

Daily Global Insight



Wealth
Management

Friday, August 26, 2016

Good morning

The overnight session can again be described as relatively uneventful. Asian equity markets finished mixed overnight with the Nikkei off 1.2%. Japanese inflation data for July was somewhat subdued relative to economists' consensus expectation. European indices are slightly lower at the midpoint of their session. S&P 500 futures are trading water ahead of Janet Yellen's Jackson Hole speech. The U.S. dollar index is basically flat ahead of the Fed Chairwoman's remarks while U.S. Treasury yields are little changed as well. Bloomberg data shows the futures-implied probability of a Fed rate hike to be nearly one in three for the September meeting and over 50% by year-end. The commodity complex is mixed with gold edging higher to US\$1,330/oz and WTI crude off 0.5% to US\$47.11/bbl.

and bond buying programs. Also in the cards could be further insight on the Fed's opinion of negative rates as a policy tool and the theoretical natural interest rate in light of aging demographics and declining productivity growth.

Today, we would highlight the following:

It's finally happening. The text of Janet Yellen's speech will hit the tape this morning at 10am ET. With the annual Jackson Hole symposium titled "Designing Resilient Monetary Policy Frameworks for the Future", investors will be looking not only for clues on the timing of the next rate hike but will also be parsing Yellen's remarks for any indication of more profound policy changes. For instance, the San Francisco Fed's President, John Williams, recently broached the notion of increasing the central bank's inflation target. Should Yellen broach such a policy shift, it will likely be interpreted by the market as decidedly dovish indication for rate policy. With that said, the Fed also needs to think about how it would respond to the next economic slowdown. Should it arrive with target interest rates mired at the near-zero level, the Fed may have to place greater emphasis on unconventional policy tools such as signaling

All values in CAD dollars unless otherwise noted.
Priced as of 7:21 a.m. on August 26, 2016 (unless otherwise stated).

For important disclosures please see page 10.

Markets today

Equities

Asian equity markets finished mixed overnight while European indices are lower at midday. S&P 500 futures are trading water ahead of Yellen's Jackson Hole speech, which hits the wire at 10am ET. The U.S. dollar index is basically flat as are Treasury yields while gold is slightly higher.

Fixed income

A combination of almost no meaningful data in either Canada or the US and the anticipation of today's address by Janet Yellen have resulted in a very quiet rates market this week. It is tough to imagine exactly what Janet Yellen could say today that would truly move the dial on the Fed interest rate hike narrative (it's widely viewed that she will not address the subject of timing), we will surely see her speech closely dissected for clues on the Fed's interest rate policy and any signs that it has shifted at all.

Market Pulse		
Updated as of		8/26/16 7:21 AM
Equity New		
	Last	% Chg
Dow	18,442	0.0%
S&P 500	2,173	0.0%
Nasdaq	4,780	-0.1%
Overseas		
	Last	% Chg
FTSE 100 (UK)	6,818	0.0%
DAX (Germany)	10,500	-0.3%
Euro Stoxx 50	2,981	-0.2%
Hang Seng	22,910	0.4%
Nikkei 225	16,361	-1.2%
Shanghai	3,070	0.1%
Commodities		
	Last	% Chg
WTI Crude	\$47.13	-0.4%
Gold (\$/oz)	\$1,331	0.5%
Silver (\$/oz)	\$19	0.7%
Copper (\$/ton)	\$4,617	0.0%
Natural Gas(\$/Mmbtu)	\$2.82	-0.9%
Currencies		
	Last	% Chg
CADUSD	\$0.78	0.2%
EURUSD	\$1.13	0.1%
USDJPY	¥100.45	-0.1%
Fixed Income		
	Yield	Chg (bps)
10-yr Treasury	1.57%	-0.3
10-Yr Canadian	1.06%	-0.8
Germany 10 Yr Yield	-0.07%	-0.2
Spain 10 Yr Yield	0.94%	1.5
France 10 Yr Yield	0.16%	0.0

