

ALL WE ARE SAYING.....

....♪♪**Is Give Peace a Chance**♪♪ (Chorus of a song by a famous group whose name escapes me...)

Well, it wasn't actually peace, but a loudly acclaimed truce in the trade war between China and the US, that was the headline in financial news late last week: America would delay some planned tariff increases and China would commit to purchasing billions of dollars in farm products.

Happily ignored was the fact that the actual details need to be worked out, or the fate of existing US tariffs on some \$360 billion of Chinese goods in place, or US access to China markets, intellectual party contraventions and so on and so on are all in jeopardy. **Never the less, relieved equity markets worldwide staged impressive week's end rallies, largely wiping up the losses earlier in the month.**

For the week :

- Germany's DAX +4.15%
- France's CAC40 +3.23%
- Dow Jones +2.61%
- Japan's Nikkei +1.82%
- Alas, Canada's TSX was the party pooper and fell a ¼%.

And not wishing to be a party pooper myself, but I want to remind readers that there is much yet to be accomplished for the truce to become a lasting "**peace**". Other concerns remain: the expectation that US 3rd quarter earnings will be continue the recent falling trend; the failure of low and even negative rates to spur economic growth in Europe; and, global growth are still concerns. Also disturbing, developments in the Middle East as Turkey invades northern Syria.

Meanwhile, American shares are trading at historically high valuations and North American markets are within a percent or two of all-time highs.

So, I believe, as I have commented many times before, a cautious, balanced stance is still warranted.