

# Market Review



INVESTING

August 6, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	35,208.51	144.26	0.41%	35192.11	26143.77	15.04%
S&P 500	4,436.52	7.42	0.17%	4429.97	3209.45	18.12%
NASDAQ COMPOSITE	14,835.76	-59.36	-0.40%	14896.48	10519.49	15.11%
S&P/TSX COMPOSITE	20,475.42	99.94	0.49%	20434.01	15418.46	17.45%
STOXX EUROPE 50	3,612.96	-1.02	-0.03%	3618.82	2671.44	16.24%
FTSE 100	7,122.95	2.52	0.04%	7217.54	5525.52	10.25%
DAX PERFORMANCE-INDEX TR	15,761.45	16.78	0.11%	15810.68	11450.08	14.89%
CAC40	6,816.96	35.77	0.53%	6788.69	4512.57	22.80%
Nikkei 225 Index	27,820.04	91.92	0.33%	30714.52	22204.61	1.37%
HANG SENG INDEX	26,179.40	-25.29	-0.10%	31183.36	23124.25	-3.86%
Shanghai SE Composite Index	3,458.23	-8.32	-0.24%	3731.69	3202.34	-0.43%

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### Robust U.S. jobs data boosts expectations for Fed to unwind stimulus

The U.S. major averages traded mixed following the release of stronger than expected employment data on Friday. The Dow Jones Industrial Average and the S&P 500 rose, hitting record highs, led by gains in the economically sensitive cyclical sectors. The Nasdaq fell as growth stocks struggled amid higher long-term U.S. Treasury yields, as the robust jobs report boosted expectations that the Federal Reserve could start unwinding its stimulus program sooner than previously expected. Financials was the top performing sector on the S&P500 supported by higher Treasury yields. Consumer discretionary sector was the weakest performing sector on the S&P500 pressured by losses in Tesla and Amazon. Investor focus was on the closely watched U.S. employment report. U.S. nonfarm payrolls increased by 943,000 jobs in July, stronger than the 870,000 print expected by consensus, pointing to a steady recovery in the labor market as pandemic restrictions eased. Adding to the good news, the prior months' results were upgraded by a sizeable 119,000. Employment is now 5.7 million jobs below its pre-pandemic peak in February 2020. The unemployment rate fell to 5.4%, the lowest level since March 2020, from 5.9% in June. The report also showed strong wage gains, as employers competed for scarce workers. Average hourly earnings rose 0.4% last month, and were up 4.0% on a year on year basis. Focus now turns to a meeting of Federal Reserve leaders in Jackson Hole, Wyoming, later this month to discuss policy and decide future stimulus strategy.

Canada's TSX Composite Index rose on Friday, hitting an all-time high, as investors shrugged off disappointing domestic employment data. Nine of the 11 main sectors on the TSX traded firmly in the green, led by gains in the financials sector amid higher bond yields. The energy sector rose, despite weaker crude oil prices. The materials sector was the biggest drag on the TSX, pressured by losses in precious metals producers as gold prices slid 2.5% following the U.S. jobs report. In earnings news, Westport Fuel Systems and Gildan Activewear jumped after posting better than expected quarterly results. Meanwhile Ritchie Brothers Auctioneers tumbled after its revenue missed analyst expectations. Economic data showed that Canadian employment continued to rebound in July, however, the 94,000 jobs added was below the consensus forecast for 177,500 jobs. July's jobs gains, combined with an unchanged labour force participation rate (65.2%), resulted in a drop in the unemployment rate from 7.8% to 7.5%, just above economist expectations of 7.4%. Most of the gains were in full time work and were concentrated in the services sector. Many of the job gains were among youth and women aged 25-54. Total household employment now stands 1.3% below its pre-pandemic peak in February 2020. Separate data showed that Canadian economic activity expanded at a slower pace in July, as employment fell, and supplier deliveries slowed. The Ivey PMI index fell to its lowest level since January at 56.4, from 71.9 in June.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Westport Fuel Systems Inc	\$6.30	\$1.37	27.79%
Lithium Americas Corp	\$18.57	\$0.92	5.21%
goeasy Ltd	\$180.22	\$8.63	5.03%
Gildan Activewear Inc	\$45.84	\$1.67	3.78%
First Quantum Minerals Ltd	\$26.33	\$0.88	3.46%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Spin Master Corp	\$46.44	-\$3.63	-7.25%
Russel Metals Inc	\$34.20	-\$1.83	-5.08%
Badger Infrastructure Solutions Ltd	\$33.13	-\$1.77	-5.07%
Ero Copper Corp	\$23.74	-\$0.96	-3.89%
Parex Resources Inc	\$18.65	-\$0.70	-3.62%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	122.8	1.24	1.02%	34.93%
MATERIALS	318.1	-0.83	-0.26%	-0.79%
UTILITIES	338.71	-0.48	-0.14%	6.01%
FINANCIALS	379.81	4.52	1.20%	24.01%
INDUSTRIALS	364.9	0.53	0.15%	10.97%
HEALTH CARE	63.31	0.63	1.01%	5.25%
CONS. DISCRETIONARY	269.38	0.96	0.36%	15.54%
CONS. STAPLES	740.82	3.66	0.50%	17.08%
INFO TECH.	225.25	0.65	0.29%	23.52%
COMMUNICATION SVCS	193.6	0.52	0.27%	18.24%
REAL ESTATE	373.5	2.11	0.57%	25.15%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.48%	0.89%	1.24%	1.76%
U.S. (YLD%)	0.21%	0.77%	1.30%	1.95%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$68.11	-\$0.980	-1.42%	40.58%
NATURAL GAS	\$4.13	-\$0.010	-0.24%	62.66%
GOLD	\$1,758.70	-\$46.400	-2.57%	-7.08%
COPPER	\$4.34	-\$0.004	-0.08%	23.51%
CAD / USD	\$0.7961	-\$0.0032	-0.40%	1.32%
CAD / EUR	€0.6771	€0.0018	0.27%	5.32%
USD / EUR	€0.8505	€0.0056	0.66%	3.93%
USD / JPY	¥110.21	¥0.47	0.43%	6.72%

Source: Refinitiv



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