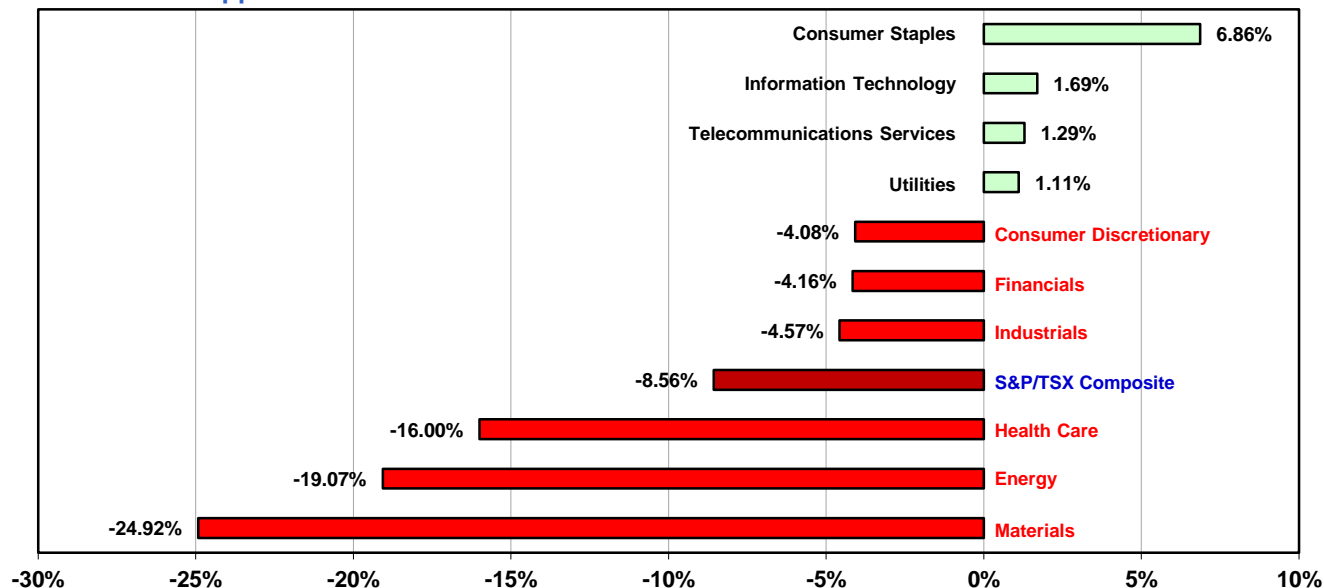


2015 Q3: TSX delivers worst quarterly performance since Q3-2011 Materials, Energy and Health Care lead market down

2015 Q3 Capped Sector Performance



- The S&P/TSX Composite returned -8.6% in Q3.
- Of the 253 stocks that were in the TSX Composite at some point during Q3, 59 (23%) finished the quarter in positive territory.
- Large cap (TSX 60) outperformed Mid Cap (Completion Index) which outperformed Small Cap in Q3. The TSX 60 also outperformed the TSX Composite.
- In Q3, the Canadian market underperformed the US market in home currency terms (US returned -6.9%) and in Canadian dollar terms (US market returned -0.6% in C\$ terms).
- Materials, Energy and Health Care all posted losses in excess of 15% in Q3. The last time as many as three sectors lost more than 15% in a quarter was Q3-2011.
- In spite of the overall loss for the index, four sectors posted gains – Consumer Staples, Information Technology, Telecommunications Services and Utilities.
- Valeant Pharmaceuticals had the biggest negative impact on the index in Q3 after having the biggest positive impact on the index in both Q1 and Q2.
- On a YTD basis the Materials and Energy sectors are both down more than 20%.

2015 Index Returns	Q3	YTD
S&P/TSX Composite	-8.56%	-9.06%
S&P/TSX 60 (Large Cap)	-7.46%	-8.23%
S&P/TSX Completion (Mid)	-11.93%	-11.61%
S&P/TSX Small Cap	-15.82%	-16.13%

Q3 Biggest Contributors

Thomson Reuters Corporation
Alimentation Couche-Tard
Canadian National Railway
Loblaw Companies
Suncor Energy
Dollarama
CIBC
Constellation Software
BCE Inc.
George Weston

Q3 Biggest Detractors

Valeant Pharmaceuticals
Potash Corporation
Canadian Natural Resources
Enbridge
First Quantum Minerals
Bank Of Nova Scotia
TransCanada Corporation
Barrick Gold
Manulife Financial
Imperial Oil

