

## World Equities

Equity Market	Current	T-1	T-1, Δ %	T-5, Δ %
DOW	25,928.68	25,717.46	0.82%	1.67%
S&P 500	2,834.40	2,815.44	0.67%	1.20%
Nasdaq	7,729.32	7,669.17	0.78%	1.13%
S&P/TSX	16,102.09	16,155.49	-0.33%	0.08%
FTSE 100	7,279.19	7,234.33	0.62%	0.99%
DAX	11,526.04	11,428.16	0.86%	1.42%
Hang Seng	29,051.36	28,775.21	0.96%	-0.21%
Shanghai Index	3,090.76	2,994.94	3.20%	-0.43%
Nikkei 225	21,205.81	21,033.76	0.82%	-1.95%

U.S. stock market edged higher on Friday as renewed optimism on the progress of trade discussions between the U.S. and China overshadowed concerns about a potential economic slowdown.

The Dow Jones industrial average rallied 211.22 points (0.82%) to finish at 25,928.68 with Boeing, UnitedHealth, and Caterpillar stocks leading the pack. The S&P 500 climbed 18.96 points (0.67%) to settle at 2,834.40, led by the industrials and health care sectors. The Nasdaq composite advanced 60.15 points (0.78%) to close at 7,729.32. For the week as a whole, all three indexes recorded an average return of 1.33% with the Dow outperforming the others. In addition, S&P 500 registered its best quarterly performance of ~13% gains since Q3 2009, while Dow and Nasdaq logged 11.2% and 16.5% during the same period, respectively.

On Tuesday, U.S. housing starts softened again in February, declining 8.7% MoM to a seasonally adjusted annual rate (SAAR) of 1.162 million units (vs. +11.7% to 1.273 million units in January). The partial government shutdown spanning through January and extreme weather in recent months seemed to characterize the weak reading. In addition, U.S. building permits dropped 2.0% MoM to a SAAR of 1.291 million units in February, after declining 0.7% in January.

Further, U.S. consumer confidence fell to 124.1 in March (vs. 131.4 in February), driven by more cautious views towards the current business and labour market landscape. The index reached post-recession high of 137.9 in October, before market jitters surfaced in October 2018 and placed a cap on market sentiment.

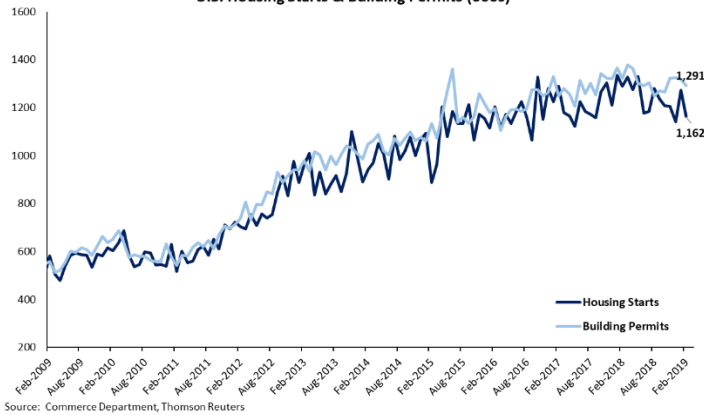
On Wednesday, European Central Bank President Mario Draghi delivered more dovish comments and expressed the central bank started to worry about an economic slowdown could transpire in the eurozone. As such, he signaled the central bank will be ready to act when the economic condition warrants it.

On Thursday, the final reading for the U.S. Q4 GDP growth was revised downward to 2.2% from the initial estimate of 2.6%. Nonetheless, GDP growth for full year 2018 remained intact at 2.9%. The revision was mainly driven by lower consumer spending, government expenditures, and non-residential fixed investments, partially offset by higher exports.

In addition, U.S. pending home sales declined 1.0% MoM in February (vs. +4.3% in January), suggesting that home buyers continued to struggle with elevated prices and supply shortage, despite lower mortgage rates.

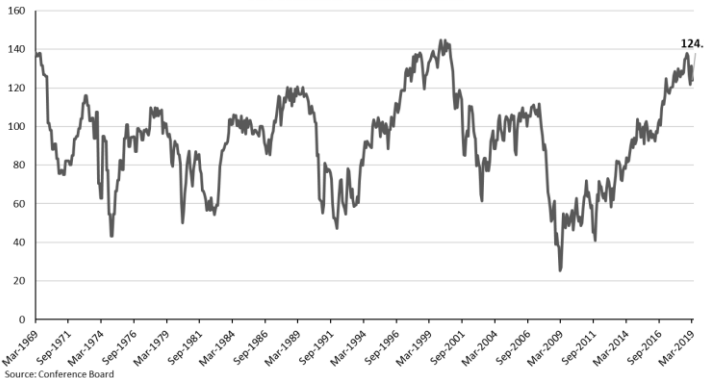
On the contrary, the U.S. released strong new single-family home results on Friday, with new home sales rising 4.9% MoM to a SAAR of 667k units in February (vs. 8.2% MoM in January), the highest level since March 2018. The 30-year mortgage rate continued to drift lower and it is currently sitting at 4.1%, compared to the ~4.9% level seen in last November.

