

Newsie Bear Left Whimpering



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Retirement Income Planning
Dividend Specialization
Investment Management



Two days of sunshine in a row...May, May start the arrival of spring please.

Newsie Bear Market Comes to a Close

Yep I missed guessing on the end date of the newsie bear market with 100% accuracy. Canada's market did it within the 6 month prognosis, while the US took an extra 23 days. Both markets are back above October 1st last peak. A big accomplishment for sure, however in context, they are slightly ahead of the end of September 2018. Now what? that is truly the more important query to review.



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Are we back in 1969?

US Unemployment rate just dropped to 3.6%. A statistic that has evaded us since 1969. Where were you in 1969? I was in the back of my mom's stationwagon with all my friends heading to a beach for a day of fun. No seatbelts, no air-conditioning and we managed to survive and thrive!

I have said it before, the biggest piece of data I watch the closest at this time; "will US employment slow". We saw a blip down in February, March was strong and now April's print of 263,000 new hires. That makes 103 straight months of gains with a 12 month average of 212,000. This continues to be a very strong number and not yet showing signs of weakness. I feel that 12 month average needs to get below 120,000 to get me worried.

US wage growth is now at 3.1%. I am hearing from my business owner clients and those of you who manage employees and run companies that it is hard to find good hires here as well. Further job hopping seems to be well underway as employees look to feather their nest based on salary and hopefully a successful future.

We are 10 years from the last recession (a long time indeed) and that places us closer to the next correction or recession. However this final phase often produces strong returns and I do not feel moving to the sidelines anytime soon is upon us. Inflation is creeping up yet interest rates have been paused as they really should be moving higher. So yes I do feel we have some time on our hands to stay where we are invested.

Enjoy this ray of light until the sunshine comes through.

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