

Market Update

June 5, 2020



Since correcting from Feb 20th and bottoming Mar 23rd the stock market has been resilient.

U.S. Markets:

Better than expected employment report this morning.

Nasdaq turned positive today – having recaptured everything it gave up in this recent correction. S&P 500 is currently down <5.8%> from Feb 20th high.

Canadian Markets:

TSX is down <11.6%> from Feb 20th high.

The Canadian dollar has been gaining strength on the back of rising oil and copper prices. Banks in Canada are starting to rally higher after weakness tied to both loan loss provisions and low interest rates. A diversified portfolio doesn't usually trade in sync and this has been evident where lower interest rates have been favourable to the Utilities sector but not so much for Banking where the group makes money in part, from spreads between deposit and loan rates.

Market Strength: Technology

Market Value: Financials

Be well.

I have prepared this commentary to give you my thoughts on various investment alternatives and considerations which may be relevant to your portfolio. ***This commentary reflects my opinions alone, and may not reflect the views of National Bank Financial Group.*** In expressing these opinions, I bring my best judgment and professional experience from the perspective of someone who surveys a broad range of investments. Therefore, this report should be viewed as a reflection of my informed opinions rather than analyses produced by the Research Department of National Bank Financial.

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Sources: Stockcharts.com, Bloomberg, Thomson One

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