

Market Review



INVESTING

August 26, 2021

EQUITY INDICES	LAST	CHANGE	%CHG	52 WK-HIGH	52 WK-LOW	YTD
DOW JONES INDUSTRIAL AVERAGE	35,213.12	-192.38	-0.54%	35631.19	26143.77	15.05%
S&P 500	4,470.00	-26.19	-0.58%	4501.71	3209.45	19.01%
NASDAQ COMPOSITE	14,945.81	-96.05	-0.64%	15059.43	10519.49	15.96%
S&P/TSX COMPOSITE	20,504.15	-83.17	-0.40%	20612.41	15418.46	17.61%
STOXX EUROPE 50	3,611.89	-9.10	-0.25%	3666.47	2671.44	16.20%
FTSE 100	7,124.98	-25.14	-0.35%	7224.46	5525.52	10.28%
DAX PERFORMANCE-INDEX TR	15,793.62	-67.04	-0.42%	16030.33	11450.08	15.12%
CAC40	6,666.03	-10.45	-0.16%	6913.67	4512.57	20.08%
Nikkei 225 Index	27,742.29	17.49	0.06%	30714.52	22594.79	1.09%
HANG SENG INDEX	25,415.69	-278.26	-1.08%	31183.36	23124.25	-6.67%
Shanghai SE Composite Index	3,501.66	-38.72	-1.09%	3731.69	3202.34	0.82%

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U.S. stocks fall as Fed hawks raise taper fears

The U.S. major averages fell on Thursday as hawkish commentary from several U.S. Federal Reserve officials raised fears of a faster tapering of the central bank's bond purchase program, and as reports of two explosions in Afghanistan weighed on sentiment. Kansas City Fed President Esther George told Fox Business that the Fed should start trimming its monthly bond purchases "sooner rather than later". St. Louis Fed President James Bullard told CNBC that "we probably don't need asset purchases at this point" and that the Fed is "coalescing" around a plan to begin reducing its \$120 billion in monthly bond purchases. Dallas Fed President Robert Kaplan reiterated his view that the Fed should announce its plan after the September meeting, with tapering to begin in October or "shortly thereafter". These comments come ahead of the highly anticipated speech by Fed Chairman Jerome Powell at the Jackson Hole symposium on Friday. Powell is widely expected to signal when the central bank could start unwinding its monetary stimulus. Meanwhile, today's data showed the U.S. economy grew a bit faster than initially reported in the second quarter, lifting GDP 0.8% above its pre-pandemic peak, on stronger consumer spending than first estimated. GDP grew 6.6% in the second quarter, revised up from the initial 6.5% print, slightly below consensus expectations for 6.7% growth. A separate report showed weekly jobless claims increased 4,000 to a seasonally adjusted 353,000 last week, versus economists forecast of 350,000 claims.

Ten of the 11 main sectors on the S&P500 traded in the red, with energy, consumer staples and consumer discretionary the biggest drags on the index. The defensive oriented real estate sector outperformed the broader market. Investors also digested a mixed batch of earnings reports. Among earnings driven moves, Coty surged after a revenue beat and after the cosmetics maker forecast a return to annual sales growth. Williams Sonoma jumped on top and bottom line beat and new stock buyback plan. In the technology space, NetApp, Snowflake, Salesforce.com and Analog Devices rose after reporting quarterly results. On the flip side, discount retailers Dollar General and Dollar Tree dropped after cutting their full year profit forecasts. Apparel retailers Abercrombie & Fitch and Burlington stores plunged after disappointing results.

After four straight sessions of gains, Canada's TSX Composite Index took a breather on Thursday, pulling back from record highs, as investors were cautious ahead of Fed Chair Powell's speech tomorrow. The energy sector reversed early losses despite falling oil prices, and was among the top performers on the TSX. The financials sector was the biggest drag on the index, despite Canadian Imperial Bank of Commerce and Toronto-Dominion Bank reporting better than expected third quarter profits. On Wednesday Canada's ruling Liberal Party said if re-elected on September 20th, it would hike the corporate tax rate for the most profitable banks and insurers to 18% from 15% on all earnings over C\$1 billion and establish a special dividend to help pay for the cost of the COVID-19 recovery.

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
ARC Resources Ltd	\$8.45	\$0.39	4.84%
Tourmaline Oil Corp	\$32.82	\$1.25	3.96%
Seabridge Gold Inc	\$22.40	\$0.72	3.32%
Eldorado Gold Corp	\$10.91	\$0.29	2.73%
Nuvei Corp	\$153.53	\$3.44	2.29%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Lithium Americas Corp	\$22.53	-\$1.25	-5.26%
Intertape Polymer Group Inc	\$30.28	-\$0.82	-2.64%
Real Matters Inc	\$11.77	-\$0.30	-2.49%
Toronto-Dominion Bank	\$83.70	-\$2.05	-2.39%
Stelco Holdings Inc	\$48.70	-\$1.17	-2.35%

S&P/TSX INDUSTRY	LAST	CHANGE	%CHG	YTD
ENERGY	120.02	0.34	0.28%	31.88%
MATERIALS	308.54	-0.13	-0.04%	-3.77%
UTILITIES	340.2	0.69	0.20%	6.48%
FINANCIALS	382.78	-3.56	-0.92%	24.98%
INDUSTRIALS	369.31	1.71	0.47%	12.31%
HEALTH CARE	64.27	-0.71	-1.09%	6.85%
CONS. DISCRETIONARY	266.95	-2.00	-0.74%	14.50%
CONS. STAPLES	745.3	-1.40	-0.19%	17.79%
INFO TECH.	233.42	-1.49	-0.63%	28.00%
COMMUNICATION SVCS	196.37	0.44	0.22%	19.93%
REAL ESTATE	377.65	1.54	0.41%	26.54%

GOVERNMENT BONDS	2YR	5YR	10YR	30YR
CANADA (YLD%)	0.45%	0.88%	1.24%	1.78%
U.S. (YLD%)	0.24%	0.85%	1.35%	1.94%

COMMODITIES/ FX	LAST	CHANGE	%CHG	YTD
CRUDE OIL WTI	\$67.83	-\$0.530	-0.78%	40.00%
NATURAL GAS	\$4.19	\$0.297	7.62%	65.18%
GOLD	\$1,790.80	\$2.600	0.15%	-5.38%
COPPER	\$4.25	-\$0.020	-0.47%	20.75%
CAD / USD	\$0.7885	-\$0.0056	-0.71%	0.36%
CAD / EUR	€0.6706	-€0.0038	-0.56%	4.31%
USD / EUR	€0.8506	€0.0013	0.15%	3.95%
USD / JPY	¥110.01	¥0.02	0.02%	6.53%

Source: Refinitiv



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