

Daily Global Insight



Wealth
Management

Tuesday, December 13, 2016

Good morning

Global equities are pushing higher as crude oil prices (+1%) extend recent gains, the Federal Reserve kicks off its final meeting of 2016 and the S&P 500 looks poised to challenge a new record close with futures indicating a six-point advance for the index at the open. Most Asian bourses closed in the green following the release of a batch of solid economic data from China. European indices are up between 0.5% and 1.8% at the mid-point of the session after UniCredit, the biggest Italian bank, unveiled plans to raise EUR13 billion in capital and slashing 14,000 jobs to shore up its balance sheet. The U.S. Dollar Index (+0.2%) remains firm as copper (+0.1%) outpaces gold (-0.4%) in the metals complex. Selling pressure in core sovereign bond markets has ebbed somewhat with yields on U.S. 10-year Treasuries edging down one basis point to 2.46%.

Today, we would highlight the following:

Data hints at upside risk to Chinese growth. China's November economic indicators came in stronger than expected, reinforcing the upbeat purchasing managers' index and trade data released over the past week. Industrial production ticked up to 6.2% year-on-year in November (consensus: +6.1%), fixed asset investment stabilized at 8.3% (consensus: +8.3%) and retail sales expanded 10.8% (consensus: +10.2%). The latest batch of data suggests momentum in the world's second-largest economy is likely to end the year on a constructive note, keeping the country's central bank on the sidelines in the near-term.

International Energy Agency strikes an optimistic tone on oil markets. Global oil markets could slip from a surplus into a deficit in the next six months as long as OPEC and non-OPEC producers can implement a production-cut agreement ratified over the weekend, according to the IEA. The organization had forecast the market would remain

oversupplied until the second half of 2017 in the previous monthly report. The planned production cuts add up to 1.8 million barrels a day, which, if fully implemented, is likely to move the global oil supply-demand balance into a deficit of 600,000 barrels a day in the first half of next year, based on the IEA's latest forecasts. However, the IEA opined that "the next few weeks will be crucial in determining if the production cuts are being implemented and whether the recent increase in oil prices will last".

Donald Trump names ExxonMobil chieftain as secretary of state. Trump has formally nominated ExxonMobil CEO Rex Tillerson as secretary of state and former Texas Governor Rick Perry, who famously forgot in a Republican presidential primary debate in 2011 that he wanted to abolish the Energy Department, as secretary of energy. The decision to tap Tillerson, who has cozy ties to Russia, as the nation's top diplomat is likely to come under scrutiny. In other Trump-related news, Politico reports that traders are scrambling to devise strategies that can "cash in on the president-elect's penchant for bashing individual companies" on social media platforms such as Twitter.

All values in CAD dollars unless otherwise noted.
Priced as of 7:20 a.m. on December 13, 2016
(unless otherwise stated).

For important disclosures please see page 10.

Markets today

Equities

Global equity markets are broadly higher with S&P futures up 2 points ahead of the open. The Fed begins its two-day meeting today with markets reflecting 100% odds of a rate hike tomorrow.

Fixed income

All eyes on the Fed. The final FOMC meeting of 2016 will be held tomorrow, with futures markets pricing in a 25 bps rate hike with certainty.

Market Pulse		
Updated as of 12/13/16 7:20 AM		
Equity New	Last	% Chg
Dow	19,787	0.3%
S&P 500	2,256	0.0%
Nasdaq	4,882	0.3%
Overseas	Last	% Chg
FTSE 100 (UK)	6,917	0.4%
DAX (Germany)	11,257	0.6%
Euro Stoxx 50	3,226	0.8%
Hang Seng	22,447	0.1%
Nikkei 225	19,251	0.5%
Shanghai	3,155	0.1%
Commodities	Last	% Chg
WTI Crude	\$53.33	0.9%
Gold (\$/oz)	\$1,161	-0.4%
Silver (\$/oz)	\$17	-0.1%
Copper (\$/ton)	\$5,751	-1.2%
Natural Gas(\$/Mmbtu)	\$3.51	-0.1%
Currencies	Last	% Chg
CADUSD	\$0.76	0.1%
EURUSD	\$1.06	-0.2%
USDJPY	¥115.33	0.3%
Fixed Income	Yield	Chg (bps)
10-yr Treasury	2.45%	-1.8
10-Yr Canadian	1.73%	-2.0
Germany 10 Yr Yield	0.36%	-3.7
Spain 10 Yr Yield	1.48%	-2.4
France 10 Yr Yield	0.80%	-6.5

