

World Equities

Equity Market	Current	T-1	T-1, Δ %	T-5, Δ %
DOW	34,079.18	34,312.03	-0.68%	-1.90%
S&P 500	4,348.87	4,380.26	-0.72%	-1.58%
Nasdaq	13,548.07	13,716.72	-1.23%	-1.76%
S&P/TSX	21,008.20	21,176.33	-0.79%	-2.51%
FTSE 100	7,513.62	7,537.37	-0.32%	-1.92%
DAX	15,042.51	15,267.63	-1.47%	-2.48%
Hang Seng	24,327.71	24,792.77	-1.88%	-2.32%
Shanghai Index	3,490.76	3,468.04	0.66%	0.80%
Nikkei 225	27,122.07	27,232.87	-0.41%	-2.07%

U.S. stock market finished lower on Friday as the possibility of escalating tensions between Russia and Ukraine continued to weigh on investor sentiment. After hours, President Biden indicated Russia will attack Ukraine in coming days (We shall see, as last week he believed the invasion was to take place on Feb 16).

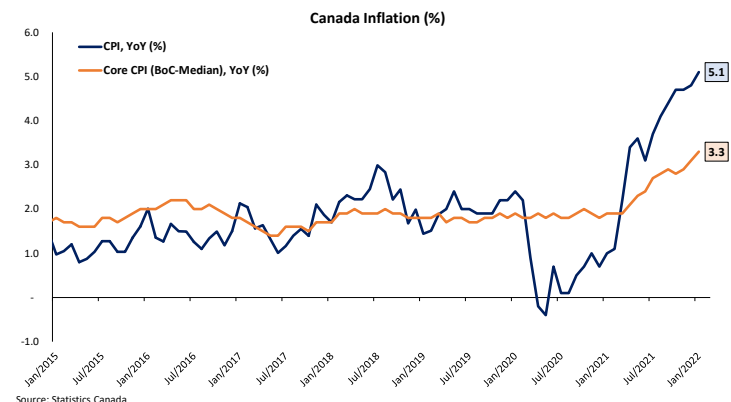
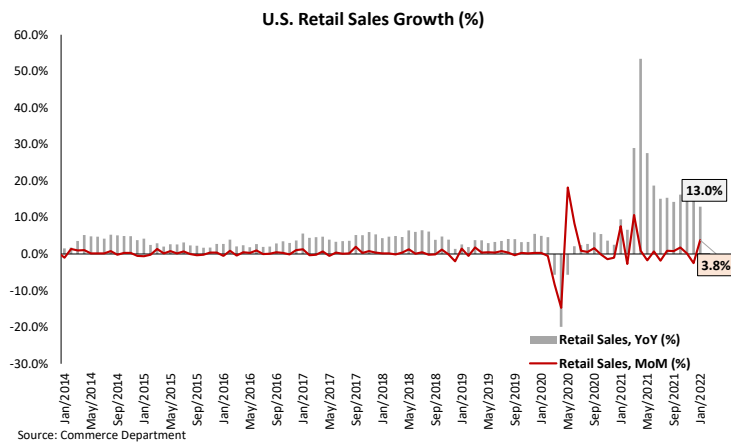
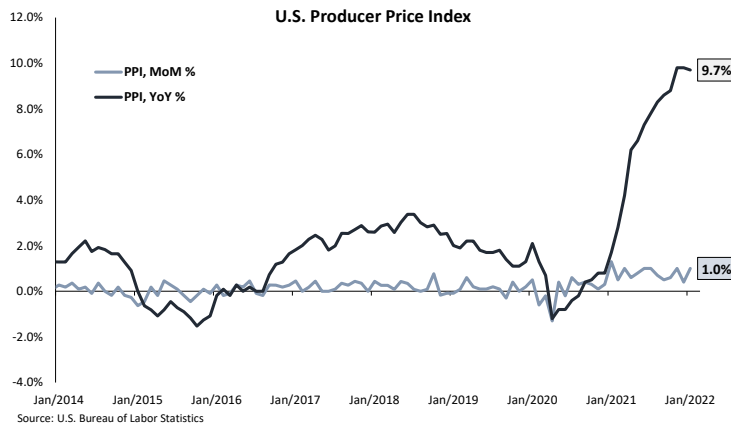
The Dow Jones Industrial Average declined 232.85 points (-0.68%) to close at 34,079.18, lagged by losses at Intel, Boeing, and Salesforce. The S&P 500 index shed 31.39 points (-0.72%) to settle at 4,348.87, weighed down by Industrials, Information Technology, and Communication Services sectors, retesting the lows at the end of Jan/22. The Nasdaq underperformed the pack and lost 168.65 points (-1.23%) to finish at 13,548.07. For the week as a whole, all three indices recorded losses averaging -1.75% and the Dow Jones underperformed the others with -1.90% losses.

