NATIONAL BANK FINANCIAL

The Week at a Glance

June 17th, 2022

THE WEEK IN NUMBERS

(June 13th – June 17th)

Research Services

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INDEX	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
Dow Jones Industrial	29,888.78	-1,504.01	-4.79%	-17.75%	-11.63%	16.1
S&P 500	3,674.84	-226.02	-5.79%	-22.90%	-12.96%	17.8
Nasdaq Composite	10,798.35	-541.67	-4.78%	-30.98%	-23.75%	19.8
S&P/TSX Composite	18,930.48	-1,344.34	-6.63%	-10.80%	-6.02%	12.4
Dow Jones Euro Stoxx 50	3,438.46	-344.64	-9.11%	-20.01%	-17.31%	12.7
FTSE 100 (UK)	7,016.25	-301.27	-4.12%	-4.99%	-1.92%	12.2
DAX (Germany)	13,126.26	-635.57	-4.62%	-17.37%	-16.54%	11.8
Nikkei 225 (Japan)	25,963.00	-1,861.29	-6.69%	-9.82%	-10.53%	15.0
Hang Seng (Hong Kong)	21,075.00	-731.18	-3.35%	-9.93%	-26.20%	10.0
Shanghai Composite (China)	3,316.79	31.95	0.97%	-8.87%	-5.92%	12.0
MSCI World	2,487.88	-153.81	-5.82%	-23.02%	-16.97%	16.7
MSCI EAFE	1,827.78	-106.42	-5.50%	-21.76%	-22.23%	13.2

S&P TSX SECTORS	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
S&P TSX Consumer Discretionary	220.97	-8.59	-3.74%	-19.27%	-18.59%	15.9
S&P TSX Consumer Staples	749.04	-24.20	-3.13%	-1.84%	8.39%	20.8
S&P TSX Energy	232.45	-45.13	-16.26%	41.92%	70.77%	9.2
S&P TSX Financials	353.72	-17.64	-4.75%	-12.25%	-4.75%	9.4
S&P TSX Health Care	23.29	-0.93	-3.84%	-49.33%	-67.84%	N/A
S&P TSX Industrials	332.38	-7.97	-2.34%	-12.75%	-5.59%	21.6
S&P TSX Info Tech.	125.08	-5.50	-4.21%	-41.07%	-40.29%	39.4
S&P TSX Materials	327.80	-23.60	-6.72%	-0.16%	3.45%	12.4
S&P TSX Real Estate	297.30	-22.00	-6.89%	-25.18%	-16.62%	5.2
S&P TSX Communication Services	184.93	-9.16	-4.72%	-5.23%	-3.48%	18.3
S&P TSX Utilities	328.74	-23.99	-6.80%	-4.26%	-0.71%	27.0

COMMODITIES	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	NBF 2022E
Oil-WTI futures (US$/Barrels)	$110.16	-10.51	-8.71%	46.47%	55.07%	$106.25
Natural gas futures (US$/mcf)	$7.02	-1.83	-20.67%	88.23%	115.83%	$6.75
Gold Spot (US$/OZ)	$1,833.60	-37.90	-2.03%	0.33%	3.37%	$1,921
Copper futures (US$/Pound)	$4.02	-0.28	-6.49%	-9.72%	-3.88%	$4.70

CURRENCIES	Last price	Curr. Net Change	% Change Week	% Change YTD	%Change 1 Year	NBF Q4/22e
Cdn$/US$	0.7673	-0.0149	-1.90%	-3.03%	-5.12%	0.82
Euro/US$	1.0489	-0.0026	-0.25%	-7.73%	-11.90%	1.08
Pound/US$	1.2208	-0.0106	-0.86%	-9.76%	-12.29%	1.28
US$/Yen	135.00	0.58	0.43%	17.31%	22.50%	125

Source: Refinitiv and NBF Research

Please see last page for NBF Disclosures

FIXED INCOME NUMBERS

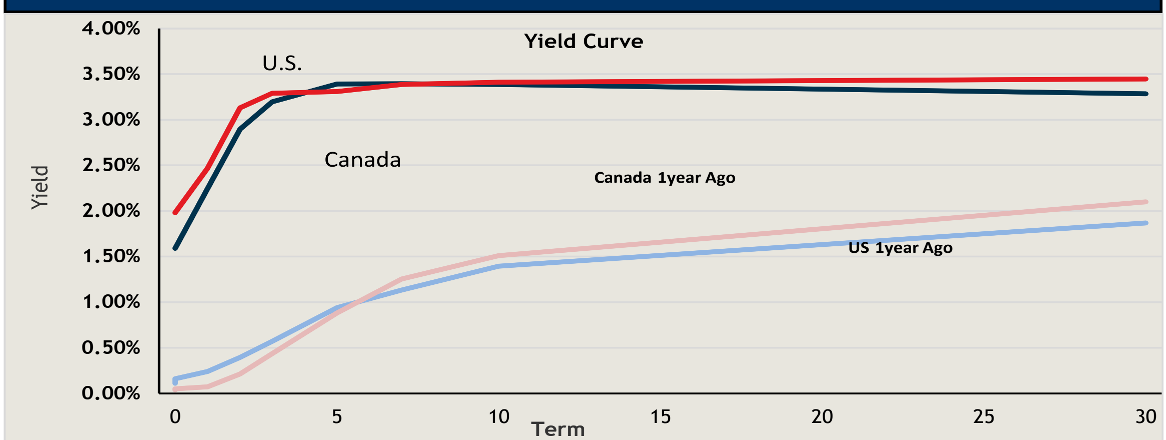
THE WEEK IN NUMBERS
(June 13th – June 17th)

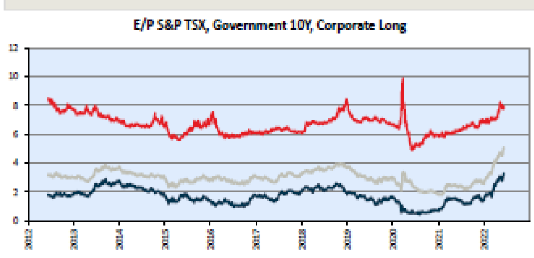
Canadian Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
CDA o/n	1.50%	0.5	CDA 5 year	3.39%	51.2
CDA Prime	3.70%	0.5	CDA 10 year	3.45%	42.3
CDA 3 month T-Bill	1.98%	61.0	CDA 20 year	3.44%	29.2
CDA 6 month T-Bill	2.47%	60.0	CDA 30 year	3.32%	29.9
CDA 1 Year	3.13%	65.0	5YR Sovereign CDS	38.98	
CDA 2 year	3.29%	52.4	10YR Sovereign CDS	40.06	

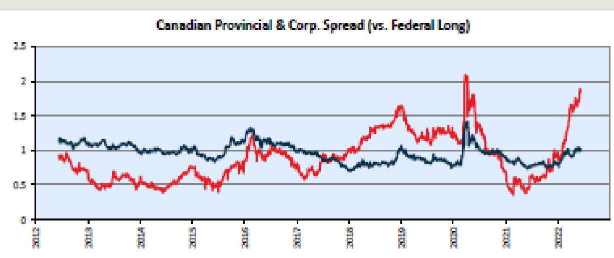
US Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
US FED Funds	1.50-1.75%	0.75	US 5 year	3.39%	42.6
US Prime	4.75%	0.75	US 10 year	3.28%	28.7
US 3 month T-Bill	1.59%	52.0	US 30 year	3.31%	11.6
US 6 month T-Bill	2.24%	69.7	5YR Sovereign CDS	15.98	
US 1 Year	2.89%	82.5	10YR Sovereign CDS	23.49	
US 2 year	3.19%	48.1			

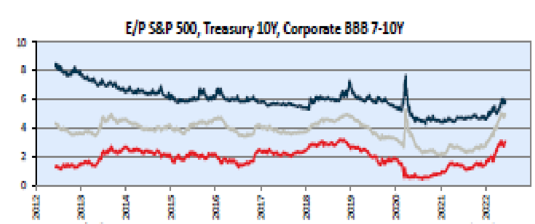
CANADIAN BOND - TOTAL RETURN	Change Week		Change Y-T-D
FTSE Universe Bond Index	-1.28%		-13.41%
FTSE Short Term Bond Index	-0.43%		-4.97%
FTSE Mid Term Bond Index	-1.18%		-12.68%
FTSE Long Term Bond Index	-2.61%		-23.92%

