

# Market Review



INVESTING

July 8, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	34,421.93	-259.86	-0.75%	35091.56	25523.51	12.47%
S&P 500	4,320.82	-37.31	-0.86%	4361.88	3115.70	15.04%
NASDAQ COMPOSITE	14,559.79	-105.28	-0.72%	14755.33	10182.46	12.97%
S&P/TSX COMPOSITE	20,061.21	-229.39	-1.13%	20381.70	15391.73	15.07%
STOXX EUROPE 50	3,490.91	-57.35	-1.62%	3585.66	2671.44	12.31%
FTSE 100	7,030.66	-120.36	-1.68%	7217.54	5525.52	8.82%
DAX PERFORMANCE-INDEX TR	15,420.64	-272.07	-1.73%	15802.67	11450.08	12.41%
CAC40	6,396.73	-130.99	-2.01%	6687.29	4512.57	15.23%
Nikkei 225 Index	28,118.03	-248.92	-0.88%	30714.52	21710.00	2.46%
HANG SENG INDEX	27,153.13	-807.49	-2.89%	31183.36	23124.25	-0.29%
Shanghai SE Composite Index	3,525.50	-28.21	-0.79%	3731.69	3174.66	1.51%

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### Global equities tumble and bonds rally on growth concerns

U.S. Treasuries led a broad-based global bond rally on Thursday on mounting concerns about the prospects for the economic recovery. U.S. 10-year Treasury yields slid for the eighth consecutive session, falling to their lowest levels since early 2021, as traders covered short-positions in the bond market. Peak growth fears following recent data, falling inflation expectations, and rising cases of the more virulent COVID-19 delta variant globally were the primary drivers of the risk-off sentiment. This morning Japan extended its state of emergency for Tokyo through the Olympics and banned spectators for the games due to the spread of the delta variant. Meanwhile, Beijing's regulatory crackdown on the technology sector and concerns about China's economy softening after policymakers guided towards rate cuts to support the real economy also pressured risk assets. In the U.S., minutes of the Federal Reserve's June meeting released on Wednesday showed the Fed officials felt a U.S. recovery had a long way to go and they may not be ready yet to move on tightening policy. Furthermore, recent labour market and services data has suggested some underlying weakness in the U.S. economy may be emerging. Today's economic data showed that the number of Americans filing for unemployment benefits unexpectedly rose last week. Weekly jobless claims rose by 2,000 to 373,000 last week, versus economist expectations of a decline to 350,000. The Labor Department also revised the previous week's number upward by about 2%. Continuing claims declined 145,000 to 3.339 million last week.

Global equity markets tumbled, spooked by the sharp moves in the bond market. U.S. major indices plunged more than 1.5%, before paring losses. Losses were broad-based with economically sensitive cyclical stocks as well as growth stocks under pressure. All of the main sectors on the S&P500 traded in the red, with financials, industrials, materials, and technology the weakest performing sectors. The consumer discretionary outperformed the broader market, boosted by strength in Amazon and Tesla. Amazon rose to hit a record intraday high after the company announced that its Prime Video will offer live action movies from Comcast Corp's Universal Pictures four months after their streaming debut on Comcast's Peacock.

Canada's TSX Composite Index posted its biggest drop in over four months. The heavily weighted financials sector was the biggest drag on the index, pressured by falling bond yields. The materials sector slid, as base metals and precious metals producers tracked commodity prices lower. The energy sector fell despite the rebound in crude oil prices after a report from the U.S. EIA data showed a much bigger drop than expected in crude and gasoline inventories last week. There was no domestic economic data on today's calendar, but investors await tomorrow's employment report for June, which could provide clues on the Bank of Canada's policy outlook.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Parex Resources Inc	\$21.80	\$1.11	5.36%
Canfor Corp	\$28.77	\$0.90	3.23%
Richelieu Hardware Ltd	\$40.79	\$1.14	2.88%
Interfor Corp	\$31.26	\$0.82	2.69%
Aurinia Pharmaceuticals Inc	\$15.54	\$0.38	2.51%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Canadian Pacific Railway Ltd	\$91.27	-\$5.52	-5.70%
Denison Mines Corp	\$1.37	-\$0.07	-4.86%
MAG Silver Corp	\$25.36	-\$1.29	-4.84%
Nexgen Energy Ltd	\$4.99	-\$0.24	-4.59%
Westport Fuel Systems Inc	\$5.80	-\$0.26	-4.29%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	135.25	-0.61	-0.45%	48.61%
MATERIALS	316.17	-5.01	-1.56%	-1.39%
UTILITIES	333.44	0.06	0.02%	4.36%
FINANCIALS	365.18	-5.19	-1.40%	19.23%
INDUSTRIALS	351.87	-5.70	-1.59%	7.01%
HEALTH CARE	69.08	-0.11	-0.16%	14.85%
CONS. DISCRETIONARY	267.1	-2.63	-0.98%	14.56%
CONS. STAPLES	694.03	7.02	1.02%	9.68%
INFO TECH.	215.15	-2.91	-1.33%	17.98%
COMMUNICATION SVCS	194.05	0.00	0.00%	18.51%
REAL ESTATE	365.6	0.04	0.01%	22.50%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.48%	0.90%	1.26%	1.74%
U.S. (YLD%)	0.19%	0.74%	1.29%	1.92%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$73.16	\$0.960	1.33%	51.00%
NATURAL GAS	\$3.69	\$0.090	2.50%	45.18%
GOLD	\$1,799.00	-\$2.500	-0.14%	-4.95%
COPPER	\$4.27	-\$0.059	-1.35%	21.48%
CAD / USD	\$0.7975	-\$0.0037	-0.46%	1.50%
CAD / EUR	€0.6732	-€0.0061	-0.90%	4.71%
USD / EUR	€0.8441	-€0.0039	-0.46%	3.15%
USD / JPY	¥109.76	-¥0.89	-0.80%	6.28%

Source: Refinitiv



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