Advancers and Decliners		
Updated as of 12/13/16 7:20 AM		
S&P/TSX Top Movers		
Advancers	Last	% Chg
TECK RESOURCES LTD-CLS B	\$ 30.14	2.62%
BAYTEX ENERGY CORP	\$ 7.03	9.50%
MEG ENERGY CORP	\$ 8.91	7.74%
ALAMOS GOLD INC-CLASS A	\$ 8.51	6.51%
BONAVISTA ENERGY CORP	\$ 5.22	5.24%
Decliners	Last	% Chg
CONCORDIA INTERNATIONAL CORP	\$ 2.87	-6.21%
VALEANT PHARMACEUTICALS INTE	\$ 19.32	-5.15%
CENTERRA GOLD INC	\$ 6.67	-4.58%
HUDBAY MINERALS INC	\$ 8.97	-4.17%
INTERTAIN GROUP LTD/THE	\$ 8.23	-3.52%
S&P 500 Top Movers		
Advancers	Last (USD)	% Chg
REGENERON PHARMACEUTICALS	\$ 387.10	3.83%
CHIPOTLE MEXICAN GRILL INC	\$ 382.48	3.37%
EQUINIX INC	\$ 357.22	3.23%
JOHNSON & JOHNSON	\$ 115.36	2.76%
DIGITAL REALTY TRUST INC	\$ 96.47	2.62%
Decliners	Last (USD)	% Chg
ALEXION PHARMACEUTICALS INC	\$ 115.08	-12.86%
VIACOM INC-CLASS B	\$ 34.99	-9.40%
SOUTHWESTERN ENERGY CO	\$ 11.50	-8.80%
RANGE RESOURCES CORP	\$ 35.97	-7.25%
TWENTY-FIRST CENTURY FOX-A	\$ 26.34	-6.63%

Strategy and economics

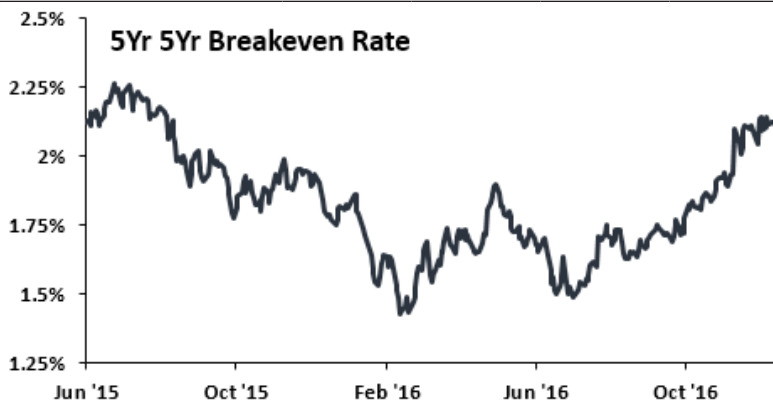
Key developments

Key U.S. Economic Data Releases

Event	Period	Survey	Actual	Prior	Commentary
NFIB Small Business Optimism	Nov.	96.7	98.4	94.9	Despite the upcoming 'deregulation of the new administration' that you see in the news – the Federal Court's decision to postpone changes to overtime pay regulations helped boost small business optimism in November.
Import Price Index YoY	Nov.	0.0%	-	-0.2%	Regardless of the 2.4% strengthening of the dollar in November, import prices are expected to increase due to the 7.5% increase in crude oil prices seen in the month.

Prior Session Highlights & Analysis

Event	Period	Survey	Actual	Prior	Our Thoughts
No Domestic Releases					<p>Fed's Long Run Inflation Proxy Pushes 2%</p> <p>With no domestic data released yesterday, let's take a look at the Fed's gauge of long-run inflation expectations. The 5 year 5 year breakeven rate, which is the market's expectations for 5 year inflation beginning in 5 years, is flashing a message.</p> <p>It should be no surprise to holders of fixed income securities, but jitters of 2% or higher inflation has pushed interest rates to their highest levels in over a year. Investors now see inflation above 2% for the five years beginning in December 2021 as Donald Trump's pro-growth platform is seen as reigniting pricing pressure due to fiscal spending and tax cuts. While no one is certain of Trump's future policies – OPEC's production cut has forced oil back above \$50 a barrel, and could now become a short term driver of inflation – after being deflationary for the past 2 years.</p>



