

# Financial HARTbeat

Happy New Year!  
Jan 5<sup>th</sup> 2026



Good Morning,

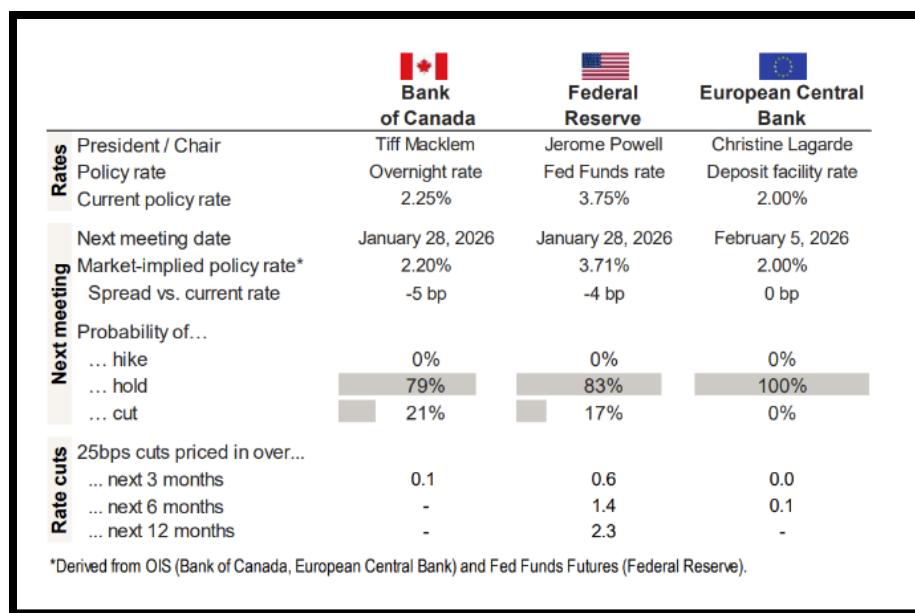
Well starting the new year off with lots of Geopolitical things to worry about...

As you know Venezuela...now in a precarious state...no official leader as Trump and military intervened...and he has called out Greenland, Columbia and Cuba...

Geopolitics is going to be a major driver this year...

**Catch the playback of our Weekly Roundup [Click here](#)**

**Chart of the Day: Cuts odds increasing from a few weeks ago...lots of ground to cover..**



**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

U.S. stock index futures linked to the S&P 500 and the Nasdaq inched higher today after losses in the previous week, partially boosted by oil companies that surged following the capture of Venezuelan President Nicolas Maduro by the United States in a military strike.

U.S. President Donald Trump said on Sunday, a day after Maduro was captured, that a second strike was possible if remaining members of the administration do not cooperate with his efforts to get the country "fixed". Trump confirmed that the U.S. embargo on Venezuelan oil remained in full effect. Investors are betting this morning that the move against Venezuela's leadership would allow American firms greater access to the world's largest oil reserves.

In pre-market, Exxon Mobil and Chevron were up more than 3% and 6%, respectively. ConocoPhillips, SLB and Halliburton gained between 5% and 8.5%, with oil prices stabilizing after early losses on Monday. Analysts and investors believe the relatively calm market reaction to Maduro's capture was because Venezuela's oil production relative to global output is small and it would take years of investment for production to catch up. However, markets may have shrugged off the audacious U.S. capture of Venezuelan President Nicolas Maduro, but some investors warn that geopolitical risks are perhaps being underestimated after Donald Trump threatened further action in the Americas.

While Washington has not made such a direct intervention in Latin America since the invasion of Panama in 1989, Trump's threats against Colombia and Mexico highlighted the aggressive shift in U.S. policy and brought geopolitical perils back to the fore for financial markets at the start of the year.

