

SHORT USA HOLIDAY EDITION

With July 4th Independence Day being a Thursday, there is no Global Insight for last week and this Monday marks another memorable event – Dennis’s Birthday and he has taken the day off to celebrate - so this week’s market update is a short but a good news one.

Following the impressive up move in June, the first week of July , despite being a US shortened trading week, saw further gains in share prices and again virtually every major global stock market index was higher.

The US June jobs report was stellar as more jobs were added in June than any other month this year. 224,000 jobs were added -- a mark that topped the consensus expectation of economists for 160,000.

This unexpected strength dampened the expectation for an Federal Reserve Board rate cut later this month despite the trade-bruised global economy still struggling. The possibility of interest rates NOT going even lower was a disappointment for holders low interest bearing government bonds and thus the latter part of the week saw widespread selling in these securities.