

## DEAR SANTA

Christmas came early this year with a week that seemingly had everyone's **Christmas Wish List** answered:

- British voters gave Boris Johnson's Conservative Party an overwhelming mandate in an election sweep not seen since the Maggie Thatcher days.
- The Democrat led House Judicial Committee got their impeachment vote approved - Congress will vote next week to impeach President Trump.
- The US and China signed a "**first stage**" trade deal putting the trade wars on pause – at least for a while. This gave a nice weekend boost to Asian shares.
- Fed Chairman Powell, encouraged by an impressive jobs report, wage growth and a stable economy, was able to announce that **further rate cuts would be put on hold**, thus giving him room to maneuver if necessary in 2020.
- Conservative voters in Canada seemed to get their wish answered as party leader Andrew Scheer resigned, however not before some controversy over the hidden private school funding of his children.
- House Speaker Nancy Pelosi and senior Democratic lawmakers announced their support for a **revised U.S.-Mexico-Canada Trade Agreement**, with a House vote expected next week. I am pretty certain this was on Prime Minister Trudeau's wish list as, just a few weeks earlier, the Democrats were threatening to delay approval until 2020.
- **Aramco** (the Saudi Arabian national oil company) raised \$25.60 billion in the biggest-ever IPO by selling 1.5% of its outstanding shares. After months of trying to get the deal done, and most pundits expecting a fall in the price, the immediate jump to a 10% premium must have made OPEC, the underwriters and investors very happy.
- **Last, but certainly not least, bond markets, equity markets, oil, gold and even the Canadian dollar moved higher. So, no matter what your investment focus was, 2019 should end with money being made by all.**

However, there are a couple of **lumps of coal** that may become a drag on stock markets in the New Year:

1. The “phase one” trade deal is very limited in scope and significant tariff issues still lie ahead.
2. The world economy is growing at the slowest pace since the financial crisis, according to new estimates from the OECD. Besides trade wars and a sharp Chinese slowdown, bigger concerns include climate change, digitalization, and the crumbling of the multilateral order.

***This is my last “Week That Was” for 2019 and so however you celebrate, Sandra and I want to wish all of you a Merry Christmas, Happy Chanukah, Joyous time with family and may the year ahead bring bountiful health and only good things.***