



Weekly TSX Stocks Report: What Moved the Markets Last Week

Description

It was yet another strong week for Canadian stock markets. The main average **S&P/TSX Composite Index** rose more than 2% last week, driven by technology and some cyclical stocks. From its March lows, the index is now up more than 52%, while the S&P 500 is up almost 65%.

Canadian stocks rise higher

The vaccine euphoria might continue to drive stocks higher for the next few weeks. After **Pfizer** and **Moderna**, another vaccine by **AstraZeneca** and Oxford has jumped in the race. However, it reportedly has a lower efficacy rate of 70%. Canada has [pre-ordered](#) more than 350 million dosages and is aggressively working on deploying the supply chain for distribution.

Although the second wave of the pandemic is ravaging the country, favourable developments on the vaccine front could push stock markets higher. TSX Index is still 5% shy of its all-time high of 17,970 it hit in February.

Economic data in Canada continued to show uneven recovery last week. The country's retail sales, which is an indicator of consumer demand, grew 1.1% in September. This was 4.6% higher than last year. Returning consumer demand might further stall due to the rising COVID-19 cases and ensuing mobility restrictions.

TSX stocks: Top movers of last week

Shares of **Shopify**, the biggest constituent of the S&P/TSX Composite Index, rose more than 7% last week. Growth investors once again turned to this tech giant after vaccine news pulled the stock lower in the earlier weeks.

The country's biggest bank **Royal Bank of Canada** stock also had a big last week. It rose 4% during the week. Notably, it has risen in 15 of the last 17 trading sessions. The rally could continue, as it readies to release its fiscal fourth-quarter earnings next week.

One stock that notably stood out last week was **Cineplex** ([TSX:CGX](#)). The struggling entertainment company stock rose 40% during the week. Cineplex recently received an interim relief from its creditors to push back repayments of \$460 million to Q2 2021.

Things may turn worse for the company in case of the prolonged pandemic. Although the reprieve means a lot for the company, much of its [fate still rests on the vaccine](#). That's why the stock has skyrocketed more than 80% so far this month.

Top TSX stock to watch this week

Top Canadian bank stock **Bank of Nova Scotia** ([TSX:BNS](#))([NYSE:BNS](#)) could remain in focus this week. It plans to release Q4 earnings on December 1. One can expect flattish revenue and earnings growth for the quarter compared to 2019 levels. It has already set aside billions in provisions for bad loans, which will act as a cushion for its bottom line.

A vaccine could notably improve Scotiabank's recovery prospects more than any other peer Canadian bank. A large exposure to Latin America drove its underperformance compared to peers so far in 2020.

However, a discounted valuation, strong recovery prospects, and premium dividend yield could be some of the reasons for its outperformance in 2021.

Along with Scotiabank, many other top Canadian banks will release their quarterly earnings next week. That could be an important driver for Canadian markets in the short term. Besides, how the U.S. market sways on the second stimulus package will also be a crucial indicator for investors.

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TICKERS GLOBAL

1. NYSE:BNS (The Bank of Nova Scotia)
2. TSX:BNS (Bank Of Nova Scotia)
3. TSX:CGX (Cineplex Inc.)

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