Advancers and Decliners		
Updated as of		8/26/16 7:21 AM
S&P/TSX Top Movers		
Advancers		
	Last	% Chg
B2GOLD CORP	\$ 3.86	5.46%
TOREX GOLD RESOURCES INC	\$ 31.61	5.09%
ALACER GOLD CORP	\$ 3.14	5.02%
PRETIUM RESOURCES INC	\$ 13.12	4.71%
TECK RESOURCES LTD-CLS B	\$ 21.24	4.32%
Decliners		
	Last	% Chg
VERESEN INC	\$ 12.48	-3.48%
ENERFLEX LTD	\$ 13.05	-2.47%
RUSSEL METALS INC	\$ 21.63	-2.35%
ELDORADO GOLD CORP	\$ 4.60	-2.34%
HUSKY ENERGY INC	\$ 16.55	-2.24%
S&P 500 Top Movers		
Advancers		
	Last (USD)	% Chg
TIFFANY & CO	\$ 73.28	6.40%
WESTROCK CO	\$ 47.07	5.85%
MICRON TECHNOLOGY INC	\$ 16.20	4.45%
INTERNATIONAL PAPER CO	\$ 48.39	3.93%
SALESFORCE.COM INC	\$ 80.16	3.01%
Decliners		
	Last (USD)	% Chg
DOLLAR GENERAL CORP	\$ 75.61	-17.63%
SIGNET JEWELERS LTD	\$ 83.44	-12.63%
DOLLAR TREE INC	\$ 85.50	-9.93%
EXPRESS SCRIPTS HOLDING CO	\$ 71.74	-6.03%
ST JUDE MEDICAL INC	\$ 77.82	-4.96%

Strategy and economics

Key developments

Key U.S. Economic Data Releases

Event	Period	Survey	Actual	Prior	Commentary
GDP Annualized QoQ	2Q S	1.1%	-	1.2%	GDP is expected to be revised lower for the second quarter, with consumer spending remaining the sole driver of growth. The release will do little to move markets, but traders will be looking for revised information on corporate profits , which have remained sluggish in the first half of the year.
Personal Consumption	2Q S	4.2%	-	4.2%	
Core PCE QoQ	2Q S	1.7%	-	1.7%	
U. of Michigan Sentiment	Aug F	90.8	-	90.4	The final revision of U. of Mich. Sentiment is expected to be higher due to robust job gains and equity markets that are near all-time highs. Although political uncertainty around the election continues to worry the consumer.

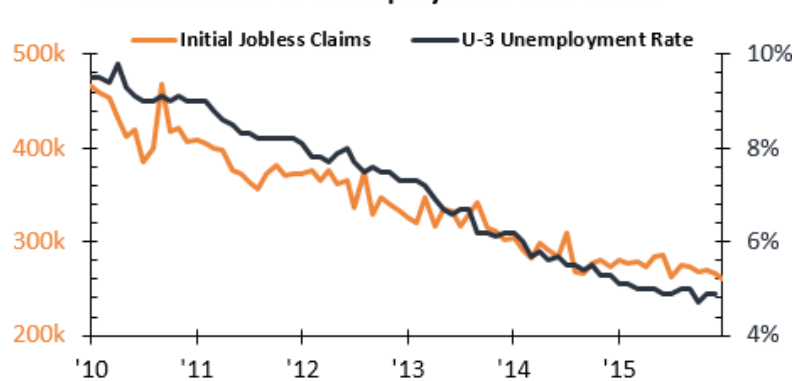
Key Canadian Economic Data Releases

Event	Period	Survey	Actual	Prior	Commentary
No Scheduled Releases – Industrial Production Price 8/30					

Prior Session Highlights & Analysis

Event	Period	Survey	Actual	Prior	Our Thoughts
Initial Jobless Claims	Aug 20	265k	261k	262k	<p>Durable Goods Show ‘Signs’ of Optimism</p> <p>Headline durable goods beat expectations, growing at 4.4% vs 3.4% expected, and show some signs of optimism for future manufacturing..... but we’re not holding our breath. The headline is volatile and highly affected by aircraft orders and defense spending, and an influx of orders for civilian aircraft (89.9% increase in July) from the Farnborough Air show helped to elevate July’s number.</p> <p>The positive of the release were inventories that increased ever so slightly at 0.3%; remember that inventory reductions weighed heavily on second quarter GDP. It is true, manufacturing only accounts for a minority share of the U.S. economy, but health in the sector does have significant impact on the services sector.</p> <p>Initial jobless claims continue to fall, a sign that companies are confident enough to retain workers amid uncertainty, particularly those workers with experience and a high level of skill. Jobless claims at multi-decade lows continue to keep the unemployment rate low and has many Fed officials saying the labor market is at, or very close to, full employment.</p>
Continuing Claims	Aug13	2,155k	2,145k	2,175l	
Durable Goods Orders	July P	3.4%	4.4%	-3.9%	
Markit US Services PMI	Aug P	51.8	50.9	51.4	
Kansas City Fed Manufacturing Index	Aug	-2	-4	-6	

