

Last Week at a Glance

North American Markets	Last	Change	% Change
S&P/TSX Composite	23,568.70	787.30	3.46%
Dow Jones	41,393.78	1,048.37	2.60%
S&P500	5,626.02	217.60	4.02%
NASDAQ	17,683.98	993.15	5.95%
Russell 2000	2,182.49	91.08	4.35%

Overseas Markets	Last	Change	% Change
FTSE 100	8,273.09	91.62	1.12%
DAX GERMANY	18,699.40	397.50	2.17%
NIKKEI 225 INDEX	36,581.76	190.29	0.52%
HANG SENG INDEX	17,369.09	-75.21	-0.43%

Source: Refinitiv as of September 13, 2024

Commodities / FX	Last	% Change
Crude Oil WTI	\$69.24	2.32%
Natural Gas	\$2.29	0.84%
Gold	\$2,610.70	3.41%
CAD / USD	\$0.74	-0.55%
CAD / EUR	€0.66	-0.35%

Government Bonds	2YR	10YR
CANADA (YLD%)	2.95%	2.96%
U.S. (YLD%)	3.59%	3.71%

Week in Review:

U.S. Headline Inflation Dips Lower:

Evidence continues to point toward softening inflation. Wednesday's data release revealed the U.S. headline inflation rate was 2.5% in August, a notable decrease from July's 2.9% and the lowest such rate since February 2021. A 4% drop in energy prices contributed to weaker inflation. Markets and the broader economy typically welcome an environment where inflation is declining.

Source: U.S. Bureau of Labor Statistics

- **U.S. Producer Prices Rise Slightly:**

In August, producer prices in the U.S. edged 0.2% higher (seasonally adjusted) amid a rebound in the cost of services. Given that the labour market and core inflation have both been stabilizing, the markets are anticipating the Fed to lower rates by at least 25 basis points at its next meeting on September 18.

Source: U.S. Bureau of Labor Statistics

- **Strong Construction Activity in Canada:**

While parts of the Canadian economy struggled, building permits rose sharply in August, exceeding expectations. This robust increase should support continued growth in Canadian construction and raw materials. The number of approved units surged 20.1% over the past month, which will offer a healthy boost to construction activity in Canada.

Source: Statistics Canada

Week Ahead:

- **U.S. Interest Rates on the Move:**

The Fed's interest rate announcement on Wednesday could mark the first decline since rates began rising in March 2022, with further rate cuts anticipated if economic conditions warrant.

- **Key U.S. Data on the Slate:**

On Thursday, we'll get data on U.S. retail sales and weekly jobless claims. This data will be key to assessing the current strength of the U.S. consumer and state of the U.S. economy.

- **More Clarity on Inflation in Canada:**

Canadian inflation numbers for August will be released on Tuesday. The Bank of Canada appears committed to extending its trend of interest rate cuts to help support the Canadian economy.

- **Corporate Earnings Highlights:**

Notable companies reporting financial results this week include FedEx, General Mills, and Steelcase.