Financial HARTbeat

BC Election
Oct 26th 2026



Good Morning,

Historic Conservative Victory – The BC Conservatives won a majority government with approximately **64 of 93 seats**, ending nine years of NDP rule and marking the party's first provincial election victory since 1928.

Major Shift in Provincial Policy Direction – Premier-elect **Lorne Doerkson** campaigned on accelerating economic development, including a pledge to significantly expand LNG and natural gas production while reducing regulatory hurdles.

Voter Desire for Change – The Conservatives captured roughly **48% of the popular vote**, while the NDP fell to about **37%**, reflecting a broad province-wide swing and gains across many suburban and resource-focused ridings.

Catch the playback of our Weekly Roundup ***Click here***

Also, catch the playback of our Annual Outlook ***Click here***

Chart of the Day: 100 Years since Conservative leadership



***Generated with Copilot.**



Ben Hart
Senior Wealth Advisor & Portfolio Manager
› 613-760-3788
› ben.hart@nbc.ca

National Bank Financial - Wealth Management
50 O'Connor Street Suite 1602
Ottawa, ON K1P 6L2

NATIONAL BANK FINANCIAL WEALTH MANAGEMENT

HART INVESTMENT GROUP

Regulated by CIRO
Canadian Investment Regulatory Organization

CIPF Canadian Investor Protection Fund MEMBER

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). • The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. The opinions expressed do not necessarily reflect those of NBF.

The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your Wealth Advisor to verify whether the security or sector is suitable for you and to obtain complete information, including the main risk factors. Some of the securities or sectors mentioned may not be followed by the analysts of NBF.

Financial HARTbeat



Top News

Canadian stock indexes futures edged higher this morning, supported by stronger gold prices, while inflation concerns were tempered by oil retreating from six-month highs on hopes of easing US-Iran tensions. Brent crude fell almost 2% after Qatari mediators traveled to Tehran on Sunday as part of efforts coordinated with the United States to ease regional tensions, although prices remained above the psychologically important $100-per-barrel level. However, trade wise, the Strait of Hormuz and nearby waterways remain highly volatile. According to data compiled by a Washington-based think tank that has tracked maritime security incidents worldwide since 2017, October has seen the highest number of commercial ship attacks on record in the region. This data corroborates Iran's tactic of intensifying attacks as it seeks to slow the recovery in shipments and maintain pressure on global energy markets ahead of November's US midterm elections. Investors remain cautious ahead of rate decisions from the Fed and the Bank of Canada.

In the U.S., traders expect the Fed to keep rates on hold at its policy meeting this week, but a quarter-point hike is priced in for December. Federal Reserve policymakers have basically telegraphed they will not raise US short-term borrowing costs again this week, but with inflation concerns still front and center, investors believe a rate-hike pause will not last for long. Indeed, analysts say, were it not for a sharp rise in US Treasury yields in the weeks following the Fed's September rate hike, a second straight increase this week would have been in the cards. Fed Chair Warsh will be asked to explain the expected pause amid elevated inflation as it comes less than a week before November 3 elections.

In Canada, the central bank is expected to raise its benchmark interest rate by 25 basis points to 2.50% on Wednesday and deliver one more hike by the end of March, according to a Reuters poll of economists. Investors will also monitor trade developments after US President Donald Trump said on Sunday that he expected a trade dispute with Canada to be resolved "soon".

Back in markets, U.S. stock index futures were little changed today as about one-third of S&P 500 companies are scheduled to report earnings this week, including hyperscalers Alphabet, Microsoft and Amazon.com, whose results would be closely watched for signs that hefty AI investments are paying off.



Ben Hart
Senior Wealth Advisor & Portfolio Manager
› 613-760-3788
› ben.hart@nbc.ca

National Bank Financial - Wealth Management
50 O'Connor Street Suite 1602
Ottawa, ON K1P 6L2

NATIONAL BANK FINANCIAL WEALTH MANAGEMENT

HART INVESTMENT GROUP

Regulated by CIRO
Canadian Investment Regulatory Organization

CIPF Canadian Investor Protection Fund MEMBER

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). • The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. The opinions expressed do not necessarily reflect those of NBF.

The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your Wealth Advisor to verify whether the security or sector is suitable for you and to obtain complete information, including the main risk factors. Some of the securities or sectors mentioned may not be followed by the analysts of NBF.



The focus follows a muted reception to earnings from AI-linked companies, META disappointed investors last week after raising its annual AI spending forecast again and said it would sell new stock to help pay for it. The company launched public offerings today of about $35 billion in common stock and convertible preferred stock. It also said it plans to launch a separate at-the-market share sale program of up to $60 billion after its new non-voting Class C shares begin trading, which is expected in the first quarter of 2027.

