

Market Review



INVESTING

August 9, 2019

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	26,287.44	-90.75	-0.34%	27398.68	21712.53	12.69%
S&P 500	2,918.65	-19.44	-0.66%	3027.98	2346.58	16.43%
NASDAQ COMPOSITE	7,959.14	-80.02	-1.00%	8339.64	6190.17	19.95%
S&P/TSX COMPOSITE	16,341.34	-63.19	-0.39%	16672.71	13776.88	14.09%
STOXX EUROPE 50	3,060.56	-22.74	-0.74%	3248.82	2673.54	10.89%
FTSE 100	7,253.85	-32.05	-0.44%	7741.77	6536.53	7.81%
DAX PERFORMANCE-INDEX TR	11,693.80	-151.61	-1.28%	12656.05	10279.20	10.53%
CAC40	5,327.92	-60.04	-1.11%	5672.77	4555.99	12.62%
Nikkei 225 Index	20,684.82	91.47	0.44%	24448.07	18948.58	3.35%
HANG SENG INDEX	25,939.30	-181.47	-0.69%	30280.12	24540.63	0.36%
Shanghai SE Composite Index	2,774.75	-19.80	-0.71%	3288.45	2440.91	11.26%

Market Review

Canada enacts drug price crackdown, in blow to pharmaceutical industry.

Canada's main stock was relatively unchanged, as gains in shares of energy companies offset losses in materials shares and a weak economic report showing that Canada's economy shed a net 24,200 jobs in July. The losses were driven by a decline in wholesale and retail trade and was the third consecutive month that the job market remained in a holding pattern. On the corporate side, trading in Inter Pipeline Ltd shares were halted on Friday pending news, after a two-day rally sparked by an unconfirmed report of a takeover bid for the company. Altus Group jumped more than 11% after its quarterly results beat analysts' estimates while CCL Industries tumbled more than 9%, after its second-quarter revenue missed estimates. The Canadian government announced today their final regulations to reduce patented drug prices, overriding heavy opposition from pharmaceutical companies. The government said it would save Canadians C\$13.2 billion over a decade. The changes are the biggest reform to Canada's drug price regime since 1987. Under the new rules, Canada will change the list of countries the federal drug price regulator, the Patented Medicine Prices Review Board (PMPRB), compares domestic prices to, dropping the United States and Switzerland where prices are highest.

Wall Street's main indexes slipped today after President Donald Trump warned that talks scheduled for next month with China could be canceled and that he was not ready to make a deal which exacerbated fears that the stand-off would aggravate the global economic slowdown. Trump also said the United States would continue to refrain from doing business with Chinese telecoms equipment giant Huawei Technologies. Chipmakers and other tariff-sensitive technology companies led declines among U.S. equities as the benchmark halted a three-day rally that erased losses from Monday, when China's currency devaluation sparked the biggest stock rout of the year. Elsewhere, oil gained and gold held near \$1,500 per ounce. European shares dropped as Italian stocks sank 2.5% on political uncertainty, the leader of the ruling League party, Matteo Salvini, pulled his support for the country's governing coalition and called for fresh elections. On the economic front, U.S. producer prices increased moderately in July, lifted by a rebound in the cost of energy products, while underlying producer inflation retreated, which could allow the Federal Reserve to cut interest rates again next month, financial markets have already fully priced in a 25-basis-point rate cut. The benign inflation report from the Labor Department also boost expectations for a half-percentage-point. President Donald Trump today urged the U.S. central bank to lower rates by a full percentage point, saying there was "no inflation in our country."

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
CannTrust Holdings Inc	\$4.21	\$1.22	40.80%
Sleep Country Canada Holdings Inc	\$19.99	\$2.19	12.30%
Shawcor Ltd	\$18.36	\$1.64	9.81%
Altus Group Ltd	\$37.50	\$3.00	8.70%
Morneau Shepell Inc	\$32.93	\$2.62	8.64%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
CCL Industries Inc	\$60.09	-\$5.86	-8.89%
Linamar Corp	\$37.92	-\$3.34	-8.10%
Russel Metals Inc	\$18.78	-\$1.61	-7.90%
Turquoise Hill Resources Ltd	\$0.60	-\$0.05	-7.69%
Ivanhoe Mines Ltd	\$3.72	-\$0.28	-7.00%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	126.73	0.58	0.46%	-8.09%
MATERIALS	263.1	-4.94	-1.84%	19.73%
UTILITIES	271.1	0.33	0.12%	23.52%
FINANCIALS	297.16	-0.80	-0.27%	10.11%
INDUSTRIALS	276.02	-0.57	-0.21%	20.31%
HEALTH CARE	101.73	-1.11	-1.08%	18.26%
CONS. DISCRETIONARY	205.42	-3.03	-1.45%	16.01%
CONS. STAPLES	641.66	-0.50	-0.08%	15.41%
INFO TECH.	111.52	0.36	0.32%	51.52%
COMMUNICATION SVCS	176.6	-0.59	-0.33%	6.04%
REAL ESTATE	343.66	-1.50	-0.43%	16.50%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	1.38%	1.26%	1.27%	1.52%
U.S. (YLD%)	1.64%	1.57%	1.74%	2.26%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$54.38	\$1.840	3.50%	19.75%
NATURAL GAS	\$2.12	-\$0.004	-0.19%	-27.76%
GOLD	\$1,497.50	-\$0.200	-0.01%	17.15%
COPPER	\$2.59	-\$0.017	-0.65%	-1.64%
CAD / USD	\$0.7567	\$0.0007	0.09%	3.21%
CAD / EUR	€0.6753	-€0.0008	-0.12%	5.65%
USD / EUR	€0.8925	-€0.0018	-0.20%	2.39%
USD / JPY	¥105.61	-¥0.45	-0.42%	-3.61%

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.