

## World Equities

Equity Market	Current	T-1	T-1, Δ %	T-5, Δ %
DOW	32,944.19	33,174.07	-0.69%	-1.99%
S&P 500	4,204.31	4,259.52	-1.30%	-2.88%
Nasdaq	12,843.81	13,129.96	-2.18%	-3.53%
S&P/TSX	21,461.83	21,581.70	-0.56%	0.28%
FTSE 100	7,155.64	7,099.09	0.80%	2.41%
DAX	13,628.11	13,442.10	1.38%	4.07%
Hang Seng	20,553.79	20,890.26	-1.61%	-6.17%
Shanghai Index	3,309.75	3,296.09	0.41%	-4.00%
Nikkei 225	25,162.78	25,690.40	-2.05%	-3.17%

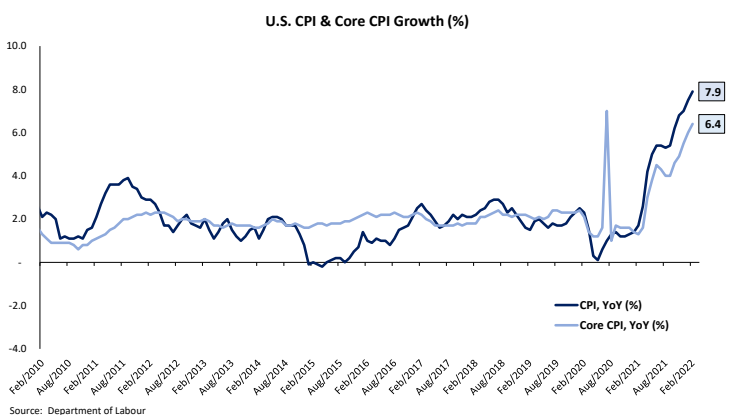
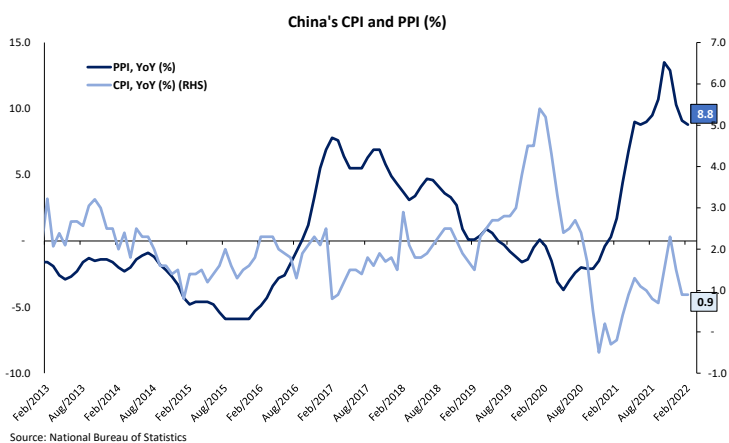
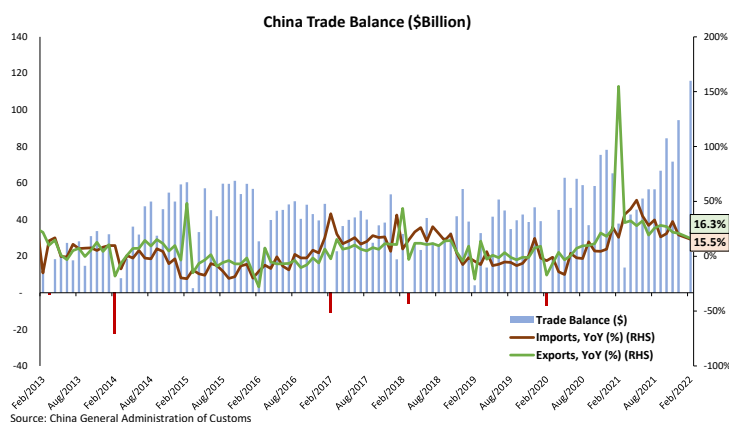
U.S. equities finished in the red on Friday as investor sentiment continued to suffer from geopolitical uncertainty between Russia and Ukraine.