On the political front, world leaders hailed the victory of Brazil's leftist President Luiz Inacio Lula da Silva in Sunday's presidential election runoff, as he defeated right-wing Senator Flavio Bolsonaro to secure a fourth non-consecutive term**.**

Fear Index Ticks Higher (Argus)

We watch the Cboe Volatility Index (VIX) carefully. The index measures the stock market's expectation of 30-day volatility based on S&P 500 options, and we like to keep an eye on the risk environment in the broad market. The VIX typically moves in the opposite direction of the market, declining as the market advances for example. We have studied the history of the VIX back to the Great Recession. The average index reading is 20 and the standard deviation is 9. The highs for the index over the past 20 years have been 89 (in 2008, as Lehman Brothers collapsed) and 85 (in 2020 as the COBID-19 pandemic emerged). VIX readings below the historical average are consistent with bull markets. For example, during the long bull market after the Great Recession, the average VIX reading was 18. In 2026, the average has been 18.5, with a few days up near 30 when the war in Iran was getting underway. Recent concerns over AI investment, oil prices that have crested the $100 level, stubborn inflation, and the approaching midterm elections have led the VIX to drift upward toward the historical average.

Still, the current reading is in the teens and remains consistent with the outlook for a continued bull market rally. We believe that the S&P 500 is in the middle stage of a bull run that dates back to October 2022. And while the path for equities won't be straight up, high-quality domestic stocks remain an area of interest in the current market and economic environment.



Ben Hart
Senior Wealth Advisor & Portfolio Manager
› 613-760-3788
› ben.hart@nbc.ca

National Bank Financial - Wealth Management
50 O'Connor Street Suite 1602
Ottawa, ON K1P 6L2

NATIONAL BANK FINANCIAL WEALTH MANAGEMENT

HART INVESTMENT GROUP

Regulated by CIRO
Canadian Investment Regulatory Organization

CIPF Canadian Investor Protection Fund MEMBER

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). • The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. The opinions expressed do not necessarily reflect those of NBF.

The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your Wealth Advisor to verify whether the security or sector is suitable for you and to obtain complete information, including the main risk factors. Some of the securities or sectors mentioned may not be followed by the analysts of NBF.

Financial HARTbeat



Bond Yields (bps (basis points) negative means prices up and positive means prices down)

Figure 1: **Key Interest Rates (Canada & U.S.)**

Canadian Key Rate	Last	Change bps	Canadian Key Rate	Last	Change bps
CDA o/n	2.25%	0.0	CDA 5 year	3.58%	0.7
CDA Prime	4.45%	0.0	CDA 10 year	3.84%	-0.4
CDA 3 month T-Bill	2.52%	-0.2	CDA 20 year	4.05%	-0.6
CDA 6 month T-Bill	2.73%	1.5	CDA 30 year	4.13%	-0.6
CDA 1 Year	3.05%	3.0			
CDA 2 year	3.37%	1.2			
US Key Rate	**Last**	**Change bps**	**US Key Rate**	**Last**	**Change bps**
US FED Funds	3.75-4.00%	0.0	US 5 year	4.83%	1.9
US Prime	7.00%	0.0	US 10 year	5.00%	1.1
US 3 month T-Bill	4.05%	0.5	US 30 year	5.32%	0.3
US 6 month T-Bill	4.33%	2.0	5YR Sovereign CDS	46.50	
US 1 Year	4.44%	3.2	10YR Sovereign CDS	54.71	
US 2 year	4.71%	2.5			
Preferred Shares Indicators			**Last**	**Daily %**	**YTD**
S&P Preferred Share Index			699.78	-0.03%	0.51%
BMO Laddered Preferred Shares (ETF)			12.82	-0.23%	3.97%

Source: LSEG

Keep looking forward! Have a great day!

Ben



Ben Hart
Senior Wealth Advisor & Portfolio Manager
› 613-760-3788
› ben.hart@nbc.ca

National Bank Financial - Wealth Management
50 O'Connor Street Suite 1602
Ottawa, ON K1P 6L2

NATIONAL BANK FINANCIAL WEALTH MANAGEMENT

HART INVESTMENT GROUP

Regulated by CIRO
Canadian Investment Regulatory Organization

CIPF Canadian Investor Protection Fund MEMBER

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). • The particulars contained herein were obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. The opinions expressed do not necessarily reflect those of NBF.

The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your Wealth Advisor to verify whether the security or sector is suitable for you and to obtain complete information, including the main risk factors. Some of the securities or sectors mentioned may not be followed by the analysts of NBF.