Jobless Claims & Unemployment Rate Lower



Source: RBC Wealth Management, Bloomberg

RBC Capital Markets North American Comment

US: Yellen (finally)

There is a smattering of data today (the second print on Q2 GDP growth, the advance trade balance, wholesale inventories and University of Michigan sentiment), but **the event that markets have been waiting for is the 10am address by Fed Chair Yellen at Jackson Hole on “The Federal Reserve’s Monetary Policy Toolkit”**. We remain of the belief that the Fed Chair will stick to the knitting of the conference, which deals with longer-run issues in “Designing Resilient Monetary Policy Frameworks for the Future”. With most of the commentary likely to deal with the problems associated with operating near the Effective Lower Bound (ELB) in a low-potential, low-productivity world, it would be hard to think that the speech itself could be interpreted as hawkish. However, there have already been several remarks from FOMC members to reporters on the sidelines and it is possible that comments about current monetary policy from the core contingent could come out (several Committee members have stressed the possibility of a rate hike over the remainder of the year and fed funds futures continue to price in odds at about 50%).

Technical corner

Bob Dickey: Mixed Nuts

The recent market action has been that of a consolidation, or sideways period, that has seen more stocks trade in choppy patterns rather than making clearly defined trends, which is typical for this time of year, and we believe may continue for another month or two. We think this period will be a good time to lighten up in some areas that have made big runs over the past few months and look to buy other stocks on dips, but mostly hold current stock positions. We see any near-term dips in the market as being good buy points in what we believe is a longer-term bull market that could have big potential into next year.



Chart courtesy StockCharts.com and RBC Wealth Management

Market snapshot

Calendar of events

Date	Time	Event	Survey	Actual	Prior	Revised	
08/22/2016	8:30	US Chicago Fed Nat Activity Index	Jul	0.2	0.27	0.16	0.05
08/23/2016	9:45	US Markit US Manufacturing PMI	Aug P	52.6	--	52.9	--
08/23/2016	10:00	US Richmond Fed Manufact. Index	Aug	6	--	10	--
08/23/2016	10:00	US New Home Sales	Jul	580k	--	592k	--
08/23/2016	10:00	US New Home Sales MoM	Jul	-2.00%	--	3.50%	--
08/24/2016	7:00	US MBA Mortgage Applications	19-Aug	--	--	-4.00%	--
08/24/2016	9:00	US House Price Purchase Index QoQ	2Q	--	--	1.30%	--
08/24/2016	9:00	US FHFA House Price Index MoM	Jun	0.30%	--	0.20%	--
08/24/2016	10:00	US Existing Home Sales	Jul	5.50m	--	5.57m	--
08/24/2016	10:00	US Existing Home Sales MoM	Jul	-1.30%	--	1.10%	--
08/25/2016	8:30	US Durable Goods Orders	Jul P	3.50%	--	-3.90%	--
08/25/2016	8:30	US Initial Jobless Claims	20-Aug	265k	--	262k	--
08/25/2016	8:30	US Durables Ex Transportation	Jul P	0.50%	--	-0.40%	--
08/25/2016	8:30	US Continuing Claims	13-Aug	2155k	--	2175k	--
08/25/2016	8:30	US Cap Goods Orders Nondef Ex Air	Jul P	0.20%	--	0.40%	--
08/25/2016	8:30	US Cap Goods Ship Nondef Ex Air	Jul P	0.30%	--	-0.20%	--
08/25/2016	9:45	US Markit US Services PMI	Aug P	51.8	--	51.4	--
08/25/2016	9:45	US Markit US Composite PMI	Aug P	--	--	51.8	--
08/25/2016	9:45	US Bloomberg Consumer Comfort	21-Aug	--	--	43.6	--
08/25/2016	11:00	US Kansas City Fed Manf. Activity	Aug	-2	--	-6	--
08/26/2016	8:30	US Advance Goods Trade Balance	Jul	-\$63.0b	--	-\$63.3b	-\$64.5b
08/26/2016	8:30	US Wholesale Inventories MoM	Jul P	0.10%	--	0.30%	--
08/26/2016	8:30	US GDP Annualized QoQ	2Q S	1.10%	--	1.20%	--
08/26/2016	8:30	US Personal Consumption	2Q S	4.20%	--	4.20%	--
08/26/2016	8:30	US GDP Price Index	2Q S	2.20%	--	2.20%	--
08/26/2016	8:30	US Core PCE QoQ	2Q S	1.70%	--	1.70%	--
08/26/2016	10:00	US U. of Mich. Sentiment	Aug F	90.7	--	90.4	--
08/26/2016	10:00	US U. of Mich. Current Conditions	Aug F	--	--	106.1	--
08/26/2016	10:00	US U. of Mich. Expectations	Aug F	--	--	80.3	--
08/26/2016	10:00	US U. of Mich. 1 Yr Inflation	Aug F	--	--	2.50%	--
08/26/2016	10:00	US U. of Mich. 5-10 Yr Inflation	Aug F	--	--	2.60%	--
08/29/2016	8:30	US Personal Income	Jul	0.40%	--	0.20%	--
08/29/2016	8:30	US Personal Spending	Jul	0.30%	--	0.40%	--
08/29/2016	8:30	US Real Personal Spending	Jul	0.20%	--	0.30%	--
08/29/2016	8:30	US PCE Deflator MoM	Jul	0.00%	--	0.10%	--
08/29/2016	8:30	US PCE Deflator YoY	Jul	--	--	0.90%	--
08/29/2016	8:30	US PCE Core MoM	Jul	0.10%	--	0.10%	--
08/29/2016	8:30	US PCE Core YoY	Jul	1.50%	--	1.60%	--
08/29/2016	10:30	US Dallas Fed Manf. Activity	Aug	-3	--	-1.3	--
08/22/2016	8:30	CA Wholesale Trade Sales MoM	Jun	0.10%	0.70%	1.80%	1.90%
08/22/2016	10:00	CA Bloomberg Nanos Confidence	19-Aug	--	59.9	59.3	--
08/25/2016		CA CFIB Business Barometer	Aug	--	--	57.6	--
08/29/2016	10:00	CA Bloomberg Nanos Confidence	26-Aug	--	--	59.9	--