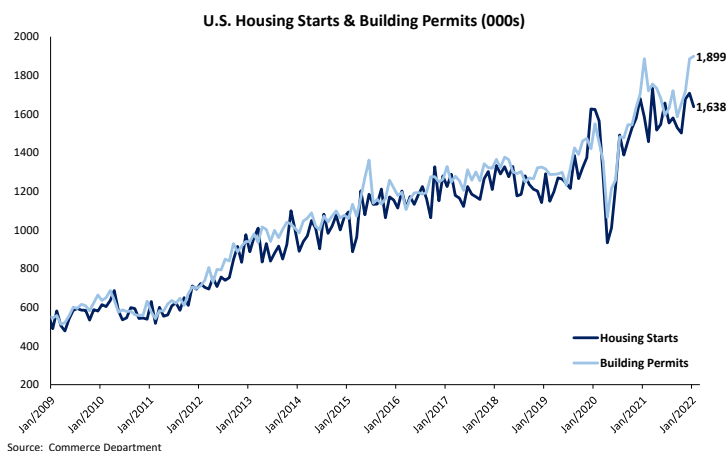
On Tuesday, Japan Q4/21 GDP grew 5.4% on an annualized rate, underpinned by improved consumer spending and export activities. The gradual removal of COVID-19 related measures also contributed to the rebound of economic activities. For 2021, Japan's GDP grew 1.7% following a contraction of 4.5% and 0.2% in 2020 and 2019, respectively.

In addition, the U.S. PPI rose 1.0% m/m in January (vs. +0.4% in December), ahead of 0.5% expected by economists. The PPI index, which measures the average movement of prices received by producers for goods & services, remains elevated, bolstered by higher prices associated with food/energy/services/construction. PPI is considered a leading indicator of CPI as higher price pressures faced by businesses would likely prompt them to pass on to consumers, which would translate into higher inflation. On a y/y basis, PPI rose 9.7% in January (vs. 9.8% in December).

On Wednesday, U.S. retail sales surprised to the upside and grew 3.8% m/m in January (vs. -2.5% m/m in December), surpassing the 2% street consensus, with the strong sales growth driven by higher sales in furniture/autos/department stores/E-commerce, despite rising Omicron cases.

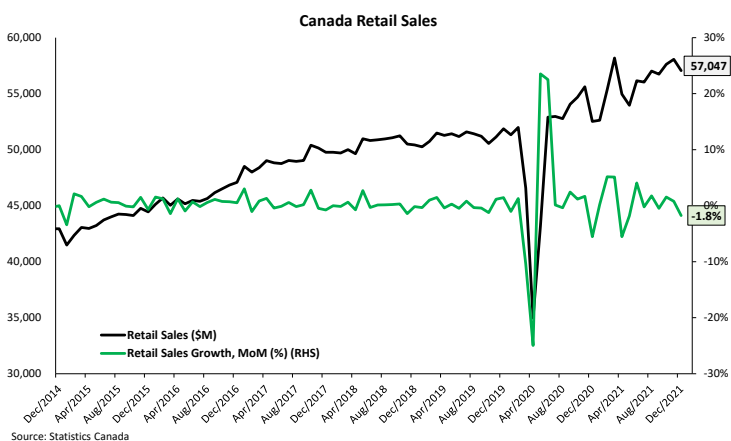
In Canada, CPI grinded higher and reached the highest level since 1991 with inflation rate at 5.1% in January (vs. 4.8% in December), above the 4.8% street estimate. The typical culprits contributing to inflation are gasoline price (up 31.7% y/y), shelter costs (up 6.2% y/y), and automobiles (up 5.1% y/y). Excluding food and energy items, core CPI grew 3.5% y/y (vs. 3.4% in December), suggesting inflation continues to broaden out across categories. All three Bank of Canada's core inflation metrics increased during the month, with CPI-median increasing to 3.3% (from 3.1% in December), compared with the 1-3% target range.





On Thursday, U.S. housing starts unexpectedly fell to a 3-month low in January with units declining 4.1% to 1.638mm units annualized, below market expectations of 1.7mm units. The decline was primarily impacted by lower single-family category (down 5.6%). Building permits, which indicate potential future construction, rose 0.7% m/m to 1.899mm units annualized, pointing to ample construction activity in the near term.

On Friday, Canada retail sales dropped 1.8% m/m in December (vs. 0.8% increase in November), better than the 2.1% decline expected by economists. The decline in retail sales was due to renewed pandemic restrictions brought on by the Omicron variant. Excluding autos, retail sales declined 2.5% m/m (vs. 1.1% increase in November). Positively, StatCan's preliminary estimate for January see retail sales increase 2.4% m/m.



