

# Market Review



INVESTING

September 23, 2020

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	26,763.13	-525.05	-1.92%	29568.57	18213.65	-6.22%
S&P 500	3,236.92	-78.65	-2.37%	3588.11	2191.86	0.19%
NASDAQ COMPOSITE	10,632.99	-330.65	-3.02%	12074.07	6631.42	18.51%
S&P/TSX COMPOSITE	15,817.11	-325.78	-2.02%	17970.51	11172.73	-7.30%
STOXX EUROPE 50	2,917.39	17.08	0.59%	3539.89	2260.11	-14.27%
FTSE 100	5,899.26	69.80	1.20%	7689.67	4898.79	-21.79%
DAX PERFORMANCE-INDEX TR	12,642.97	48.58	0.39%	13795.24	8255.65	-4.57%
CAC40	4,802.26	29.42	0.62%	6111.41	3632.06	-19.67%
Nikkei 225 Index	23,346.49	-13.81	-0.06%	24115.95	16358.19	-1.31%
HANG SENG INDEX	23,742.51	25.66	0.11%	29174.92	21139.26	-15.78%
Shanghai SE Composite Index	3,279.71	5.41	0.17%	3458.79	2646.80	7.53%

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### U.S. stocks fall as data raises fears about economic recovery

The U.S. main indices fell on Wednesday as economic data showed slowdown in U.S. business activity and the continued gridlock in Congress over more fiscal stimulus raised fears about the economic recovery from the pandemic led recession. Mega-cap stocks led the retreat on Wall Street with FAANG stocks trading down between 1.3% and 3.1%. Adding to the negative sentiment, the U.S. Justice Department unveiled a legislative proposal that seeks to reform a legal immunity for internet companies, as President Trump seeks to crack down on tech giants. In other corporate news, Tesla shares tumbled after the company's "Battery Day" event on Tuesday afternoon failed to impress investors. Nike was a bright spot, its shares surging as much as 10% after reporting strong quarterly results driven by an 82% increase in online sales. The company also raised its full year revenue guidance. Johnson and Johnson rose on news that its single shot COVID-19 vaccine candidate proceeded to Phase 3 trials.

Federal Reserve Chair Jerome Powell testified to the House Select Subcommittee on the coronavirus response on Wednesday. He said the central bank was not planning any "major" changes to its Main Street Lending Program. Comments from several other Fed officials on Wednesday also reinforced the central banks new policy stance as well as the view that monetary policy will need to remain accommodative for several years, but that the key to an economic recovery is more fiscal stimulus. Today's economic data showed that U.S. business activity slowed in September, suggesting that the economic recovery could be losing momentum as COVID-19 deaths surge past 200,000 in the U.S. and the impact of fiscal stimulus fades. IHS Markit Composite PMI slipped to 54.4 in September from 54.6 in August, as gains in manufacturing sector offset declines in the services sector, which has been hardest hit by the COVID-19 pandemic. A report from the Federal Housing Finance Agency (FHFA) showed that U.S. house prices rose 1.0% in July and were up 6.5% on a year over year basis. Low interest rates have led to strong demand for housing, which has not been matched by increased supply. A separate report from the Mortgage Bankers Association (MBA) showed demand for home loans jumped by 6.8% last week.

Canada's TSX Composite Index fell on Wednesday, as a surge in domestic COVID-19 cases and downbeat economic data in the U.S. and Europe weighed on sentiment. Investors also awaited Prime Minister Trudeau's "Throne Speech", where he was expected to reveal details of Ottawa's spending proposals to support the economy during the pandemic. The materials sector was the biggest drag on the TSX, as precious and base metals producers fell amid lower commodity prices, which were pressured by strength in the U.S. dollar. The healthcare sector posted the biggest percentage loss, as cannabis producers plunged following Aurora Cannabis' disappointing first quarter results. The consumer discretionary sector was the top performing sector, led by sharp gains in Canada Goose and Canadian Tire.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Canadian Tire Corporation Ltd	\$132.94	\$4.27	3.32%
Canada Goose Holdings Inc	\$39.00	\$1.00	2.63%
Magna International Inc	\$59.02	\$1.22	2.11%
Alimentation Couche-Tard Inc	\$46.78	\$0.71	1.54%
BRP Inc	\$68.36	\$0.91	1.35%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Aurora Cannabis Inc	\$6.90	-\$2.83	-29.09%
Fortuna Silver Mines Inc	\$8.18	-\$1.17	-12.51%
New Gold Inc	\$2.14	-\$0.30	-12.30%
Silvercorp Metals Inc	\$9.26	-\$1.18	-11.30%
Silvercrest Metals Inc	\$11.02	-\$1.36	-10.99%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	66.87	-1.69	-2.46%	-54.19%
MATERIALS	323.99	-17.35	-5.08%	20.71%
UTILITIES	295.09	-3.85	-1.29%	2.19%
FINANCIALS	262.25	-3.16	-1.19%	-16.87%
INDUSTRIALS	298.58	-2.35	-0.78%	4.41%
HEALTH CARE	46.57	-2.58	-5.25%	-39.06%
CONS. DISCRETIONARY	186.56	0.78	0.42%	-7.22%
CONS. STAPLES	670.84	0.54	0.08%	8.35%
INFO TECH.	160.29	-2.55	-1.57%	35.92%
COMMUNICATION SVCS	156.58	-2.03	-1.28%	-12.62%
REAL ESTATE	264.9	-5.45	-2.02%	-23.53%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.27%	0.36%	0.56%	1.08%
U.S. (YLD%)	0.14%	0.27%	0.68%	1.42%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$39.53	-\$0.270	-0.68%	-35.30%
NATURAL GAS	\$2.19	\$0.351	19.14%	-0.18%
GOLD	\$1,875.50	-\$23.100	-1.22%	23.43%
COPPER	\$2.96	-\$0.096	-3.12%	6.07%
CAD / USD	\$0.7474	-\$0.0044	-0.59%	-2.94%
CAD / EUR	€0.6408	-€0.0012	-0.19%	-6.67%
USD / EUR	€0.8573	€0.0033	0.39%	-3.86%
USD / JPY	¥105.38	¥0.47	0.45%	-2.97%

Source: Refinitiv



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