Market snapshot

Number crunching

Equity Indices	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
S&P/TSX Composite Index	14,630.72	4.48	0.0%	0.3%	12.5%	9.3%	-11.1%	7.4%	9.3%
S&P/TSX Composite Index TR	46,857.29	14.91	0.0%	0.4%	14.6%	12.8%	-8.3%	10.6%	13.0%
S&P/TSX 60 Index	852.65	-0.26	0.0%	0.6%	11.5%	7.9%	-10.6%	9.1%	9.6%
S&P/TSX Equity Index	15,082.40	6.08	0.0%	0.4%	12.4%	9.2%	-11.3%	7.4%	10.1%
S&P/TSX Income Trust Index	200.71	-0.54	-0.3%	-2.3%	13.5%	11.9%	-5.2%	7.1%	-7.7%
S&P/TSX Venture Composite Index	801.93	12.41	1.6%	0.7%	52.6%	51.4%	-24.4%	-25.4%	-23.1%
S&P/TSX Small Cap Index	640.99	5.93	0.9%	-1.3%	31.5%	30.2%	-15.8%	-5.2%	4.6%
Dow Jones Industrial Average	18,448.41	-33.07	-0.2%	0.1%	5.9%	13.3%	-2.2%	7.5%	25.5%
S&P 100 Index	959.81	-1.65	-0.2%	-0.2%	5.3%	12.3%	0.3%	10.3%	26.4%
S&P 500 Index	2,172.47	-2.97	-0.1%	-0.1%	6.3%	12.0%	-0.7%	11.4%	28.5%
S&P 400 Midcap Index	1,564.80	3.90	0.2%	0.3%	11.9%	12.9%	-3.7%	8.2%	30.2%
S&P 600 Smallcap Index	754.01	2.46	0.3%	1.3%	12.2%	14.4%	-3.4%	4.4%	39.7%
NASDAQ Composite Index	5,212.20	-5.49	-0.1%	1.0%	4.1%	11.0%	5.7%	13.4%	37.2%
Euro Stoxx 50	2,845.44	-22.30	-0.8%	-1.1%	-8.2%	-6.7%	3.2%	2.9%	12.2%
FTSE 100	6,816.90	-18.88	-0.3%	1.4%	9.2%	12.1%	-4.9%	-2.7%	13.9%
CAC 40	4,406.61	-28.86	-0.7%	-0.7%	-5.0%	-3.5%	8.5%	-0.5%	16.1%
DAX Index	10,529.59	-93.38	-0.9%	1.9%	-2.0%	4.0%	9.6%	2.7%	23.5%
S&P/ASX 200	5,541.89	-19.78	-0.4%	-0.4%	4.6%	7.1%	-2.1%	1.1%	13.2%
Nikkei 225	16,555.95	-41.35	-0.2%	-0.1%	-13.0%	-9.9%	9.1%	7.1%	56.7%
Shanghai Stock Exchange Composite	3,068.33	-17.55	-0.6%	3.0%	-13.3%	4.8%	9.4%	52.9%	-7.0%
Hang Seng Index	22,814.95	-5.83	0.0%	4.2%	4.1%	8.2%	-7.2%	1.3%	-0.3%
MSCI World	1,731.17	-7.38	-0.4%	0.5%	4.1%	9.3%	-2.7%	2.9%	24.1%
MSCI World TR	6,749.75	-28.36	-0.4%	0.8%	6.1%	11.9%	-0.3%	5.5%	27.4%
MSCI EAFE	1,709.15	-2.47	-0.1%	1.2%	-0.4%	-0.3%	-3.3%	-7.3%	19.4%
MSCI Emerging Market	896.75	-9.75	-1.1%	2.7%	12.9%	13.7%	-17.0%	-4.6%	-5.0%

