

MAY 31, 2017

Canadian Monthly Highlights

- Manufacturing shipments rose in March in 16 of the 21 industry groups. Canada reached a new March record for nominal factory sales while overall volume sales are still lower than the post recession high of July 2014.
- Retail sales for March were up largely due to a 3.2% increase in auto sales. Excluding auto, sales declined 0.2%.
- Most export categories saw increases in April as exports rose by 1.9% and imports only rose by 0.6%. The increase in real exports has almost entirely been attributable to Energy as other sectors have struggled.
- In April we hit an all-time Energy real export record.
- Canadian housing starts declined to 214k (annualized) from a high of 252k recorded in March.
- Inflation numbers were soft in April, marking three consecutive months of inflation numbers falling below expectations.
- Employment numbers surprised with 55,000 jobs added in May versus 15,000 expected. Private sector numbers were far above expectations, registering the strongest gain in over two years.

Equity Index Total Returns (%)

	1 Mth	YTD	1 Yr.	5Yrs.
S&P/TSX Capped Composite	-1.3	1.5	12.3	9.1
S&P/TSX 60	-1.2	1.8	13.6	9.9
S&P/TSX SmallCap	-4.0	-4.6	8.7	4.6
S&P/TSX High Dividend Index	-1.4	1.4	14.2	8.2
BMO NB SmallCap (wtd)	-2.1	-1.2	12.5	5.7
Ethical Canadian Index	-0.6	2.2	15.8	11.0
FTSE/TMX Canada Universe Bond	0.9	3.6	3.0	3.5
FTSE/TMX 91 Day Tbill	0.0	0.2	0.5	0.8
FTSE/TMX High Yield Overall	0.8	4.5	16.2	6.4

Sources: TD Securities BMO NB, Bloomberg, and PC Bond

Bond Sector Returns (%) - FTSE/TMX Indices*

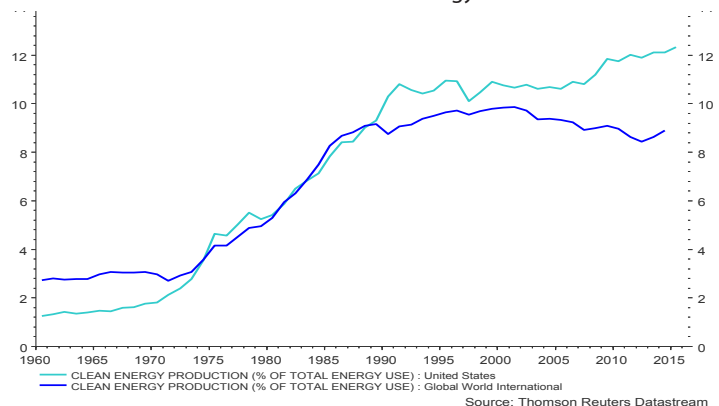
	1 Month	Short Term	Mid Term	Long Term
Federals		0.18	0.78	1.89
Provincials		0.25	0.87	2.12
Corporates		0.09	0.61	1.09

Source: PC Bond * Previously DEX.

S&P/TSX Composite Sector Total Returns (%)

	1 Mth	YTD	1 Yr.	5 Yrs.
Energy	-4.3%	-9.8%	4.4%	2.0%
Materials	-2.2%	3.4%	8.4%	-3.1%
Industrials	3.3%	11.4%	28.7%	17.9%
Consumer Discretionary	1.1%	12.6%	18.8%	19.7%
Consumer Staples	-0.5%	7.6%	9.2%	22.3%
Health Care	7.6%	-10.2%	-44.9%	-17.2%
Financials	-2.0%	0.0%	15.2%	14.2%
Information Technology	3.2%	14.3%	18.6%	21.8%
Telecommunication Services	-0.4%	10.5%	13.2%	14.2%
Utilities	2.0%	9.6%	14.5%	7.5%
Real Estate	0.2%	6.8%	6.8%	11.6%

Sources: TD Securities & Bloomberg

Sources of Energy


	P/E Ratio (Trailing 12 mth)	Dividend Yield %
S&P / TSX Composite	19.1	2.9

Source: CPMS

Stocks of Influence for the Month

Top Performers	Impact*(%)	Return**(%)
Cdn. National Railway Co.	0.22%	6.14%
Constellation Software Inc.	0.07%	11.89%
Franco Nevada Corp.	0.07%	8.65%

Bottom Performers	Impact*(%)	Return**(%)
Enbridge Inc.	-0.36%	-8.09%
Cdn. Natural Resources Ltd.	-0.24%	-10.44%
Bank of Montreal	-0.19%	-6.20%

Source: TD Securities *Impact of stock on the S&P/TSX Composite **Price Return

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