

### Equities gain ground globally in November

Despite a steady drumbeat of headlines about impeachment, trade and the impending U.S. presidential elections, the market mood remains generally positive. There was some headline volatility to trade talks over the past few weeks, however, China announced stricter compliance to intellectual property rights (a key sticking point to structural issues with the U.S.), which has discussions moving in the right direction, according to Joey Madere, senior portfolio strategist, Equity Portfolio & Technical Strategy.

Toward the end of November, the markets were trending positively despite all of the above, bringing some level of comfort to investors. Of course, these pressing issues can be expected to remain in the news, but it seems the market is pricing in progress on trade and not anticipating a jolt from impeachment or the election, suggests Raymond James' Washington Policy Analyst Ed Mills. Although, he cautions, this could quickly change if the December 15 tariffs go into effect. He also anticipates some volatility as frontrunners emerge during the upcoming primaries and caucuses.

According to Chief Economist Scott Brown, monetary policy appears to be well-positioned to support economic growth, strong labor market conditions, and inflation near the Federal Reserve's 2% goal. Fed Chairman Jerome Powell implied that short-term interest rates are on hold for the time being, with the usual caveat that the central bank would cut rates again "if the outlook changes materially."

On the back of still solid domestic economic fundamentals (with muted risk of recession over the next 12 months), positive trade developments and a better-than-expected third-quarter earnings season, the S&P 500 posted its best November gain (3.63%) since 2009 and notched 11 record highs during the month, shares Chief Investment Officer Larry Adam. The positive performance was a continuation of the strong gains experienced throughout 2019, as the broad-market index is up more than 25% year to date, having notched 25 record highs since January.

The Dow Jones Industrial Average (3.72%), NASDAQ (4.50%) and the Russell 2000 Index (3.97%) also made positive strides during the month.

	12/31/18 Close	11/29/19 Close	Change Year to Date	% Gain/Loss Year to Date
DJIA	23,327.46	28,051.41	+4,723.95	+20.25%
NASDAQ	6,635.28	8,665.47	+2,030.19	+30.60%
S&P 500	2,506.85	3,140.98	+634.13	+25.30%
MSCI EAFE	1,719.94	1,974.47	+254.53	+14.80%
Russell 2000	1,348.56	1,624.50	+275.94	+20.46%
Bloomberg Barclays Aggregate Bond	2,046.60	2,226.55	+179.95	+8.79%

Performance reflects price returns as of market close on November 29, 2019

Should anything change, I'll be sure to keep you updated on anything that could affect your long-term financial plan. Thank you for your trust in me.

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