Equity Indices (in CAD\$)*	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
DJIA in Cdn\$	23,840.88	-50.13	-0.2%	-0.7%	-1.1%	14.1%	16.4%	17.6%	35.9%
S&P 100 Index	1,240.36	-2.52	-0.2%	-1.0%	-1.7%	13.5%	19.5%	20.6%	36.9%
S&P 500 Index	2,807.48	-4.71	-0.2%	-0.9%	-0.7%	12.7%	18.2%	21.8%	39.1%
S&P 400 Midcap Index	2,022.19	4.42	0.2%	-0.5%	4.5%	12.2%	14.6%	18.3%	41.0%
S&P 600 Smallcap Index	971.23	-0.30	0.0%	0.2%	4.5%	13.0%	15.1%	15.1%	51.3%
NASDAQ in Cdn\$	6,735.73	-9.18	-0.1%	0.1%	-2.8%	12.1%	25.9%	24.0%	48.6%
Euro Stoxx 50	4,147.00	-28.69	-0.7%	-1.0%	-11.0%	-11.5%	10.3%	-0.9%	26.0%
FTSE 100	11,616.68	-44.31	-0.4%	0.2%	-8.8%	-8.7%	7.0%	0.1%	24.8%
CAC 40 Index	6,422.28	-36.16	-0.6%	-0.7%	-7.9%	-8.4%	16.0%	-4.2%	30.3%
DAX Index	15,346.04	14.00	0.1%	1.9%	-5.0%	-1.4%	17.7%	-1.2%	38.6%
S&P/ASX 200	5,454.88	-0.55	0.0%	-1.0%	2.1%	10.9%	4.0%	0.2%	4.0%
Nikkei 225	2.13	-0.01	-0.4%	0.5%	-2.9%	3.1%	29.3%	-3.9%	41.6%
Shanghai Stock Exchange Composite	595.87	-1.23	-0.2%	1.8%	-21.0%	-2.1%	24.6%	6.7%	3.7%
Hang Seng Index	3,801.88	-3.03	-0.1%	3.3%	-2.8%	4.8%	10.6%	9.4%	8.0%
MSCI World	2,237.19	-0.69	0.0%	-0.3%	-2.8%	5.9%	15.8%	13.3%	34.4%
MSCI World TR	8,722.70	-2.70	0.0%	-0.1%	-0.9%	8.4%	18.7%	16.2%	37.9%
MSCI EAFE	2,208.73	-0.68	0.0%	0.4%	-7.0%	-3.4%	15.1%	1.5%	29.4%
MSCI Emerging Market	1,158.87	-0.36	0.0%	1.8%	5.4%	10.2%	-1.1%	4.1%	2.9%