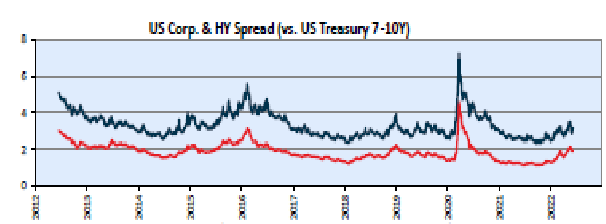
CURRENT YIELD CURVE









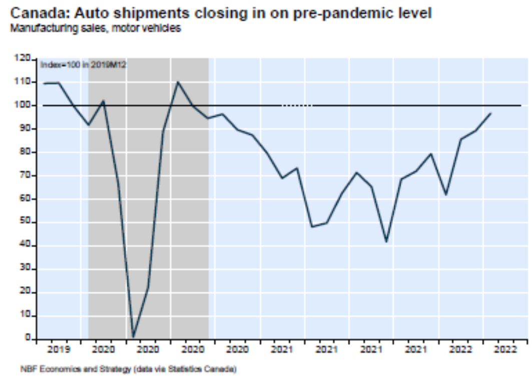


Source: Refinitiv & NBF

NBF Economy & Strategy Group

WEEKLY ECONOMIC WATCH

CANADA – Manufacturing sales rose for a seventh consecutive month in April, springing 1.7% to an all-time high of C$72.3 billion. Fifteen of the 21 industries covered saw increases in the month. The petroleum/coal industry was one of the largest contributors to the increase in the non-durable segment with shipments jumping 3.7%, mostly on higher prices (sales volumes rose just 0.5%). On the durable goods side, shipments of primary metals advanced 4.1% to a new all-time high of C$6.2 billion. Sales of motor vehicles (+8.2%), meanwhile, advanced for the third consecutive month and stood just 3.0% below their pre-pandemic level. On the flip side, after increasing for seven consecutive months, wood product sales fell 6.0% owing essentially to sharply lower prices for softwood lumber.

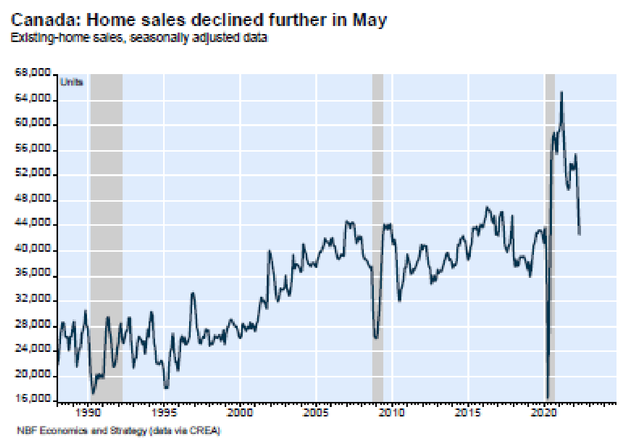


With the price effect removed, total factory sales rose 0.9% in April. The real inventory-to-sales ratio in the manufacturing sector stayed unchanged at 1.55, which was in line with its pre-pandemic level.

In April, **nominal wholesale trade** fell for just the second time in nine months, slipping 0.5% to C$79.8 billion. Sales were down in five of the seven subsectors surveyed, led by miscellaneous items (-3.4%), building materials and supplies (-1.4%), and motor vehicles and parts (-0.8%). In volume terms, total wholesale trade cooled 0.6%, marking a third consecutive decline for this indicator.

In May, instead of sagging to 255K as economists anticipated, **housing starts** rose 21.5K to 287.3K (seasonally adjusted and annualized), their highest level since last November. Urban starts rose 20.3K to 264.2K on a 22.7K gain in the multi-family segment (to 201.2K). Starts in the single-family segment, meanwhile, dipped 2.5K to 63.0K. At the provincial level, retreats in British Columbia (-11.8K to 40.2K) and Saskatchewan (-1.9K to 4.9K) were more than offset by advances in Ontario (+11.1K to 93.7K), Alberta (+6.1K to 46.5K), Quebec (+4.6K to 71.1K), Nova Scotia (+9.1K to 12.3K), and New Brunswick (+5.7K to 8.9K). Grounbreaking in the last two provinces actually reached new all-time highs. We expect housing demand to moderate as interest rates rise; this should then lead to a tapering of residential construction.

After falling 5.2% in March and 11.2% in April, seasonally adjusted **home sales** dropped another 8.6% in May to 42.6K, bringing the total drawback over the three months to 25.0%. The decline was quite widespread, with 75% of the markets covered seeing retreats. Meanwhile, new listings increased 4.5% countrywide, lifting the number of months of inventory from 2.3 to 2.7, its highest level since July 2020. Based on the active-listings-to-sales ratio, despite looser conditions, sellers markets continued to prevail in all the provinces save British Columbia, Alberta, and Saskatchewan, where the market was balanced.



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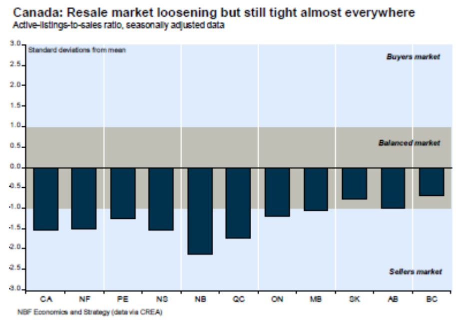
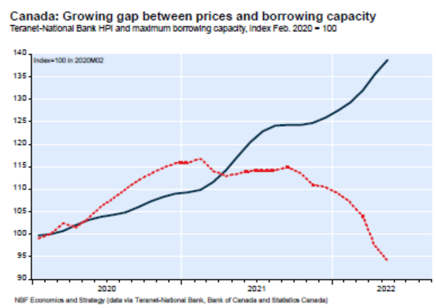
In our opinion, the recent slip in home sales was largely due to the increase in long-term fixed mortgage rates, which have gone from as low as 3% to well over 4% in just a few weeks (for a five-year term). As a result, the stress test that uses the higher of 5.25% or the contractual rate plus two percent must now use the second option, which means that it will grow more and more restrictive with each new rate hike. As for the variable rate, it is still at a level that allows buyers to qualify at the 5.25% rate. However, this could change quickly in the coming months if the Bank of Canada normalizes monetary policy as planned. This would slow down the resale market further given that most new mortgages are variable rate.



The **Teranet–National Bank Composite National House Price Index™** increased by 1.6% in May compared to the previous month and after adjusting for seasonal effects. Ten of the 11 markets in the composite index were up during the month, including Halifax (2.8%), Montreal (2.6%), Ottawa-Gatineau (1.9%), Quebec City (1.9%), Winnipeg (1.8%), Toronto (1.7%) and Vancouver (1.3%). From May 2021 to May 2022, the composite index increased 18.3%, with growth being driven by Halifax (34.0%), Hamilton (27.9%), Victoria (23.0%) and Toronto (21.8%). Growth was lower than average in Ottawa-Gatineau (16.9%), Montreal (16.6%), Vancouver (16.4%), Winnipeg (12.6%), Quebec City (9.1%), Calgary (7.1%) and Edmonton (1.6%).



Despite the monthly increase, annual growth in the composite index fell from its peak of 18.8% in April to 18.3% in May. This deceleration comes as the housing market is experiencing a sharp slowdown due to rising interest rates and deteriorating affordability in recent months. Indeed, there is now a significant gap between the increase in property prices and the borrowing capacity of buyers. Since the beginning of the pandemic, the composite index has grown by 38.7%, while borrowing capacity has declined by 5.8%, representing a 44.5% gap. With the continued normalization of monetary policy, we estimate that property prices could decline by 5% to 10% by the end of 2023 to be more in line with the financial reality of households.

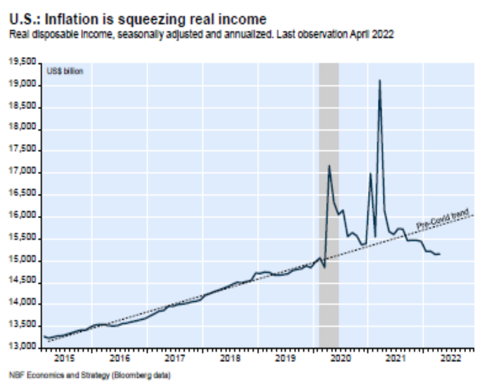
Prices for products manufactured in Canada, as measured by the **Industrial Product Price Index (IPPI)**, rose 1.7% m/m in May after climbing 0.8% the month before. This was the ninth consecutive monthly increase for this indicator. Prices were up in 16 of the 21 major commodity groups, led by energy/petroleum products (+10.7%), where steep gains were observed for motor gasoline (+14.6%) and diesel fuel (+10.9%), reflecting higher crude prices spurred on in part by the invasion of Ukraine and retaliatory sanctions against Russia. Supply constraints in the energy sector also has an impact in the chemicals/chemical products segment (+3.5%) via higher prices for plastic resins (+7.5%) and petrochemicals (+6.9%). Prices for fruit/vegetable/feed, meanwhile advanced 2.2% in the month, marking a ninth consecutive increase for this indicator. Flour and other grain mill products (+6.7%) and animal feed (+3.2%) both contributed to the gain. On a 12-month basis, the IPPI was up 15.0%, down from 16.4% the prior month. Of the major categories, energy/petroleum products (+78.5%), fabricated metals/construction materials (+23.2%) and chemicals/chemical products (+21.2%) recorded the steepest progressions.

