Summarized from Clement Gignac's presentation on September 23, 2019 at the iAS Advisor Summit:

- We are currently experiencing the longest bull market in history, but bull markets do not die of old age
- The service sector is resilient however, the manufacturing sector is slowing down
- ISM Manufacturing Index is at 50, signalling a slowdown, which is confirmed by a CEO survey indicating that 60-70% expect a slowdown
- GDP expected to end at 2.9%, down from 3.6% in 2018
- Policy mistakes or external market shocks could jeopardize business cycle
- Financial markets are very sensitive to trade settlements developing in USA
- Global trade contraction outside of recession is a first, due to the rise in protectionism
- Analysts are not calling a recession yet, however, if USA imposes additional tariffs in December, this will have a significant impact
- Historically, a US president has never been re-elected in a recession. The emphasis will be on President Trump to get changes enacted before additional tariffs are enacted in mid-December
- The labour market is posting its best results in 16 years
- Canada has the highest immigration growth of the OECD countries and the highest level of education with 65% of immigrants aged 25-45 having post-secondary education
- Fair value of the Canadian dollar is closer to 80 cents
- Bond yields are very low. Global bond yields have hit a record low. There are now 14 trillion bonds in the world with negative interest rates—this means that citizens are financing government funds to borrow from them

International perspectives—bottom line

Risk factors:

- The trade relationship between China and the US remains tense and brings significant uncertainty to global supply chains
- The weakness of manufacturing activity could lead to larger global economic downturn, especially in Europe with Germany
- Geopolitical risks remain high (tensions in the middle east)
- Political uncertainty around Brexit

Positive elements:

- The US consumer remains confident and has an adequate level of savings
- China is using its fiscal policy in a recession scenario
- Germany is open to using its fiscal policy in a recession scenario
- Many central banks are now pointing to further monetary easing