Wall Street's main indexes rounded off the previous week with losses, while the S&P 500 managed to eke out a positive first session in 2026, at a time when investors eye the "Santa Claus rally". It is a seasonal phenomenon where markets tend to get a late boost over the last five trading days of December and the first two of January, according to the Stock Trader's Almanac. The three main indexes posted double-digit gains in 2025, their third consecutive year in the green, a run last seen during the 2019-2021 period.



**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



This week, investor focus will be on a series of labor market data, including the monthly nonfarm payrolls on Friday, that could influence the Federal Reserve's monetary policy in 2026. Markets are pricing in about 60 basis points worth of easing this year, as per data compiled by LSEG.

In Canada, futures linked to the main stock index also inched up on Monday, after President Trump said the U.S. would take control of Venezuela sparked safe-haven demand and pushed precious metal prices higher. Gold prices gained more than 2%. The S&P/TSX composite index gained more than 28% in 2025, its best annual performance since 2009, driven by soaring metal prices and the financial sector's robust earnings. The benchmark began 2026 on a positive note on Friday, breaking a four-session losing streak.

## Previewing Friday's Jobs Report (Argus)

Friday's Employment Situation report from the Bureau of Labor Statistics (BLS) will help to settle a major market-moving debate. Here's the big question: Are rising unemployment and slower job growth a harbinger of an economic slowdown in 2026? Or is robust 4.3% growth in 3Q GDP a sign that the economy is healthy and the job market is due for a rebound from last year's tariff-and-deportation driven uncertainty. The bullish case for employment and the economy, which we favor, is that the Fed has been stimulating growth by reducing the funds rate, and last year's tax bill should result in bigger tax returns for most families. After the delayed 3Q GDP report in December, we raised our 4Q25 estimate for GDP growth to 2.5% from 1.7%, helped by our expectation for continuing investment in artificial intelligence and stronger consumer spending on services. We expect full-year GDP growth for 2025 to come in at 2.5% (up from a previous estimate of 1.9%) and 2.0% growth in 2026 (up from 1.9%). The bearish case is that the growth is very concentrated in AI investment and spending from affluent households who are enjoying a wealth effect from stock gains and higher home equity. While we would prefer growth that is more broad-based, we will not quibble with solid growth.

We expect December nonfarm payrolls to increase by 50,000 (consensus is 60,000), which should be enough to keep unemployment from rising above November's 4.6%. Based on the Chicago Fed Labor Market Indicators published on December 30, there is about a 54% probability that the unemployment rate will be 4.5% or 4.6%. The consensus is 4.5%. The Labor Department's weekly reports on initial jobless claims provide evidence that the "low hire, low fire" environment is ongoing. The four-week moving



**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



average of 218,750 claims is stable and far below the 300k that would raise a recession warning. Continuing claims near 1.9 million confirm that jobs are hard to get.

## 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	2.94%	-0.4
CDA Prime	4.45%	0.0	CDA 10 year	3.41%	-0.8
CDA 3 month T-Bill	2.20%	0.5	CDA 20 year	3.72%	-0.6
CDA 6 month T-Bill	2.24%	0.5	CDA 30 year	3.83%	-0.6
CDA 1 Year	2.39%	0.5			
CDA 2 year	2.58%	0.2			
US Key Rate	Last	Change bps	US Key Rate	Last	Change bps
US FED Funds	3.5-3.75%	0.0	US 5 year	3.73%	-1.0
US Prime	6.75%	0.0	US 10 year	4.15%	-1.8
US 3 month T-Bill	3.57%	0.8	US 30 year	4.81%	-2.2
US 6 month T-Bill	3.60%	0.0	5YR Sovereign CDS	30.24	
US 1 Year	3.52%	-1.0	10YR Sovereign CDS	39.70	
US 2 year	3.52%	-0.4			
Preferred Shares Indicators			Last	Daily %	YTD
S&P Preferred Share Index			694.24	0.03%	9.26%
BMO Laddered Preferred Shares (ETF)			12.34	0.24%	12.69%

Source: LSEG

Things are looking up! Have a great day!

Wishing everyone a healthy, happy and prosperous 2026!

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.