S&P/TSX Sector Performance	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
S&P/TSX Financials	2,318.02	0.01	0.0%	0.9%	6.9%	11.4%	-5.5%	9.8%	18.4%
S&P/TSX Energy	2,409.26	-9.69	-0.4%	3.4%	20.6%	20.5%	-25.7%	-7.8%	9.1%
S&P/TSX Materials	2,260.39	19.32	0.9%	-8.1%	48.0%	42.9%	-22.8%	-4.5%	-29.1%
S&P/TSX Industrials	2,405.52	4.59	0.2%	1.5%	14.0%	18.4%	-12.5%	20.0%	34.1%
S&P/TSX Consumer Discretionary	1,915.77	-7.18	-0.4%	1.2%	5.5%	2.5%	-3.5%	26.4%	38.6%
S&P/TSX Telecom Services	1,464.50	-2.37	-0.2%	-1.2%	16.0%	16.3%	-1.0%	10.5%	7.6%
S&P/TSX Information Technology	228.50	1.22	0.5%	0.6%	3.1%	17.0%	14.8%	34.0%	36.0%
S&P/TSX Consumer Staples	4,718.83	-29.36	-0.6%	5.0%	12.8%	17.1%	11.0%	46.9%	21.3%
S&P/TSX Utilities	2,114.04	12.21	0.6%	-0.9%	16.8%	20.5%	-7.8%	11.3%	-8.7%
S&P/TSX Healthcare	594.67	7.56	1.3%	18.9%	-65.2%	-82.1%	-15.8%	30.2%	72.6%

S&P 500 Sector Performance	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Financials	324.01	0.91	0.3%	1.6%	0.7%	8.3%	-3.5%	13.1%	32.5%
Health Care	839.82	-6.72	-0.8%	-3.4%	0.8%	7.2%	5.2%	23.3%	38.0%
Technology	782.52	0.97	0.1%	1.8%	8.5%	25.0%	4.3%	18.2%	24.9%
Industrials	508.30	-0.42	-0.1%	0.9%	9.7%	20.8%	-4.7%	7.5%	35.9%
Consumer Discretionary	643.60	-2.38	-0.4%	-0.6%	3.6%	14.3%	8.4%	8.0%	40.3%
Energy	512.96	-1.50	-0.3%	2.1%	14.4%	18.6%	-23.6%	-10.0%	20.7%
Consumer Staples	557.95	-2.36	-0.4%	-0.4%	7.6%	19.3%	3.8%	12.9%	21.4%
Telecom	173.45	0.71	0.4%	-5.0%	15.7%	24.3%	-1.7%	-1.9%	5.9%
Materials	306.86	1.50	0.5%	0.5%	12.1%	20.5%	-10.4%	4.7%	21.9%
Utilities	253.72	0.10	0.0%	-4.2%	15.3%	19.5%	-8.4%	24.3%	7.1%

Source: Bloomberg. Returns based on simply price appreciation unless otherwise noted. Equity indices based in local currency unless otherwise noted. MSCI indices based in USD. Equity indices in Canadian dollars are converted using Bloomberg exchange rates.

All values are as at close of previous trading day.