U.S. Housing Starts & Building Permits (000s)



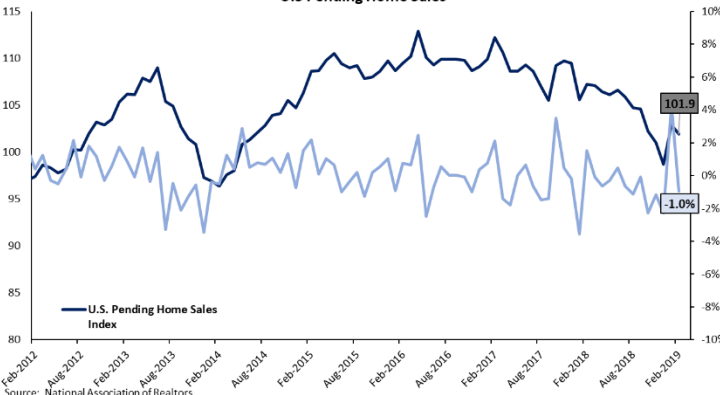
Source: Commerce Department, Thomson Reuters

U.S. Consumer Confidence Index

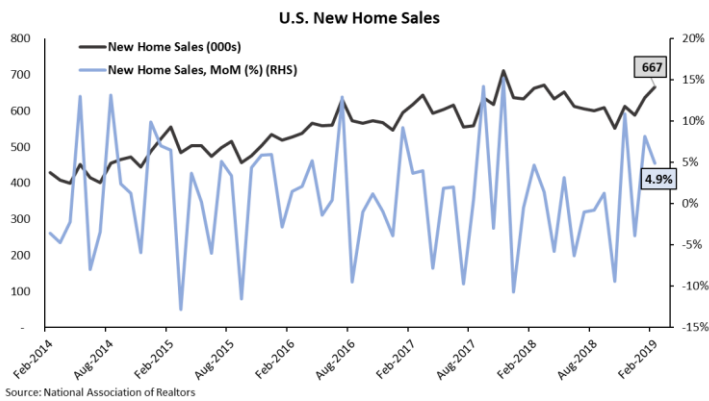


Source: Conference Board

U.S. Pending Home Sales



Source: National Association of Realtors



In addition, the U.K. revised its Q4 GDP growth figure upward to 1.4% from 1.3%; however, the reading marked the weakest growth since Q2 2012 as a result of political instability revolving around Brexit. Speaking about Brexit, the withdrawal agreement put forward by Prime Minister Theresa May failed to garner support (for the third time), falling short by 58 votes. Her administration will need to provide the European Union (EU) with a new proposal to move forward by April 12, or the country will leave EU with no deal. The odds of another extension request, a new PM, and/or a general election have all increased in light of today's outcome.

Lastly, the U.S. and China were reported to have made meaningful progress on the trade front this week in Beijing and it is expected another round of trade discussion will take place next week in Washington.

