

## Last Week at a Glance

North American Markets	Last	Change	% Change
S&P/TSX Composite	19418.20	-557.17	-2.79%
Dow Jones	33,727.43	-571.69	-1.67%
S&P500	4,348.33	-61.26	-1.39%
NASDAQ	13,492.52	-197.05	-1.44%
Russell 2000	1,821.63	-53.84	-2.87%

Overseas Markets	Last	Change	% Change
FTSE 100	7,461.87	-180.85	-2.37%
DAX GERMANY	15,829.94	-527.69	-3.23%
NIKKEI 225 INDEX	32,781.54	-924.54	-2.74%
HANG SENG INDEX	18,889.97	-1,150.40	-5.74%

Commodities / FX	Last	% Change
Crude Oil WTI	\$69.16	-3.65%
Natural Gas	\$2.73	3.69%
Gold	\$1,929.60	-2.11%
CAD / USD	\$0.761	0.40%
CAD / EUR	€0.694	0.30%

Government Bonds	2YR	10YR
CANADA (YLD%)	4.74%	3.45%
U.S. (YLD%)	4.74%	3.73%

### Week in Review:

- U.S. Markets Pulled Back on Fed Interest Rate Commentary:** After a long winning streak in U.S. equities, sentiment soured as the Fed provided commentary on interest rate policy for the remainder of the year. In the meeting, Fed officials stated that they have more work to do and that two more hikes were likely still on the table for 2023.
- The U.S. Housing Market Remains Tight:** Housing starts soared in May, above consensus expectations. The monthly gain was the largest recorded since October 2016. Existing-home sales also edged up 0.2% in May, instead of retracing as per consensus. This level of inventory remained indicative of a tight market, as did the very quick turnover rate. Properties that sold in May 2023 had been on the market for 18 days on average, half as long as those that sold back in February.
- Canadian Equity Markets Fell on Latest Global Interest Rate Moves:** Canadian markets pulled back as central banks are continuing to raise interest rates in the fight against inflation, with the Bank of England raising its overnight rate on Thursday, and the Reserve Bank of Australia raising rates in the week prior.

### Week Ahead:

- Tuesday's inflation report for May will provide key information for the Bank of Canada to weigh ahead of its mid-July rate decision.
- In the U.S. a number of key metrics will be released on the strength of the consumer, including reports on personal income, durable goods orders, and the consumer confidence index.
- A number of core earnings that will be released this week include General Mills, Nike, and Micron.

### Chart of the Week:

#### Labour Shortages are mentioned less often in earnings calls

- This chart displays labor market shortage becoming less of a concern and should alleviate some inflationary pressure going forward.



Source: Optimize, Refinitiv.