Market snapshot

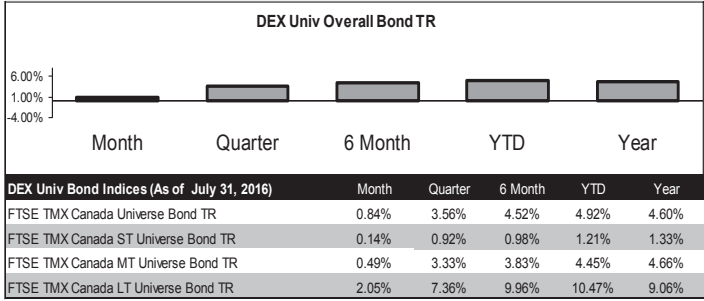
Number crunching

Commodities (USD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Crude Oil (WTI per barrel)	\$47.33	0.56	1.2%	11.8%	10.4%	2.8%	-30.5%	-45.9%	1.9%
Crude Oil (Brent per barrel)	\$49.64	0.59	1.2%	14.0%	15.0%	-2.4%	-35.0%	-48.3%	3.0%
Natural Gas (per million btu)	\$2.84	0.04	1.5%	-1.3%	12.6%	-2.1%	-19.1%	-31.7%	8.4%
3-2-1 Crack Spread	\$13.74	-0.25	-1.8%	0.7%	-3.8%	-17.5%	4.9%	-39.5%	-20.6%
Gold (per ounce)	\$1,321.99	-2.17	-0.2%	-2.1%	24.5%	15.9%	-10.4%	-1.7%	-27.3%
Silver (per ounce)	\$18.54	-0.01	-0.1%	-8.8%	33.8%	26.3%	-11.7%	-19.3%	-35.5%
Platinum (per ounce)	\$1,073.09	-6.02	-0.6%	-6.6%	20.2%	9.7%	-26.1%	-11.8%	-10.3%
Palladium (per ounce)	\$689.22	6.30	0.9%	-3.0%	22.4%	28.1%	-29.4%	11.3%	3.2%
Copper (per pound)	\$2.09	-0.04	-1.7%	-6.1%	-1.9%	-7.1%	-26.1%	-13.7%	-6.3%
Zinc (per pound)	\$1.03	-0.01	-1.0%	1.8%	43.3%	34.1%	-26.5%	5.6%	1.3%
Nickel (per pound)	\$4.51	-0.12	-2.7%	-6.1%	13.2%	4.9%	-41.8%	9.0%	-17.9%

Currencies (in CAD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
U.S. Dollar	1.292	-0.0004	0.0%	-0.8%	-6.6%	-3.1%	19.1%	9.4%	8.3%
Euro	1.457	0.0013	0.1%	0.1%	-3.1%	-5.1%	6.9%	-3.7%	12.3%
British Pound	1.704	-0.0065	-0.4%	-1.2%	-16.4%	-18.5%	12.7%	2.9%	9.6%
Japanese Yen (in JPY¥)	77.841	0.1350	0.2%	-0.6%	-10.4%	-12.6%	-15.7%	4.0%	10.7%

Currencies (in USD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Canadian Dollar	0.774	0.0003	0.0%	0.9%	7.1%	3.2%	-16.0%	-8.6%	-7.7%
Euro	1.128	0.0014	0.1%	0.9%	3.8%	-2.1%	-10.2%	-12.0%	3.6%
British Pound	1.319	-0.0046	-0.3%	-0.3%	-10.5%	-15.9%	-5.4%	-5.9%	1.2%
Japanese Yen (in JPY¥)	100.590	0.1400	0.1%	-1.4%	-16.3%	-15.3%	0.4%	13.8%	19.9%

Source: Bloomberg. Returns based on simply price appreciation unless otherwise noted. Equity indices based in local currency unless otherwise noted. MSCI indices based in USD. Equity indices in Canadian dollars are converted using Bloomberg exchange rates.

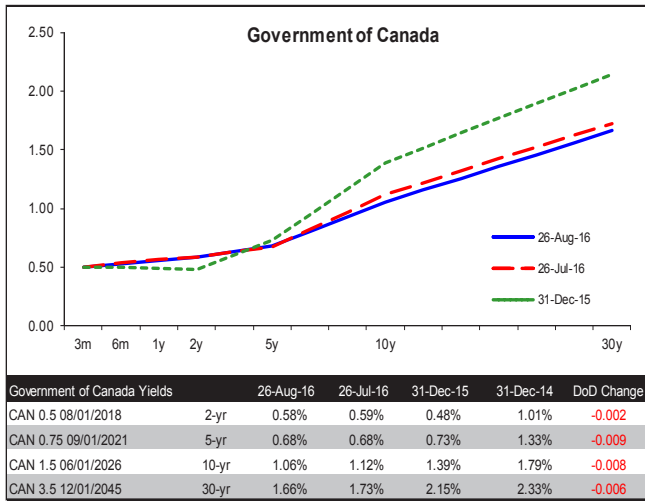
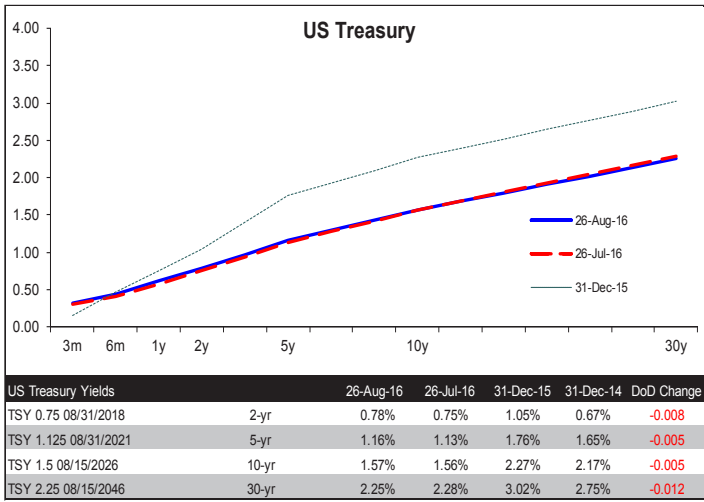


