

JUNE 30, 2020

Canadian Monthly Highlights

- The S&P/TSX Composite Total Return Index rose a further 2.5% in June, closing its best quarterly performance in 11 years.
- Canada's real gross domestic product collapsed by a record 11.6% on a month-over-month basis in April, building on March's 7.5% plunge as the COVID-19-induced shutdowns of activity generated a historic hit to the domestic economy.
- Canadian employment unexpectedly increased by 289,600 in May as lockdowns eased in the month but the unemployment rate did edge higher to 13.7% as a jump in labour force participation outpaced the job gains.
- Canada's consumer price index rose 0.3% on a month-over-month basis in May, however, the 12-month consumer inflation rate still declined to -0.4% from -0.2% in April. The measures of core inflation posted more modest declines, though they still moved further below the 2% midpoint of the Bank of Canada's target range.
- The Bank of Canada left its policy interest rate target and bond purchase programs unchanged at its meeting in early June but decided to scale back its intervention in short-term funding markets as the central bank viewed that conditions had improved.

Index Total Returns (%)

	1 Mth	YTD	1 Yr.	5Yrs.
S&P/TSX Capped Composite	2.5	-7.5	-2.2	4.5
S&P/TSX 60	2.2	-6.3	-1.4	5.2
S&P/TSX SmallCap	5.6	-14.3	-10.1	-0.2
S&P/TSX High Dividend Index	0.1	-21.3	-14.4	1.4
Jantzi Social Index	2.3	-12.8	-10.3	3.5
FTSE Canada Universe Bond	1.7	7.5	7.9	4.2
FTSE Canada 91 Day T-Bill	0.0	0.8	1.6	1.0
FTSE Canada High Yield Overall Bond	3.4	-2.1	1.3	5.2

Sources: Bloomberg Finance L.P., BMO Capital Markets, FTSE Bond Analytics, TD Securities

Bond Sector Returns (%) - FTSE Indices

	1 Month	Short Term	Mid Term	Long Term
Federals		0.1	0.2	2.0
Provincials		0.4	0.8	3.5
Corporates		1.2	2.6	4.9

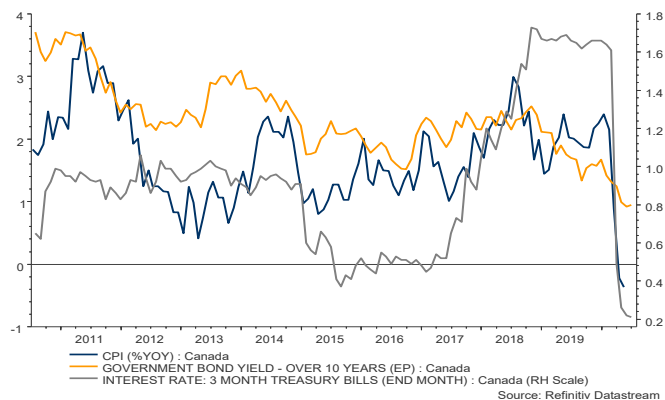
Source: FTSE Bond Analytics

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

	1 Mth	YTD	1 Yr.	5 Yrs.
Energy	-4.6	-30.4	-24.6	-6.6
Materials	4.5	15.4	24.9	9.1
Industrials	1.5	-3.8	-0.3	10.9
Consumer Discretionary	1.9	-10.8	-10.5	1.4
Consumer Staples	-0.4	1.3	3.0	8.3
Health Care	-3.5	-30.9	-54.5	-39.7
Financials	3.7	-16.2	-11.0	5.0
Information Technology	13.5	62.0	85.6	33.3
Communication Services	-2.5	-9.0	-6.3	6.3
Utilities	-0.7	-1.7	10.4	10.2
Real Estate	3.2	-20.0	-15.3	3.8

Sources: Bloomberg Finance L.P., TD Securities.

Canada Interest Rates and Inflation



P/E Ratio (Trailing 12 mth) Dividend Yield %

S&P / TSX Composite	16.6	3.3
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Source: CPMS

Stocks of Influence for the Month

Top Performers	Impact*(%)	Return**(%)
Shopify Inc.	1.2	23.4
Barrick Gold Corp.	0.3	10.3
Royal Bank of Canada	0.2	3.1

Bottom Performers	Impact*(%)	Return**(%)
Enbridge Inc.	-0.3	-7.8
TC Energy Corp.	-0.2	-6.5
Nutrien Ltd.	-0.1	-7.2

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

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