

JUNE 30, 2017

### Canadian Monthly Highlights

- Canadian Real GDP grew 0.2% in April, in line with expectations. The service sector continued a 20th consecutive month of expansions.
- Retail sales were up 0.8% versus expected gains of 0.3%. Excluding the decline in Auto sales, retail sales increased 1.5%.
- In real terms, Canadian imports were up 1.7% in May versus a 2.0% increase in exports. The actual trade deficit increased from April on a lower Canadian dollar and soft energy prices.
- Inflation was low again in May allowing the year-over-year inflation number to drop to 1.3%. Even accommodating for unusually low gasoline and food costs, inflation is exceptionally low.
- The 1.3% year-over-year inflation number is a 17-year low.
- Canadian employment numbers surged in May with 77,000 full time positions added, mostly in the private sector.
- Hours worked and slow wage growth remain weak points in the Canadian dataset, as wage growth overall has fallen to 1.1% year-over-year.

### Equity Index Total Returns (%)

	1 Mth	YTD	1 Yr.	5Yrs.
S&P/TSX Capped Composite	-0.8	0.7	11.0	8.7
S&P/TSX 60	-1.2	0.6	12.4	9.4
S&P/TSX SmallCap	0.5	-4.1	3.7	5.1
S&P/TSX High Dividend Index	0.1	1.4	13.6	8.1
BMO NB SmallCap (wtd)	0.1	-1.1	8.4	6.3
Ethical Canadian Index	-1.6	0.6	15.3	10.2
FTSE/TMX Canada Universe Bond	-1.2	2.4	0.0	3.3
FTSE/TMX 91 Day Tbill	0.0	0.2	0.4	0.8
FTSE/TMX High Yield Overall	0.5	5.0	15.0	6.6

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

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

	1 Month	Short Term	Mid Term	Long Term
Federals		-1.04	-2.54	-1.55
Provincials		-1.01	-2.17	-0.45
Corporates		-0.87	-2.07	-0.33

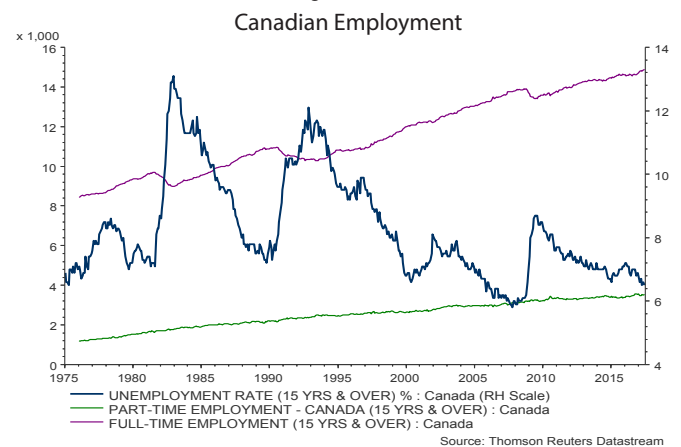
Source: PC Bond \* Previously DEX.

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

	1 Mth	YTD	1 Yr.	5 Yrs.
Energy	-4.0%	-13.3%	-1.6%	1.1%
Materials	-4.0%	-0.7%	-7.9%	-4.2%
Industrials	0.3%	11.7%	30.3%	17.6%
Consumer Discretionary	-0.3%	12.2%	24.1%	19.5%
Consumer Staples	-3.0%	4.4%	9.2%	21.2%
Health Care	13.6%	2.0%	-20.6%	-14.2%
Financials	2.5%	2.5%	21.1%	14.4%
Information Technology	-4.3%	9.4%	22.0%	22.0%
Telecommunication Services	-2.6%	7.6%	7.4%	12.8%
Utilities	0.5%	10.1%	10.4%	7.5%
Real Estate	-0.8%	6.0%	4.5%	10.9%

Sources: TD Securities &amp; Bloomberg



	P/E Ratio (Trailing 12 mth)	Dividend Yield %
S&P / TSX Composite	19.0	2.9

Source: CPMS

### Stocks of Influence for the Month

Top Performers	Impact*(%)	Return**(%)
Bank of Montreal	0.14%	5.02%
Bank of Nova Scotia	0.10%	2.35%
Manulife Financial Corp.	0.09%	4.20%

Bottom Performers	Impact*(%)	Return**(%)
Suncor Energy Inc.	-0.35%	-10.38%
Cenovus Energy Inc.	-0.12%	-20.66%
BCE Inc.	-0.12%	-4.59%

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