Key Rates

			Next Mtg
	Overnight Rate CAN	0.50%	2016/09/07
	Bank Rate CAN	0.75%	
	Prime Rate CAN	2.70%	
	Fed Funds US	0.50%	2016/09/21
	Discount US	1.00%	
	Prime Rate US	3.50%	

International Yields

		O/N	3mo	10-Yr	Next Mtg
	United Kingdom	0.25%	0.34%	0.56%	2016/09/15
	Eurozone	0.00%	-0.58%	-0.08%	2016/09/08
	Australia	1.50%	1.54%	1.85%	2016/09/06
	Japan	0.10%	-0.25%	-0.07%	2016/09/21



Money Market*

GIC's	1-yr	2-yr	3-yr	4-yr	5-yr
High	1.50%	1.65%	1.77%	1.81%	1.91%
Average	1.29%	1.41%	1.52%	1.61%	1.73%

	1 mth	2mth	3mth	6mth	1 yr
CDOR	0.89%	0.89%	0.90%	1.02%	1.11%
ICE LIBOR US	0.52%	0.65%	0.83%	1.22%	1.53%

CAD \$1,000,000	1 mth	2mth	3mth	6mth	1 yr
T-Bills	0.43%	0.42%	0.50%	0.52%	0.55%
BAs	0.77%	0.77%	0.78%	0.90%	0.96%
CP	0.82%	0.82%	0.83%	0.95%	1.01%

CAD \$100,000	1 mth	2mth	3mth	6mth	1 yr
T-Bills	0.25%	0.24%	0.32%	0.34%	0.37%
BAs	0.53%	0.53%	0.54%		
CP	0.58%	0.58%	0.59%		

US \$1,000,000	1 mth	2mth	3mth	6mth
T-Bills	0.26%	0.00%	0.31%	0.45%
CTBUS	0.35%	0.37%	0.46%	0.49%
GECC	0.13%	0.13%	0.13%	0.13%

US \$100,000	1 mth	2mth	3mth	6mth
T-Bills	0.08%	-	0.13%	0.27%
CTB US	0.17%	0.19%	0.28%	0.31%
GECC	-	-	-	-

Economic Indicators**

	Actual	Forecast		Forecast			Actual	Forecast	
	Q216	Q316	Q416	Q117	Q217	Q317	2016	2016	2017
	Overnight Rate	0.50	0.50	0.50	0.50	0.55	0.50	0.50	0.55
	10-Yr Yield	1.06	1.09	1.20	1.32	1.45	1.20	1.20	1.60
	Real GDP (est)	(1.45)	3.25	2.00	2.05	2.15	2.20	1.20	2.00
	Headline CPI (est)	1.50	1.55	2.00	2.20	2.00	2.05	1.70	2.00
	Unemployment Rate	7.20	7.00	7.00	7.00	6.90	6.90	7.00	6.95
	Fed Funds	0.50	0.55	0.70	0.80	0.95	1.00	0.70	1.00
	10-Yr Yield	1.48	1.54	1.63	1.79	1.93	2.06	1.63	2.06
	Real GDP (est)	1.20	2.60	2.30	2.10	2.20	2.10	2.30	2.20
	Headline CPI (est)	1.10	1.30	1.60	2.20	2.10	2.20	1.30	2.20
	Unemployment Rate	4.80	4.80	4.70	4.70	4.60	4.60	4.80	4.60

*The prices and yields shown are taken from sources we believe to be reliable. They are provided on an indicative basis for information purposes only. Prices and yields are subject to change with availability and market conditions. RBC Dominion Securities does not warrant its completeness or accuracy. This is not an offer or solicitation for the purchase or sale of any securities or financial instruments. Securities or financial instruments mentioned herein may not be suitable for all investors. ** Source: Bloomberg Forecast ***ICE LIBOR data over 24-hours stale

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