

JULY 31, 2021

Canadian Monthly Highlights

- The S&P/TSX Composite Total Return Index rose another 0.8% in July as gains in Consumer Staples, Real Estate and Materials more than offset soft performance in the heavily-weighted Energy and Financial sectors.
- The Canadian economy contracted by another 0.3% on a month-over-month basis in May as the lockdowns across the country constrained service sector activity in the month.
- The economic reopenings across Canada through June resulted in an increase in employment in the month, with the country as a whole adding 230,700 net new jobs in the month. The bulk of the gains were concentrated in the hard-hit accommodation & food services and retail sectors for which restrictions were lessened.
- Canada's 12-month consumer price inflation rate edged down in June, moderating from May's decade-high 3.6% to 3.1%, largely reflecting fading base effects. Core inflation as gauged the 2% midpoint of the Bank of Canada's target range and hit its highest levels since 2009.
- The Bank of Canada left the target for the overnight rate unchanged in its July policy decision but reduced the target pace of purchases of government bonds to C\$2 billion per week from C\$3 billion previously.

Sources: Statistics Canada, Bank of Canada based on reports available as at June 30, 2021, which may lag the current month-end period.

Index Total Returns (%)

	1 Mth	YTD	1 Yr.	5Yrs.
S&P/TSX Capped Composite	0.8	18.2	29.1	10.1
S&P/TSX 60	0.8	19.6	29.5	10.9
S&P/TSX SmallCap	-2.7	16.6	43.0	5.6
S&P/TSX High Dividend Index	-0.9	24.5	43.4	8.6
Jantzi Social Index	-0.4	18.5	31.1	9.5
FTSE Canada Universe Bond	1.0	-2.5	-2.7	2.7
FTSE Canada 91 Day T-Bill	0.0	0.1	0.1	0.9
FTSE Canada High Yield Overall Bond	0.6	5.5	13.0	8.0

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		0.3	1.5	1.8
Provincials		0.4	1.5	1.5
Corporates		0.4	1.3	1.5

Source: FTSE Bond Analytics

All Index data is provided as at July 31, 2021.

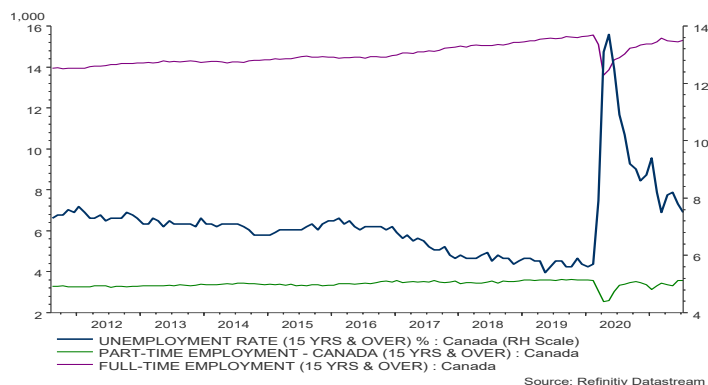
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S&P/TSX Composite Sector Total Returns (%)

	1 Mth	YTD	1 Yr.	5 Yrs.
Energy	-5.1	30.1	35.7	0.2
Materials	3.0	2.5	-4.8	5.4
Industrials	2.9	9.9	26.5	15.3
Consumer Discretionary	-1.2	16.2	46.3	11.1
Consumer Staples	7.1	16.2	12.6	8.6
Health Care	-11.1	8.5	19.6	-9.3
Financials	0.4	23.8	49.0	12.4
Information Technology	2.9	25.3	31.7	38.2
Communication Services	0.1	18.3	23.5	7.0
Utilities	2.9	8.0	19.3	11.0
Real Estate	4.6	27.4	40.9	9.0

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

Canadian Employment



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

S&P / TSX Composite	19.5	2.6
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Source: CPMS

Stocks of Influence for the Month

Top Performers	Impact*(%)	Return**(%)
Shopify Inc.	0.2	3.3
Brookfield Asset Management Inc.	0.2	6.5
Alimentation Couche-Tard Inc. B	0.1	10.4

Bottom Performers	Impact*(%)	Return**(%)
Suncor Energy Inc.	-0.3	-17.3
Toronto-Dominion Bank	-0.2	-4.5
Cdn. Natural Resources Ltd.	-0.2	-8.5

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