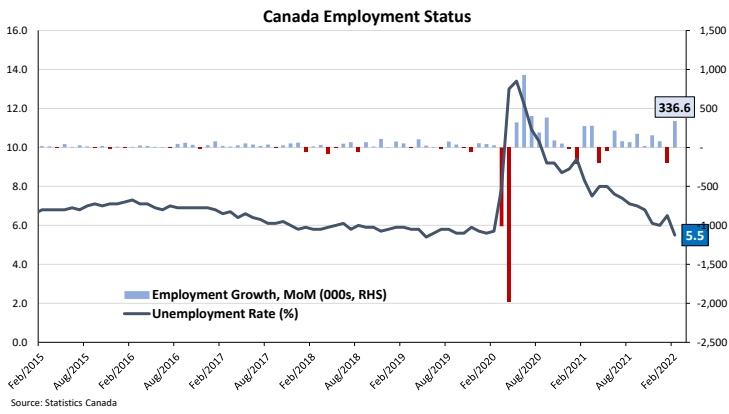
The Dow Jones Industrial Average declined 229.88 points (-0.69%) to close at 32,944.19, weighed down by losses at Apple, JPMorgan, and Nike. The S&P 500 index fell 55.21 points (-1.30%) to finish at 4,204.31, largely lagged by Consumer Discretionary, Information Technology, and Communication Services sectors. The Nasdaq Composite underperformed again and lost 286.15 points (-2.18%) to settle at 12,843.81, and it remained in a bear market. For the week, all three indices stayed in the red with losses averaging -2.80% and Nasdaq continued to trail behind others and declined -3.53%. WTI and Brent crude oil prices pulled back by 5-6% to finish at ~\$110/barrel. Gold and Silver futures edged up by less than 1% for the week.

On Monday, China reported double digit growth in both exports & imports for the period of January/February, albeit at a slower pace. Exports grew 16.3% y/y (vs. 20.9% in December), ahead the street consensus of a 15% increase; imports rose 15.5% y/y (vs. 19.5% in December), below the 16.5% expected by economists. China's trade activity moderated from the prior period and the solid print in February was before the geopolitical escalation between Russia and Ukraine took place, which could weigh on trade growth in subsequent periods. Interestingly, in the midst of geopolitical uncertainty, China announced its economic growth target of 5.5% for 2022, the slowest pace since 1990s. That said, the target seems conservative as the country also targeted "above 6%" growth last year and managed to finish 2021 with 8.1%.

On Tuesday, China's CPI rose 0.9% y/y in February, unchanged from the growth witnessed in January and in line with the street expectations. The Chinese government continues to target 3% inflation in 2022. In addition, PPI grew 8.8% y/y in February (vs. 9.1% in January) and was modestly above the 8.7% consensus, in part, driven by many factories closed in the first two weeks of February due to Chinese New Year.

On Thursday, the U.S. CPI grinded higher y/y with inflation of 7.9% in February (vs. 7.5% in January), in line with the street consensus, marking the fastest pace in more than 40 years. The surge in prices were again underpinned by higher gasoline costs (up 38% y/y), higher food prices (up 7.9% y/y), and higher shelter costs (up 4.7% y/y). Inflation continues to broaden out to all categories with core CPI (ex. food & energy items) up 6.4% in February (vs. 6.0% in January). Overall, it is conceivable that U.S. inflation will likely tick higher in coming months owing to the impact of geopolitical conflicts between Russia & Ukraine on commodity prices. This will continue to put the Fed between a rock and a hard place as there is limited room for policy mistakes.





On Friday, employment in Canada rebounded sharply in February, adding 336.6k jobs, more than reversing the -200.1k job losses in the prior month. Both full-time (+121.5k) and part-time employment (+215.1k) increased meaningfully. Services industry added the most jobs primarily led by hotels & restaurants (+114k) and culture & recreation (+73k). Unemployment rate improved markedly to 5.5% (vs. 6.5% in January), returning to pre-pandemic levels. Overall, the labour market has strengthened significantly and arguably moved close to full employment. Elevated inflation (and probably more price pressure ahead) coupled with a tight labour market suggests that the Bank of Canada is pressured to tighten monetary policy more aggressively in 2022. There remains a possibility that the BoC will lift interest rates again in April.

