



# Weekly Market Review

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## The Week Ending January 19, 2018

When the Dow moved from 24,000 to 25,000, it was the fastest 1,000 point move in the index's history taking only 23 trading days. This time, it took only eight trading days for the Dow to hit the next 1,000 point milestone of 26,000. The Dow, MSCI EAFE, and MSCI Emerging Market indices are already up 5.6%, 5.0%, and 6.4% respectively year-to-date. That is just in three weeks! The new year continues where 2017 left off with equity markets blazing and volatility nowhere to be found. 2017 was the second lowest year in terms of volatility ever. We saw 62 new all-time highs last year without a pullback of more than 2%.



The historic rise in equities was eclipsed in headlines by the looming government shutdown last week. On Friday, the U.S. Federal Government officially shutdown as lawmakers were unable to come together on a spending bill. The last time the government shutdown was in 2013 pushing equity markets down 4% before quickly recovering. This time, the market brushed off the shutdown as the political brinksmanship becomes more accepted as commonplace. The consensus is the shutdown will be resolved relatively quickly and have no lasting economic impact.

Bitcoin's price remains under pressure as governments seek to keep the cryptocurrency under control. The all-time-high came late in 2017 just missing the \$20,000 mark. But since then, South Korea and now India have moved to put regulations in place pushing the price down to \$10,350. Price targets range from \$1,000 to \$100,000 for Bitcoin, which highlights the fact that absolutely nobody has a clue as to what the future will bring.



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