

EVOLVING INVESTMENTSPEAK

Let's close out the second third of the year a bit differently. While I sincerely count on you reading these pages sequentially every month, today I ask you start at the end. Yes, that's right, jump to the market numbers on the final page and let their details sink in. Come back to this page when you are ready.

Curious about this odd request? Here's a hint – first three days of August.

What about them, you query? Nothing much, just that the Dow Jones shed about 5.5%, the S&P dropped around 6.33%, NASDAQ cratered almost 8%, FTSE100 in the UK shed over 4%, almost 20% of the Nikkei in Japan evaporated, and so goes the list. It seems nary a market on the world stage was spared the purge. As markets set to open on Tuesday, August 7th, I recall an analyst lament something to the tune of, and I'm paraphrasing: forget the soft landing; forget the hard landing; we're coming in for a crash landing. To say the market seemed spooked is an understatement.

Now, go back again to those number on the final page. Do they convey such catastrophic thinking? Oh, the turmoil! What's an investor to do?

A rational inquiry would be about what caused the market jolts. Turns out the US is not as hardworking as global investors presumed:

“Last month's job growth was far, far softer than expected, and the unemployment rate shot to its highest level since October 2021, according to new data released Friday by the Bureau of Labor Statistics.”⁽¹⁾

This was released shortly before the markets closed in “the West” on Friday, meaning the markets in “the East” were already shut as the news hit the wire. Turns out Asian investors did not take kindly to this information, having stewed on it over the weekend and unleashing a tidal wave of selling that rocked all markets on Monday (except Canada, where our markets were closed for the Civic Holiday).

And yet, the market numbers colors reflect mostly calm. Even the VIX, which, as astute readers will recall, measures market volatility, was *down* over the course of a month that began with such tremors!

If the August 2nd new convulsed markets, surely, we were in for nauseating shocks on August 21st, when further US labour market news broke:

“Prior data far overestimated the recent labor market recovery, the government said on Wednesday, a potentially worrisome sign as slowing job growth shakes confidence in the economy...The U.S. added 818,000 **fewer** jobs than previously estimated from March 2023 to March 2024, according to the Bureau of Labor Statistics...”⁽²⁾ [emphasis added]

Say what? A revision of almost one million too many jobs reported earlier? Brace for impact! These markets are cratering! Except...not...{yawn}. Minimal investor reaction from as markets marched higher.

Yet further proof to support my market philosophy as touched upon only two months ago, in June's edition of the Market Pulse. Welcome to the investment markets, where the only certainty is that up isn't always up, down isn't always down, good can be bad and bad can be good. So, for investors wanting certainty, there it is, in white and black.

Does the thought of certain uncertainty terrorize you, but you know you cannot avoid building your wealth in the investment markets? Let's connect so we can show you how our insights and beyond conventional strategies could help reach your goals and aspirations. No obligations. Just discussions.

All My Best,

Adrian Harasymiw
Investment Advisor

QUOTE OF THE MONTH

“They don't ring a bell when it's time to sell.”
~ Bill Henry

1. www.cnn.com/2024/08/02/economy/us-jobs-report-july-final/index.html

2. www.forbes.com/sites/dereksaul/2024/08/21/us-added-818000-fewer-jobs-than-previously-thought-from-march-2023-to-march-2024-government-says/

<u>10-YEAR BOND YIELDS</u>	<u>August 2024</u>	<u>July 2024</u>	<u>Quarter 3 2024</u>	<u>Year-to-Date 2024</u>
Canada	-0.35%	-13.54%	-13.59%	-2.11%
U.S.	-3.10%	-8.55%	-11.41%	1.06%
Switzerland	13.04%	-20.04%	-17.02%	-41.50%
Japan	-14.89%	-3.25%	-17.73%	43.13%

<u>MAJOR STOCK INDICES</u>	<u>August 2024</u>	<u>July 2024</u>	<u>Quarter 3 2024</u>	<u>Year-to-Date 2024</u>
S&P/TSX (Canada)	1.04%	5.77%	6.85%	11.68%
DOW (U.S.)	1.58%	4.23%	6.07%	10.64%
S&P 500 (U.S.)	2.00%	0.94%	3.24%	19.03%
Nasdaq (U.S.)	1.03%	-1.81%	-0.74%	17.44%
NYSE (U.S.)	3.11%	3.79%	7.02%	14.47%
FTSE 100 (U.K.)	0.10%	2.50%	2.60%	8.32%
Euro Stoxx 50 (EUR)	1.87%	-1.04%	0.69%	9.48%
Nikkei 225 (Japan)	-0.35%	-1.85%	-2.99%	16.43%
Shanghai (China)	-3.33%	-0.89%	-4.15%	-4.39%

<u>MAJOR COMMODITIES</u>	<u>August 2024</u>	<u>July 2024</u>	<u>Quarter 3 2024</u>	<u>Year-to-Date 2024</u>
Gold (USD)	1.37%	5.86%	8.19%	21.95%
Silver (USD)	-0.07%	-1.72%	-1.02%	21.21%
WTI Crude Oil	-6.41%	-4.35%	-9.70%	2.57%
Natural Gas	4.17%	-21.12%	-17.64%	-18.27%
Uranium	-5.99%	-1.46%	-7.31%	-13.58%
Wheat	4.71%	-8.06%	-3.84%	-12.28%
Cotton	1.49%	-5.09%	-3.71%	-13.45%

<u>OTHER</u>	<u>August 2024</u>	<u>July 2024</u>	<u>Quarter 3 2024</u>	<u>Year-to-Date 2024</u>
USD Index	-2.25%	-1.73%	-3.89%	0.35%
CAD/USD	2.32%	-0.89%	1.37%	-1.83%
Bitcoin	-8.77%	2.94%	-6.09%	39.43%
Ethereum	-22.21%	-5.90%	-26.79%	10.18%
VIX	-7.35%	26.12%	15.64%	13.54%

For more investment information, be sure to check out the INVESTMENTS segment of www.PinnacleSovereign.com

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High Interest Savings Fund (net): 3.90% (CAD) & 4.99% (USD)
1-Year GIC (net): 4.19% (CAD) & 4.65% (USD)

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