

Building your financial future

# Cordeau Lemay Wealth Advisory

June 7th, 2021



## Is Job Growth the Fuel or the Sugar in the Gas Tank?

We've reached a phase in this recovery in which good news is, at times, interpreted as bad news:

Strong job growth = good news

Growth so strong it spurs persistently high inflation = not-so-good news

Last week's May employment reports showed that the Canadian and U.S. economies are progressing at differing rates. Domestic job growth is still feeling the effects of renewed lockdowns in Ontario and Quebec.

U.S. job growth is improving, but not as quickly as anticipated. With markets processing most economic readings through the filter of inflation implications, equities saw a small lift following the report.

The legend that sugar in a gas tank will halt a car engine is more myth than fact. But the risk inflation poses to the current investment narrative is no myth – in fact, we've long viewed it as the most structural threat to the positive market outlook. However, good news is still good news, and we don't think faster job gains ahead will kill the economic engine.

Have a great week

Philippe

## Trading Information

CL Disciplined Growth

<b>Symbol:</b>	NBN 1550
<b>Fund Launch Date:</b>	01/15/2021
<b>Portfolio Manager:</b>	Philippe Cordeau
<b>Distribution Frequency:</b>	Quarterly
<b>Number of Holdings:</b>	69
<b>Dividend Yield</b>	1,89%

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