Source: RBC Wealth Management, Bloomberg

RBC Capital Markets – Daily Deck

- A Fed rate hike at the upcoming meeting on Wednesday is really a formality at this juncture. Thus, rather than the hike itself, market attention will be on signals about future moves. Apart from Yellen's press conference (which will probably sound a lot like her JEC testimony—i.e. cautiously optimistic), there will be increased focus on the Summary of Economic Projections, which is released with the statement (30 minutes ahead of Yellen).
- While our base case is that there is unlikely to be much material shift in either the economic projections or the FF profile (the “dots”), we cannot completely discount a scenario where you do see some upward drift in GDP/inflation and a commensurate upward drift in FF estimates. Our baseline view is that the median projection for GDP will remain near 2% through the 2017-2019 horizon, unemployment should stay around 4.5% through that span, and inflation (both headline and core) will likely remain right at 2%.

FOMC: Summary of Economic Projections -September 2016 (median projection)

	2017	2018	2019	Longer run
Change in real GDP	2.0	2.0	1.8	1.8
Unemployment rate	4.6	4.5	4.6	4.8
PCE inflation	1.9	2.0	2.0	2.0
Core PCE inflation	1.8	2.0	2.0	n/a
Federal funds rate	1.1	1.9	2.6	2.9

Source: RBC Capital Markets US Economics, Federal Reserve Board

Technical corner

Bob Dickey: Topsy

The stock market has been showing some early signs of exhaustion of the current rally with some indexes starting to pull back, and more stocks that are doing the same. There were a number of Energy and Financials stocks that hit new highs on Monday, only to close well off those highs and, in some cases, even down on the day. This is a short-term topsy chart pattern that can often lead to a pullback, which we believe would be quite normal for many of these issues that have made unusually large moves over the past six weeks. The long-term trend for the market remains up, and we expect to see further gains next year, so it could be very difficult to trade out and back into most of these stocks, as the pullbacks may not be large enough to do that. However, for new buying, some patience and the idea of buying after a dip could pay off, in our view.



