

Monday August 8, 2016

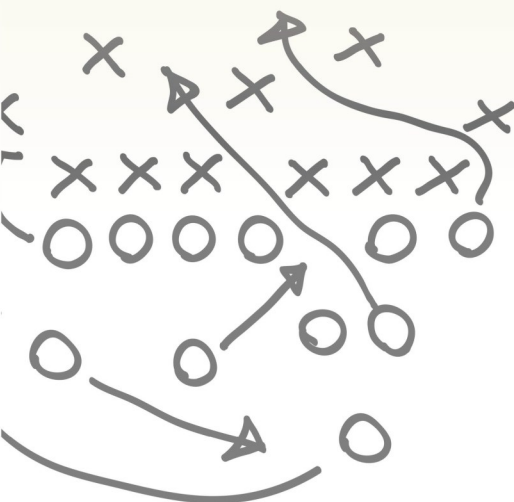
Coaches Corner

Last week, the S&P/TSX Composite Index was up 0.45%, while the S&P 500 gained 0.43%. Year-to-date the S&P/TSX Composite and the S&P 500 are up, 12.60% and 6.80%, respectively.

Energy and Info Tech led Canadian financial sectors gains last week, up 2.29% and 1.63%, respectively. Health Care was the weakest, down (1.25%).

In Canada, we'll get a pulse of the housing market with July data on the Teranet-National Bank house price index and housing starts. Overall home prices and residential construction have been good this year, although there are sharp regional differences.

In the U.S., we'll get an idea about the state of consumption early in the third quarter.



MARKET NEWS

Canada

- Employment was down 31K in July according to the Labour Force Survey, significantly below consensus calling for a 10K increase. The participation rate fell one tick to 65.4%, while the job losses caused the unemployment rate to rise one tick to 6.9%.
- The merchandise trade deficit deteriorated to C\$3.6 bn in June (from a revised C\$3.5 bn deficit the prior month) as nominal imports (+0.8%) rose faster than exports (+0.6%).

United States

- Non farm payrolls rose 255K in July, much stronger than the 180K expected by consensus.
- The ADP employment report showed a 179K increase in July.
- The ISM manufacturing index dropped to 52.6 in July (from 53.2 the prior month). The non-manufacturing ISM index dropped to 55.5 in July from 56.5 in the prior month.
- Personal income rose 0.2% in June while personal spending rose 0.4%. As a result, the savings rate fell to 5.3%, the lowest in 8 months.

World

- The Bank of England loosened monetary policy this week by cutting its target interest rates to a record low of 0.25% and expanding its asset purchase program by £60 bn to £435 bn.

Resource: National Bank

UP AND DOWN



Canada

Overnight	0.50%
Bank of Canada	0.75%
Prime Rate	2.70%

Next Meeting: Sept. 7, 2016

United States

Fed Fund Rates	0.50%
Discount Rate	1.00%
Prime Rate	3.50%

Next Meeting: Sept. 21, 2016

MARKET INDICATORS & TRENDS (As at August 5, 2016)

	INDEX	MTD	YTD	2015	2014
S&P/TSX	14,648.77	0.45%	12.60%	-11.09%	7.42%
S&P 500	2,182.87	0.43%	6.80%	-0.73%	11.39%
MSCI EAFE	1,665.32	-1.41%	-2.97%	-3.30%	-7.35%
MSCI World	1,716.65	-0.30%	3.24%	-2.74%	2.93%
	SPOT (USD)	MTD	YTD	2015	2014
CAD	\$0.7587	-1.06%	5.01%	-16.18%	-8.32%
Euro	\$1.0800	-3.30%	-0.54%	-10.26%	-12.18%
Gold	\$1,344.40	-0.97%	26.81%	-10.46%	-1.51%
Oil – WTI	\$41.80	0.48%	12.85%	-30.47%	-45.87%
Gas	\$2.77	-3.62%	18.61%	-19.11%	-31.70%
	INDEX	MTD	YTD	2015	2014
DEX Universe	1,041.10	-0.26%	4.65%	3.52%	8.79%
DEX Short Term	698.10	0.04%	1.25%	2.62%	3.06%
DEX Mid Term	1,137.40	-0.24%	4.21%	4.85%	9.17%
DEX Long Term	1,704.20	-0.69%	9.70%	3.80%	17.47%

