

# Market Review



INVESTING

June 16, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	34,033.67	-265.66	-0.77%	35091.56	24971.03	11.20%
S&P 500	4,223.70	-22.89	-0.54%	4257.16	2999.74	12.45%
NASDAQ COMPOSITE	14,039.68	-33.17	-0.24%	14211.57	9663.61	8.93%
S&P/TSX COMPOSITE	20,230.96	-0.36	0.00%	20269.90	15144.42	16.05%
STOXX EUROPE 50	3,576.03	10.78	0.30%	3582.62	2671.44	15.05%
FTSE 100	7,184.95	12.47	0.17%	7217.54	5525.52	11.21%
DAX PERFORMANCE-INDEX TR	15,710.57	-18.95	-0.12%	15802.67	11450.08	14.52%
CAC40	6,652.65	13.13	0.20%	6659.38	4512.57	19.84%
Nikkei 225 Index	29,291.01	-150.29	-0.51%	30714.52	21710.00	6.73%
HANG SENG INDEX	28,436.84	-201.69	-0.70%	31183.36	23124.25	4.43%
Shanghai SE Composite Index	3,518.33	-38.23	-1.07%	3731.69	2919.04	1.30%

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### Fed signals rate hikes for 2023.

The Federal Reserve brought forward its projections for the first post-pandemic interest rate hikes into 2023 instead of 2024, citing an improved health situation and dropping a longstanding reference that the crisis was weighing on the economy. The majority of central bank officials are now expecting at least two quarter-percentage-point rate increases for 2023. That rate-hike view, coupled with a new forecast for three years of inflation running above the central bank's 2% target, suggests concerns about overheating have risen sharply inside the Fed's policy-setting committee. The Fed reiterated its promise to await "substantial further progress" before beginning to shift to policies less tuned to the pandemic and more to a fully open economy. The new language does not mean a change in policy is imminent. The Fed today held its benchmark short-term interest rate near zero and said it will continue to buy \$120 billion in bonds each month to fuel the economic recovery. The new economic projections from the Fed are for overall economic growth to hit 7%. Together, all these updated projections were indicative of a recovery moving faster than anticipated. Fed officials remain far from their goal of restoring maximum employment, the U.S. economy is still about 7.5 million jobs short of where it stood at the onset of the pandemic. But, the Fed attributed the employment shortfall more to logistical issues around workers returning to jobs, factors which they cannot easily change, than the strength of the economy as there was roughly one job opening for every unemployed person as of May. U.S. stocks dropped and bond yields rose after the release of the statement.

In Canada, the main stock index remained unchanged today. Locally, inflation in May accelerated at its fastest pace in a decade for a second month in a row, driven by surging shelter and vehicle prices, as the impact of the statistical comparison to tanking prices last year eased. Canada's annual inflation rate accelerated to 3.6%, from 3.4% in April. Shelter prices rose 4.2% in May, the largest jump since 2008 as the homeowners' replacement cost index rose 11.3%, the largest yearly increase since 1987. The jump in inflation comes as many Canadian provinces continued to face shutdowns in May amid a harsh third wave of COVID-19 infections. Most regions have now just begun to reopen. The Bank of Canada targets the 2% mid-point of a 1-3% inflation control range. It expects inflation to stay around 3% through the summer before easing later in the year.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Denison Mines Corp	\$1.80	\$0.10	5.88%
Cascades Inc	\$14.84	\$0.55	3.85%
Shopify Inc	\$1,670.47	\$58.36	3.62%
Aurinia Pharmaceuticals Inc	\$15.46	\$0.44	2.93%
ECN Capital Corp	\$9.20	\$0.26	2.91%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
BlackBerry Ltd	\$15.77	-\$1.26	-7.40%
Kinross Gold Corp	\$8.68	-\$0.66	-7.07%
Linamar Corp	\$77.16	-\$2.83	-3.54%
Martinrea International Inc	\$13.19	-\$0.39	-2.87%
Ero Copper Corp	\$25.53	-\$0.71	-2.71%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	142.4	-1.98	-1.37%	56.47%
MATERIALS	329.83	-2.79	-0.84%	2.87%
UTILITIES	331.91	-0.72	-0.22%	3.88%
FINANCIALS	373.95	2.07	0.56%	22.10%
INDUSTRIALS	353.58	-2.86	-0.80%	7.53%
HEALTH CARE	72.73	-0.37	-0.51%	20.91%
CONS. DISCRETIONARY	271.3	-2.91	-1.06%	16.36%
CONS. STAPLES	685.87	-4.78	-0.69%	8.39%
INFO TECH.	202.23	0.44	0.22%	10.90%
COMMUNICATION SVCS	190.68	-0.52	-0.27%	16.45%
REAL ESTATE	355.48	0.48	0.14%	19.11%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.37%	0.93%	1.44%	1.95%
U.S. (YLD%)	0.21%	0.90%	1.58%	2.21%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$71.66	-\$0.460	-0.64%	47.91%
NATURAL GAS	\$3.25	\$0.006	0.19%	27.85%
GOLD	\$1,809.20	-\$45.300	-2.44%	-4.41%
COPPER	\$4.31	-\$0.031	-0.71%	22.57%
CAD / USD	\$0.8145	\$0.0002	0.02%	3.67%
CAD / EUR	€0.6789	€0.0000	0.00%	5.60%
USD / EUR	€0.8335	-€0.0002	-0.02%	1.86%
USD / JPY	¥110.65	-¥0.04	-0.04%	7.15%

Source: Refinitiv



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