The **Raw Materials Price Index** rose 2.5% in May thanks in part to an 8.6% jump in the crude energy products segment. On a 12-month basis, the headline RMPI was up 37.4%.

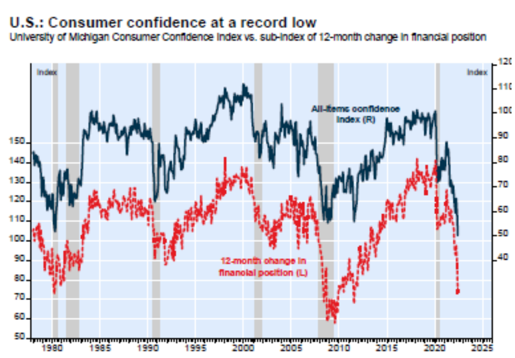
UNITED STATES - In May, **retail sales** fell 0.3% instead of rising 0.1% as per consensus. To make matters worse, the previous month's print was revised from +0.9% to +0.7%. Sales of motor vehicles and parts contributed negatively to the headline result by dropping 3.5%. Without autos, retail outlays advanced 0.5% as gains for gasoline stations (+4.0%), food and beverages (+1.2%), and eating and drinking establishments (+0.7%) were only partially offset by declines for electronics (-1.3%), miscellaneous items (-1.1%), non-store retailers (-1.0%), and furniture (-0.9%). In the end, sales were up in 7 of the 13 categories surveyed. Core sales (i.e., sales excluding food services, auto dealers, building materials, and gasoline stations), which are used to calculate GDP, were flat in the month.

It is all to easy to blame the automotive sector for the disappointing May retail sales report. True, auto sales suffered their worst monthly decline in nearly a year as supply issues likely continued to bother dealerships. However, consumer outlays were below expectations even excluding this category. Worse still, the increase in ex-auto sales was driven largely by gasoline stations, which benefited from a sharp increase in pump prices. Outside of auto dealerships and gasoline stations, sales were more or less flat in May (+0.1%). But this is before accounting for inflation. According to the CPI report published late last week, goods prices sprang 1.3% in May. This bodes ill for sales volumes in the month (data on real retail sales will be published next week). Still, all was not bleak in the report. To be sure, we were happy to see that consumers continued to shift spending from sectors that thrived during the pandemic (e.g., non-store retailers) to those that require social contact (e.g., eating/drinking establishments). This augurs well for a decent increase in services spending in the second quarter of the year.

This said, the outlook for consumers looks rather uncertain at the moment for a good reason: Real disposable income has declined in five of the past six months as wage growth failed to keep up with inflation.



As a result, consumer confidence has slumped. In June, the University of Michigan confidence index fell to a low never before reached since its creation in the late 1970s and the share of survey respondents who indicated that their financial position had improved in the preceding 12 months continued its steady descent.



With consumer purchasing power and confidence declining daily, there seem to be only two possibilities for the future: Either wages will start rising faster than inflation in the medium term, or consumption will hit a wall. Since nominal wage gains are unlikely to accelerate much, especially with business margins already eroded by high input prices and higher financing costs, an increase in real wages must stem from a decline of inflation. It is to this end that the Federal Reserve will continue raising its policy rates aggressively over the rest of this year. Unfortunately, the tightening

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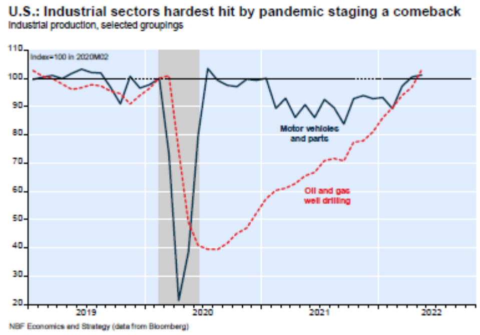
of monetary policy will cause problems for American households, most notably in the form of higher debt servicing costs and, possibly, a drop in asset value. For all these reasons, we expect household spending to continue slowing in the second half of 2022 and to pull GDP growth below potential.

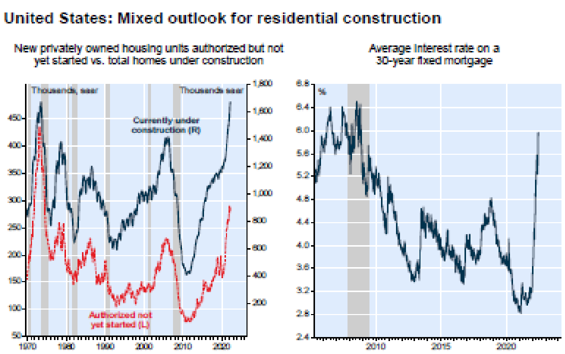
Still in May, **industrial production** grew 0.2% and reached a new all-time high. Manufacturing output edged down 0.1% as an expansion for motor vehicles/parts (+0.7%) was more than offset by a rather steep decline for machinery (-2.1%). Output progressed 1.0% and 1.3%, respectively, in the utilities segment and the mining sector. In the latter category, oil and gas well drilling sprang 6.2%, surpassing its pre-crisis level for the first time.



Capacity utilization in the industrial sector improved from 78.9% in April to 79.0% in May, its highest level since December 2018. In the manufacturing sector, it slipped from 79.2% to 79.1%.

Housing starts retraced from 1,810K in April (initially estimated at 1,724K) to a 13-month low of 1,549K in May, far worse than the 1,693K print expected by consensus. The drop reflected decreases in the single-family (-9.2% to 1,051K) and multi-family (-23.7% to 498K) segments alike.

Building permits, for their part, cooled 7.0% to 1,695K, with declines for both single-family dwellings (-5.5% to 1,048K) and multi-family units (-9.4% to 647K). Despite this retreat, permits data suggest that residential construction could remain at a relatively high level for some time. Indeed, the number of authorized residential projects for which construction had not yet started in May stood near a 50-year high at 283K. Before they can address this sizeable backlog, builders will need to complete the 1,670K units currently under construction, the highest number on records going back to the early 1970s. However, against this positive backdrop, several challenges remain. Supply chain delays, the high cost of building materials, and labour shortages could very well hamper homebuilder capacity going forward. Also, high prices could dampen buyer enthusiasm, as could mounting interest rates.



These headwinds are already taking a toll on homebuilder sentiment: In June, the National Association of Home Builders Market Index fell 2 points to a post-pandemic low of 67.0.

After climbing 0.4% in April, the **Producer Price Index** for final demand rose a consensus-matching 0.8% in May. Goods prices sprang 1.4% on a sizeable gain in the energy segment (5.0%). Food costs, for their part, remained more or less unchanged. Prices in the services category rose 0.4%. The core PPI, which excludes food and energy, grew 0.5% on a monthly basis. Year over year, the headline PPI eased from 10.9% to 10.8%. Excluding food and energy, it went from 8.6% to 8.3%. Despite the recent deceleration, higher input prices, long shipping delays, and mounting labour costs are likely to keep producer prices elevated for some time yet.

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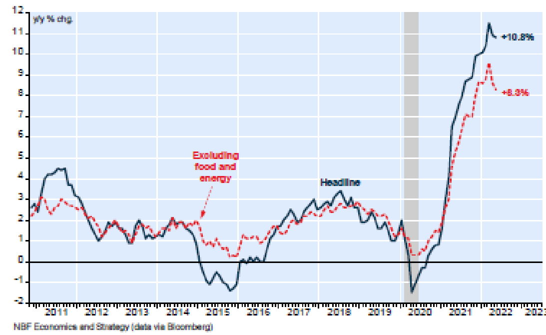
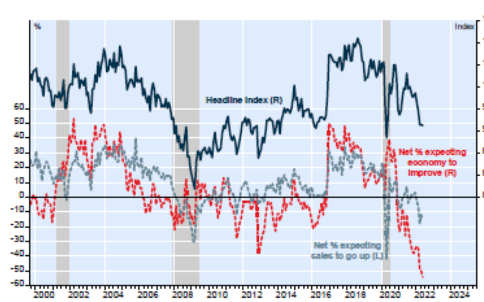
U.S.: Producer prices peaked, likely to remain elevated for some time
Producer Price Index. Last observation: May 2022



In May, the **Import Price Index (IPI)** progressed 0.6% on a monthly basis, less than the median economist forecast calling for a 1.1% gain. That miss was partially offset by an upward revision to the prior month's result, from +0.0% to +0.4%. May's headline print was positively affected by a 6.7% increase in the price of petroleum imports. Excluding this category, import prices edged down 0.1%. On a 12-month basis, the headline IPI sank from 12.5% to 11.7%. The less volatile ex-petroleum gauge, instead, eased from 7.9% to 6.7%.

