



Weekly Market Review

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The Week Ending September 15, 2017

The market rallied last week with investors relieved that the initial damage reports from Hurricane Irma were not as bad as estimates had predicted. The “relief trade” last Monday pushed the S&P 500 higher by 1.1% to start the week on a positive note. Equities globally pushed higher for the week with bonds giving back some of the previous week’s gains stemming from the hurricane fear.

Also helping to lift confidence last week was a solid CPI figure of 0.4% for August. Inflation has been very low for most of 2017 so far. This is one of the bigger the issues the Fed has been dealing with as they try to tighten monetary policy. If we start to see more consistent inflation, this will give them more of a cushion to perhaps raise rates more quickly than they have been.

Jamie Dimon, the CEO of JPMorgan made headlines last week by calling Bitcoin a “fraud” and saying it’s “not a real thing” comparing the cryptocurrency to the Dutch tulip mania. Many are looking at the almost 400% year-to-date return and agreeing wholeheartedly with Mr. Dimon. Bitcoin supporters take exception to the comments and remind us that JPMorgan has paid over \$13 billion in a civil settlement with the US Justice Department related to their role in bundling questionable mortgages into complicated derivative products. Eric Holder, who was the



U.S. Attorney General at the time, proclaimed, “Without a doubt, the conduct uncovered in this investigation helped sow the seeds of the mortgage meltdown.” Dimon’s comments come at the same time that JPMorgan can be seen in the marketplace buying Bitcoin. And on top of that, JPMorgan is currently trying to build their own version of cryptocurrency built on the same Blockchain Technology which is the concept that made Bitcoin work.



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