



## Canadian Investors Seeing Red

### Description

Lot's of red. Consider yourself lucky if you owned a Canadian stock that went up today as there were just 24 issuers in the S&P/TSX Composite (out of about 240) that were flashing green with a few minutes left in the trading day. Only 5 of the top 60 large caps were up and none of them by more than 1%.

**Barrick Gold** (TSX:ABX,NYSE:ABX) was again the biggest contributor to the index's near 173 point decline. The price of gold was down another 1.3% and Barrick was down more. With today's 5.5% decline Barrick has now booked a 45% year-to-date loss. The stock trades with a dividend yield of 4.5% and at less than 0.9 times book value – remarkable stats. And, Barrick has lost its crown as the gold company with the biggest market cap. Goldcorp now holds this, um honour.

Other resource names that had a rough day and were significant contributors to the overall index decline were **Teck Resources** (TSX:TCK.B,NYSE:TCK) and **First Quantum** ([TSX:FM](#)). These stocks were down 5.1% and 9.2% respectively, giving up all of what they had gained in yesterday's rally. The price of copper fell by close to 4%, a likely cause of the hair cut that both companies took.

Since last Friday, Barrick, Teck, and First Quantum are down 21%, 10%, and 14% respectively. Great, if the market was down 30%. Unfortunately, it's only down 2%. It's been one tough week, and we're just over half-way home.

Because of the Canadian market's exposure to resources, investors that rely on Canadian Index funds or ETFs severely lack diversification in their portfolio, opening them to undue risks. We have created a special report that outlines an easy to implement strategy and 5 Canadian stocks that reduce the risks involved with passively investing in the Canadian market. [Click here now](#) to receive "**Buy These 5 Companies Instead of Following a Flawed Piece of Advice**" – FREE!

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*Fool contributor Iain Butler is short \$26 August 2013 put options on Teck Resources and owns shares in Teck and Barrick Gold outright. He has thoroughly enjoyed the week thus far. The Motley Fool has no positions in the stocks mentioned above.*

## CATEGORY

1. Investing

## TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. NYSE:TECK (Teck Resources Limited)
3. TSX:ABX (Barrick Mining)
4. TSX:FM (First Quantum Minerals Ltd.)
5. TSX:TECK.B (Teck Resources Limited)

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