Chart courtesy of StockCharts.com and RBC Wealth Management

Market snapshot

Calendar of events

Date	Time	Event	Survey	Actual	Prior	Revised	
12/12/2016	14:00	US Monthly Budget Statement	Nov	-\$125.0b	--	-\$44.2b	--
12/13/2016	6:00	US NFIB Small Business Optimism	Nov	96.5	--	94.9	--
12/13/2016	8:30	US Import Price Index MoM	Nov	-0.40%	--	0.50%	--
12/13/2016	8:30	US Import Price Index YoY	Nov	0.00%	--	-0.20%	--
12/14/2016	7:00	US MBA Mortgage Applications	09-Dec	--	--	-0.70%	--
12/14/2016	8:30	US Retail Sales Advance MoM	Nov	0.30%	--	0.80%	--
12/14/2016	8:30	US Retail Sales Ex Auto MoM	Nov	0.40%	--	0.80%	--
12/14/2016	8:30	US Retail Sales Ex Auto and Gas	Nov	0.40%	--	0.60%	--
12/14/2016	8:30	US Retail Sales Control Group	Nov	0.40%	--	0.80%	--
12/14/2016	8:30	US PPI Final Demand MoM	Nov	0.10%	--	0.00%	--
12/14/2016	8:30	US PPI Ex Food and Energy MoM	Nov	0.20%	--	-0.20%	--
12/14/2016	8:30	US PPI Ex Food, Energy, Trade MoM	Nov	0.10%	--	-0.10%	--
12/14/2016	8:30	US PPI Final Demand YoY	Nov	0.90%	--	0.80%	--
12/14/2016	8:30	US PPI Ex Food and Energy YoY	Nov	1.30%	--	1.20%	--
12/14/2016	8:30	US PPI Ex Food, Energy, Trade YoY	Nov	1.70%	--	1.60%	--
12/14/2016	9:15	US Industrial Production MoM	Nov	-0.20%	--	0.00%	--
12/14/2016	9:15	US Manufacturing (SIC) Production	Nov	-0.20%	--	0.20%	--
12/14/2016	9:15	US Capacity Utilization	Nov	75.10%	--	75.30%	--
12/14/2016	10:00	US Business Inventories	Oct	-0.10%	--	0.10%	--
12/14/2016	14:00	US FOMC Rate Decision (Upper Bound)	14-Dec	0.75%	--	0.50%	--
12/14/2016	14:00	US FOMC Rate Decision (Lower Bound)	14-Dec	0.50%	--	0.25%	--
12/14/2016	14:00	US Fed Summary of Economic Projections					
12/15/2016	8:30	US Current Account Balance	3Q	-\$111.1b	--	-\$119.9b	--
12/15/2016	8:30	US Empire Manufacturing	Dec	3	--	1.5	--
12/15/2016	8:30	US CPI MoM	Nov	0.20%	--	0.40%	--
12/15/2016	8:30	US CPI Ex Food and Energy MoM	Nov	0.20%	--	0.10%	--
12/15/2016	8:30	US CPI YoY	Nov	1.70%	--	1.60%	--
12/15/2016	8:30	US CPI Ex Food and Energy YoY	Nov	2.20%	--	2.10%	--
12/15/2016	8:30	US Real Avg Weekly Earnings YoY	Nov	--	--	0.90%	--
12/15/2016	8:30	US CPI Core Index SA	Nov	249.392	--	248.981	--
12/15/2016	8:30	US CPI Index NSA	Nov	241.399	--	241.729	--
12/15/2016	8:30	US Initial Jobless Claims	10-Dec	256k	--	258k	--
12/15/2016	8:30	US Continuing Claims	03-Dec	2010k	--	2005k	--
12/15/2016	8:30	US Philadelphia Fed Business Outlook	Dec	9	--	7.6	--
12/15/2016	9:45	US Bloomberg Consumer Comfort	11-Dec	--	--	45.1	--
12/15/2016	9:45	US Markit US Manufacturing PMI	Dec P	54.2	--	54.1	--
12/15/2016	10:00	US NAHB Housing Market Index	Dec	63	--	63	--
12/15/2016	16:00	US Total Net TIC Flows	Oct	--	--	-\$152.9b	--
12/15/2016	16:00	US Net Long-term TIC Flows	Oct	--	--	-\$26.2b	--
12/16/2016	8:30	US Housing Starts	Nov	1230k	--	1323k	--
12/16/2016	8:30	US Housing Starts MoM	Nov	-7.00%	--	25.50%	--
12/16/2016	8:30	US Building Permits	Nov	1238k	--	1229k	1260k
12/16/2016	8:30	US Building Permits MoM	Nov	-1.70%	--	0.30%	2.90%
12/19/2016	9:45	US Markit US Services PMI	Dec P	--	--	54.6	--
12/19/2016	9:45	US Markit US Composite PMI	Dec P	--	--	54.9	--
12/12/2016	10:00	CA Bloomberg Nanos Confidence	09-Dec	--	--	55.6	--
12/14/2016	8:30	CA Sheet Data					
12/14/2016	8:30	CA Teranet/National Bank HPI MoM	Nov	--	--	0.30%	--
12/14/2016	8:30	CA Teranet/National Bank HP Index	Nov	--	--	198.35	--
12/14/2016	8:30	CA Teranet/National Bank HPI YoY	Nov	--	--	11.80%	--
12/15/2016	8:30	CA Manufacturing Sales MoM	Oct	0.50%	--	0.30%	--
12/15/2016	9:00	CA Existing Home Sales MoM	Nov	--	--	2.40%	--
12/16/2016	8:30	CA Int'l Securities Transactions	Oct	--	--	11.77b	--
12/19/2016	10:00	CA Bloomberg Nanos Confidence	16-Dec	--	--	--	--

