

# Market Review



INVESTING

August 15, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	25,579.39	99.97	0.39%	27398.68	21712.53	9.65%
S&P 500	2,847.59	6.99	0.25%	3027.98	2346.58	13.59%
NASDAQ COMPOSITE	7,766.62	-7.32	-0.09%	8339.64	6190.17	17.05%
S&P/TSX COMPOSITE	16,012.53	-33.41	-0.21%	16672.71	13776.88	11.80%
STOXX EUROPE 50	3,029.93	-5.44	-0.18%	3248.82	2673.54	9.78%
FTSE 100	7,067.01	-80.87	-1.13%	7727.49	6536.53	5.04%
DAX PERFORMANCE-INDEX TR	11,412.67	-79.99	-0.70%	12656.05	10279.20	7.87%
CAC40	5,236.93	-14.37	-0.27%	5672.77	4555.99	10.70%
Nikkei 225 Index	20,405.65	-249.48	-1.21%	24448.07	18948.58	1.95%
HANG SENG INDEX	25,495.46	193.18	0.76%	30280.12	24540.63	-1.36%
Shanghai SE Composite Index	2,815.80	6.88	0.25%	3288.45	2440.91	12.91%

## Market Review

### U.S. stocks fluctuate on mixed signals on economy and trade

U.S. stocks fluctuated between gains and losses in a choppy trading session on Thursday. While strong July retail sales data and Walmart's upbeat results eased some fears about the economy slipping into recession, conflicting reports on trade kept investors on edge. China's finance ministry said President Donald Trump's planned additional 10% tariff violates the consensus reached between the leaders of both countries at the latest G7 meeting and that it will have to take necessary countermeasures. However, a spokeswoman for the ministry later said, "We hope the U.S. will meet China halfway, and implement the consensus of the two heads of the two countries in Osaka." In a radio interview on Thursday President Trump said that any deal between China and U.S. would have to be on America's terms. Meanwhile, U.S. retail sales rose for the fifth straight month and exceeded projections in July as consumers bought a range of goods across almost all sectors, signalling consumer spending continues to support the U.S. economy. The value of overall sales climbed 0.7% in July, after a downwardly revised 0.3% increase in the prior month, and was ahead of consensus estimates of a 0.3% gain. Other economic data was mixed. Weekly jobless claims rose to a six-week high of 220,000, above expectations of a rise to 212,000. Manufacturing continues to struggle, with U.S. industrial production falling 0.2% in July, versus economist expectations of 0.0%, but was upwardly revised two ticks in the prior month. Separately, a measure of nonfarm productivity grew at a 2.3% pace in the second quarter, exceeding projections, after an upwardly revised 3.5% rate in the first quarter. Today's data will likely not change expectations that the Federal Reserve will cut interest rates again at its September policy meeting given the backdrop of trade tensions, an inverted U.S. Treasury curve, and slowing global growth.

In U.S. earnings news, Wal-Mart shares rose as much as 6.3% after its same store sales beat estimates and it boosted its full year earnings forecast. J.C. Penny shares rose after the retailer posted a smaller than expected quarterly loss. Cisco Systems shares tumbled after the company's first quarter revenue and profit forecasts missed analyst expectations. The company blamed the weakness on the U.S.-China trade war. Tapestry shares plummeted more than 20%, after the fashion house missed revenue estimates and provided disappointing forward guidance. General Electric shares slumped after a whistleblower in the Bernard Madoff Ponzi scheme case alleged that company financial filings masked the depths of its problems.

Canadian stocks were mixed. The energy sector was the biggest drag on the TSX Composite Index, as oil extended its recent declines, pressured by recession concerns and a surprise increase in U.S. crude inventories. Marijuana stocks fell in sympathy with Canopy Growth, whose shares dropped as much as 15% after it reported weaker-than-expected quarterly revenue due to lower sales volumes of medical cannabis. The materials sector provided the biggest boost to the index as precious metals producers gained alongside gold prices.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Boardwalk Real Estate Investment Trus	\$43.40	\$1.82	4.38%
Alamos Gold Inc	\$9.55	\$0.37	4.03%
Hudbay Minerals Inc	\$4.39	\$0.16	3.78%
Yamana Gold Inc	\$4.57	\$0.16	3.63%
B2Gold Corp	\$4.93	\$0.16	3.35%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Canopy Growth Corp	\$36.41	-\$6.16	-14.47%
Birchcliff Energy Ltd	\$1.91	-\$0.19	-9.05%
Cronos Group Inc	\$16.13	-\$1.57	-8.87%
Aphria Inc	\$7.87	-\$0.65	-7.63%
Bombardier Inc	\$1.59	-\$0.12	-7.02%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	121	-0.97	-0.80%	-12.24%
MATERIALS	259.77	1.36	0.53%	18.22%
UTILITIES	271.37	0.32	0.12%	23.65%
FINANCIALS	289.81	-1.01	-0.35%	7.39%
INDUSTRIALS	269.9	-1.65	-0.61%	17.64%
HEALTH CARE	91.76	-6.03	-6.17%	6.67%
CONS. DISCRETIONARY	199.1	-1.22	-0.61%	12.44%
CONS. STAPLES	642	2.68	0.42%	15.47%
INFO TECH.	109.33	0.40	0.37%	48.55%
COMMUNICATION SVCS	176.53	0.48	0.27%	6.00%
REAL ESTATE	343.57	0.83	0.24%	16.47%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.30%	1.14%	1.08%	1.30%
U.S. (YLD%)	1.48%	1.40%	1.50%	1.96%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$54.69	-\$0.540	-0.98%	20.44%
NATURAL GAS	\$2.22	\$0.076	3.55%	-24.52%
GOLD	\$1,522.10	\$6.200	0.41%	19.07%
COPPER	\$2.58	-\$0.005	-0.17%	-1.75%
CAD / USD	\$0.7509	\$0.0002	0.03%	2.41%
CAD / EUR	€0.6756	€0.0017	0.25%	5.69%
USD / EUR	€0.8998	€0.0021	0.23%	3.22%
USD / JPY	¥106.03	¥0.14	0.13%	-3.22%

Source: Thomson Eikon



1) National Bank Financial is an indirect wholly owned subsidiary of National Bank of Canada.

2) National Bank of Canada is a public company listed on Canadian stock exchanges.

3) National Bank Financial may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services.

4) National Bank Financial and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time in the open market or otherwise.

5) The information contained herein was obtained from sources which we believe to be reliable, however we cannot represent that it is accurate or complete.

6) This is not a recommendation for any security or investment sector as it may not be suitable for all types of investors. Please contact your investment advisor before purchase to discuss your investor profile and to further discuss these risk factors.