

November in Review

North American equity markets were mixed, as Canadian equities declined 0.24% while U.S. equities rose 2.42%. The price of crude oil declined 12.26% to close at \$US41.65 per barrel, with geopolitical events contributing to volatility in the energy sector.

Canada appoints a new Finance Minister, while it's economy appears to stabilize. Canadian equity markets reacted positively to the appointment of Bill Morneau – a veteran of the pension and benefits industry – as the new Minister of Finance. Morneau's background supports the government's pledge to enhance the Canada Pension Plan (CPP) for retirees. The CPP grew 1.55% during the third quarter, with much of the gains attributed to taking a long-term view and using market dips as buying opportunities. Investors also kept an eye on Canada's economic growth, which appeared to stabilize, supported by increased exports. The Bank of Canada (BoC) reiterated that a low Canadian dollar could eventually translate into increased business for Canadian exporters, and believes we may be seeing signs of this occurring. Canadian equities finished the month slightly lower, closing down 0.24%.

U.S. economic data continues to come in strong. The good news for the U.S. economy continued in November, as the unemployment rate reached a multi-year low of 5%, with 271,000 new jobs created in October. The economy was also supported by the strong U.S. dollar and low oil prices. This made foreign goods cheaper for consumers and import prices declined for the 15th consecutive month. This decline supports the BoC's thesis that a strong U.S. dollar could be a key driver of Canadian exports to our largest trading partner. Overall, the U.S. economy expanded faster than originally expected in the third quarter, by 2.1%, up from 1.5%. For the first time since 2006, the U.S. Federal Reserve raised the range of its benchmark interest rate by 0.25% to between 0.25% and 0.5%, signaling its faith in the nation's growing economy. U.S. equities rose during the month, higher by 2.42%.

China's "Black Friday" breaks records. Less well known outside of Asia, China has its own "Black Friday," known as "Singles Day", which this year eclipsed Black Friday's sales. On November 11, China's largest online retailer posted one-day sales of US\$14 billion, up 60% from last year. Used as a gauge of Chinese consumer confidence, Singles Day sales data demonstrated their keen appetite.

Europe ponders more stimulus. European service and manufacturing activity hit multi-year highs in November. Despite this promising surge, deflationary pressures remain a concern in Europe, due in large part to falling commodity prices, noted market research provider Markit Economics. The European Central Bank is keen on increasing inflation and announced it would extend its monetary stimulus until March 2017 to support the economy. Global equities ended the month up 1.67%.

INDEX (C\$) [†]	1 Mth	Change (%)		Index Level
		YTD	1 Yr	
Treasury Bill (FTSE TMX Canada 60 Day T-Bill)	0.03	0.57	0.65	158.15
Bonds (FTSE TMX Canada Universe Bond)	0.10	2.36	2.93	983.69
Canadian Equities (S&P/TSX Composite)	-0.24	-5.42	-5.84	13,469.83
U.S. Equities (S&P 500)	2.42	18.42	19.95	2,777.97
Global Equities (MSCI World)	1.67	16.68	16.63	2,262.53
Emerging Markets (MSCI Emerging Markets)	-1.86	0.30	-2.75	1,087.33

CURRENCIES [†]	1 Mth	Change (%)		Exchange Rate
		YTD	1 Yr	
C\$/US\$	-2.13	-13.03	-14.56	0.7484
C\$/Euro	1.99	-0.38	0.71	0.7085
C\$/Pound	0.30	-10.01	-11.22	0.4971
C\$/Yen	-0.09	-10.60	-11.34	92.1300

COMMODITIES (US\$) [†]	1 Mth	Change (%)		Price
		YTD	1 Yr	
Gold Spot (\$/oz)	-6.74	-10.34	-9.63	1,065.30
Oil WTI (\$/barrel)	-12.26	-30.55	-39.09	41.65
Natural Gas (\$/MMBtu)	-10.24	-36.70	-45.65	2.24

[†]As at November 30, 2015. Source: Bloomberg

Did you know?

Many Canadians have access to Group RRSPs and pension plans where an employer will match their contributions up to a certain amount; \$1 for every dollar you contribute, up to \$1,000 each year, for example. Over time, that can add up, so find out what your employer offers and take the free money off the table!



The Year-End Financial Checklist

3 simple steps to improve your financial health

Like your health, home or car, your finances require regular maintenance. Dedicating some time to a series of small things can help ensure that you maintain financial stability and peace of mind. Here are three tips to get you started:



1. Create a budget

Did you know that of the 46% of Canadians who have a budget, 93% of them tend to stick to it¹? If you're one of the 54% that don't budget, starting one can be simple – especially with online tools like the [Scotiabank Money Finder Calculator](#). Start with an honest assessment of where your money is going by looking at your after-tax income and listing all of your monthly expenses – including small items like daily coffee and lunch purchases. Creating a budget may take some time in the beginning, but it's a small price to pay for the potential rewards.



2. Increase your savings

Sticking with a budget can help boost your savings. With the extra cash flow, consider maximizing the tax deferral benefits of an RRSP and TFSA. Contributing automatically to your account through pre-authorized contributions is an easy way to save towards your longer-term goals, like retirement. But don't just set it and forget it. As expenses drop off, or your income rises, increase your regular contributions and achieve your goals that much faster.



3. Establish a financial plan

Increasing your savings can help you reach your long-term financial goals but you need a plan to get there. A good way to start is by working with a financial advisor; they will work with you to create a plan tailored to your goals and priorities and help you stay on track. Here's another good reason to use a financial advisor: Canadian households that receive advice have roughly twice the median financial assets versus non-advised households, and grow wealth significantly over time².

Managing your money well is about building on a series of little things to make the most of what you have, and seeking advice when you need it. A Scotiabank® advisor can help by working with you to develop a plan that reflects your long-term goals and short-term priorities.

¹2014 Canadian Financial Capability Survey. Financial Consumer Agency of Canada. ²New Evidence on the Value of Financial Advice. Dr. Jon Cockerline, Ph. D. and the Investment Funds Institute of Canada. 2012.

This document has been prepared by 1832 Asset Management L.P and is provided for information purposes only. Views expressed regarding a particular investment, economy, industry or market sector should not be considered an indication of trading intent of any of the mutual funds managed by 1832 Asset Management L.P. These views are not to be relied upon as investment advice nor should they be considered a recommendation to buy or sell. These views are subject to change at any time based upon markets and other conditions, and we disclaim any responsibility to update such views.

Information contained in this document, including information relating to interest rates, market conditions, tax rules, and other investment factors are subject to change without notice and 1832 Asset Management L.P. is not responsible to update this information. To the extent this document contains information or data obtained from third party sources, it is believed to be accurate and reliable as of the date of publication, but 1832 Asset Management L.P. does not guarantee its accuracy or reliability. Nothing in this document is or should be relied upon as a promise or representation as to the future. Investors should consult their own professional advisor for specific investment advice tailored to their needs when planning to implement an investment strategy to ensure that individual circumstances are considered properly and action is taken based on the latest available information.

© Registered trademark of The Bank of Nova Scotia, used under licence.

© Copyright 2015 1832 Asset Management L.P. All rights reserved.

2180-2015-1123 v9