S&P / TSX SECTOR PERFORMANCE

(As at August 5, 2016)

SECTOR	MTD	YTD
Financials	-0.30%	4.90%
Energy	2.29%	19.04%
Materials	0.26%	61.51%
Industrial	-0.06%	14.44%
Consumer Discretionary	1.55%	5.92%
Telecom Services	0.13%	20.67%
Information Technology	1.63%	3.26%
Consumer Staples	0.93%	10.21%
Utilities	0.11%	18.02%
Health Care	-1.25%	-32.93%

GIC RATES—RSP COMPOUNDING

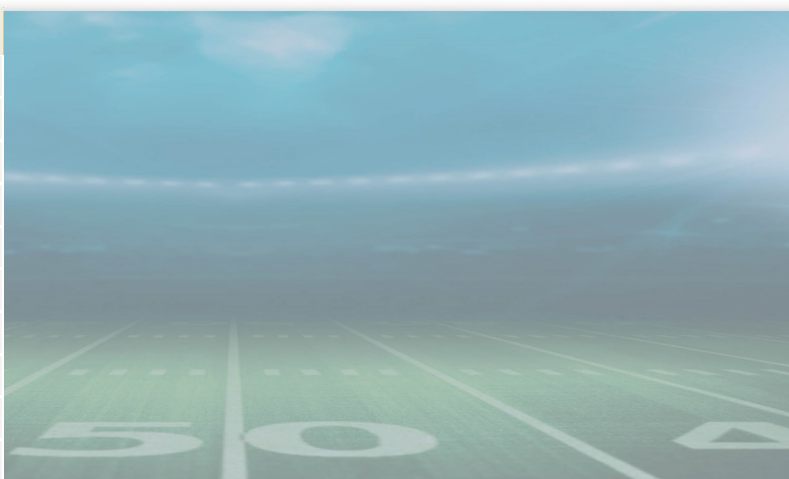
(As at August 8, 2016)

	1 YEAR	3 YEARS	5 YEARS
B2B	1.30%	1.76%	1.91%
Bank of Nova Scotia	1.40%	1.65%	2.00%
CDN Western Bank	1.37%	1.75%	1.91%
Effort Trust	1.50%	1.75%	2.00%
Laurentian Trust	1.30%	1.76%	1.91%
Manulife Bank	1.20%	1.50%	1.80%
National Bank	1.35%	1.55%	1.80%
Standard Life	n/a	0.80%	1.25%

SAVINGS ACCOUNTS

(As at August 8, 2016)

	FUND CODE	RATE
B2B High Interest Investment Account*	BTB 100 (A)	0.80%
	BTB 100 (F)	1.05%
Equitable Bank*	EQB 100 (A)	1.05%
	EQB 200 (F)	1.30%
Hollis Investment Savings	DYN 500 (A)	0.75%
	DYN 550 (F)	1.00%
Home Trust High Interest Savings*	HOM 100 (A)	1.05%
	HOM 101 (F)	1.30%
Manulife Bank Premium Investment Savings*	MIP 501 (A)	1.00%
	MIP 601 (F)	1.25%



*Nominee accounts only

UPCOMING DATES

Aug 8	Building Permits MoM (CA)	Aug 11	Initial Jobless Claims (US)	Aug 12	PPI Final Demand (US)
Aug 9	NFIB Small Business Optimism (US)	Aug 11	New Housing Price Index MoM (CA)	Aug 12	PPI Ex Food and Energy (US)
Aug 9	Housing Starts (CA)	Aug 11	New Housing Price Index YoY (CA)	Aug 12	PPI Final Demand (US)
Aug 9	Nonfarm Productivity (US)	Aug 12	Retail Sales Advance (US)	Aug 12	U. of Mich. Sentiment (US)
Aug 9	Wholesale Trade Sales MoM (US)	Aug 12	Retail Sales Ex Auto (US)		
Aug 10	MBA Mortgage Applications (US)	Aug 12	Teranet/National Bank HPI (CA)		

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