

The Buy Side Report

Welcome to “The Buy Side Report,” a quarterly information feature about Canada’s leading equities markets, Toronto Stock Exchange (TSX) and TSX Venture Exchange (TSXV). This quarterly publication presents detailed market data about sector index performance, share price and trading information, insight into foreign investment in Canadian equities, as well as an up-to-date economics viewpoint provided by an external contributor.

Toronto Stock Exchange and TSX Venture Exchange offer a diverse and vibrant stock list of investment opportunities, and stand firmly among the world’s leading fully-integrated capital markets. The Exchanges are home to a wide range of companies that give global investors a unique opportunity to invest in Canada across a broad spectrum of industry sectors, including natural resources markets around the world. In Canadian equities markets, investors can choose from more than 3,200 companies with a total market capitalization over \$3 trillion, ranging from growing businesses on TSX Venture Exchange to established large cap multinationals on Toronto Stock Exchange.

Sector Index Performance

As at June 30, 2019

Price Performance (% Change)

	Index Weight	1 month	3 month	6 month	12 month
Communication Services	4.7%	-2.2%	-1.8%	6.8%	10.3%
Consumer Discretionary	5.5%	6.6%	4.1%	13.8%	-8.6%
Consumer Staples	3.9%	-2.2%	0.7%	9.8%	12.7%
Energy	17.3%	-2.2%	-9.2%	1.1%	-32.4%
Financials	35.3%	2.5%	2.4%	12.0%	1.3%
Health Care	1.2%	3.2%	-9.4%	35.5%	17.4%
Industrials	10.4%	1.5%	5.2%	20.3%	8.1%
Information Technology	3.4%	3.6%	14.8%	43.8%	32.7%
Materials	11.3%	12.7%	5.0%	13.6%	-1.0%
Utilities	4.1%	1.0%	4.2%	19.6%	14.8%

Top 3 Performing Indices

S&P/TSX Capped Information Technology	14.8%
S&P/TSX Capped Industrials	5.2%
S&P/TSX Capped Materials	5.0%

Bottom 3 Performing Indices

S&P/TSX Capped Health Care	-9.4%
S&P/TSX Capped Energy	-9.2%
S&P/TSX Capped Communication Services	-1.8%

Top Share Price Performance

Q2 2019

TSX TOP 10				
	TICKER	% PRICE CHANGE 03/31/2019-06/30/2019	CLOSE PRICE 06/30/2019 (CAD)	
1	Transat A.T. Inc.	TRZ	190	13.49
2	Maxar Technologies Inc.	MAXR	95	10.23
3	Hydrogenics Corporation	HYG	87	19.42
4	Lightspeed POS Inc.	LSPD	77	36.41
5	BELLUS Health Inc.	BLU	73	2.80
6	Serabi Gold plc	SBI	67	1.14
7	WestJet Airlines Ltd.	WJA	58	30.74
8	Shopify Inc.	SHOP	45	392.62
9	EcoSynthetix Inc.	ECO	45	3.07
10	TMAC Resources Inc.	TMR	43	6.20

TSXV TOP 10				
	TICKER	% PRICE CHANGE 03/31/2019-06/30/2019	CLOSE PRICE 06/30/2019 (CAD)	
1	ML Gold Corp.	MLG	266	0.53
2	Western Magnesium Corporation	WMG	250	0.18
3	Chibougamau Independent Mines Inc.	CBG	246	0.19
4	Neptune Dash Technologies Corp.	DASH	225	0.20
5	Hut 8 Mining Corp.	HUT	220	2.69
6	Blackrock Gold Corp.	BRC	213	0.13
7	Sirona Biochem Corp.	SBM	189	0.52
8	iMining Blockchain and Cryptocurrency Inc.	IMIN	173	0.15
9	Radius Gold Inc.	RDU	130	0.23
10	Ucore Rare Metals Inc.	UCU	109	0.23

Source: S&P Capital IQ.