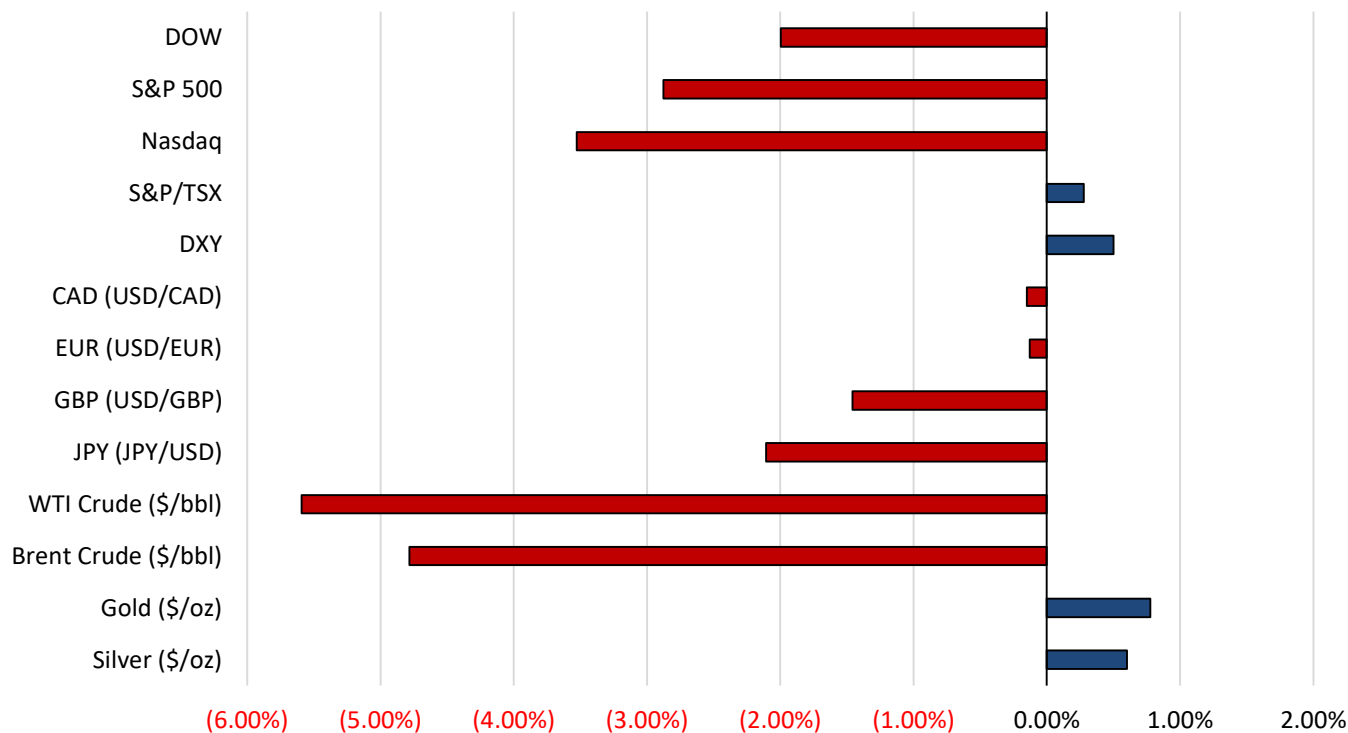
## Commodities & FX

Commodities	Current	T-5	T-30	T-365
WTI Crude (\$/bbl)	109.2	115.7	91.4	59.5
Brent Crude (\$/bbl)	112.5	118.1	92.6	62.7
Natural Gas (\$/MMBtu)	4.77	5.02	3.94	2.51
Gold (\$/oz)	1,986.0	1,970.7	1,858.8	1,722.6
Silver (\$/oz)	25.9	25.7	23.6	26.1
Copper (\$/oz)	10,117.0	10,351.0	10,254.0	8,861.5
FX	Current	T-5	T-30	T-365
CAD (USD/CAD)	1.28	1.27	1.27	1.25
EUR (USD/EUR)	1.09	1.09	1.14	1.20
GBP (USD/GBP)	1.30	1.32	1.36	1.40
JPY (JPY/USD)	117.3	114.8	115.4	108.5

## 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.	1.74	1.70	1.48	1.50	1.95	1.92	1.64	1.85	2.00	1.99	1.73	1.94
Canada	1.66	1.55	1.38	1.46	1.80	1.71	1.46	1.72	1.99	1.94	1.67	1.85
Eurozone	-0.42	-0.40	-0.74	-0.33	-0.01	-0.01	-0.38	0.08	0.25	0.27	-0.07	0.29
Japan	-0.04	-0.03	-0.04	-0.04	0.01	0.01	0.01	0.03	0.18	0.19	0.16	0.23
U.K.	1.30	1.34	1.05	1.41	1.26	1.30	0.98	1.43	1.49	1.52	1.21	1.54

## Weekly Performance



## Upcoming Events

Date	Events
Mon, Mar 14, 2022	China Retail Sales & Industrial Production (Feb)
Tue, Mar 15, 2022	U.S. PPI (Feb)
Wed, Mar 16, 2022	Canada CPI (Feb); Fed Interest Rate Decision
Thu, Mar 17, 2022	U.S. Housing Starts & Building Permits (Feb)
Fri, Mar 18, 2022	Canada Retail Sales (Jan); U.S. Existing Home Sales (Feb)