Sector	Q3 Return	Biggest Impacts
Consumer Staples 4% of S&P/TSX Composite	+6.86%	<ul style="list-style-type: none"> Alimentation Couche-Tard (+15%) was the leading contributor from the sector as quarterly earnings exceeded analyst expectations. Loblaw Companies (+9%) was the second leading contributor as quarterly earnings exceeded analyst expectations. George Weston (+10%), its largest shareholder, also benefited from Loblaw's rise.
Information Technology 3% of S&P/TSX Composite	+1.69%	<ul style="list-style-type: none"> Constellation Software (+13%) was the sector's strongest contributor as it was added to the S&P/TSX 60 index in July. Open Text (+18%) also strongly contributed on quarterly earnings that beat analyst expectations by 26%. Blackberry (-20%) was the sector's major detractor on posting a larger than expected loss during the quarter.
Telecommunications Services 5% of S&P/TSX Composite	+1.29%	<ul style="list-style-type: none"> Share prices of the telecoms remained fairly stable during an otherwise turbulent Q3. BCE (+3%) and Rogers (+4%) led contributors on earnings in-line with expectations while TELUS (-2%) experienced a slight decline on a negative earnings surprise and the unexpected resignation of CEO Joe Natale.
Utilities 2% of S&P/TSX Composite	+1.11%	<ul style="list-style-type: none"> Fortis (+9%) and Emera (+13%) were leading contributors from the sector while Transalta Corporation (-36%) was the leading detractor on a wider than expected loss due to falling power prices to which they are more exposed than most other utilities.
Consumer Discretionary 7% of S&P/TSX Composite	-4.08%	<ul style="list-style-type: none"> Thomson Reuters (+13%) and Dollarama (+19%) led sector contributors on earnings that beat analyst expectations. Magna International (-9%) and Amaya Gaming (-29%) declined in close conjunction with other players in their respective international industries in spite of delivering positive earnings surprises.
Financials 37% of S&P/TSX Composite	-4.16%	<ul style="list-style-type: none"> Bank share prices mostly drifted lower in Q3 in spite of better than expected earnings. Exceptions were Bank of Nova Scotia (-9%), the sector's biggest detractor, on fears about Latin American exposure and CIBC (+4%), the biggest contributor, on a significant positive earnings surprise. RBC (-3%), TD (-1%) and BMO (-2%) all fell. Manulife (-11%), Great-West Life (-12%) and Great-West's parent Power Financial (-15%) fell as stock markets declined and it became clearer interest rates would not rise. Sun Life (+3%) was able to buck the trend on a huge positive quarterly earnings surprise.
Industrials 8% of S&P/TSX Composite	-4.57%	<ul style="list-style-type: none"> Canadian Pacific Railways (-4%) led sector detractors on fears of declining rail freight volumes in Western Canada while Canadian National Railways (+5%) led sector contributors on a positive earnings surprise, leveraging a broader geographic footprint than CP. Bombardier (-26%) was a major detractor as lack of sales and cost overruns for its C Series aircraft raise the spectre of bond defaults.
Health Care 5% of S&P/TSX Composite	-16.00%	<ul style="list-style-type: none"> Valeant Pharmaceuticals (-14%) was the largest detractor to the TSX in Q3 on news that US House Democrats want to subpoena the company related to drug price increases. Valeant hiked prices on Nitropress 212% and Isuprel 525% the day it bought them.
Energy 19% of S&P/TSX Composite	-19.07%	<ul style="list-style-type: none"> Losses were broad-based with 61 of 63 Q3 sector constituents down as the S&P GSCI Energy commodity price index fell 24% in Q3. Detractors were led by Canadian Natural Resources (-23%), Enbridge (-15%), TransCanada Corp (-17%), Imperial Oil (-12%) and Crescent Point Energy (-40%). Suncor Energy (+4%) rose on a massive positive earnings surprise.
Materials 9% of S&P/TSX Composite	-24.92%	<ul style="list-style-type: none"> Potash Corporation (-29%) led sector detractors on falling agricultural prices. Frist Quantum Minerals (-70%), Teck Resources (-49%) and Turquoise Hill Resources (-28%) all fell amid declining industrial metals prices (and in Teck's case, energy prices). Gold prices fell around 5% in Q3 causing Barrick Gold (-36%) and Goldcorp (-17%) to also lead sector detractors.