



Weekly Market Review

By: Jim Rambo, Allegheny Research Team



The Week Ending June 2, 2018

On the surface, last week looks like it was pretty uneventful. Markets were closed Monday for Memorial Day, so it was a short week. The S&P 500 ended the week up slightly, and the Dow Jones Industrial ended the week down slightly. However, the reality is that every day the market was presented with new, and unexpected, information to process which led to a lot of volatility. Here's the play-by-play:

Tuesday: The Dow plunged by almost 400 points (1.6%) on fears surrounding political turmoil in Europe. The two populist parties that won the Italian elections have again failed to form a new government. There will now likely be new elections which may turn into a referendum to leave or stay in the EU. The White House added to the market's angst by announcing they would proceed on imposing 25% tariffs on \$50 billion of Chinese goods.

Wednesday: The Dow surged over 300 points (1.3%) and brushed off the anxiety from the previous day surrounding Italy. It helped that tensions eased among the leaders of the populist groups, and there is a renewed hope that a new election may be avoided.

Thursday: Investors' focus was back on trade tensions. This time between the U.S. and its allies – Canada, Mexico, and the EU. The Dow fell by 250

points (1.2%) on the announcement from the Trump administration that the U.S. will impose the previously announced 25% steel and 10% aluminum tariffs immediately. All countries that are affected plan to retaliate against the U.S. with tariffs of their own.



Friday: Stronger than expected employment data was announced with 223,000 new jobs added last month pushing the unemployment rate to 3.8%. This matches the lowest rate in almost 50 years. The Dow ended the day up nearly 200 points (0.80%) for the day.

After all of that volatility, the Dow ended the week down about 0.4%. ***Not bad considering what a wild ride it was.***



The information included herein was obtained from sources which we believe reliable. This report is being provided for informational purposes only. It does not represent any specific investment and is not intended to be an offer of sale of any kind. Past performance is not a guarantee of future results.

Allegheny Financial Group is a Registered Investment Advisor. Securities offered through Allegheny Investments, LTD, a registered Broker/Dealer. Member FINRA/SIPC.