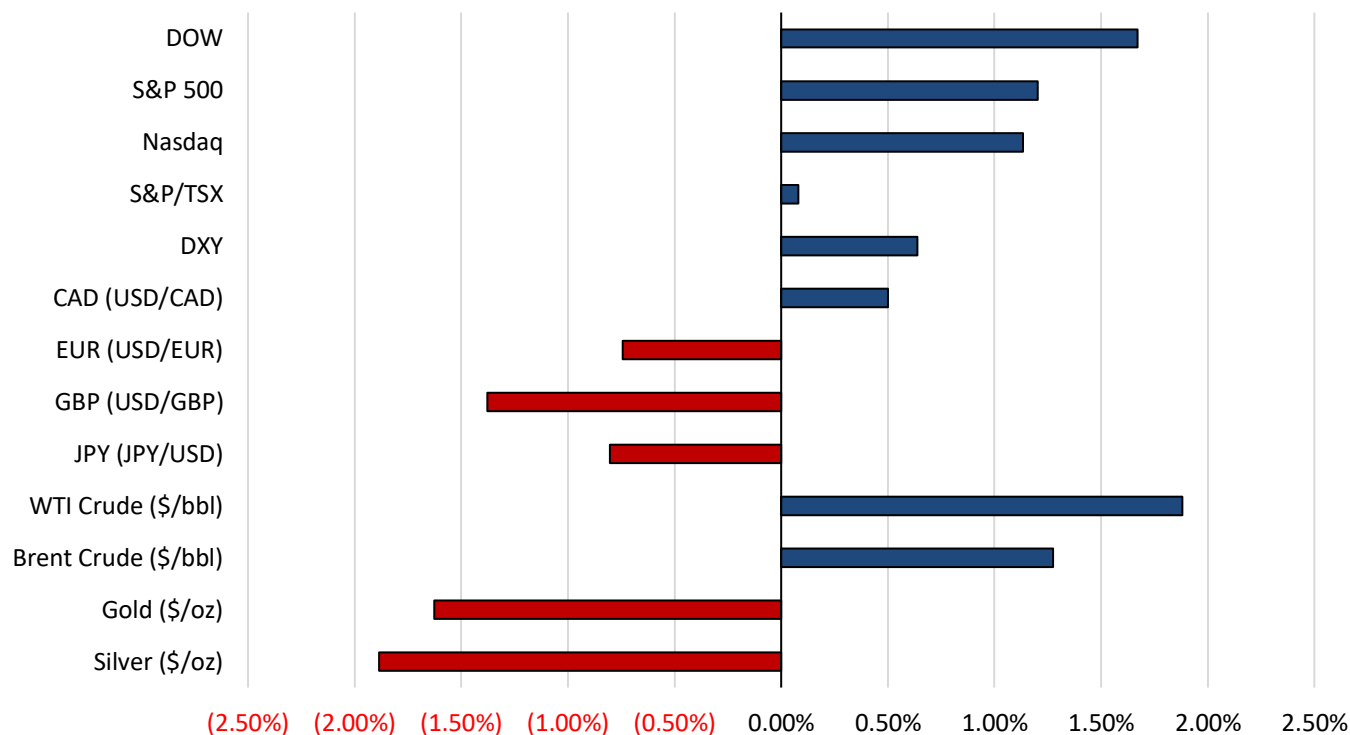
## Commodities & FX

Commodities	Current	T-5	T-30	T-365
WTI Crude (\$/bbl)	60.2	59.0	57.6	59.7
Brent Crude (\$/bbl)	67.6	66.8	66.3	64.5
Natural Gas (\$/MMBtu)	2.67	2.77	2.82	2.63
Gold (\$/oz)	1,292.3	1,313.7	1,313.3	1,325.5
Silver (\$/oz)	15.1	15.4	15.6	16.4
Copper (\$/oz)	6,360.0	6,421.0	6,509.0	6,665.0
FX	Current	T-5	T-30	T-365
CAD (USD/CAD)	1.34	1.34	1.32	1.29
EUR (USD/EUR)	1.12	1.13	1.14	1.23
GBP (USD/GBP)	1.30	1.32	1.33	1.40
JPY (JPY/USD)	110.8	109.9	111.4	106.4

## Fixed Income

Gov't Bonds	2-Year (%)				5-Year (%)				10-Year (%)			
	Current	T-1	T-5	T-30	Current	T-1	T-5	T-30	Current	T-1	T-5	T-30
U.S.	2.26	2.24	2.32	2.51	2.24	2.21	2.24	2.51	2.41	2.39	2.44	2.72
Canada	1.55	1.49	1.53	1.78	1.52	1.46	1.48	1.81	1.62	1.56	1.60	1.94
Eurozone	-0.61	-0.60	-0.57	-0.53	-0.45	-0.44	-0.40	-0.28	-0.07	-0.07	-0.02	0.18
Japan	-0.18	-0.18	-0.18	-0.16	-0.20	-0.20	-0.19	-0.16	-0.09	-0.10	-0.08	-0.03
U.K.	0.63	0.65	0.65	0.82	0.75	0.77	0.78	1.02	1.00	1.00	1.01	1.30

## Weekly Performance



## Upcoming Events

Date	Events
Mon, Apr 01, 2019	China Caixin Manu. PMI (Mar); U.S. Retail Sales (Feb) & ISM Manu. PMI (Mar)
Tue, Apr 02, 2019	Eurozone Unemployment Rate (Feb)
Wed, Apr 03, 2019	U.K. Services PMI (Mar); U.S. Private Payrolls (Mar); U.S. ISM Non-Manu. PMI (Mar)
Fri, Apr 05, 2019	U.S. Nonfarm Payrolls (Mar); Canada Employment Report (Mar)