NOT A LOT TO CHEER ABOUT

- Covid cases are back on the increase, not only at home, but overseas as well. Israel re-shuts schools and many public areas. There were record new cases in many countries in Europe, and India now has over 4.5 million cases. While in the USA, the previous hotspot, cases have declined notably. However, with colleges and schools reopening that could well rapidly change for the worse.
- Brexit talks hit a wall as news emerged of the UK potentially changing parts of the withdrawal agreement. Without an agreement, nearly $1Trillion in trade could be thrown into chaos at the beginning of 2021.
- AstraZeneca shares fell after the drug maker paused clinical trials of its experimental COVID-19 vaccine, with a participant in a U.K. study experiencing an unexplained illness.
- Wildfires are causing widespread destruction, heart wrenching fatalities and dangerous air quality all over the western seaboard.
- Century 21, the famous New York discount store chain (we had shopped there many times) became the latest retail casualty of the coronavirus crisis, joining Brooks Brothers, J.C. Penney, J. Crew, Neiman Marcus, Sur la Table and Tailored Brands all having filed for bankruptcy in recent months. Lord & Taylor, another New York institution, which traces its roots to 1826, also announced plans to liquidate. For those of us of a certain age, the loss of such iconic brands is sad, and it is sure going to be a different shopping experience in the future.
- The selloff in the recent oft-mentioned 'pandemic big winners' continued and, consequently, the technology-heavy Nasdaq fell 4.1%. It's worst weekly performance since March.

Bottom line: not a profitable week for North American indices; however, our TSX managed a breakeven as losses in technology and energy was offset by gains in Industrial and Gold shares. What was notable was that all the weekly winners were overseas. Germany's DAX was up 2.8%, Italy gained 2.2% and, despite the Brexit issues, UK's 'Footsie 100' was the big winner, rising 4%.

I have opined before that I believe, as we approach the Presidential election and things "heat up", portfolio managers will strategically shift a greater portion of their assets offshore and 2021 may well see non-North American indices outperform, something that hasn't happened for a number of years.

What's next? Well, the weekend UK Financial Times had one article saying raise cash and get out first before investors realize a new economic contraction is under way – the declining energy market being a harbinger of this. The other article stated that once one accounts for lower US corporate taxes the major (and big winners) technology shares are not overvalued, so stay the course and expect higher markets ahead.

My advice, quoting my mother, who was a font of memorable sayings (some that cannot be repeated in mixed company) - “moderation in all things.”