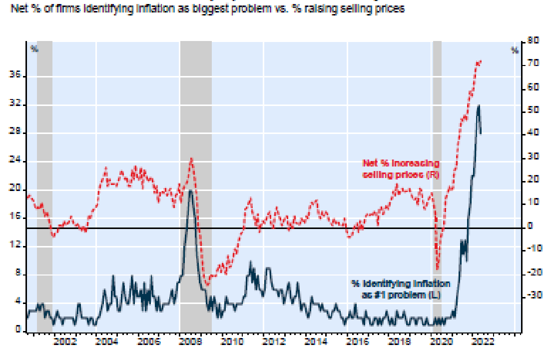
In May, the **NFIB Small Business Optimism Index** fell for the fourth time in five months, dipping 0.1 point to 93.1, its lowest mark since the start of the pandemic. The net percentage of firms that expected the economic situation to improve sank deeper into negative territory, going from -50% to -54%, the lowest level ever recorded. Net sales expectations also dropped, sliding from -12% to -15%. Surprisingly, deteriorating prospects did not seem to affect hiring plans; 26% of firms said they expected to expand payrolls in the coming months, up from 20% in April and the highest since January. Finding good candidates, on the other hand, remained extremely difficult as a record share of businesses reported not being able to fill one or more vacant positions (51%). In an effort to attract qualified workers, 49% of small firms said they had sweetened employee compensation in the past 3-6 months, a percentage just shy of the record struck earlier this year. But with margins squeezed by higher input/financing costs, fewer businesses were planning to do the same again in the coming months (25%, down from 27% in April).

United States: Business sentiment at a post-pandemic low
NFIB Small Business Optimism Index



Inflationary pressures were still palpable in the data. Indeed, no less than 72% of businesses indicated they had raised their prices recently and 47% said they intended to do so in the next 3-6 months. Alternatively, the proportion of polled firms that identified inflation as their most pressing problem fell from a 40-year high of 32% to 28%.

United States: Inflation still palpable in NFIB survey
Net % of firms identifying inflation as biggest problem vs. % raising selling prices



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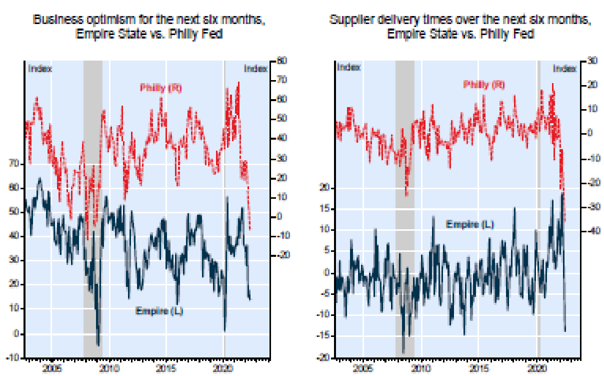
After registering its second-largest decline on record in May, the **Empire State Manufacturing Index** improved 10.4 points in June but remained in negative territory at -1.2. Consensus expectations had the index springing to +2.3. Both the new orders sub-index (5.3 vs. -8.8 the prior month) and the shipments sub-index (4.0 vs. -15.4) rose but failed to return above their long-term averages (7.9 and 11.7, respectively). The number of employees gauge (19.0 vs. 14.0) also strengthened. Supply chain pressures continued to ease in the month as evidenced by a decline of the supplier delivery times tracker to a 15-month low of 14.5 (vs. 20.2 the prior month). Polled respondents expected this tendency to accelerate going forward. Indeed, the index tracking expected delivery times in 6 months fell to its lowest level since 2013 (-13.7). High input costs (78.6 vs. 73.7 the prior month) remained a concern but manufacturers still appeared to have room to defend margins by raising selling prices (43.6 vs. 45.6). Business optimism for the next six months cooled to a 26-month low (14.0 vs. 18.0) while capex (25.6 vs. 25.4) and technology spending intentions (23.9 vs. 22.8) were more or less unchanged.

The **Philly Fed Manufacturing Business Outlook** Index painted a rather downbeat picture of the situation prevailing in the manufacturing sector, as it dropped from 2.6 in May to a two-year low of -3.3 in June, a result that ran counter to the +5.0 print expected by consensus. The new orders sub-index (-12.4 vs. 22.1 the prior month) and the shipments sub-index (10.8 vs. 35.3) fell to multi-month lows while input (64.5 vs. 78.9) and output (49.2 vs. 51.7) inflation eased a bit. As was the case in the New York area, the Philadelphia Fed poll showed supply chain constraints easing, with the supplier delivery times tracker cooling to a 22-month low of 9.9. Finally, the index tracking future business activity fell from 2.5 to -6.8, its lowest level since February 2008.

U.S.: Could deteriorating prospects help ease supply constraints?



NBF Economics and Strategy (data via Datastream)

Initial jobless claims Initial jobless claims eased from 232K to 229K in the week to June 11. **Continued claims**, for their part, augmented from 1,309K to 1,312K. These low levels reflect the vitality of the job market in the United States.

The **FOMC** voted to raise the target range for the federal funds rate 75 basis points to from 1.50% to 1.75%—the largest rate hike since 1994. A key focus leading up to Wednesday's statement was the Fed's updated Summary of Economic Projections (SEP) and dot plot. Most analysts expected the Fed to lower its 2022 growth expectations given the latest developments, but the size of the adjustment was nonetheless surprising. Indeed, the Fed's growth forecast for this year was slashed from 2.8% to 1.7%. Expectations for 2023 (from +2.2% to +1.7%) and 2024 (from +2.0% to +1.9%) were also revised downward, and this will translate into a much lower level of GDP at the end of 2024.

Inflation expectations, meanwhile, were marked up a great deal. For 2022, the Fed forecast showed a 5.2% increase of the headline PCE index, a massive upgrade from the 4.3% penciled into March's economic projections (or the 2.6% included in December's SEP). Policymakers expect inflation thereafter to ease rather quickly towards the Fed's target in 2023 (2.6%) and 2024 (2.2%). As for the unemployment rate forecast, it was revised up slightly across the forecast horizon, an admission that monetary tightening will have negative repercussions on the job market. However, the Fed still believed that these repercussions would be limited, with the unemployment rate exceeding what the central bank considers to be the long-term equilibrium level for this indicator by only 0.1% at the end of 2024.

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FOMC: Summary of Economic Projections	Latest	March projections
Change in real GDP (%)		
2022	1.7	2.8
2023	1.7	2.2
2024	1.9	2.0
Long run	1.8	1.8
Unemployment Rate (%)		
2022	3.7	3.5
2023	3.9	3.5
2024	4.1	3.6
Long run	4.0	4.0
PCE Inflation (%)		
2022	5.2	4.3
2023	2.6	2.7
2024	2.2	2.3
Long run	2.0	2.0

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Where the dot plot is concerned, seismic changes were observed. The median estimate of FOMC members called for 325 bps of total tightening this year (including the hikes delivered so far), which means 175 bps more to come between now and December. A bit more tightening (37.5 bps) was being telegraphed for 2023, with benchmark rates set to peak firmly in restrictive territory (i.e., above the Fed's estimate of long-term neutral rates). Policymakers then expect rates to move back towards neutral levels in 2024.

U.S.: FOMC participants' assessment of appropriate monetary policy
Current target range: 1.50%-1.75% (grey area)

NBF Economics and Strategy (data via Federal Reserve)

The message at the press conference was clear: Inflation is public enemy number one and getting it down "is essential". At least for now, the Fed is signaling that they're willing make sacrifices (namely, in the labour market as per the FOMC's SEPs) to do so. Looking ahead, Fed Chairman Jerome Powell reiterated that they would need to see a "series" of declining inflation prints before they could take any comfort in the inflation outlook. This meant that near-term, larger-than-normal rate hikes were here to stay. Powell went so far as to explicitly state that a 50- or 75-bp hike was "most likely at the next meeting". As reflected in the new dot plot, Powell said the FOMC would like to see policy at a "modestly restrictive" level by the end of the year. In the same breath, he added that "so much [could] happen" over the next six months and that weaker-than-expected data could lead to a symmetrical response (i.e., the Fed reverting to 25-bp rate hikes rather than 50 or 75). Interestingly, Powell added, "there's no sign of a broader slowdown in the economy that I can see," which we found to be quite optimistic, especially given that the Atlanta Fed's GDPNow model expects no GDP growth in the second quarter. Finally, regarding quantitative tightening, Powell said that markets seemed okay with the Fed's game plan and that he had "no reason to think it [would] lead to illiquidity and problems". This, too, might be wishful thinking, seeing how liquidity has already started to deteriorate..

