



# The Month Gawne By

# August 2018

## What Happened?

The US equity markets continued to lead the way with the S&P 500 setting a new record for [the longest bull market in history](#) (according to some definitions) on August 22<sup>nd</sup>. A bull market is a sustained period where stocks have [increased at least 20% without a decline of 20%](#).<sup>1</sup> The last time stocks declined at least 20% was in March 2009, which started the current bull run and ended the previous bear market. [Possible explanations](#) for why the terms bear and bull are used to describe markets.

<sup>1</sup> This article is from November 2017, it asks if you should do anything differently during a long bull market. The answer: maintain your strategic asset allocation and be prepared to add to equities if they lose value

[US and Mexico agree on a NAFTA deal](#). Canada was not included in the talks, but had a deadline of August 31<sup>st</sup> to reach an agreement with the US that [came and went](#). Talks will resume September 5<sup>th</sup>.

[European Union to protect firms from US sanctions law](#)

The US would like to implement tariffs on [\\$200 billion worth of goods](#), as early as September 6th

[The US government to pay \\$4.7 billion in tariff related aid to farmers](#).

There was an [assassination attempt](#) on Venezuela's president using drones

Unemployment in the US is at the [lowest levels since the early 2000s](#)

Federal Reserve Chairman, Jerome Powell, indicated that there will be another [interest rate hike in September](#).

To no one's surprise, Donald Trump thinks the market would crash and that ["everybody would be very poor if he were impeached"](#). Others think ["stocks would soar"](#).

Social media continues to deal with misinformation campaigns leading up to Midterm elections in the US.

Google terminated [39 YouTube channels](#) while Facebook [deleted 652 accounts, groups, and pages](#).

[The most expensive car ever sold \(at auction\) went for US\\$48.4 million](#). At the same time the Federal Reserve mentions that they are waiting for inflation

## Markets (as of August 31<sup>st</sup>, 2018)

Stocks	Benchmark	August	YTD
Canada	<a href="#">S&amp;P TSX Composite</a>	-1.04 %	0.33%
United States	<a href="#">S&amp;P 500</a>	3.03%	8.52%
International	<a href="#">MSCI EAFE</a>	-2.19%	--4.33%
Emerging Markets	<a href="#">MSCI Emerging Markets</a>	-2.90%	-8.85%
World	<a href="#">MSCI ACWI</a>	0.59%	1.92%

Bonds	Benchmark	August	YTD
Canada	<a href="#">FTSE TMX Canada Universe Bond</a>	0.75%	0.62%
United States	<a href="#">Bloomberg Barclays US Aggregate</a>	0.73%	-1.07%
World	<a href="#">Bloomberg Barclays Global Aggregate</a>	0.10%	-1.52%

Currency	August	YTD
CAD / USD (Source: ThomsonOne)	0.00%	0.00%

## Articles of Interest

[The Mid-Engine Corvette](#)

[Don't pick stocks, pick managers](#) – why planning is becoming more important than picking stocks. Different styles of investment management suit different people

[Aretha Franklin died without a will](#), make sure yours is up to date!

[How people around the world laugh online](#). Writing is not the richest form of communication. Tone and body





language are important when conveying a message. It is likely at some point in your life you have or will have a text message misinterpreted. Lols, hahas, and emojis are one way we try to mitigate this issue. The author compares the different ways people around the world laugh through text.

[More proof ancient human species interbred](#)

[You are not original or creative on Instagram](#)

I recently experienced the "ikea effect" when I replaced the brakes on my car with the guidance (and tool box) of a friend who knows what he's doing. The ikea effect is related to the [endowment effect](#), which suggests that mere ownership of something increases the value to individuals.

You may have appreciated your air conditioner at some point during August for the comfort it provided. But after reading about how it has [influenced society](#), you may appreciate it in a different way

A [robotic dog](#) seems like it has potential. No peeing on the rug, can be left at home indefinitely, no walks, no shedding, no vet bills, and could be in a perpetual puppy state.

[Aerial photos showing the rich and poor living side by side](#)

[Are cities making animals smarter?](#)

John McCain's [first person account](#) of his time as a prisoner of war. A long read, but well worth it

## Video

Sacha Baron Cohen's new show, "Who is America?" has been getting some attention. Here is a [clip of him interviewing Donald Trump](#) during his old show, "Ali G"

[50 box office bombs that are actually great](#)

## Music

Eminem released his [second album in a year](#). It hasn't been well received by critics and fellow rappers; however, [people are listening to it](#).

Attended Elora Riverfest for the first time and came across a few acts, I've never seen before ([Royal Castles](#), [Cuff the Duke](#)) and a couple I have ([Wolf Parade](#), [July Talk](#))

Also, saw [Counting Crows](#) with [Live](#) at the Budweiser Stage. It was like travelling back in time. Both bands were great and indistinguishable from their original CDs. Their opening act, [Boom Forest](#), is worth a listen.

## Books

"[Homo Deus: A Brief History of Tomorrow](#)," Yuval Noah Harari

From the author of, "[Sapiens: A Brief History of Humankind](#)," this is a look at the future of humanity. I almost enjoyed this book as much as Sapiens. The future is going to look a lot different and will progress at an increasingly fast pace. The author asks some great questions and provides interesting insights. Part 2 of the book I found a little slow. It went into economic, political, and religious systems; which I have read a lot about recently and consequently found a little boring. Highly recommend reading this book along with its predecessor.

## Health

I caught a bug while attending the aforementioned Riverfest. In "Homo Deus" Yuval Harari talks about Google being able to predict flu epidemics days sooner than the medical system if it were able to analyze emails and messages for certain terms to predict if people were sick. Coincidentally(?), [this video](#) of how to clear your sinuses appeared in my YouTube feed.

## Food

[Burritos](#)



## Chart of the Month



\* Data as of July 31, 2018

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