



Manulife, Great-West Power the S&P/TSX Composite Higher

Description

The Canadian market demonstrated some “life” on Monday as two of this country’s biggest life insurers were the top two contributors to the day’s positive move. **Manulife Financial** ([TSX:MFC](#)) and **Great-West Life** ([TSX:GWO](#)) climbed 3.4% and 2.5% respectively, helping to lift the **S&P/TSX Composite** (^GSPTSE) 73.95 points or 0.61%.

[As we’ve indicated](#), bond yields have a dramatic impact on life insurers. And even though yields were down today, their surge on Friday, which was the most since August 2011, as well as speculation out of Goldman Sachs that the 10-year U.S. Treasury could hit 4% by 2016 probably had an impact on today’s moves by MFC and GWO.

On the back of the rise in rates that has occurred, both stocks closed very close to their 52-week high.

Suncor Energy ([TSX:SU](#)) also had a favourable impact on today’s market as oil prices have jumped of late due to the political turmoil in Egypt. Suncor was up 1.5% today, even though WTI oil was down slightly.

Today’s biggest detractor for the Canadian market was **Goldcorp** (TSX:G), as the stock declined by 2.2%, even though the price of gold was up. Not only was gold up, but the company announced that a forest fire that had been raging in the vicinity of its Eleonore project in the James Bay region of Quebec, seemingly threatening the project’s development, was extinguished. The conundrum that is gold stocks continues.

Foolish Takeaway

Once again, resource and financial stocks dominated today’s market. The heavy allocation that our market has to these sectors means 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 **FREE** 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 Stocks Instead of Following a Flawed Piece of Advice**” – **FREE!**

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Fool contributor Iain Butler is short \$32 July 2013 puts on Goldcorp. The Motley Fool does not own shares in any of the companies mentioned.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:GWO (Great-West Lifeco Inc.)
2. TSX:MFC (Manulife Financial Corporation)
3. TSX:SU (Suncor Energy Inc.)

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