Market snapshot

Number crunching

Equity Indices	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
S&P/TSX Composite Index	15,287.70	-24.50	-0.2%	1.4%	17.5%	19.5%	-11.1%	7.4%	9.3%
S&P/TSX Composite Index TR	49,386.48	-77.86	-0.2%	1.4%	20.8%	23.1%	-8.3%	10.6%	13.0%
S&P/TSX 60 Index	901.35	-1.57	-0.2%	1.5%	17.9%	19.7%	-10.6%	9.1%	9.6%
S&P/TSX Equity Index	15,812.75	-25.85	-0.2%	1.4%	17.9%	19.8%	-11.3%	7.4%	10.1%
S&P/TSX Income Trust Index	189.48	-0.11	-0.1%	1.1%	7.1%	10.3%	-5.2%	7.1%	-7.7%
S&P/TSX Venture Composite Index	753.71	4.92	0.7%	2.3%	43.4%	50.1%	-24.4%	-25.4%	-23.1%
S&P/TSX Small Cap Index	655.72	-0.02	0.0%	3.1%	34.5%	38.9%	-15.8%	-5.2%	4.6%
Dow Jones Industrial Average	19,796.43	39.58	0.2%	3.5%	13.6%	14.7%	-2.2%	7.5%	25.5%
S&P 100 Index	996.57	0.55	0.1%	2.9%	9.3%	10.9%	0.3%	10.3%	26.4%
S&P 500 Index	2,256.96	-2.57	-0.1%	2.6%	10.4%	12.2%	-0.7%	11.4%	28.5%
S&P 400 Midcap Index	1,682.51	-10.47	-0.6%	3.4%	20.3%	21.1%	-3.7%	8.2%	30.2%
S&P 600 Smallcap Index	848.65	-8.85	-1.0%	4.5%	26.3%	27.4%	-3.4%	4.4%	39.7%
NASDAQ Composite Index	5,412.54	-31.96	-0.6%	1.7%	8.1%	9.7%	5.7%	13.4%	37.2%
Euro Stoxx 50	2,940.03	-11.26	-0.4%	3.9%	-5.2%	-2.6%	3.2%	2.9%	12.2%
FTSE 100	6,890.42	-63.79	-0.9%	1.6%	10.4%	15.8%	-4.9%	-2.7%	13.9%
CAC 40	4,760.77	-3.30	-0.1%	4.0%	2.7%	4.6%	8.5%	-0.5%	16.1%
DAX Index	11,190.21	-13.42	-0.1%	5.2%	4.2%	8.2%	9.6%	2.7%	23.5%
S&P/ASX 200	5,562.83	2.21	0.0%	2.2%	5.0%	10.6%	-2.1%	1.1%	13.2%
Nikkei 225	19,155.03	158.66	0.8%	4.6%	0.6%	-0.4%	9.1%	7.1%	56.7%
Shanghai Stock Exchange Composite	3,152.97	-79.91	-2.5%	-3.0%	-10.9%	-8.2%	9.4%	52.9%	-7.0%
Hang Seng Index	22,433.02	-327.96	-1.4%	-1.6%	2.4%	4.5%	-7.2%	1.3%	-0.3%
MSCI World	1,760.12	7.18	0.4%	2.8%	5.9%	7.5%	-2.7%	2.9%	24.1%
MSCI World TR	6,906.98	28.21	0.4%	2.8%	8.6%	8.6%	-0.3%	5.5%	27.4%
MSCI EAFE	1,677.89	2.70	0.2%	3.0%	-2.2%	-0.7%	-3.3%	-7.3%	19.4%
MSCI Emerging Market	877.85	-1.47	-0.2%	1.7%	10.5%	13.5%	-17.0%	-4.6%	-5.0%