Liquidity Q2 2019

Value Traded

TSX TOP 10			
	TICKER	Q2 VALUE TRADED (C\$M)	
1	Royal Bank of Canada	RY	34,746.8
2	Enbridge Inc.	ENB	32,618.9
3	Toronto-Dominion Bank (The)	TD	29,366.9
4	Canadian Imperial Bank Of Commerce	CM	24,263.8
5	Bank of Nova Scotia (The)	BNS	23,264.6
6	TC Energy Corporation	TRP	19,978.4
7	Suncor Energy Inc.	SU	18,497.3
8	Bank of Montreal	BMO	18,458.9
9	Canadian National Railway Company	CNR	16,445.8
10	Canadian Natural Resources Limited	CNQ	16,236.2

TSXV TOP 10			
	TICKER	Q2 VALUE TRADED (C\$M)	
1	OrganiGram Holdings Inc.	OGI	814.2
2	MediPharm Labs Corp.	LABS	498.1
3	Atlantic Gold Corporation*	AGB	163.0
4	Khiron Life Sciences Corp.	KHRN	155.6
5	Namaste Technologies Inc.	N	133.0
6	Emerald Health Therapeutics, Inc.	EMH	119.0
7	Canopy Rivers Inc.	RIV	99.6
8	48North Cannabis Corp.	NRTH	94.5
9	PharmaCielo Ltd.	PCLO	85.6
10	Zenabis Global Inc.**	ZENA	76.4

Volume Traded

TSX TOP 10			
	TICKER	Q2 VOLUME TRADED (millions of shares)	
1	Bombardier Inc.	BBD	1,231.7
2	Encana Corporation	ECA	884.2
3	Aurora Cannabis Inc.	ACB	757.8
4	Enbridge Inc.	ENB	688.7
5	Crescent Point Energy Corp.	CPG	666.0
6	ProMetic Life Sciences Inc.	PLI	649.2
7	Manulife Financial Corporation	MFC	633.5
8	Baytex Energy Corp.	BTE	565.5
9	Barrick Gold Corporation	ABX	559.6
10	iShares S&P/TSX 60 Index ETF	XIU	478.4

TSXV TOP 10			
	TICKER	Q2 VOLUME TRADED (millions of shares)	
1	Kalytera Therapeutics Inc.	KLY	264.6
2	Sugarbud Craft Growers Corp.	SUGR	212.5
3	Namaste Technologies Inc.	N	182.2
4	Alexandria Minerals Corporation	AZX	133.9
5	HIVE Blockchain Technologies Ltd.	HIVE	100.7
6	YSS Corp.	YSS	97.3
7	48North Cannabis Corp.	NRTH	95.6
8	MediPharm Labs Corp.	LABS	90.1
9	OrganiGram Holdings Inc.	OGI	86.3
10	ZoomerMedia Limited	ZUM	70.4

Financial Economics Viewpoint

PRESENTED BY:



