

## Last Week in the Markets: July 19<sup>th</sup> – July 23<sup>rd</sup>, 2021

	TSX	S&P 500	DOW	NASDAQ	ACWI	CAD/USD	GOLD (USD)	OIL (USD)
Friday Close	<b>20,188.43</b>	<b>4,411.79</b>	<b>35,061.55</b>	<b>14,836.99</b>	<b>727.133</b>	<b>79.59 ¢</b>	<b>\$1,805.90</b>	<b>\$ 72.07</b>
week +/-	+ 202.89	+ 84.63	+ 373.70	+ 409.75	+ 7.960	+ 0.31 ¢	- \$ 9.10	+ \$ 0.26
week +/- %	+ 1.02%	+ 1.96%	+ 1.08%	+ 2.84%	+ 1.11%	+ 0.39%	- 0.50%	+ 0.36%
52 wk HIGH	20,382	4,415	35,092	14,846	729	83.28 ¢	\$2,120	\$ 76.07
52 wk LOW	15,418	3,200	25,992	10,217	482	74.29 ¢	\$1.683	\$ 37.29
YTD +/- %	+ 15.80%	+ 17.46%	+ 14.56%	+ 15.12%	+ 12.51%	+ 1.31%	- 4.71%	+ 48.54%
1Yr +/- %	+ 26.03%	+ 36.35%	+ 31.55%	+ 41.83%	+ 31.62%	+ 6.79%	- 4.40%	+ 75.48%

(source: Bloomberg <https://www.bloomberg.com/markets>, MSCI <https://www.msci.com/end-of-day-data-search> and ARG Inc. analysis)

### What happened last week?

Each of the indicators in the grid reversed their performance of the previous week. Two weeks about we had only one gainer, gold, as all the others lost ground. Last week, gold was the only loser as all of the other indicators increased in value. The TSX and Dow each gained a little more than 1% as the S&P 500 and NASDAQ gained, 2% and 3%, respectively.

The positive finish for the week belies the turmoil that preceded the strong finishes for equity indices. The Dow started the week by dropping 2% on Monday. By the close of markets on Monday the S&P 500 and TSX had dropped about 3% in less than a week. By the end of the week the U.S. indices had not just recovered, they touched all-time highs.

The expectation that volatility will rise as we emerge from the pandemic materialized last week. The prevalence of the Delta variant of the virus has caused increased cases in many nations. Vaccination rates vary dramatically between nations and are, generally, slowing in the U.S., particularly outside major cities. The World Health Organization is warning of a two-track pandemic, where wealthy and technologically advanced nations diverge from less wealthy nations.

The method to avoid another devastating wave, according to local and international health agencies like the Centers for Disease Control and the World Health Organization, is vaccination. Canada is a global leader.

### What's ahead for this week and beyond?

In Canada, inflation data for June will be released by StatsCan through the Consumer Price Index. May's Gross Domestic Product (GDP) will represent the overall economic rebound as vaccination rates were climbing and reopening was being carefully managed six to ten weeks ago.

In the U.S., June's new home sales, durable goods orders and pending home sales will be announced. GDP for the second quarter will be released along with July's consumer confidence. On Wednesday, the Federal Reserve announcement will be immediately followed by a press conference with the Fed's Chair, Jerome Powell.

Globally, the upcoming week's calendar includes Japan's manufacturing purchasing managers index and jobless rate, Germany's consumer confidence, unemployment and CPI. Also, several indicators for the Eurozone will be announced and include economic and consumer confidence, GDP, CPI and employment numbers.