Equity Indices (in CAD\$)*	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
DJIA in Cdn\$	25,990.73	-46.82	-0.2%	1.1%	7.8%	9.6%	16.4%	17.6%	35.9%
S&P 100 Index	1,308.40	-4.26	-0.3%	0.5%	3.7%	6.0%	19.5%	20.6%	36.9%
S&P 500 Index	2,963.16	-14.67	-0.5%	0.3%	4.8%	7.2%	18.2%	21.8%	39.1%
S&P 400 Midcap Index	2,208.97	-22.21	-1.0%	1.0%	14.1%	15.8%	14.6%	18.3%	41.0%
S&P 600 Smallcap Index	1,125.81	-4.29	-0.4%	3.2%	21.1%	23.1%	15.1%	15.1%	51.3%
NASDAQ in Cdn\$	7,106.12	-69.18	-1.0%	-0.7%	2.5%	4.9%	25.9%	24.0%	48.6%
Euro Stoxx 50	4,104.69	-2.65	-0.1%	1.9%	-11.9%	-9.9%	10.3%	-0.9%	26.0%
FTSE 100	11,465.66	37.21	0.3%	0.6%	-9.9%	-7.4%	7.0%	0.1%	24.8%
CAC 40 Index	6,646.70	16.50	0.2%	2.0%	-4.7%	-3.2%	16.0%	-4.2%	30.3%
DAX Index	15,623.10	49.57	0.3%	3.2%	-3.3%	0.1%	17.7%	-1.2%	38.6%
S&P/ASX 200	5,470.49	10.57	0.2%	1.3%	2.4%	9.3%	4.0%	0.2%	4.0%
Nikkei 225	2.19	0.00	-0.2%	1.7%	-0.2%	0.2%	29.3%	-3.9%	41.6%
Shanghai Stock Exchange Composite	599.06	-2.52	-0.4%	-5.4%	-20.6%	-18.0%	24.6%	6.7%	3.7%
Hang Seng Index	3,796.34	-13.46	-0.4%	-3.8%	-3.0%	-0.2%	10.6%	9.4%	8.0%
MSCI World	2,310.86	-8.80	-0.4%	0.4%	0.4%	2.7%	15.8%	13.3%	34.4%
MSCI World TR	9,068.17	-34.53	-0.4%	0.5%	3.0%	3.8%	18.7%	16.2%	37.9%
MSCI EAFE	2,202.90	-8.39	-0.4%	0.6%	-7.3%	-5.1%	15.1%	1.5%	29.4%
MSCI Emerging Market	1,152.53	-4.39	-0.4%	-0.6%	4.9%	8.5%	-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	2,588.10	-7.79	-0.3%	3.2%	19.4%	20.6%	-5.5%	9.8%	18.4%
S&P/TSX Energy	2,609.79	9.53	0.4%	0.7%	30.7%	35.8%	-25.7%	-7.8%	9.1%
S&P/TSX Materials	2,124.74	-3.61	-0.2%	-0.7%	39.1%	36.0%	-22.8%	-4.5%	-29.1%
S&P/TSX Industrials	2,557.09	-42.80	-1.6%	-0.6%	21.2%	26.8%	-12.5%	20.0%	34.1%
S&P/TSX Consumer Discretionary	2,005.94	-7.77	-0.4%	3.8%	10.5%	9.6%	-3.5%	26.4%	38.6%
S&P/TSX Telecom Services	1,396.07	8.35	0.6%	1.3%	10.6%	9.1%	-1.0%	10.5%	7.6%
S&P/TSX Information Technology	230.10	2.69	1.2%	-1.7%	3.9%	6.9%	14.8%	34.0%	36.0%
S&P/TSX Consumer Staples	4,467.10	9.35	0.2%	0.2%	6.8%	8.2%	11.0%	46.9%	21.3%
S&P/TSX Utilities	1,997.22	-1.17	-0.1%	0.6%	10.3%	17.4%	-7.8%	11.3%	-8.7%
S&P/TSX Healthcare	354.10	-11.45	-3.1%	-7.9%	-79.3%	-77.3%	-15.8%	30.2%	72.6%

S&P 500 Sector Performance	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Financials	389.65	-3.59	-0.9%	4.6%	21.1%	23.7%	-3.5%	13.1%	32.5%
Health Care	797.75	4.05	0.5%	0.7%	-4.3%	-1.5%	5.2%	23.3%	38.0%
Technology	811.00	-3.17	-0.4%	1.9%	12.4%	12.7%	4.3%	18.2%	24.9%
Industrials	548.31	-2.06	-0.4%	2.2%	18.3%	19.8%	-4.7%	7.5%	35.9%
Consumer Discretionary	662.38	-5.34	-0.8%	2.1%	6.7%	7.3%	8.4%	8.0%	40.3%
Energy	562.73	4.02	0.7%	3.3%	25.5%	27.0%	-23.6%	-10.0%	20.7%
Consumer Staples	534.06	2.63	0.5%	3.3%	3.0%	5.7%	3.8%	12.9%	21.4%
Telecom	171.41	1.84	1.1%	4.9%	14.3%	18.3%	-1.7%	-1.9%	5.9%
Materials	320.73	-1.32	-0.4%	2.6%	17.2%	16.5%	-10.4%	4.7%	21.9%
Utilities	244.21	2.46	1.0%	3.5%	11.0%	16.1%	-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