NBF Economic & Strategy Group

MONTHLY ECONOMIC MONITOR – JUNE 2022

Highlights

- After being obliged by the outbreak of war in Ukraine and by the deterioration of the pandemic picture in China to revise down our global growth outlook in recent months, we are relieved to see a little light at the end of the tunnel, in the form of phased ending of shutdowns in several large Chinese cities in response to a marked decline of new Covid infections. Still, we remain aware of the many downside risks to the world's second largest economy. Beijing remains firmly attached to its zero-Covid policy, and that could mean new shutdowns given the high rate of contagion of the Omicron variant and relatively low vaccination rates among older people. Elsewhere around the world, the reopening of the Chinese economy will have mixed effects. On one hand, the reopening of factories and port facilities in the Shanghai region is likely to attenuate pressure on manufacturing supply chains. On the other hand, the recovery puts upward pressure on energy prices. Combined with the marked rise of food prices, due in large part to the conflict in Ukraine, this already sap consumer morale. In several regions of the world, the rapid rise of prices will also mean more-restrictive monetary policies. As risks have increased, we have decided to revise our global growth scenario downwards from 3.2% to 3.0% this year and from 3.3% to 2.9% next year.

- After a spectacular post-pandemic rebound, the U.S. economy is slowing. The causes are clear enough: inflation way too high and therefore tightening of monetary policy. For households, inflation is expressed mainly in a retreat of real earnings. The median wage, despite its dizzying rise in nominal terms in recent months, has been falling for more than a year now after correction for inflation. That leaves only a few possibilities for the future: wages will start rising faster than inflation in the medium term, or consumption will hit a wall. Unfortunately, nominal wage gains are unlikely to accelerate much, especially with business margins already eroded by high input prices and higher financing costs. As the Federal Reserve raises interest rates several times between now and the end of the year, there will be repercussions for both the financial markets and the real economy. We are lowering our growth forecast for 2022 (2.4% against 2.6% in the previous edition of this monthly) to take into account the undeniable increase in downside risks to our scenario. All in all, the revision remains minor given the latest data on international trade, which suggests good growth in the second quarter. The expansion is then expected to slow below potential in the second half of 2022 and early in 2023. We expect the economy to expand by just 1.5% next year, down from the 2.1% forecast a month ago.

- With growth falling short of our expectations in the first quarter, we have lowered our growth forecast for 2022 from 4.0% to 3.5% this month. This also implies a sharp slowdown in growth in the second half of the year with monetary policy being tighter than we previously thought. Next year is also revised down from 2.2% to 1.5%. Though signs of recession are emerging in many countries, we do not see the Canadian economy going weak in the knees. Consumers have saved enough to weather the increase in cost of living, and the labour market, with employment comfortably full, is likely to allow decent growth of wages. The strength of the natural resources sector could offset part of the consumption shock. Moreover, buoyant profits could bring some investments in coming quarters, since IT and automation can sometimes palliate a scarcity of labour. As for governments, they will be greatly tempted to loosen the strings of their spectacularly bolstered purses. ***(Full Text)***

UNITED STATES

Financial Forecast**

	Current 6/15/22	Q3 2022	Q4 2022	Q1 2023	Q2 2023	2021	2022	2023
Fed Fund Target Rate	1.00	2.75	3.00	3.00	3.00	0.25	3.00	3.00
3 month Treasury bills	1.69	2.70	2.90	2.90	2.90	0.06	2.90	2.85
Treasury yield curve								
2-Year	3.20	3.30	3.15	3.10	3.05	0.73	3.15	2.90
5-Year	3.38	3.50	3.30	3.20	3.10	1.26	3.30	2.90
10-Year	3.33	3.40	3.30	3.20	3.10	1.52	3.30	2.95
30-Year	3.39	3.45	3.40	3.30	3.25	1.90	3.40	3.10
Exchange rates								
U.S.$/Euro	1.04	1.09	1.08	1.07	1.08	1.14	1.08	1.08
YEN/U.S.$	135	127	125	123	121	115	125	120

*** end of period*

Quarterly pattern

	Q2 2021 actual	Q3 2021 actual	Q4 2021 actual	Q1 2022 actual	Q2 2022 forecast	Q3 2022 forecast	Q4 2022 forecast	Q1 2023 forecast
Real GDP growth (q/q % chg. saar)	6.7	2.3	6.9	(1.5)	3.0	1.3	0.8	1.4
CPI (y/y % chg.)	4.8	5.3	6.7	8.0	8.5	9.0	7.5	5.2
CPI ex. food and energy (y/y % chg.)	3.7	4.1	5.0	6.3	5.9	5.9	5.5	4.5
Unemployment rate (%)	5.9	5.1	4.2	3.8	3.6	3.8	4.0	4.2

National Bank Financial

CANADA

Financial Forecast**

	Current 6/15/22	Q3 2022	Q4 2022	Q1 2023	Q2 2023	2021	2022	2023
Overnight rate	1.50	2.75	3.25	3.25	3.25	0.25	3.25	3.25
Prime rate	3.50	4.75	5.25	5.25	5.25	2.25	5.25	5.25
3 month T-Bills	1.97	2.95	3.25	3.20	3.20	0.17	3.25	3.20
Treasury yield curve								
2-Year	3.28	3.45	3.50	3.45	3.35	0.95	3.50	3.30
5-Year	3.40	3.55	3.55	3.50	3.40	1.26	3.55	3.30
10-Year	3.46	3.60	3.60	3.55	3.45	1.43	3.60	3.30
30-Year	3.33	3.50	3.55	3.55	3.45	1.68	3.55	3.35
CAD per USD	1.29	1.25	1.22	1.23	1.25	1.26	1.22	1.27
Oil price (WTI), U.S.$	115	107	100	97	94	75	100	90

*** end of period*

Quarterly pattern

	Q2 2021 actual	Q3 2021 actual	Q4 2021 actual	Q1 2022 actual	Q2 2022 forecast	Q3 2022 forecast	Q4 2022 forecast	Q1 2023 forecast
Real GDP growth (q/q % chg. saar)	(3.1)	5.3	6.6	3.1	4.5	1.6	0.6	1.1
CPI (y/y % chg.)	3.4	4.1	4.7	5.8	7.2	6.4	5.4	3.9
CPI ex. food and energy (y/y % chg.)	2.1	3.0	3.2	4.0	4.6	4.1	4.0	3.5
Unemployment rate (%)	7.9	7.2	6.3	5.8	5.1	5.2	5.5	5.6

National Bank Financial

NBF Economy & Strategy Group

MONTHLY EQUITY MONITOR – JUNE 2022

Highlights

- Global equities continue to struggle in Q2. Most global equity markets continue to face an uncertain geopolitical environment, supply shocks (food, energy, pandemic) that are fueling inflationary pressures, and the hawkish attitude of central banks that is driving up interest rates and blurring the profit outlook.

- Earnings behavior is critical to equity market performance at this stage of the economic cycle, as PE expansion is unlikely as long as interest rates remain on the rise. Last month, we argued that with unit labor cost inflation rising faster than their overall selling price, companies should slow the pace of hiring to minimize pressure on profit margins. Despite another strong employment report in May, which saw payroll employment increase by 390K to near pre-crisis levels, forward-looking indicators are already pointing to a slowdown in hiring. A slowdown in the pace of job creation would certainly help mitigate wage inflation and reduce the need for restrictive monetary policy.

- The S&P/TSX is down 5% so far in the second quarter and 2% for the year. Energy is the only sector still posting gains this quarter, supported by large upward earnings revisions. There may be even more room for improvement in revisions. We still see the S&P/TSX as a defensive play for equity holdings. In our view, the Canadian economy remains relatively well positioned to withstand stagflation fears.

