

April 20th, 2013

No news is *not* good news for markets...

A lack of data just cements in trending prior weeks performance. A change in economic data is necessary for markets to shift. This week was just the allowing past negative sentiment to persist. Political leadership is lacking to give markets the push forward they need.

In America, housing continues to perform even though unemployment numbers show no improvement for nearly a year.

Surprisingly, the Euro zone markets saw gains against Wall Street's negative sentiment. Inflationary pressures weakened more than expected in Germany mainly due to a decline in energy prices.

Japan and Australia advanced despite a weak Wall Street. Japan's currency debasing and quantitative easing have the Nikkei bucking the downward trend. The Yen is trading at 98 against the US dollar.

Australia's weakening Aussie dollar helped markets move higher along with oil, gas and mining.

Gold prices declined over the past few months. The World Gold Council (WGC) reported prices declined due to speculative traders in future markets. The WGC pointed out that a shortage is developed as increased buying is taking place by India and China.

Crude oil prices are still on a down hill slide with light sweet crude hitting \$88.96 a barrel. How low can prices go? Slowly but surely, decreased global consumption has pushed prices lower.

In Canada, Stats Canada reported consumer pricing rose 1% year over year in March extending the 1.2% increase in February. The slower increase in inflation was driven mainly by declining gasoline prices. Bank of Canada's core index rose 1.4% in a 12 month rolling average to March. Seasonally adjusted core inflation rose 0.2% in March after seeing a 0.4% increase in February. Your monthly paycheque is definitely buying less and less each month!