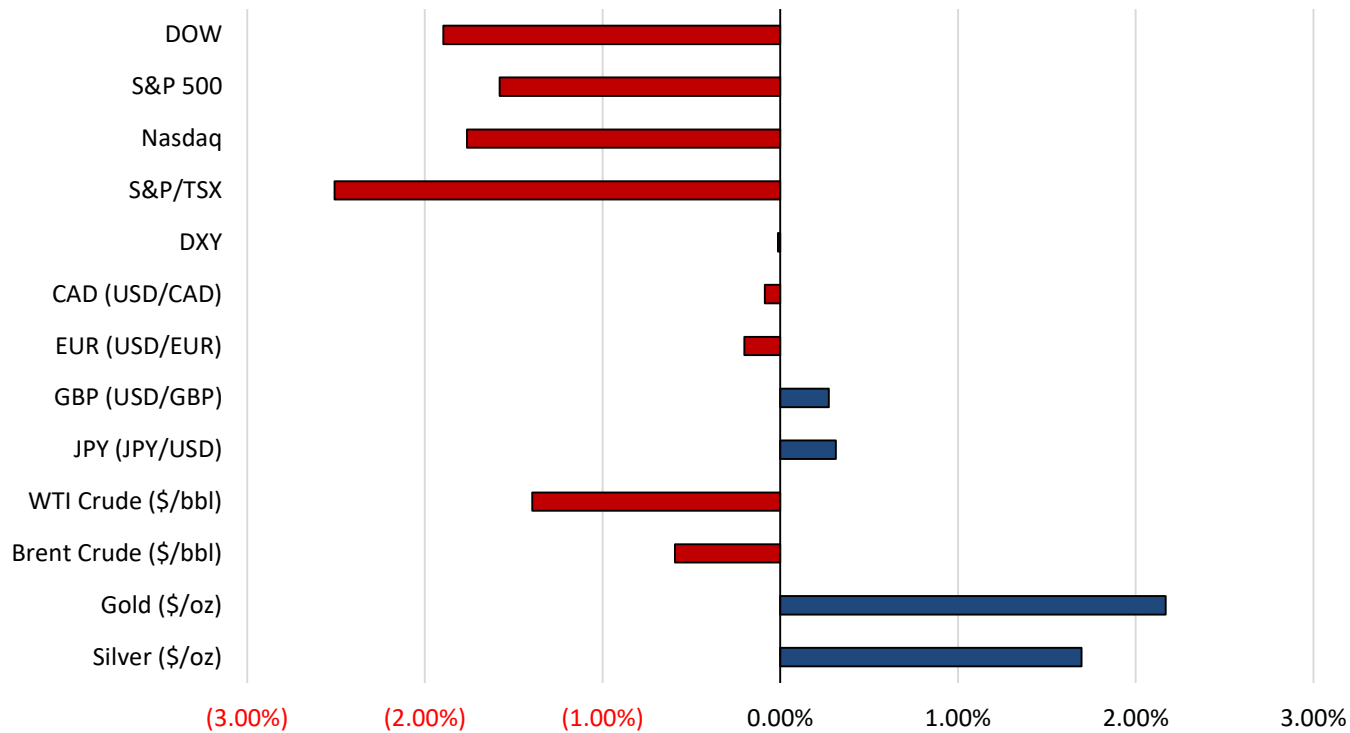
Commodities & FX

Commodities	Current	T-5	T-30	T-365
WTI Crude (\$/bbl)	91.8	93.1	84.8	54.8
Brent Crude (\$/bbl)	93.9	94.4	86.8	58.0
Natural Gas (\$/MMBtu)	4.45	3.94	4.05	3.04
Gold (\$/oz)	1,899.1	1,858.8	1,813.7	1,775.7
Silver (\$/oz)	24.0	23.6	23.5	27.0
Copper (\$/oz)	9,929.0	10,254.0	9,731.0	8,390.0
FX	Current	T-5	T-30	T-365
CAD (USD/CAD)	1.27	1.27	1.25	1.27
EUR (USD/EUR)	1.13	1.14	1.13	1.21
GBP (USD/GBP)	1.36	1.36	1.36	1.40
JPY (JPY/USD)	115.1	115.4	114.6	105.7

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.	1.47	1.47	1.50	1.04	1.82	1.84	1.85	1.66	1.92	1.96	1.94	1.87
Canada	1.49	1.51	1.46	1.28	1.72	1.76	1.72	1.70	1.88	1.92	1.85	1.89
Eurozone	-0.48	-0.44	-0.33	-0.58	-0.08	-0.02	0.08	-0.35	0.19	0.23	0.29	-0.02
Japan	-0.02	-0.02	-0.04	-0.08	0.05	0.06	0.03	-0.03	0.21	0.22	0.23	0.14
U.K.	1.25	1.33	1.41	0.86	1.28	1.35	1.43	1.02	1.38	1.46	1.54	1.22

Weekly Performance



Upcoming Events

Date	Events
Tue, Feb 22, 2022	U.S. CB Consumer Confidence (Feb)
Wed, Feb 23, 2022	Eurozone CPI (Jan)
Thu, Feb 24, 2022	U.S. New Home Sales (Jan)
Fri, Feb 25, 2022	U.S. PCE Index (Jan); U.S. Pending Home Sales (Jan)