

Highlights from August:

- August tends to be a volatile month for stocks, with many traders and investors on holidays and volumes much lower than usual.
- The S&P500 pushed higher, touching an all-time high during the last week of the month.
- The Nasdaq index also touched an all-time high during the month, with technology shares continuing to drive the bulk of the gains.
- **Apple** broke through the \$1 Trillion market-cap.
- Trade-wars continued to be front and center, as tariffs imposed by the US on Turkey caused the Lira to depreciate against the USD and cause widespread fears in Emerging Markets.
- NAFTA negotiations continued with Canada still trying to secure a deal.

Focus for September:

- This month marks the 10 year anniversary of the financial crisis that spurred unprecedented monetary policies across the globe.
- In Canada, stocks still appear compelling, with Canadian banks having just wrapped up an overall strong Q3 earnings season. Dividend increases were seen at **RBC, CIBC & Scotia Bank**.
- The bank of Canada will hold a rate decision early this month, although most forecasters do not expect a hike this month.
- In the US, technology shares continue to move higher, but valuations are becoming a concern. **Amazon.com** briefly broke through the \$1 Trillion market-cap on September 4th.
- Some stocks in the consumer staples sector continue to look attractive based on valuation and their defensive attributes.
- An interesting perspective from Norway's trillion-dollar sovereign wealth fund, which applies not only to real estate but to stock investing as well:

The fund, which two years ago decided to increase its allocation to property to a maximum of 7% from 5%, has been involved in some of the world's most high profile deals in recent years.

*There is no sign of its appetite ebbing, even with the current bull market in commercial property in its ninth year. Some investors who are very sensitive to market timing have moved to the sidelines, worried that the good times may come to an end soon. But at Norges, "there wasn't really this clever debate about if this is the right time to go in," Mr. Kallevig said. "Quite frankly, **if we're going to be in these kinds of markets for the next couple of decades then we're slightly less sensitive to market timing.**" That doesn't mean that Norges isn't always trying to get the best price, Mr. Kallevig said. "Of course, we never want to pay more than we have to," he said. **"But if we're a long-term owner then by definition we're going to go through cycles with the assets we own."***

Source: Wall Street Journal, September 4th, 2018, by Isobel Lee

Alex Fabian
Conseiller en placement et Gestionnaire de Portefeuille, GPC
Conseils de placements privés, Gestion de Patrimoine TD
Investment Advisor and Portfolio Manager CIM®
TD Wealth Private Investment Advice

1350 René-Lévesque O, 9th flr, Montréal, QC, H3G 1T4
T: 514-289-0995 | F: 514-289-0032
www.alexfabian.com

VEUILLEZ NOTER QUE NOUS NE POUVONS PAS ACCEPTER AUCUNE COMMANDE PAR COURRIEL OU PAR MESSAGE VOCAL. PLEASE NOTE THAT WE CANNOT ACCEPT TRADE INSTRUCTIONS BY E-MAIL OR VOICE MAIL.

The information contained herein has been provided by Alex Fabian, Investment Advisor and is for information purposes only. The information has been drawn from sources believed to be reliable. The information does not provide financial, legal, tax or investment advice. Particular investment, tax, or trading strategies should be evaluated relative to each individual's objectives and risk tolerance.

TD Wealth Private Investment Advice is a division of TD Waterhouse Canada Inc., a subsidiary of The Toronto-Dominion Bank.

® The TD logo and other trade-marks are the property of The Toronto-Dominion Bank.