.3%	(1.4%)	4.6%	6.0%	16.0%	7.8%	58.8%
Silver spot (US\$/oz)	22.72	5.2%	(0.5%)	(8.7%)	2.4%	(5.2%)	20.2%	(1.6%)	55.8%
Platinum spot (US\$/oz)	884	0.3%	(2.2%)	(9.5%)	(2.6%)	(17.7%)	(2.1%)	(13.6%)	5.5%
Palladium spot (US\$/oz)	1,151	(1.1%)	(8.3%)	(11.2%)	(7.8%)	(35.8%)	(45.7%)	(45.5%)	7.8%
Base and Industrial Metals									
LME copper spot (US\$/lb)	3.58	0.1%	(5.5%)	(8.1%)	(4.1%)	(5.9%)	3.0%	(18.3%)	24.8%
LME lead spot (US\$/lb)	0.94	(6.3%)	(8.5%)	(2.3%)	(6.4%)	(11.5%)	(0.6%)	(11.3%)	1.5%
LME zinc spot (US\$/lb)	1.10	(2.0%)	(1.2%)	(1.5%)	(8.2%)	(19.9%)	(18.0%)	(28.9%)	(9.5%)
LME nickel spot (US\$/lb)	8.32	0.3%	(5.9%)	(13.3%)	(0.9%)	(39.7%)	(16.4%)	(4.7%)	44.3%
LME aluminum spot (US\$/lb)	0.99	(1.4%)	0.9%	(2.7%)	(5.7%)	(7.8%)	(8.3%)	(29.3%)	6.4%
NYME coil steel (US\$/tonne)	695	(1.4%)	(0.7%)	(21.1%)	(1.3%)	(15.7%)	(11.6%)	NA	NA
Energy									
WTI (US\$/bbl)	87.69	5.9%	(0.9%)	14.0%	(3.4%)	9.3%	(1.6%)	9.0%	22.9%
ICE Brent (US\$/bbl)	90.89	7.5%	(0.3%)	13.5%	(1.4%)	11.3%	11.1%	28.8%	39.4%
Natural Gas (US\$/mmd)	3.24	(3.1%)	8.3%	5.6%	10.5%	(27.8%)	(42.2%)	(6.7%)	20.0%
Other									
Baltic dry index (US\$/tonne/day)	1,945	0.8%	50.8%	76.3%	14.3%	28.4%	7.0%	(62.6%)	23.2%
CBT corn futures (US\$/bu)	493	0.3%	6.3%	(16.9%)	3.5%	(27.3%)	(29.3%)	(3.7%)	32.0%
CBT wheat futures (US\$/bu)	580	2.0%	1.9%	(7.6%)	7.1%	(26.8%)	(35.0%)	(19.3%)	12.1%
CBT soybean futures (US\$/bu)	1,280	1.1%	(4.2%)	(15.7%)	0.4%	(15.7%)	(8.3%)	7.1%	47.6%
Lumber futures (US\$/1,000 bf)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Bitcoin / USD cross rate (US\$)	26,977	(3.6%)	2.9%	(14.0%)	(0.5%)	62.5%	39.1%	(52.7%)	334.1%
Ethereum / USD cross rate (US\$)	1,559	(5.3%)	(2.8%)	(21.5%)	(6.9%)	29.7%	20.5%	(56.4%)	693.1%
Currencies									
Foreign Exchange Ratios (US\$ Cross)									
US dollar index	106.65	0.6%	1.8%	6.9%	0.4%	3.0%	(5.1%)	13.4%	12.0%
Euro	0.95	0.7%	2.1%	6.8%	0.6%	1.9%	(7.0%)	10.3%	10.0%
British pound	0.82	0.8%	2.9%	8.2%	0.5%	(0.5%)	(6.7%)	12.5%	8.3%
Japanese yen	149.57	0.2%	1.4%	8.3%	0.1%	14.1%	1.7%	32.1%	33.3%
Canadian dollar	1.37	(0.0%)	0.8%	4.2%	0.6%	0.8%	(0.7%)	9.8%	4.9%
Australian dollar	1.59	1.4%	2.0%	9.4%	2.2%	8.2%	0.0%	17.2%	13.0%
Chinese yuan	7.31	0.1%	0.5%	2.2%	0.1%	5.9%	1.9%	13.6%	5.5%
Mexican peso	18.09	(0.4%)	5.5%	7.4%	3.8%	(7.2%)	(9.5%)	(12.0%)	(4.1%)
Chilean peso	940.00	2.3%	6.5%	15.9%	5.4%	10.4%	0.2%	15.2%	38.3%
Brazilian real	5.08	(1.3%)	3.3%	5.8%	0.9%	(3.8%)	(3.5%)	(7.9%)	34.3%
Argentine peso	350.07	(0.0%)	0.0%	32.4%	0.0%	97.6%	131.4%	253.2%	854.2%
Swiss franc	0.90	(0.9%)	0.9%	5.0%	(1.5%)	(2.4%)	(9.8%)	(2.4%)	(9.2%)
Turkish lira	27.80	0.7%	3.2%	6.7%	1.4%	48.6%	49.8%	205.9%	373.3%
Russian ruble	NA	NA	NA	NA	NA	NA	NA	NA	NA
Indian rupee	83.26	0.0%	0.3%	1.5%	0.3%	0.6%	1.1%	10.5%	13.2%

GSCI Commodities Spot Index



Source: Bloomberg