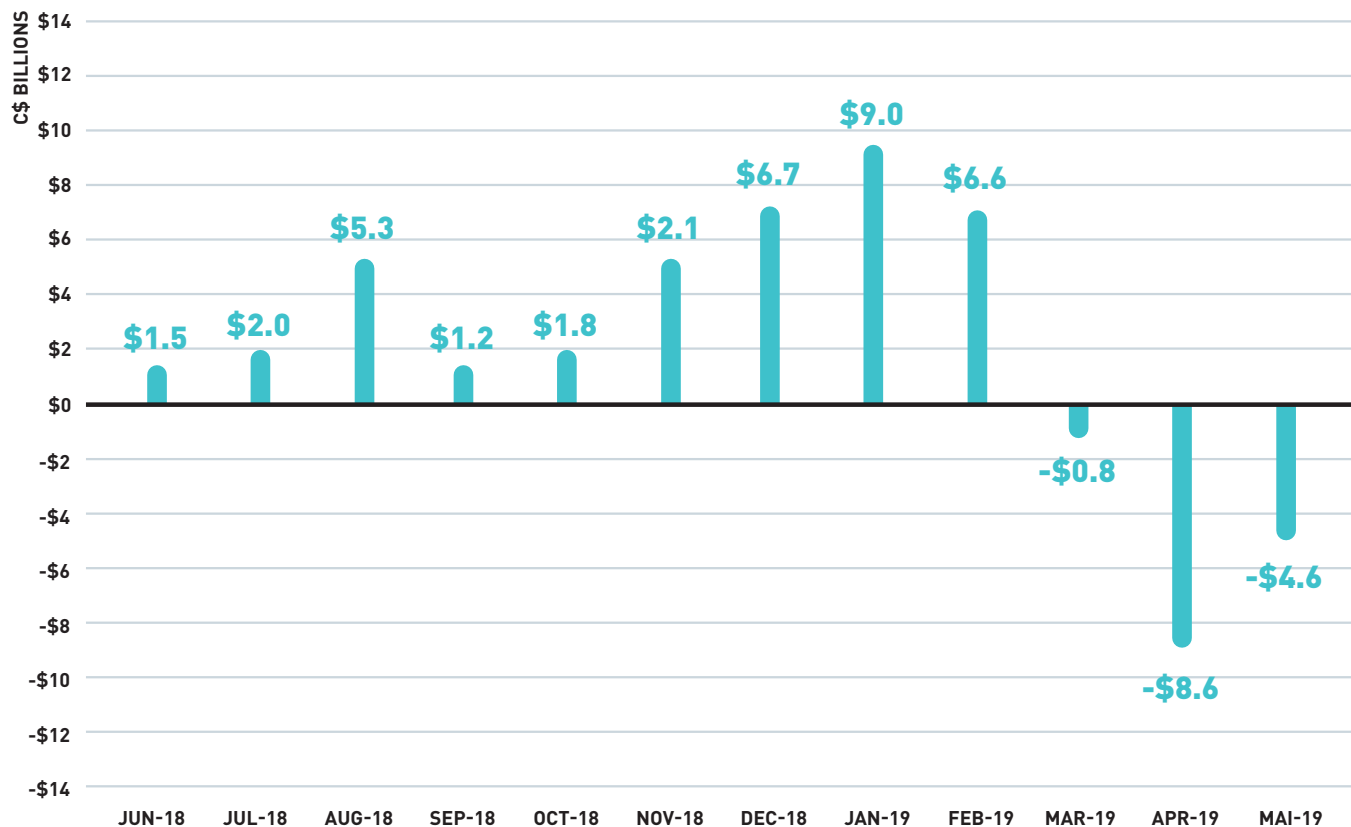
Quarterly Highlights

- While June's G-20 meeting ended with the U.S. and China agreeing to a truce in their ongoing trade war, the threat of additional trade barriers at some point in the future hasn't gone away. This uncertainty, coupled with the impact of earlier tariffs, which are restraining global trade flows, is likely to yield the weakest GDP growth print in years for the world economy in 2019.
- In response to slowing global growth, central banks around the world have turned more dovish. In the U.S., the Fed looks set for a rate cut at its July meeting and markets are expecting further easing later this year. Meanwhile, ECB President Mario Draghi argued last month that "[i]n the absence of improvement, such that the sustained return of inflation to our aim is threatened, additional stimulus will be required."
- In Canada, the economy is now back in the saddle after a rough couple of quarters thanks to a rebound in trade, the stabilization of the housing market, and the return of oil production after earlier mandated cuts. Whether or not momentum can carry into the second half of 2019 will depend on the ability of the global economy to weather any escalation of the U.S.-China trade war.
- Despite better-than-expected data on the domestic front, the Bank of Canada erred on the dovish side in recent communications, delving deep into the downside risks to the outlook and attributing the robust rebound in Q2 to "temporary factors".
- Trade truces, declining bond yields and Fed Chairman Jerome Powell's near-certain commitment to providing monetary stimulus in response to low inflation are underpinning demand for risk assets. Case in point: The S&P 500 reached a new record in July. The S&P/TSX, meanwhile has recovered in recent weeks but continues to trade just below its April 2019 record of 16,669. It is worth noting, however, that the 17.3% total return of the Canadian equity benchmark so far in 2019 continues to lead all the other traditional asset classes composing our bench-mark when expressed in Canadian dollars. These include U.S. equities, developed world equities, emerging market equities as well as bonds and bills.

For more information, please [click here](#).

Foreign Investment in Canadian Equities

There were net foreign inflows into Canadian equities in the amount of \$1.6 billion YTD May 2019, compared with an investment of \$5.9 billion YTD May 2018. In the last twelve months, foreign investment in Canadian equities totaled \$22.1 billion.



Source: The Daily – Canada’s International Transactions in Securities, Statistics Canada.

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