

# Market Review



INVESTING

August 6, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	26,029.52	311.78	1.21%	27398.68	21712.53	11.58%
S&P 500	2,881.77	37.03	1.30%	3027.98	2346.58	14.96%
NASDAQ COMPOSITE	7,833.27	107.23	1.39%	8339.64	6190.17	18.05%
S&P/TSX COMPOSITE	16,149.49	-122.17	-0.75%	16672.71	13776.88	12.75%
STOXX EUROPE 50	3,022.30	-21.76	-0.71%	3248.82	2673.54	9.50%
FTSE 100	7,171.69	-52.16	-0.72%	7790.17	6536.53	6.59%
DAX PERFORMANCE-INDEX TR	11,567.96	-90.55	-0.78%	12738.53	10279.20	9.34%
CAC40	5,234.65	-6.90	-0.13%	5672.77	4555.99	10.65%
Nikkei 225 Index	20,585.31	-134.98	-0.65%	24448.07	18948.58	2.85%
HANG SENG INDEX	25,976.24	-175.08	-0.67%	30280.12	24540.63	0.51%
Shanghai SE Composite Index	2,777.56	-43.94	-1.56%	3288.45	2440.91	11.37%

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### China brings some relief to markets by supporting the Yuan.

U.S. shares clawed back some of their recent losses after China's moved to stabilize the yuan above 7 per dollar, the key level that spurred a global sell-off Monday when it was broken for the first time since the global financial crisis. The action today offered some reassurance that the trade conflict between the world's two largest economies might be contained. But it came hours after the U.S. had designated the country a currency "manipulator," a move that could open the door to new penalties on top of the tariff hikes already imposed on Chinese goods. For its part, China said the recent yuan depreciation was decided by the market, not Beijing, and denied the Trump administration's accusation. In addition, the People's Bank of China reassured foreign exporters that the yuan won't continue to weaken significantly and the companies' ability to buy and sell dollars would remain normal. Treasuries gave back some of yesterday's surge, which had created the most extreme yield-curve inversion since the lead-up to the 2008 financial crisis.

Canada's main stock index fell today as market were closed yesterday during the biggest equity selloff of the year. Energy and financial sectors led the decline amid heightened trade tensions between the United States and China. The bond market wasn't spared as one segment of Canada's government-bond yield curve reached its most inverted level since 2000 as traders added to bets the nation's central bank will wind up cutting interest rates. The 10-year government yield has dropped to about 40 basis points below the rate of the 3-month bills, after the gap was about even as recently as May. On the corporate side, Canada's main pharmaceutical lobby group has urged the government not to wait for drug shortages before responding to U.S. plans to import Canadian drugs. The lobby group went as far as proposing that the government ban all drug exports "unless otherwise permitted by regulation". It also warned that "reliance on reactive measures after shortages occur may pose a risk to Canadian patients. The Trump administration announced last week that it would allow U.S. states and other groups to start pilot programs importing cheap drugs from Canada in an effort to lower drug costs.

Elsewhere, the Stoxx Europe 600 erased gains and dropped for a third straight day and the benchmark gauge for Asian stocks fell for a fifth session. Bitcoin broke above \$12,000 for the first time in three weeks before the gain moderated.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Yamana Gold Inc	\$4.56	\$0.38	9.09%
Aurora Cannabis Inc	\$9.05	\$0.66	7.87%
Kirkland Lake Gold Ltd	\$62.02	\$3.84	6.60%
B2Gold Corp	\$4.63	\$0.28	6.44%
Kinross Gold Corp	\$6.42	\$0.37	6.12%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Ensign Energy Services Inc	\$3.60	-\$0.36	-9.09%
Seven Generations Energy Ltd	\$6.81	-\$0.65	-8.71%
SNC-Lavalin Group Inc	\$16.36	-\$1.45	-8.14%
Semafo Inc	\$5.04	-\$0.40	-7.35%
Vermilion Energy Inc	\$20.69	-\$1.53	-6.89%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	124.84	-3.34	-2.61%	-9.46%
MATERIALS	260.78	3.43	1.33%	18.68%
UTILITIES	268.67	0.13	0.05%	22.42%
FINANCIALS	294.9	-3.63	-1.22%	9.27%
INDUSTRIALS	272.81	-2.03	-0.74%	18.91%
HEALTH CARE	103.08	0.24	0.23%	19.83%
CONS. DISCRETIONARY	204.68	-3.34	-1.61%	15.59%
CONS. STAPLES	630.08	-1.10	-0.17%	13.33%
INFO TECH.	107.56	-0.76	-0.70%	46.14%
COMMUNICATION SVCS	175.8	-1.15	-0.65%	5.56%
REAL ESTATE	339.32	-1.86	-0.55%	15.03%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.35%	1.22%	1.24%	1.50%
U.S. (YLD%)	1.59%	1.52%	1.71%	2.24%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$53.77	-\$0.920	-1.68%	18.41%
NATURAL GAS	\$2.11	\$0.036	1.74%	-28.37%
GOLD	\$1,471.90	\$7.300	0.50%	15.15%
COPPER	\$2.56	\$0.019	0.73%	-2.76%
CAD / USD	\$0.7533	-\$0.0033	-0.44%	2.74%
CAD / EUR	€0.6723	-€0.0031	-0.46%	5.18%
USD / EUR	€0.8925	-€0.0001	-0.01%	2.39%
USD / JPY	¥106.48	¥0.54	0.51%	-2.81%

Source: Thomson Eikon



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