

Friday May 17, 2024

RECORD MARKET LEVELS

For the first time ever, the Dow Jones Industrial Average surpassed 40,000 points, fueled by investors' hopes of seeing the U.S. Federal Reserve lower interest rates by the end of the year.

Building permits, an advanced indicator of future construction projects, fell 3.0% in April in the U.S. (below expectations of a 0.9% rise) to reach 1.44 million, the lowest since the end of 2022. This primarily reflected a steep drop in the approvals for apartment complexes.

Japan's economy shrank by 2.0% on an annualized basis in the first quarter, much greater than the economic forecast of -1.2%. This contraction was mainly due to one-offs but could prevent the Bank of Japan from hitting the figures required in the second quarter to raise rates.

Next week, we'll keep an eye on the release of April's inflation figures in Canada.

Have a great weekend,

Nicholas Laflamme

Economic news to watch today

Nothing to watch

Market Moves

Source: Bloomberg at market close

USD/CAD	1.3618 +0.0016
EUR/USD	1.0867 -0.0017
EUR/CAD	1.4799 -0.0007
TSX	22,300 +0.07%
S&P500	5,297 -0.21%
WTI Oil	79.23 +0.76%
CA 10-YR Bond Yield	3.56% 0.00%
US 10-YR Bond Yield	4.38% +0.81%

Trends

Range of the day	1.3575	1.3700
Range of the next 5 days	1.3525	1.3750

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