

**JULY 31, 2020**
**Canadian Monthly Highlights**

- The S&P/TSX Composite Total Return Index increased by 4.5% in July with gains broad-based across industry sectors as the domestic stock market continued to recover from its sharp sell-off earlier in the year.
- Canada's real gross domestic product rose by 4.5% on a month-over-month basis in May, retracing a portion of the cumulative 18% plunge recorded over the previous two months as COVID-induced lockdowns were scaled back and activity started to resume.
- Canada recovered a further 952,900 jobs in June on top of the 289,600 rise in May, but total employment still remains nearly two million below its February levels. With the gain, though, the unemployment rate dropped to 12.3% from the generational high of 13.7% in May.
- Canada's consumer price index rose 0.8% on a month-over-month basis in June pushing the 12-month consumer inflation rate up to +0.7% from -0.4% in May. The measures of core inflation were effectively unchanged at rates below the 2% midpoint of the Bank of Canada's target range.
- The Bank of Canada maintained its highly accommodative policy stance at its mid-July meeting, leaving both its policy interest rate target and bond purchase programs unchanged.

**Index Total Returns (%)**

	1 Mth	YTD	1 Yr.	5Yrs.
S&P/TSX Capped Composite	4.5	-3.3	1.9	5.4
S&P/TSX 60	4.0	-2.5	2.3	5.8
S&P/TSX SmallCap	7.4	-8.0	-6.4	2.6
S&P/TSX High Dividend Index	2.1	-19.6	-12.6	2.6
Jantzi Social Index	4.2	-9.2	-7.2	3.9
FTSE Canada Universe Bond	1.3	8.9	9.1	4.2
FTSE Canada 91 Day T-Bill	0.0	0.8	1.5	1.0
FTSE Canada High Yield Overall Bond	1.8	-0.4	1.8	5.8

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

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

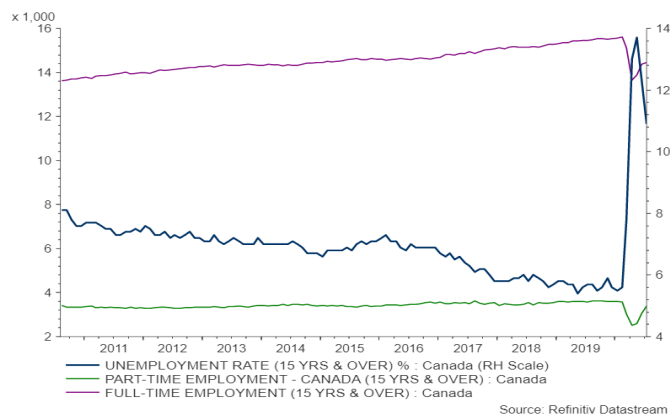
	1 Month	Short Term	Mid Term	Long Term
Federals		0.2	0.5	1.7
Provincials		0.3	0.9	2.3
Corporates		1.0	2.1	3.0

Source: FTSE Bond Analytics

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

	1 Mth	YTD	1 Yr.	5 Yrs.
Energy	1.1	-29.6	-20.7	-5.1
Materials	13.1	30.5	38.1	15.4
Industrials	5.7	1.6	3.5	11.0
Consumer Discretionary	4.2	-7.1	-9.9	1.7
Consumer Staples	6.3	7.6	7.8	8.1
Health Care	1.2	-30.1	-46.9	-41.6
Financials	0.8	-15.5	-11.3	5.1
Information Technology	6.1	71.9	90.7	32.8
Communication Services	1.3	-7.8	-4.0	6.0
Utilities	6.1	4.3	15.1	10.8
Real Estate	3.2	-17.5	-14.4	4.0

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

**Canadian Employment**


Source: Refinitiv Datastream

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

S&P / TSX Composite	18.3	3.2
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Source: CPMS

**Stocks of Influence for the Month**

Top Performers	Impact*(%)	Return**(%)
Shopify Inc.	0.4	6.2
Cdn. National Railway Co.	0.4	8.9
Wheaton Precious Metals Corp.	0.3	21.7

Bottom Performers	Impact*(%)	Return**(%)
Suncor Energy Inc.	-0.1	-8.0
Toronto-Dominion Bank	-0.1	-2.2
Brookfield Asset Management Inc.	-0.1	-3.2

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

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