- Our asset allocation is unchanged this month. Equities remain slightly overweight relative to our benchmark, with a preference for Canada. Fixed income remains underweight, but we are prepared to adjust our position as we assess the impact of the Fed's quantitative tightening on the 10-year Treasury yield. Cash remains slightly overweight for now. ***(Full report)***

NBF Asset Allocation

	Benchmark (%)	NBF Recommendation (%)	Change (pp)
Equities			
Canadian Equities	20	25	
U.S. Equities	20	20	
Foreign Equities (EAFE)	5	3	
Emerging markets	5	3	
Fixed Income	45	42	
Cash	5	7	
Total	100	100	

NBF Economics and Strategy

NBF Market Forecast
Canada

		Actual	Q4 2022
Index Level		**Jun-10-22**	***Target***
S&P/TSX		20,275	22,000
Assumptions			Q4 2022
Level:	Earnings *	1470	1550
	Dividend	592	624
PE Trailing (implied)		13.8	14.2

** Before extraordinary items, source Thomson*

NBF Economics and Strategy

NBF Market Forecast
United States

		Actual	Q4 2022
Index Level		**Jun-10-22**	***Target***
S&P 500		3,901	4,200
Assumptions			Q4 2022
Level:	Earnings *	216	219
	Dividend	63	64
PE Trailing (implied)		18.0	19.2

** S&P operating earnings, bottom up.*

NBF ECONOMIC & STRATEGY GROUP

Fixed Income — June 2022

- Despite our (and others') one-way forecast errors to date, we are retaining a below-market bias (and now a below-dots bias) on our fed funds call. We still believe that a worsening in the real economy will prompt the Fed to pause and ultimately end its cycle earlier and at a lower level than the market/Fed has priced/signalled. However, we recognize the Fed's demonstrated sense of urgency which will see fed funds rising quickly in the near term. As a result, we've revised our Fed call to include a subsequent 50 basis point hike in July, 50 in September and 25 in November before tapping out before yearend at 3.0%—a rate below even the most dovish members of the FOMC.
- Consistent with hawkish rhetoric from the BoC and in line with the super-sized Fed hike in June, we are now looking for the Bank of Canada to hike by 75 basis points in July, bringing the policy rate into its 2-3% neutral range. While a XXL hike could prove to be a one-off, that won't stop the Bank from moving closer to, if not fully into, restrictive territory before the year is out. We're now calling for the overnight target to hit 3.25% in six month's time, 25 basis points higher than our Fed call. However, like in the U.S., we believe a pause will be warranted by the end of the year and expect no moves in 2023.
- With markets, private sector economists and now the Fed signalling policy rates between 3.5 and 4% over the coming year, how do we justify our significantly more dovish call? We expect to quickly gather mounting evidence of further financial deleveraging, interest-sensitive demand (namely, housing) cooling, rapid onset of labour market weakness, further deterioration of consumer sentiment (which will ultimately hit consumption) and some signs of inflation coming back down to earth. Quite frankly, the Fed's forecast for a *very* modest rise in the unemployment rate and *barely* below-consensus growth is far too optimistic given the dot plot they've set down.

Forecast dated June 15, 2022

United States						
Quarters	Fed Funds	3 Mth Bill	2YR	5YR	10YR	30YR
15-Jun-22	1.75	1.62	3.20	3.37	3.29	3.33
Q3	2.75	2.70	3.30	3.50	3.40	3.45
Q4	3.00	2.90	3.15	3.30	3.30	3.40
Q1:2023	3.00	2.90	3.10	3.20	3.20	3.30
Q2	3.00	2.90	3.05	3.10	3.10	3.25
Q3	3.00	2.85	3.00	3.00	3.05	3.20
Q4	3.00	2.85	2.90	2.90	2.95	3.10
Q1:2024	2.75	2.60	2.75	2.80	2.90	3.05
Q2	2.50	2.35	2.60	2.70	2.90	3.05

Canada						
Quarters	Overnight	3 Mth Bill	2YR	5YR	10YR	30YR
15-Jun-22	1.50	1.87	3.28	3.40	3.46	3.33
Q3	2.75	2.95	3.45	3.55	3.60	3.50
Q4	3.25	3.25	3.50	3.55	3.60	3.55
Q1:2023	3.25	3.20	3.45	3.50	3.55	3.55
Q2	3.25	3.20	3.35	3.40	3.45	3.45
Q3	3.25	3.20	3.30	3.35	3.35	3.40
Q4	3.25	3.20	3.30	3.30	3.30	3.35
Q1:2024	3.25	3.10	3.20	3.20	3.20	3.30
Q2	3.00	2.90	3.10	3.15	3.20	3.25

Source: NBF ECONOMIC AND STRATEGY GROUP.

IN THE NEWS

U.S. and Canadian News

Monday June 13th, 2022

- **Markets plunge, enter correction territory**
  The TSX composite opened the trading day with a steep selloff of roughly three per cent, putting the index in correction territory, down 10 per cent decline from its all-time high earlier this year.
- **BP sells oil sands to Cenovus, buys stake in offshore project**
  BP Plc sold out of Canada's oil sands, divesting its stake in the Sunrise project to Cenovus Energy Inc. while acquiring offshore exploration from the same company in the east of the country.

Tuesday June 14th, 2022

- **U.S. producer prices increase strongly in May**
  The producer price index for final demand rose 0.8% last month after advancing 0.4% in April. In the 12 months through May, the PPI increased 10.8% after accelerating 10.9% in April. Economists had forecast the PPI gaining 0.8% and climbing 10.9% year-on-year.
- **Founder Harold Hamm offers to take Continental Resources private in $25 billion deal**
  Shale producer Continental Resources Inc said it has received an all-cash buyout proposal from billionaire-founder Harold Hamm's family trust, which valued the company at $25.41 billion.
- **Statistics Canada reports manufacturing sales up 1.7% at $72.3B in April**
  Statistics Canada says manufacturing sales rose 1.7 per cent to $72.3 billion in April, helped higher by gains in the petroleum and coal product, motor vehicle, and primary metal sectors.

Wednesday June 15th, 2022

- **Fed unveils biggest rate hike since 1994, flags slowing economy**
  The Federal Reserve raised its target interest rate by three-quarters of a percentage point to stem a disruptive surge in inflation, and projected a slowing economy and rising unemployment in the months to come.
- **U.S. retail sales stumble as inflation bites**
  Retail sales dropped 0.3% last month. Data for April was revised lower to show sales increasing 0.7% instead of 0.9% as previously reported. Economists had forecast retail sales gaining 0.2%. The decline in monthly retail sales was led by receipts at auto dealerships, which dropped 3.5%, the largest fall in nearly a year, after increasing 1.8% in April.
- **U.S. home builder sentiment hits two-year low in June - NAHB**
  The National Association of Home Builders/Wells Fargo Housing Market index fell two points to 67 this month, the lowest reading since June 2020. It was the sixth straight monthly decline in the index.
- **Home prices in Canada fall for second month with rates rising**
  Canada's benchmark home price fell 0.8 per cent to $822,900 in May from the month before, data released by the Canadian Real Estate Association show. Cities in Ontario showed the biggest declines.
- **Canada housing starts up 8% in May from April - CMHC**
  The seasonally adjusted annualized rate of housing starts was 287,257 units in May, above analyst predictions of 252,600 and a revised 265,700 units in April, Canadian Mortgage and Housing Corporation data showed.

Thursday June 16th, 2022

- **U.S. weekly jobless claims fall modestly; housing starts hit 13-month low**
  Initial claims for state unemployment benefits slipped 3,000 to a seasonally adjusted 229,000 for the week ended June 11. Economists had forecast 215,000 applications for the latest week. A separate report from the Commerce Department showed housing starts plunged 14.4% to a seasonally adjusted annual rate of 1.549 million units last month, the lowest level since April 2021. Economists had forecast starts would slide to a rate of 1.701 million units. Permits for future homebuilding declined 7.0% to a rate of 1.695 million units.
- **Revlon files for bankruptcy as online beauty contest takes toll**
  Revlon Inc has filed for bankruptcy after the U.S cosmetics firm buckled under debts it built up in efforts to compete with online-focused upstarts.
- **Canada April wholesale trade down 0.5% on fertilizer, lumber**
  Canadian wholesale trade decreased by 0.5% in April from March on the drop in fertilizer imports from Russia, as well as lower prices and volumes for lumber and other wood products. Sales fell by 0.6% in volume terms. Analysts had forecast a 0.2% increase in wholesale trade in April from March.
- **Telus to buy digital-health firm LifeWorks for $2.3 billion**
  Telus Corp. said it will acquire digital-health provider LifeWorks Inc. for about $2.3 billion, expanding further into health services as it pursues a diversification strategy.

