

Market Review



INVESTING

November 4, 2020

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	27,847.66	367.63	1.34%	29568.57	18213.65	-2.42%
S&P 500	3,443.44	74.28	2.20%	3588.11	2191.86	6.58%
NASDAQ COMPOSITE	11,590.78	430.21	3.85%	12074.07	6631.42	29.18%
S&P/TSX COMPOSITE	15,998.74	59.59	0.37%	17970.51	11172.73	-6.24%
STOXX EUROPE 50	2,887.27	66.45	2.36%	3539.89	2260.11	-15.16%
FTSE 100	5,883.26	96.49	1.67%	7689.67	4898.79	-22.00%
DAX PERFORMANCE-INDEX TR	12,324.22	235.24	1.95%	13795.24	8255.65	-6.98%
CAC40	4,922.85	117.24	2.44%	6111.41	3632.06	-17.65%
Nikkei 225 Index	23,695.23	0.00	0.00%	24115.95	16358.19	0.16%
HANG SENG INDEX	24,886.14	-53.59	-0.21%	29174.92	21139.26	-11.72%
Shanghai SE Composite Index	3,277.44	6.37	0.19%	3458.79	2646.80	7.45%

Market Review

Stocks rally on potential U.S. election gridlock

As the winner of the 2020 U.S. presidential election remains uncertain today with counting of mail-in ballots in crucial swing states continuing, the official announcement of a winner may not happen for days. As feared, President Donald Trump already falsely declared that he had won re-election and that he would ask the Supreme Court to intervene, saying "we want all voting to stop.", while the Republican party officially sued in Michigan, one the crucial battle states. One thing is clear though: the so-called "Blue Wave" has not materialized, with Democrats' prospects of taking control of the Senate evaporating. The uncertainty over the outcome hasn't altered equity markets, which moved broadly and strongly higher today as U.S. election results so far suggest Congress is likely to stay divided, and for investors, that reduces the chance of major policy changes, lowers bets of higher antitrust scrutiny and capital gains taxes. It'll also likely be harder for lawmakers to approve a big new stimulus deal, which led traders rapidly unwinding their wagers on global deflation which sparked the biggest one-day drop in 10- and 30-year Treasuries yields since June. The tech-heavy Nasdaq 100 Index rose the most of all indices. Shares of defense contractors all rose on receding chances of a cut in the defense budget while big pharma jumped as the potential split Congress was likely to shield the industry from sweeping reform. In California voters sided with Uber Technologies Inc. and Lyft Inc. in a question over their business model of employing drivers as independent contractors. Shares in both companies rose more than 10% intraday. On the economic front, U.S. private payrolls increased less than expected in October, providing an early sign of a slowdown in economic activity as fiscal stimulus diminishes and new COVID-19 infections surge across the country. Private payrolls increased by 365,000 jobs last month, the ADP National Employment Report showed. Economists polled by Reuters had forecast private payrolls would rise by 650,000 in October.

In Canada, exports and imports rose in September, though both remain below pre-pandemic levels, while the country's trade deficit widened more than expected. The trade deficit widened to C\$3.25 billion. On the bright side, the rise in overall trade activity bodes well for the economy in September. Imports rose by 1.5%, mainly on higher crude oil imports, while exports were up 1.5%, led by lumber and aircraft.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Finning International Inc	\$22.39	\$2.33	11.62%
ATS Automation Tooling Systems Inc	\$18.80	\$1.71	10.01%
Intact Financial Corp	\$147.75	\$8.80	6.33%
Parkland Corp	\$35.82	\$1.96	5.79%
Lightspeed POS Inc	\$45.45	\$2.44	5.67%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Aurora Cannabis Inc	\$5.82	-\$0.60	-9.35%
Cronos Group Inc	\$7.28	-\$0.69	-8.66%
Canopy Growth Corp	\$24.95	-\$1.96	-7.28%
Cameco Corp	\$11.92	-\$0.87	-6.80%
First Majestic Silver Corp	\$13.75	-\$0.86	-5.89%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	66.72	0.04	0.06%	-54.29%
MATERIALS	326.5	-6.82	-2.05%	21.65%
UTILITIES	307.78	-1.03	-0.33%	6.58%
FINANCIALS	269.03	2.24	0.84%	-14.72%
INDUSTRIALS	304.93	-2.49	-0.81%	6.63%
HEALTH CARE	50.12	-0.87	-1.71%	-34.42%
CONS. DISCRETIONARY	196.69	-0.17	-0.09%	-2.18%
CONS. STAPLES	646.77	6.45	1.01%	4.46%
INFO TECH.	162	6.20	3.98%	37.37%
COMMUNICATION SVCS	155.98	2.18	1.42%	-12.96%
REAL ESTATE	282.72	3.92	1.41%	-18.39%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.27%	0.39%	0.61%	1.20%
U.S. (YLD%)	0.15%	0.33%	0.77%	1.55%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$39.14	\$1.480	3.93%	-35.94%
NATURAL GAS	\$3.06	\$0.001	0.03%	39.79%
GOLD	\$1,902.20	-\$6.300	-0.33%	25.19%
COPPER	\$3.10	\$0.012	0.39%	10.92%
CAD / USD	\$0.7610	\$0.0001	0.01%	-1.17%
CAD / EUR	€0.6490	€0.0002	0.03%	-5.48%
USD / EUR	€0.8529	€0.0002	0.02%	-4.35%
USD / JPY	¥104.52	¥0.04	0.04%	-3.77%

Source: Refinitiv



- 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.