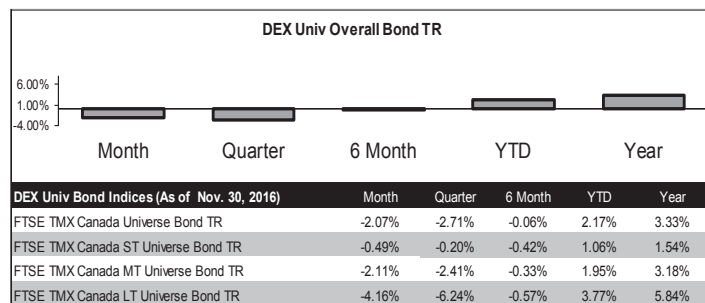
Number crunching






Commodities (USD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Crude Oil (WTI per barrel)	\$52.43	0.93	1.8%	6.0%	18.6%	16.6%	-30.5%	-45.9%	1.9%
Crude Oil (Brent per barrel)	\$55.40	1.07	2.0%	6.9%	21.7%	16.7%	-35.0%	-48.3%	3.0%
Natural Gas (per million btu)	\$3.52	-0.23	-6.0%	5.0%	22.6%	26.9%	-19.1%	-31.7%	8.4%
3-2-1 Crack Spread	\$14.06	0.43	3.2%	-0.6%	-1.6%	-13.7%	4.9%	-39.5%	-20.6%
Gold (per ounce)	\$1,162.17	2.15	0.2%	-0.9%	9.5%	8.1%	-10.4%	-1.7%	-27.3%
Silver (per ounce)	\$17.08	0.21	1.3%	3.3%	23.2%	22.7%	-11.7%	-19.3%	-35.5%
Platinum (per ounce)	\$932.25	16.25	1.8%	2.2%	4.4%	10.9%	-26.1%	-11.8%	-10.3%
Palladium (per ounce)	\$722.35	-8.86	-1.2%	-6.3%	28.3%	33.1%	-29.4%	11.3%	3.2%
Copper (per pound)	\$2.64	0.02	0.7%	0.2%	23.7%	27.0%	-26.1%	-13.7%	-6.3%
Zinc (per pound)	\$1.22	0.01	0.9%	0.2%	69.1%	77.8%	-26.5%	5.6%	1.3%
Nickel (per pound)	\$5.18	0.17	3.3%	2.0%	30.1%	32.2%	-41.8%	9.0%	-17.9%

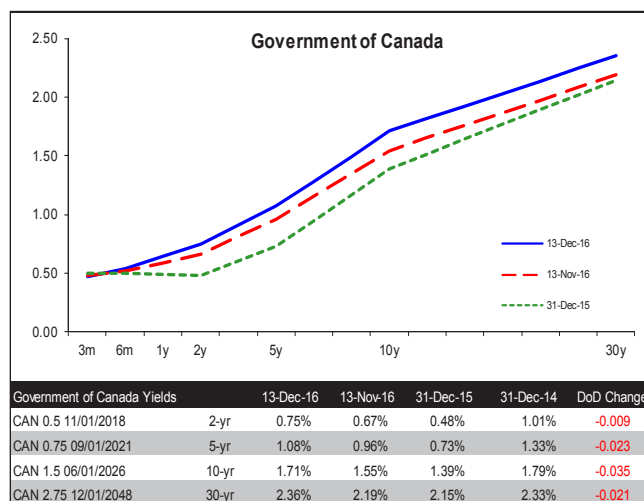
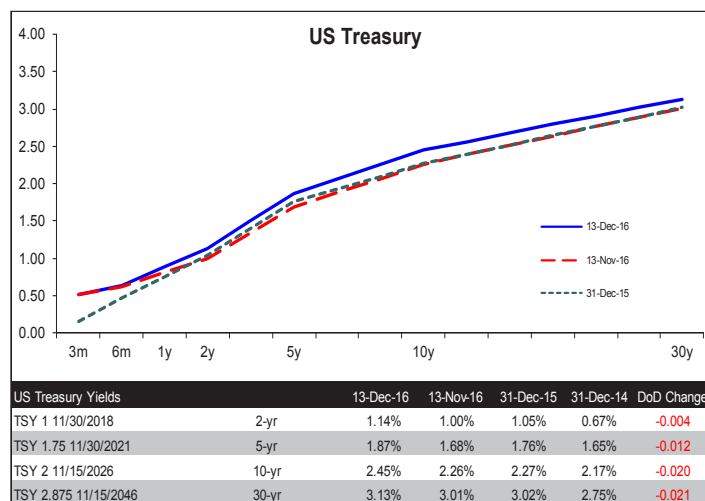
Currencies (in CAD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
U.S. Dollar	1.313	-0.0050	-0.4%	-2.3%	-5.1%	-4.4%	19.1%	9.4%	8.3%
Euro	1.396	0.0044	0.3%	-1.9%	-7.1%	-7.5%	6.9%	-3.7%	12.3%
British Pound	1.664	0.0054	0.3%	-1.0%	-18.4%	-20.0%	12.7%	2.9%	9.6%
Japanese Yen (in JPY¥)	87.640	0.1500	0.2%	2.9%	0.9%	-0.6%	-15.7%	4.0%	10.7%

