



The Month Gawne By

July 2018

What Happened?

Equity markets continued to move higher across the board despite the headlines. Bonds were mostly flat. Tech continued to lead the way, but experienced a setback with [Facebook's most recent earnings release](#).

The top 10 companies in the [NASDAQ 100 Index](#) are more concentrated and expensive (based on [Price to Earnings](#) valuation) than they were at the height of the dotcom bubble in 2000 (CI Investments)

The US started [imposing tariffs on \\$34 billion in Chinese imports](#) July 6th. Tesla [raised its prices](#) in China in response and the US Agriculture Department plans to announce a [\\$12 billion package of emergency aid to farmers](#) impacted from China's measures

Canada's [retaliatory tariffs on US goods](#) came into force on July 1st. As a former avid [Magic: The Gathering](#) player, I was surprised to read that these [tariffs are impacting hobbyists](#)

[The US and the EU agree to work on lowering tariffs](#)

Bank of Canada [raised the benchmark interest rate](#) for the fourth time since June of 2017 by 0.25% to 1.5% (it has not been this high since December 2008). The expectations are for 3 or 4 more hikes by the end of 2019

[IMF projects inflation in Venezuela will hit 1,000,000% in 2018](#)

Rising interest rates have put pressure on bond prices. However, [recent research from the CFA Institute](#) found that high quality bonds were the only true diversifier of risk in down markets

Mexico elected a [new president](#), who has chosen to forgo secret service protection despite 145 politicians being killed in Mexico since September 2017

[Brexit resignations](#)

[Trump Putin Summit](#)

[Edgepoint's 2nd Quarter Commentary](#) – Behavioural finance impact on returns and expectations. Investing is likely to be uncomfortable in the future, we're in the second longest bull market since World War II. Since 1990 the S&P 500 average intra-year decline has been (-13%). The last time this happened was 2011, volatility is likely to return and future returns will be lower than past returns

Markets (as of July 31st, 2018)

Stocks	Benchmark	July	YTD
Canada	S&P TSX Composite	0.96%	1.39%
United States	S&P 500	3.60%	5.34%
International	MSCI EAFE	2.42%	-2.18%
Emerging Markets	MSCI Emerging Markets	1.68%	-6.13%
World	MSCI ACWI	2.89%	1.32%

Bonds	Benchmark	July	YTD
Canada	FTSE TMX Canada Universe Bond	0.57%	0.61%
United States	Bloomberg Barclays US Aggregate	0.02%	-1.59%
World	Bloomberg Barclays Global Aggregate	-0.17%	-1.62%

Currency	July	YTD
CAD / USD (Source: ThomsonOne)	-0.76%	3.97%

Articles of Interest

[While we sleep, our mind goes on an incredible journey.](#)
 A National Geographic article on sleep. My favorite quote comparing REM sleep to virtual reality:
 "Maybe, then, we've been asking the wrong question about sleep, ever since Aristotle. The real wonder isn't why we sleep. It's why, with such an incredible alternative available, do we bother to stay awake?"





Leafs [sign Tavares!!](#) (who could save almost [\\$12 million in taxes](#) through the structuring of his contract). See also: [Video gamers may soon be paid more than pro athletes](#)

[The Most Important Video Game on the Planet](#) (It's Fortnite)

Google is building the [city of the future](#) in Toronto

[Citronella candles don't repel mosquitoes](#), but DEET and oil of lemon eucalyptus spray do

[Shoes that make you run a marathon 4% faster](#)

Plastic straws have been vilified (for some legitimate reasons; [graphic video of a straw being removed from a sea turtle's nose](#)), with [Seattle becoming the first major US city to ban them](#) and [Starbucks](#) pledging to eliminate plastic straws by 2020. A [history of the straw](#), which was originally a piece of straw (a rye stalk, cut and dried). [The future of the straw](#)

[The 6,000 year history of medical cannabis](#)

[Canadian home ownership costs hit multi-decade highs](#)

Netflix [broke HBO's 17 year streak](#) of receiving the most nominations at the Emmy Awards and plans on spending \$8 billion on original programming this year

One of the many reasons I prefer to workout at home: [Naked man arrested at Planet Fitness cites "Judgement Free Zone"](#)

Music

Drake's new album, "Scorpion," was streamed [more than 1 billion times](#) in its first week. Anyone with a Spotify account would have seen the album promoted excessively, so much so that premium users of Spotify who complained [received refunds](#) for their monthly subscription. His song "In My Feelings" also broke the [single week streaming record](#) with 116.2 million streams.

[The best songs to dance to, according to computer science](#)

[Death Metal Grandma](#) – 96 year old Holocaust survivor turned heavy metal vocalist

What I'm Listening to:

[Ali Ingle – "FR33"](#)

[STS, Kharie Mateen – "Better on a Sunday"](#)

[Jase Harley – "Boomerang"](#)

[Marlowe – "Mayday"](#)

[L.A. Salami – "I wear this because life is a war"](#)

Books

All of my reading over the last few months has been dedicated to the textbooks required to study for the final exam for the Certified Financial Planner designation. Thankfully I passed and was able to get back to reading for "fun."

"[The Value of Nothing](#)," Raj Patel

This book was not what I expected to be. It started out promising, talking about how we discount the cost of "nothing," using the example of the McDouble ([hailed as the greatest food in human history by some](#)). The author points out that the McDouble's price is so low because of the environmental, social, and healthcare costs are not incorporated in the price; instead these costs are subsidized by taxpayers for the benefit of the corporation. The remainder of the book was about inequality and political systems. While informative, did not directly connect to the title of the book. Related: [The number zero explained](#)

Video

[Carts of Darkness](#) – Documentary exploring the lives of homeless bottle collectors in North Vancouver.

Food

[How much money do you save by cooking at home?](#)

[The US is the most obese nation in the world](#). Started reading, "[Homo Deus: A Brief History of Tomorrow](#)," this month where I learned that more people die from overeating than starvation



[How to cook a hamburger like a chef](#)

[Is lab-grown meat really meat?](#)

Show your Canadian pride by buying [French's ketchup instead of Heinz's](#)

[What a 5,300 year old man had in his stomach](#)

Photo of the Month



["Earthrise"](#) – Taken by Apollo 8 astronauts during the first manned mission to the moon ([fewer than 24 people have viewed earth in its entirety from space](#))

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