

Market Review



INVESTING

June 3, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	34,577.04	-23.34	-0.07%	35091.56	24843.18	12.97%
S&P 500	4,192.82	-15.30	-0.36%	4238.04	2965.66	11.63%
NASDAQ COMPOSITE	13,614.51	-141.82	-1.03%	14211.57	9403.00	5.63%
S&P/TSX COMPOSITE	19,941.39	-29.76	-0.15%	20043.08	14934.71	14.39%
STOXX EUROPE 50	3,471.79	-4.12	-0.12%	3483.27	2671.44	11.69%
FTSE 100	7,064.35	-43.65	-0.61%	7164.18	5525.52	9.35%
DAX PERFORMANCE-INDEX TR	15,632.67	29.96	0.19%	15685.40	11450.08	13.95%
CAC40	6,507.92	-13.60	-0.21%	6522.23	4512.57	17.23%
Nikkei 225 Index	29,058.11	111.97	0.39%	30714.52	21529.83	5.88%
HANG SENG INDEX	28,966.03	-331.59	-1.13%	31183.36	23124.25	6.37%
Shanghai SE Composite Index	3,584.21	-12.93	-0.36%	3731.69	2872.62	3.20%

Market Review

Inflation Worries Impact Market but Economic Comeback Help

Markets seasawed on Thursday as a raft of upbeat data fanned fears of rising inflation, eclipsing reports that President Joe Biden has offered to scrap his proposed corporate tax hike. Major stock indexes pared some losses after reports of the major concession by the Democratic president. Biden's offer came amid talks with Republicans on an infrastructure package. The strong data could force the Federal Reserve to pare back its crisis support sooner than expected, despite central bank officials' reassurances to the contrary. Adding to fears over easing support was the Fed's announcement on Wednesday that it will wind down its emergency corporate credit facility. European stocks pared losses on Thursday as upbeat eurozone business growth data and strong U.S. jobs data lifted sentiment on a dull day of trading, while rating actions and ex-dividend trading knocked UK shares lower.

In economic news, the number of Americans filing new claims for unemployment benefits dropped below 400,000 last week for the first time since the COVID-19 pandemic started more than a year ago, pointing to a strengthening labor market despite a worker shortage that is limiting hiring. Initial claims for state unemployment benefits totaled a seasonally adjusted 385,000 for the week ended May 29, compared to 405,000 in the prior week. That was the lowest since mid-March 2020, when mandatory closures of nonessential businesses were enforced to slow the first wave of coronavirus infections. Economists had forecast 390,000 applications for the latest week. Another report on Thursday showed U.S. worker productivity rebounded solidly in the first quarter, also noting that labor costs grew instead of contracting as previously reported. Nonfarm productivity, which measures hourly output per worker, increased at an unrevised 5.4% annualized rate last quarter, the Labor Department said. Productivity fell at a 3.8% rate in the fourth quarter. Economists polled had expected productivity would be raised to a 5.5% rate. Euro zone business activity surged in May as the easing of some coronavirus related restrictions injected life into the bloc's dominant services industry, a survey showed, echoing data on Tuesday which showed factories had their best month on record. That meant IHS Markit's final composite Purchasing Managers' Index (PMI), seen as a good gauge of economic health, jumped to 57.1 last month from April's 53.8, its highest level since February 2018. Britain's services sector recorded the biggest jump in activity in 24 years last month, after pubs and restaurants were allowed to resume serving customers indoors following months of lockdown, according to a closely watched business survey.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Canaccord Genuity Group Inc	\$14.14	\$0.81	6.08%
Descartes Systems Group Inc	\$74.70	\$4.23	6.00%
BlackBerry Ltd	\$19.12	\$0.87	4.77%
Tilray Inc	\$23.87	\$1.05	4.60%
Intact Financial Corp	\$169.02	\$5.39	3.29%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Aurinia Pharmaceuticals Inc	\$15.51	-\$1.19	-7.13%
Real Matters Inc	\$15.81	-\$1.13	-6.67%
Saputo Inc	\$39.31	-\$2.74	-6.52%
New Gold Inc	\$2.50	-\$0.17	-6.37%
Fortuna Silver Mines Inc	\$8.07	-\$0.49	-5.72%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	137.23	0.04	0.03%	50.79%
MATERIALS	334.46	-7.59	-2.22%	4.32%
UTILITIES	324.38	1.36	0.42%	1.53%
FINANCIALS	373.1	1.60	0.43%	21.82%
INDUSTRIALS	353.48	0.60	0.17%	7.50%
HEALTH CARE	75.23	0.17	0.23%	25.07%
CONS. DISCRETIONARY	275.04	0.95	0.35%	17.97%
CONS. STAPLES	688.23	-3.15	-0.46%	8.77%
INFO TECH.	192.04	0.44	0.23%	5.31%
COMMUNICATION SVCS	189.8	0.79	0.42%	15.92%
REAL ESTATE	347.13	-1.01	-0.29%	16.31%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.33%	0.92%	1.52%	2.04%
U.S. (YLD%)	0.16%	0.84%	1.63%	2.30%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$68.89	\$0.060	0.09%	42.19%
NATURAL GAS	\$3.06	-\$0.014	-0.46%	20.56%
GOLD	\$1,871.90	-\$35.600	-1.87%	-1.10%
COPPER	\$4.46	-\$0.136	-2.95%	26.99%
CAD / USD	\$0.8262	-\$0.0046	-0.55%	5.15%
CAD / EUR	€0.6809	€0.0006	0.09%	5.91%
USD / EUR	€0.8243	€0.0055	0.67%	0.73%
USD / JPY	¥110.27	¥0.73	0.67%	6.78%

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.