Friday June 17th, 2022

- **U.S. manufacturing output softens; leading indicator extends decline**
  Manufacturing output dipped 0.1% last month after increasing 0.8% in April. Economists had forecast factory production gaining 0.3%. A separate report from the Conference Board showed its Leading Economic Index fell 0.4% in May, matching the decline in April.
- **Canada May producer prices up 1.7% on energy**
  Producer prices in Canada rose by 1.7% in May from April on higher prices for energy and petroleum products, as well as chemicals and chemical products. The increase followed a 0.8% increase in April.
- **Canada home price index growth slows pace in May**
  The National Bank Composite House Price Index, showed prices were up 18.3% on the year in May, slowing from 18.8% in April.

Click on title to view the full story.

IN THE NEWS

International News

Monday June 13th, 2022

- **UK slowdown fears mount as GDP unexpectedly shrinks in April**
  Gross domestic product contracted by 0.3% after falling by 0.1% in March, the first back-to-back declines since April and March 2020. Economists had on average expected GDP to grow by 0.1% in April from March.
- **Beijing tests millions to stem 'developing' COVID cluster at 24-hour bar**
  Authorities in China's capital Beijing raced to contain a COVID-19 outbreak traced to a 24-hour bar known for cheap liquor and big crowds, with millions facing mandatory testing and thousands under targeted lockdowns.
- **Japan government, BOJ reiterate concern over sharp falls in yen**
  Tokyo is concerned about sharp falls in the yen currency and stands ready to "respond appropriately" if needed, Japan's top government spokesperson said on Monday, issuing a fresh warning to markets.

Tuesday June 14th, 2022

- **India's wholesale price inflation runs at 30-year high, makes rate hikes more likely**
  Wholesale prices, akin to producer prices, climbed 15.88% in May from year ago levels, staying in double-digits for a 14th straight month, and was, according to economists, India's highest since September 1991. A Reuters poll of analysts had forecast a rise of 15.10%.
- **UK jobs market loses some of its inflation heat**
  With surging inflation weighing on the economy's recovery from the COVID-19 pandemic, official data showed the jobless rate edged up to 3.8% in the three months to April from 3.7% in the previous labour market report for the three months to March.

Wednesday June 15th, 2022

- **ECB pledges new crisis tool to help indebted southern states**
  The European Central Bank promised fresh support for the bloc's indebted southern rim, tempering a market rout that threatened a repeat of the debt crisis that almost brought down the single currency a decade ago.
- **China's factories perk up, but frail consumption points to weak economic recovery**
  Industrial output grew 0.7% in May from a year earlier, after falling 2.9% in April. That compared with a 0.7% drop expected by analysts. Retail sales slipped another 6.7% in May from a year earlier, on top of a 11.1% contraction the previous month. They were slightly better than the forecast of a 7.1% fall. Fixed asset investment, rose 6.2% in the first five months, beating an expected 6.0% rise but slowed from a 6.8% gain in the first four months. The nationwide survey-based jobless rate fell to 5.9% in May from 6.1% in April, still above the government's 2022 target of below 5.5%.
- **China keeps medium-term policy rate unchanged for fifth straight month**
  China's central bank rolled over maturing medium-term policy loans, while keeping interest rates unchanged for a fifth straight month, matching market expectations.

Thursday June 16th, 2022

- **BoE raises rates by 25 basis points again but says ready to act forcefully**
  The nine-strong Monetary Policy Committee voted 6-3 for the 25 basis-point hike in Bank Rate to 1.25%, the same breakdown as in May with the minority voting for a 50 basis-point increase. The British benchmark rate is now at its highest since January 2009.
- **Swiss National Bank raises rates in shock move, ready for more**
  The central bank increased its policy rate to -0.25% from the -0.75% level it has deployed since 2015, sending the safe-haven franc sharply higher. Nearly all the economists had expected the SNB to keep rates steady.
- **S.Korea cuts 2022 growth outlook, vows to lower corporate tax rate**
  Setting out its first economic policy initiatives, the new government of President Yoon Suk-yeol said it had lowered this year's growth forecast to 2.6% from 3.1% and raised the inflation forecast from 2.2% to 4.7%, the fastest since 2008.
- **Japan runs biggest trade deficit in more than 8 years in May**
  Imports soared 48.9% in the year to May, above a median market forecast for a 43.6% gain. That outpaced a 15.8% year-on-year rise in exports in the same month, resulting in a 2.385 trillion yen (US$17.80 billion) trade deficit, the largest shortfall in a single month since January 2014.

Friday June 17th, 2022

- **BOJ maintains ultra-low rates, warns against sharp yen falls**
  The Bank of Japan maintained ultra-low interest rates and vowed to defend its cap on bond yields with unlimited buying, bucking a global wave of monetary tightening in a show of resolve to focus on supporting a tepid economic recovery.
- **Euro zone inflation confirmed at record high 8.1% in May**
  Euro zone inflation rose to a record high 8.1% last month in line with a preliminary estimate, more than four times the European Central Bank's target.
- **Argentina hikes interest rate 300 basis points as inflation spirals**
  Argentina's central bank raised its benchmark interest rate by the most in three years, hot on the heels of a major hike by the U.S. Federal Reserve and as the South American country firefights sky-high inflation running at over 60%. The central bank upped the benchmark Leliq rate by 300 basis points to 52%.

Click on title to view the full story.

WEEKLY PERFORMERS – S&P/TSX

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
LifeWorks Inc	$31.02	$13.55	77.56%
Enghouse Systems Ltd	$26.37	$1.53	6.16%
Cronos Group Inc	$3.61	$0.14	4.03%
Winpak Ltd	$40.96	$1.45	3.67%
Thomson Reuters Corp	$128.42	$3.62	2.90%
Saputo Inc	$27.64	$0.69	2.56%
Quebecor Inc	$27.66	$0.49	1.80%
Ritchie Bros Auctioneers Inc	$77.52	$1.14	1.49%
Dye & Durham Ltd	$22.16	$0.25	1.14%
Dollarama Inc	$71.99	$0.56	0.78%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Baytex Energy Corp	$6.87	-$1.95	-22.11%
Tamarack Valley Energy Ltd	$4.86	-$1.36	-21.86%
Crescent Point Energy Corp	$10.25	-$2.85	-21.76%
Nexgen Energy Ltd	$4.67	-$1.28	-21.51%
Birchcliff Energy Ltd	$9.40	-$2.45	-20.68%
Cargojet Inc	$122.21	-$30.44	-19.94%
Nuvista Energy Ltd	$10.90	-$2.57	-19.08%
Freehold Royalties Ltd	$13.09	-$3.05	-18.90%
Advantage Energy Ltd	$8.97	-$2.09	-18.90%
ARC Resources Ltd	$17.24	-$3.99	-18.79%

Source: Refinitiv

WEEKLY PERFORMERS – S&P500

S&P500: LEADERS	LAST	CHANGE	%CHG
FedEx Corp	$229.90	$23.13	11.19%
Boeing Co	$136.80	$9.80	7.72%
Duke Realty Corp	$51.44	$1.66	3.33%
Vertex Pharmaceuticals Inc	$263.09	$8.21	3.22%
Biogen Inc	$201.74	$4.24	2.15%
Regeneron Pharmaceuticals Inc	$580.95	$9.14	1.60%
Monster Beverage Corp	$88.12	$1.08	1.24%
Incyte Corp	$71.27	$0.87	1.24%
Oracle Corp	$67.72	$0.58	0.86%
Truist Financial Corp	$46.29	$0.34	0.74%

S&P500: LAGGARDS	LAST	CHANGE	%CHG
Coterra Energy Inc	$26.54	-$7.77	-22.65%
Schlumberger NV	$36.64	-$10.57	-22.39%
Halliburton Co	$31.69	-$8.80	-21.73%
Devon Energy Corp	$58.02	-$16.04	-21.66%
EOG Resources Inc	$111.67	-$30.38	-21.39%
Diamondback Energy Inc	$122.29	-$33.20	-21.35%
Marathon Oil Corp	$24.15	-$6.14	-20.27%
Valero Energy Corp	$112.44	-$28.07	-19.98%
Conocophillips	$93.74	-$23.09	-19.76%
APA Corp (US)	$39.22	-$9.59	-19.65%

