WORLDSOURCE FINANCIAL MANAGEMENT INC.

Monday Morning Quarterback

Monday July 24, 2017

Coaches Corner

Last week, the S&P/TSX Composite Index was up 0.59%, while the S&P 500 gained 0.58%. Year-to-date the S&P/TSX Composite is down (0.15%) and the S&P 500 is up 10.48%.

Energy and Telecom Services were the strongest Canadian financial sectors last week, both up 2.54% and 2.03%, respectively. Industrials was the weakest sector, down (1.95%).

In Canada, a light week will feature May's GDP. Monthly data to date hint at continued expansion following a +0.2% growth print in April. In the U.S., there are two major events this week that will garner market attention. First, the Federal Reserve will decide on monetary policy on Wednesday. The other important piece of news will be Q2's first GDP estimate.

Resource: National Bank

MARKET NEWS

Canada

- The consumer price index was flat in June in seasonally adjusted terms allowing the year-on-year inflation rate to drop three ticks to 1.0%, its lowest level in 20 months.
- Retail sales rose 0.6% in May.
- Manufacturing shipments rose 1.1% month on month in May, taking nominal sales to an all-time high.
- International securities transactions data showed foreign investors increased their holdings of Canadian securities by C$29.5 billion in May
- According to the Canadian Real Estate Association (CREA), in June, existing home sales fell the most in seven years, retracing 6.7% in seasonally adjusted terms to 39,979 units.

United States

- In June, housing starts surged 8.3% month on month to 1215K in annualized terms.
- Separately, building permits climbed 7.4% to 1,254K in June.
- The Empire State Manufacturing Survey's index of general business conditions slid 10.0 points to 9.8 in July.
- The leading economic indicators index (LEI) rose for the tenth consecutive month in June, surging 0.6% MoM to 127.8.

World

- The European Central Bank kept interest rates unchanged.
- The Bank of Japan kept monetary policy on hold as well.

Resource: National Bank

UP AND DOWN

Canada

Overnight	0.75%
Bank of Canada	1.00%
Prime Rate	2.95%

Next Meeting: Sep. 6, 2017

United States

Fed Fund Rates	1.25%
Discount Rate	1.75%
Prime Rate	4.25%

Next Meeting: Jul 26, 2017

MARKET INDICATORS & TRENDS (As at July 21, 2017)

	INDEX	MTD	YTD	2016	2015
S&P/TSX	15,264.64	0.54%	-0.15%	17.51%	-11.09%
S&P 500	2,473.45	2.06%	10.48%	9.54%	-0.73%
MSCI EAFE	1,927.65	2.36%	14.47%	-1.88%	-3.30%
MSCI World	1,958.77	2.21%	11.85%	5.32%	-2.74%
	SPOT (USD)	**MTD**	**YTD**	**2016**	**2015**
CAD	$0.7974	3.39%	7.06%	3.09%	-16.18%
Euro	$1.1663	2.09%	10.52%	-2.82%	-10.26%
Gold	$1,262.80	1.65%	9.65%	8.63%	-10.46%
Oil – WTI	$46.04	0.00%	-14.30%	45.03%	-30.47%
Gas	$2.93	-3.33%	-21.21%	59.35%	-19.11%
	INDEX	**MTD**	**YTD**	**2016**	**2015**
DEX Universe	1,028.20	-0.69%	1.66%	1.67%	3.52%
DEX Short Term	696.60	-0.23%	0.03%	1.00%	2.62%
DEX Mid Term	1,117.50	-0.58%	0.76%	1.61%	4.85%
DEX Long Term	1,664.50	-1.42%	4.56%	2.47%	3.80%

S&P / TSX SECTOR PERFORMANCE

(As at July 21, 2017)

SECTOR	MTD	YTD
Financials	0.96%	1.71%
Energy	1.06%	-21.27%
Materials	0.83%	-0.50%
Industrial	-1.36%	8.10%
Consumer Discretionary	-0.91%	10.03%
Telecom Services	2.49%	11.27%
Information Technology	-0.36%	9.48%
Consumer Staples	-0.65%	3.24%
Utilities	-1.33%	6.22%
Health Care	-1.55%	-1.20%

GIC RATES—RSP COMPOUNDING

(As at July 24, 2017)

	1 YEAR	3 YEARS	5 YEARS
B2B	1.30%	2.00%	2.24%
Canadian Western Bank	1.30%	1.75%	2.10%
Community Trust	2.00%	2.15%	2.20%
Effort Trust	2.20%	2.45%	2.55%
Laurentian Trust	1.30%	2.00%	2.24%
Manulife Bank	1.20%	1.55%	2.10%
Peoples Trust	1.10%	1.55%	1.80%
Standard Life	0.45%	0.80%	1.25%

SAVINGS ACCOUNTS

(As at July 24, 2017)

	FUND CODE	RATE
B2B High Interest Investment Account*	BTB 100 (A)	0.80%
	BTB 101 (F)	1.05%
Equitable Bank*	EQB 100 (A)	1.50%
	EQB 200 (F)	1.75%
Hollis Investment Savings Account	DYN 500 (A)	0.85%
	DYN 550 (F)	1.10%
Manulife Bank Premium Investment Savings*	MIP 501 (A)	0.90%
	MIP 601 (F)	1.15%
Renaissance High Interest Savings Account*	ATL 5000 (A)	0.85%
	ATL 5001 (F)	1.10%

*Nominee accounts only

UPCOMING DATES

Jul 24	Wholesale Trade Sales MoM (CA)	Jul 26	FOMC Rate Decision (US)	Jul 28	GDP MoM (CA)
Jul 24	Markit US Manufacturing PMI (US)	Jul 27	Durable Goods Orders (US)	Jul 28	GDP Annualized QoQ (US)
Jul 24	Markit US Services PMI (US)	Jul 27	Initial Jobless claims (US)	Jul 28	Personal Consumption (US)
Jul 24	Existing Home Sales (US)	Jul 27	Durables Ex Transportation (US)	Jul 28	Employment Cost Index (US)
Jul 26	MBA Mortgage Applications (US)	Jul 27	Chicago Fed Nat Activity Index (US)	Jul 28	U. of Mich Sentiment (US)
Jul 26	New Home Sales (US)				

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