



## 3 Things to Watch on the TSX Index on Tuesday

### Description

Both the TSX and the S&P 500 finished higher Monday, despite the news China's economy slowed to 6.2% growth in June — the lowest level in 26 years.

Heading into Tuesday's trading, healthcare and tech stocks look popular with investors, while energy stocks are expected to continue to cool down on lower oil prices.

Here are three news stories to watch on Tuesday.

## Cannabis stocks continue to remain under the microscope

**CannTrust** (TSX:TRST)(NYSE:CTST) CEO Peter Aceto faces the biggest challenge of his corporate career.

The company was forced to halt all cannabis sales last week after Health Canada made an unannounced inspection of its facilities in Pelham, Ontario. The inspection found CannTrust was growing pot in five unlicensed rooms between October 2018 and March 2019. The news has sent CannTrust stock lower by more than 40%.

It's possible that federal regulators could suspend CannTrust's licence, which would be a big black mark against the entire Canadian cannabis industry. Analysts believe that Health Canada must come down hard on CannTrust to maintain the industry's reputation.

On Monday, Mackie Research Capital analyst Greg McLeish terminated coverage of CannTrust. It's believed that the latest news about CannTrust could slow the legalization process south of the border.

Cannabis stocks face significant headwinds until the CannTrust story is adequately dealt with by Health Canada and federal regulators.

## Buy America rules to hurt Canada

The Trump administration dealt a new blow to Canadian steel stocks Monday. The president signed an executive order that required 95% of the steel and iron used in any public contract must be from the U.S.

In addition to the steel requirements, 75% of the components for “Made in America” products must be sourced in the U.S., up from 50%.

Although the steel tariffs were lifted in May, the new changes to Buy America initiatives will hurt the chances of Canadian companies winning business in the U.S.

If you own stocks doing business in the U.S., you might want to look a lot closer at where they’re sourcing components. It could be the difference between profits and losses.

## Barrick wins a significant arbitration award

On Monday, the World Bank’s International Centre for the Settlement of Investment Disputes ordered Pakistan to pay a joint venture owned in part by **Barrick Gold** ([TSX:ABX](#))(NYSE:GOLD) US\$5.83 billion for blocking the Reko Diq mining project more than a decade ago in southwestern Pakistan.

At the time the project was blocked by the Pakistani government, gold was trading around US\$1,900 an ounce. Today, it’s around US\$1,400.

Experts suggest that Barrick and its partner, Antofagasta Plc, might never see any of the award because it doesn’t carry the same weight of a judicial decision.

### CATEGORY

1. Investing

### POST TAG

1. Cannabis

### TICKERS GLOBAL

1. NYSE:B (Barrick Mining)
2. TSX:ABX (Barrick Mining)

### PARTNER-FEEDS

1. Msn
2. Newscred
3. Sharewise
4. Yahoo CA

### Category

1. Investing

**Tags**

1. Cannabis

**Date**

2025/08/17

**Date Created**

2019/07/16

**Author**

washworth

default watermark

default watermark