

# WEEKLY MARKET MONITOR

March 21, 2022

## MARKETS

AT-A-GLANCE

Index	18-Mar-22	11-Mar-22	Net Chng	% Week	% YTD (Equity indices are price indices)
S&P TSX	21818.47	21461.83	356.64	1.66	2.81
S&P 500	4463.12	4204.31	258.81	6.16	(6.36)
DJ Industrial Avg	34754.93	32944.19	1810.74	5.50	(4.36)
NASDAQ	13893.84	12843.81	1050.03	8.18	(11.19)
DJ Euro Stoxx	3902.44	3686.78	215.66	5.85	(9.21)
Nikkei 225 (Japan)	26827.43	25162.78	1664.65	6.62	(6.82)
<b>Interest Rates</b>					
Bank of Canada Rate	0.50	0.50	0.00		
Fed Funds Rate	0.50	0.25	0.25		
5yr Gov't Canada Bond	2.03	1.80	0.23		
10yr Gov't Canada Bond	2.19	1.99	0.20		
<b>Commodities</b>					
Oil (WTI Crude)	104.70	109.33	(4.63)	(4.23)	35.99
Gold (USD/ounce)	1921.62	1988.46	(66.84)	(3.36)	5.05
<b>Currencies</b>					
CAD\$	1.26	1.27	(0.01)	(0.81)	(0.48)
Euro	1.11	1.09	0.01	1.27	(2.81)
Yen	0.01	0.01	(0.00)	(1.54)	(3.38)

## LATEST NEWS

- **US markets were positive last week despite a more hawkish tone from the Federal Open Market Committee. The FOMC announced a 0.25% rate hike, in line with market expectations, and indicated seven rate hikes for the year.**
- **The Canadian market posted another positive week, finishing at new all-time highs. Solid economic data from the retail and wholesale industries offset hot inflation data.**
- **European markets were positive last week with investors closely following negotiations between Russia and Ukraine, in hopes of a cease-fire.**
- **Asian markets were mixed over the week after the Bank of Japan released its decision to keep interest rates unchanged while citing “extremely high uncertainties” regarding the situation in Ukraine.**
- **Commodity markets fell 4.2% last week despite warnings of supply shortness from the International Energy Agency. This week, WTI oil contracts are trading around \$110/barrel.**
- **The Canadian dollar appreciated week-over-week back above 79 cents as solid economic data was coupled with a weaker Greenback and risk-on sentiment. The Loonie is trading slightly higher to start the week, above 79 cents.**

## Canada Core CPI (YoY) Continues to Climb



Source: Investing.com

### FIXED INCOME

- 10-year US treasuries fell over the week, pushing yields up near 2.15% by Friday.
- 10-year Canada bond yields also climbed week-over-week, finishing slightly above 2.19%. Yields are currently higher above 2.28%.
- Fixed Income ETFs witnessed large net inflows in the US with Corporate and Government bond products leading flows.

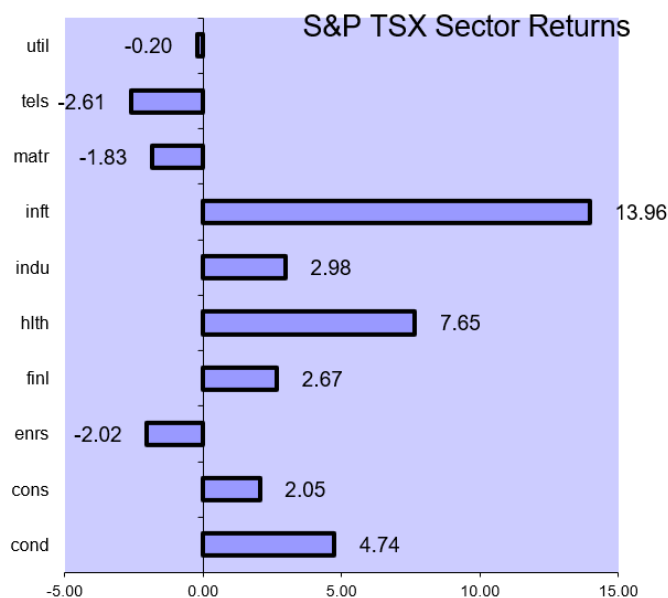
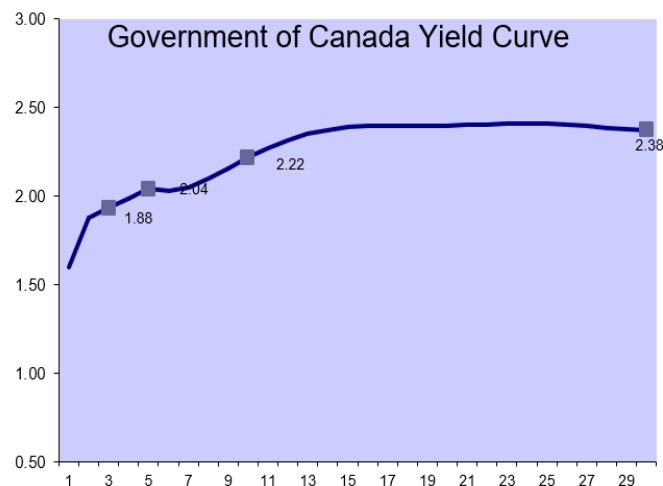
## Canada

- Core CPI (YoY) was hotter-than-expected in February, increasing 4.8% compared to forecasts of 4.5%.
- Retail Sales (MoM) increased by 3.2% in January, beating expectations of 2.4%.

## US

- Retail Sales (MoM) missed February forecasts, increasing by only 0.3% compared to 0.4% expected and 4.9% prior.
- Producer Price Index (PPI) (MoM) increased by 0.8% in February, lower than both the consensus (0.9%) and the prior month (1.2%).

### ECONOMY IN BRIEF



- S&P 500 bounced back last week, returning 6.2%.
- Consumer Discretionary and Technology led the index, gaining 9.3% and 7.9%, respectively.
- Energy was the only negative sector, losing 3.6% on the week, while Utilities only added 0.5%.
- The Canadian market was also positive last week, adding 1.7%.
- Technology and Health Care led the index, gaining 14.5% and 7.6%, respectively.
- Telecommunications (-2.6%) and Energy (-2.0%) were the worst performers last week.

### EQUITIES

Any statements contained herein that are not based on historical fact are forward-looking statements. Any forward-looking statements represent the portfolio manager's best judgment as of the present date as to what may occur in the future. However, forward-looking statements are subject to many risks, uncertainties and assumptions, and are based on the portfolio manager's present opinions and views. For this reason, the actual outcome of the events or results predicted may differ materially from what is expressed. Furthermore, the portfolio manager's views, opinions or assumptions may subsequently change based on previously unknown information, or for other reasons. Equitable Life of Canada® assumes no obligation to update any forward-looking information contained herein. The reader is cautioned to consider these and other factors carefully and not to place undue reliance on forward-looking statements. Investments may increase or decrease in value and are invested at the risk of the investor. Investment values change frequently and past performance does not guarantee future results. Professional advice should be sought before an investor embarks on any investment strategy. **ADVISOR USE ONLY**