

Market Review



INVESTING

June 10, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	34,466.24	19.10	0.06%	35091.56	24843.18	12.61%
S&P 500	4,239.18	19.63	0.47%	4238.04	2965.66	12.86%
NASDAQ COMPOSITE	14,020.33	108.58	0.78%	14211.57	9403.00	8.78%
S&P/TSX COMPOSITE	20,049.47	47.20	0.24%	20106.20	14934.71	15.01%
STOXX EUROPE 50	3,519.12	8.54	0.24%	3528.16	2671.44	13.22%
FTSE 100	7,088.18	7.17	0.10%	7164.18	5525.52	9.72%
DAX PERFORMANCE-INDEX TR	15,571.22	-9.92	-0.06%	15732.06	11450.08	13.50%
CAC40	6,546.49	-16.96	-0.26%	6574.59	4512.57	17.92%
Nikkei 225 Index	28,958.56	97.76	0.34%	30714.52	21529.83	5.52%
HANG SENG INDEX	28,738.88	-3.75	-0.01%	31183.36	23124.25	5.54%
Shanghai SE Composite Index	3,610.86	19.46	0.54%	3731.69	2872.62	3.97%

Market Review

Stocks rally as investors shrug off hotter than expected U.S. CPI data

The U.S. major averages rose on Thursday as investors shrugged off hotter than expected U.S. inflation data, that was not seen as enough to change the Federal Reserve's stance that higher inflation will be transitory or alter its monetary policy. U.S. Treasury yields initially jumped following the release of the CPI data, before pulling back to trade flat. Upbeat comments from European Central Bank president Christine Lagarde on transitory euro zone inflation and improving economic trends also helped support sentiment. The S&P500 rose to hit a record intraday high, as investors rotated into technology stocks and counter-cyclical sectors like health care, consumer staples and real estate. While the turnaround in U.S. Treasury yields benefitted growth related technology stocks, it weighed on the interest rate sensitive financials sector, which was the worst performing sector on the S&P500. The industrials sector underperformed the broader market, as talks over an infrastructure spending package were deadlocked in the U.S. Senate. The Nasdaq outperformed, boosted by strength in mega cap FAANG stocks, Microsoft and Tesla. The one exception was Apple, which declined on no news.

The strong momentum in the U.S. economy as it reopens has led to increasing price pressures as pent-up demand is running up against tight supply of input materials and labour. Today's data showed the U.S. consumer price index rose 0.6% in May, after climbing 0.8% in April, stronger than consensus expectations for a 0.5% print. The core CPI rose 0.7%, also beating consensus expectations. Year-on-year headline inflation clocked in at a 13-year high of 5.0%, while core CPI climbed from 3.0% to 3.8%, the highest level since June 1992. A separate report showed that the number of Americans filing for jobless claims fell less than expected last week. Initial jobless claims fell 9,000 last week to 376,000, the lowest level in nearly 15 months. Economists' forecasts were for 370,000 claims. Jobless claims have declined for six consecutive weeks. Further decreases in applications are likely as Republican governors in at least 25 states, including Texas and Florida, are cutting off emergency supplements funded by the federal government starting on Saturday, as businesses say the programs are discouraging the unemployed from seeking work. Investors' focus will turn towards the Fed's monetary policy meeting next week for more clues about the central bank's stance on tapering its massive stimulus.

Canada's TSX Composite Index rose on Thursday, led by gains in the materials sector. The materials sector was lifted by strength in precious metals stocks, as gold prices rose following the U.S. CPI report. Base metals stocks also traded higher, despite the pullback in copper prices as China stepped up efforts to curb surging base metals prices which have raised input costs for manufacturers. Healthcare was the worst performing sector, pressured by losses in marijuana stocks.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Denison Mines Corp	\$1.70	\$0.11	6.92%
Transcontinental Inc	\$25.73	\$1.54	6.37%
New Gold Inc	\$2.64	\$0.14	5.60%
Kinaxis Inc	\$142.84	\$7.15	5.27%
Dundee Precious Metals Inc	\$8.63	\$0.41	4.99%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
AcuityAds Holdings Inc	\$12.80	-\$1.17	-8.38%
BlackBerry Ltd	\$16.81	-\$1.49	-8.14%
Tilray Inc	\$24.23	-\$1.77	-6.81%
Westport Fuel Systems Inc	\$6.79	-\$0.49	-6.73%
Trillium Therapeutics Inc	\$11.73	-\$0.47	-3.85%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	139.62	0.46	0.33%	53.41%
MATERIALS	341.91	5.04	1.50%	6.64%
UTILITIES	330.16	1.80	0.55%	3.34%
FINANCIALS	369.01	-0.89	-0.24%	20.49%
INDUSTRIALS	353.44	0.64	0.18%	7.48%
HEALTH CARE	76.22	-1.84	-2.36%	26.72%
CONS. DISCRETIONARY	271.37	-0.13	-0.05%	16.39%
CONS. STAPLES	688.7	3.63	0.53%	8.84%
INFO TECH.	195	0.49	0.25%	6.93%
COMMUNICATION SVCS	189.88	-0.33	-0.17%	15.96%
REAL ESTATE	354.55	1.30	0.37%	18.80%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.32%	0.82%	1.38%	1.94%
U.S. (YLD%)	0.15%	0.72%	1.44%	2.14%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$70.16	\$0.200	0.29%	44.81%
NATURAL GAS	\$3.15	\$0.024	0.77%	24.18%
GOLD	\$1,899.80	\$6.600	0.35%	0.38%
COPPER	\$4.48	-\$0.053	-1.17%	27.54%
CAD / USD	\$0.8269	\$0.0013	0.16%	5.24%
CAD / EUR	€0.6793	€0.0016	0.24%	5.66%
USD / EUR	€0.8214	€0.0005	0.06%	0.38%
USD / JPY	¥109.33	-¥0.28	-0.26%	5.87%

Source: Refinitiv



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