



### Last Week in the Markets: March 5<sup>th</sup> – 9<sup>th</sup>, 2018

	TSX	S&P 500	DOW	NASDAQ	CAD/USD	GOLD (USD)	OIL (USD)
<b>Friday Close</b>	<b>15,577.81</b>	<b>2,786.57</b>	<b>25,335.74</b>	<b>7,560.81</b>	<b>78.05 ¢</b>	<b>\$1,324.00</b>	<b>\$ 62.04</b>
week +/-	+ 193.22	+ 95.32	+ 797.69	+ 302.94	+ 0.42 ¢	+ \$ 0.60	+ \$ 0.79
week +/- %	+ 1.26%	+ 3.54%	+ 3.25%	+ 4.17%	+ 0.55%	+ 0.05%	+ 1.29%
52 wk HIGH	16,421	2,873	26,617	7,561	82.90 ¢	\$1,371	\$ 66.39
52 wk LOW	14,786	2,322	20,380	5,769	72.50 ¢	\$1,219	\$ 44.17
YTD +/- %	<b>- 3.89%</b>	+ 4.22%	+ 2.49%	+ 9.52%	<b>- 2.26%</b>	+ 1.32%	+ 3.25%
1Yr +/- %	+ 0.52%	+ 17.83%	+ 21.47%	+ 29.49%	+ 5.46%	+ 10.04%	+ 25.89%

(source: Bloomberg - <https://www.bloomberg.com/markets>)

### What happened last week?

- It was a tumultuous week for markets as they were heavily affected by American political activities. Trump's tariff threats have been made real, causing a significant resignation.
  - A trade war has been initiated by President Trump as he imposed tariffs on steel and aluminum imports, with at least exceptions for Canadian manufacturers.
    - Gary Cohn, Senior Economic Advisor, announced his resignation based on his inability to reign in his boss. Much was made of his willingness to stay-on following many of Trump's previous threats and bad acts. The consensus seems to be that he was willing to overlook these events, if he could continue to provide a steadying hand economically. When he was unable to fulfill that role, he decided to depart.
    - Capital markets reacted poorly to Trump's tariff rhetoric and the signal that Cohn's resignation showed that Trump was unwilling or unable to understand the real, negative effects of tariffs and a trade war.
  - By the end of the week, it was "all green"; perhaps demonstrating Trump's true ability to influence markets.
- The Bank of Canada left its benchmark lending rate unchanged, as predicted. The careful wait-and-see approach continues as trade issues and NAFTA renegotiations continue.

### What's ahead for this week?

- In Canada, it will be a light week for economic announcements. January's manufacturing sales and February's existing home sales will be released.
- In the U.S., inflation numbers through their Consumer Price Index (CPI) for February will be announced along with Import and Export Price Indices for the same period. Retail sales, building permits and housing starts, and business inventories will also be released.

