

Weekly Market Update

June 10, 2019



Last Week in the Markets: June 3rd – 7th, 2019

	TSX	S&P 500	DOW	NASDAQ	ACWI	CAD/USD	GOLD (USD)	OIL (USD)
Friday Close	16,230.96	2,873.34	25,983.94	7,742.10	509.756	75.37 ¢	\$1,346.10	\$ 53.99
week +/-	+ 193.47	+ 121.28	+ 1,168.90	+ 288.95	+ 17.641	+ 1.39 ¢	+ \$ 35.00	+ \$ 0.49
week +/- %	+ 1.21%	+ 4.41%	+ 4.71%	+ 3.88%	+ 3.58%	+ 1.88%	+ 2.67%	+ 0.92%
52 wk HIGH	16,673	2,954	26,952	8,176	542	78.23 ¢	\$1,362	\$ 75.20
52 wk LOW	13,777	2,347	21,713	6,190	448	73.18 ¢	\$1.202	\$ 44.20
YTD +/- %	+ 13.24%	+ 14.62%	+ 11.39%	+ 16.68%	+ 11.87%	+ 2.78%	+ 5.06%	+ 18.89%
1Yr +/- %	+ 0.24%	+ 3.72%	+ 2.94%	+ 1.40%	- 1.95%	- 2.22%	+ 3.31%	- 18.13%

(source: Bloomberg <https://www.bloomberg.com/markets> and ARG Inc. analysis)

What happened?

- It was a volatile week for equities, but by week's end major gains had been made that were able to eliminate or well surpass the losses from the previous week. Again, trade rhetoric dominated the news and provided the most significant influence to the financial markets
 - The Chinese government announced that they would proceed with additional tariffs on two-thirds of American imports in retaliation to President Trump's actions.
 - The Federal Reserve indicated publicly through Chairman Jerome Powell that interest rates could and would be used to protect the U.S. economy as trade difficulties escalated with China and elsewhere. The increasing expectation that this could mean a rate-cut to generate economic growth was a significant influence next week since it could maintain the corporate performance that drives the equity markets.
 - At the end of the week the threatened tariffs against Mexico, which could have started at 5% and risen to 25% had been cancelled. The "new" agreement that prompted the cancelation of the tariffs because Mexico would slow the flow of migrants to the U.S. southern border has been made stronger.
 - The news and political actions should remind investors that a long-term plan with measurable goals and adjustments when needed is the proper path.

What's ahead for this week?

- In Canada, the economic releases will be dominated by housing statistics with the latest building permits and new housing price index being released.
- In the U.S., two major indices will be released; the Consumer Price Index (CPI) and the Consumer Confidence Index (CCI). The CPI will describe the recent inflation numbers for individuals and families, while the CCI will define their view of the economy and how it affects them personally in the short-term.