Currencies (in USD\$)	Index Level	Change	Change (%)	MTD (%)	YTD (%)	52-Week (%)	2015	2014	2013
Canadian Dollar	0.762	0.0029	0.4%	2.4%	5.4%	4.6%	-16.0%	-8.6%	-7.7%
Euro	1.063	0.0073	0.7%	0.4%	-2.1%	-3.3%	-10.2%	-12.0%	3.6%
British Pound	1.268	0.0103	0.8%	1.4%	-14.0%	-16.3%	-5.4%	-5.9%	1.2%
Japanese Yen (in JPY¥)	115.060	-0.2600	-0.2%	0.5%	-4.3%	-4.9%	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%			2017/01/18
	Bank Rate CAN	0.75%			
	Prime Rate CAN	2.70%			
	Fed Funds US	0.50%			2016/12/14
	Discount US	1.00%			
	Prime Rate US	3.50%			
International Yields		O/N	3mo	10-Yr	Next Mtg
	United Kingdom	0.25%	0.20%	1.42%	2016/12/15
	Eurozone	0.00%	-0.76%	0.36%	2017/01/19
	Australia	1.50%	1.60%	2.82%	2017/02/06
	Japan	0.10%	-0.36%	0.09%	#N/A N/A



Money Market*

GIC's	1-yr	2-yr	3-yr	4-yr	5-yr
High	1.48%	1.65%	1.76%	1.86%	1.97%
Average	1.28%	1.40%	1.52%	1.64%	1.78%

	1 mth	2mth	3mth	6mth	1 yr
CDOR	0.88%	0.89%	0.90%	1.06%	1.17%
ICE LIBOR US	0.68%	0.77%	0.96%	1.30%	1.65%

CAD \$1,000,000	1 mth	2mth	3mth	6mth	1 yr
T-Bills	0.42%	0.43%	0.47%	0.54%	0.59%
BAs	0.77%	0.77%	0.78%	0.89%	0.97%
CP	0.82%	0.82%	0.83%	0.94%	1.02%

CAD \$100,000	1 mth	2mth	3mth	6mth	1 yr
T-Bills	0.24%	0.25%	0.29%	0.36%	0.41%
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	0.40%	0.00%	0.52%	0.64%
CTBUS	0.48%	0.61%	0.76%	0.87%
GECC	0.13%	0.13%	0.13%	0.13%

US \$100,000	1 mth	2mth	3mth	6mth
T-Bills	0.22%	-	0.34%	0.46%
CTB US	0.30%	0.43%	0.58%	0.69%
GECC	-	-	-	-

Economic Indicators**

		Actual	Forecast			Forecast			Actual	Forecast		
		Q316	Q416	Q117		Q217	Q317	Q417	2016	2016	2016	2017
	Overnight Rate	0.50	0.50	0.45		0.45	0.50	0.55	0.50	0.50	0.50	0.55
	10-Yr Yield	0.99	1.46	1.52		1.60	1.71	1.81	1.46	1.46	1.46	1.81
	Real GDP (est)	3.40	1.90	1.80		1.90	1.90	1.90	1.30	1.30	1.30	1.80
	Headline CPI (est)	1.30	1.60	1.90		1.70	1.90	1.85	1.50	1.50	1.50	1.90
	Unemployment Rate	7.00	7.00	6.95		6.90	6.90	6.80	7.00	7.00	7.00	6.90
	Fed Funds	0.50	0.75	0.80		1.00	1.10	1.30	0.75	0.75	0.75	1.30
	10-Yr Yield	1.65	2.35	2.38		2.50	2.59	2.68	2.35	2.35	2.35	2.68
	Real GDP (est)	3.20	2.20	2.00		2.20	2.30	2.30	2.20	2.20	2.20	2.20
	Headline CPI (est)	1.20	1.80	2.30		2.30	2.40	2.30	1.30	1.30	1.30	2.30
	Unemployment Rate	4.80	4.80	4.70		4.70	4.70	4.60	4.90	4.90	4.90	4.70

*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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