Source: Refinitiv

NBF RATINGS & TARGET PRICE CHANGES

Company	Symbol	Current Rating	Previous Rating	Current Target	Previous Target
Advantage Energy Ltd.	AAV	Outperform	Outperform	**C$15.00**	**C$12.50**
Adventus Mining Corporation	ADZN	Outperform	Outperform	**C$1.10**	**C$1.40**
Alimentation Couche-Tard Inc.	ATD	Sector Perform	Sector Perform	**C$58.00**	**C$57.00**
ARC Resources Ltd.	ARX	Outperform	Outperform	**C$32.00**	**C$24.00**
Baytex Energy Corp.	BTE	Outperform	Outperform	**C$10.50**	**C$9.50**
Birchcliff Energy Ltd.	BIR	Outperform	Outperform	**C$15.00**	**C$12.50**
Blackline Safety Corp.	BLN	Outperform	Outperform	**C$6.00**	**C$9.00**
Bombardier Inc.	BBD.B	Outperform	Outperform	**C$65.00**	**C$2.65**
Canadian Natural Resources Limited	CNQ	Outperform	Outperform	**C$115.00**	**C$100.00**
Cenovus Energy Inc.	CVE	Outperform	Outperform	**C$41.00**	**C$35.00**
Corus Entertainment Inc.	CJR.B	Outperform	Outperform	**C$6.25**	**C$6.50**
Coveo Solutions Inc.	CVO	Outperform	Outperform	**C$13.00**	**C$18.00**
Crescent Point Energy Corp.	CPG	Outperform	Outperform	**C$23.00**	**C$20.00**
Crew Energy Inc.	CR	Sector Perform	Sector Perform	**C$7.50**	**C$6.00**
Enerplus Corporation	ERF	Outperform	Outperform	**US$29.00**	**US$24.00**
Filo Mining Corp.	FIL	Outperform	Outperform	**C$35.00**	**C$25.00**
Foran Mining Corporation	FOM	**Outperform**	**Sector Perform**	**C$3.50**	**C$3.25**
Freehold Royalties Ltd.	FRU	Outperform	Outperform	**C$22.00**	**C$19.50**
Gold Standard Ventures Corp.	GSV	**Tender**	**Outperform**	**C$0.55**	**C$1.30**
Imperial Oil Ltd	IMO	Sector Perform	Sector Perform	**C$93.00**	**C$80.00**
K92 Mining Inc.	KNT	**Restricted**		**Restricted**	
Kelt Exploration Ltd.	KEL	Outperform	Outperform	**C$11.00**	**C$10.00**
Kinross Gold Corp	K	Outperform	Outperform	**C$13.00**	**C$12.00**
Kiwetinohk Energy Corp.	KEC	Outperform	Outperform	**C$27.50**	**C$20.00**
LifeWorks Inc.	LWRK	**Tender**	**Sector Perform**	**C$33.00**	**C$24.00**
Lucero Energy Corp.	LOU	Sector Perform	Sector Perform	**C$1.20**	**C$1.10**
NuVista Energy Ltd.	NVA	Sector Perform	Sector Perform	**C$19.00**	**C$14.50**
Ovintiv Inc.	OVV	Outperform	Outperform	**US$115.00**	**US$90.00**
Paramount Resources Ltd.	POU	Outperform	Outperform	**C$50.00**	**C$45.00**
Peyto Exploration & Development Corp.	PEY	Outperform	Outperform	**C$23.00**	**C$18.00**
Pipestone Energy Corp.	PIPE	Sector Perform	Sector Perform	**C$7.50**	**C$7.00**
PrairieSky Royalty Ltd.	PSK	Sector Perform	Sector Perform	**C$27.00**	**C$24.00**
Spartan Delta Corp.	SDE	Outperform	Outperform	**C$22.50**	**C$18.00**
Suncor Energy Inc.	SU	Sector Perform	Sector Perform	**C$73.00**	**C$54.00**
Surge Energy Inc.	SGY	Outperform	Outperform	**C$16.50**	**C$14.50**
Topaz Energy Corp.	TPZ	Outperform	Outperform	**C$32.00**	**C$27.50**
Tourmaline Oil Corp.	TOU	Outperform	Outperform	**C$95.00**	**C$75.00**
Transat A.T. Inc.	TRZ	Underperform	Underperform	**C$3.75**	**C$4.00**
Trilogy Metals Inc.	TMQ	Sector Perform	Sector Perform	**C$1.75**	**C$2.50**
Vermilion Energy Inc.	VET	Outperform	Outperform	**C$52.00**	**C$53.00**
Whitecap Resources Inc.	WCP	Outperform	Outperform	**C$20.00**	**C$17.50**
Yangarra Resources Ltd	YGR	Sector Perform	Sector Perform	**C$4.50**	**C$3.50**

STRATEGIC LIST - WEEKLY UPDATE

(June 13th – June 17th)

No Changes this Week

Comments

Communications Services (Market Weight)

Telus Corp. (T)

NBF: Telus entered into a deal to buy LifeWorks Inc. (TSX: LWRK), a world leader in providing digital and in-person solutions that support the total wellbeing of individuals, for $33 per LWRK share for an equity consideration of $2.3B plus $600M of net debt for an EV of $2.9B. The acquisition requires court approval, LifeWorks shareholder approval, TSX & NYSE approvals, and regulatory approvals. The deal is expected to close in 4Q22 (break fee $94M, reverse break fee $140M). Telus will be paying for the deal 50% in cash and 50% in stock with PF 2022E leverage +17 bps. Deal multiples are 2.9x 2021 revs & 15.0x EBITDA before synergies expected to at least $170M over next 3-5 years at cost of $50M through 2024. NBF pushed out its valuation six months ahead of 2Q reporting mid-summer. It's $36.00 (unchanged) target's now based on NBFe 2022E/2023E DCF & 2023E/2024E NAV, with implied EV/EBITDA of 11.1x PF2022E, 10.0x 2023E & 9.1x 2024E (ex future spectrum spending). The deal 1) accelerates Telus Health's (TH) vision of employer-based healthcare, 2) adds LWRK's leading employee & family assistance program (EFAP) and benefits administration capabilities to TH's existing suite of leading digital health technologies, 3) expands lives covered from 22M to >50M, 4) enhances growth prospects of combined platform in the United States & internationally (PF revs 72% Canada, 23% U.S. & 5% ROW), and 5) broadens TH's all-in-one wellbeing solution. Beyond digital expansion opportunities in Canada, TH sees growth in the United Kingdom, Europe & Australia. Besides core strength across enterprises, TH will look to better penetrate mid-market and small businesses.

Energy (Overweight)

Oil, Gas & Consumable Fuels

Since last updating its commodity price assumptions in early April, commodity prices have moved materially higher across the board, necessitating NBF to once again update its price forecast to better align with strip. NBF revised its WTI forecast to better reflect the forward curve, which remains steeply backwardated, increasing its 2022e price assumption by +12% to US$106.25/bbl (from US$95/bbl), while only marginally raising its 2023e price assumption by 4% to US$93.75/bbl (from US$90/bbl). NBF's longer-term pricing assumption (2024+) remains unchanged at US$85/bbl. On the differential front, NBF slightly widened its WCS differential assumption for 2022e and 2023e to US$14.30/bbl (from US$12.50/bbl) and US$15/bbl (from US$13/bbl), respectively, noting that the recent widening of the WCS differential is not a function of a lack of pipeline capacity, but rather, amongst other reasons, softening demand (despite major oil sands turnarounds) as sour barrels from recent SPR releases have flooded the USGC market, impacting the need for heavy crudes. NBF notes that the absolute WCS price levels remain strong given the decoupling between the CAD and oil. Lastly, NBF increased its 3-2-1 Crack Spread pricing assumption, which NBF uses as a proxy for refining margins for its integrated names (i.e., CVE, IMO, SU), to US$37.75/bbl (from US$25.25/bbl) and US$28/bbl (from US$20/bbl) in 2022e and 2023e, respectively. NBF increased its 2022e and 2023e forecasts for NYMEX to US$6.75/mcf (+38% from US$4.90/mcf) and US$5.80/mcf (+45% from US$4.00/mcf), respectively, reinforcing its view that the long-term pricing for the commodity has been reset in the US$4.00-6.00/mcf range for the foreseeable future. On the AECO front, NBF has similarly increased its 2022e and 2023e forecast to C$6.35/mcf (+35% from C$4.70/mcf) and C$5.50/mcf (+47% from C$3.75/mcf), respectively.

In tandem with its commodity forecast update, NBF2022e and 2023e total cash flow estimates are up by 21% and 15%, respectively, driving its target prices (which remain based on a 2023e EV/DACF multiple) higher by 16% on average, implying an average total return of 55%. Overall, NBF's bullish sentiment toward the Energy sector remains intact. Energy, and more specifically the E&P group, continues to lead the pack in the S&P/TSX Composite Index as the top-performing sector, with NBF's entire coverage hitting 52-week highs in recent weeks (and a handful even hitting all-time highs). Given how tight supply fundamentals are, NBF believes this relative outperformance is sustainable, even as NBF considers the prospect of an inflationary/rising rate environment, acknowledging that energy has historically outperformed during inflationary periods. Even with the recent market sell-off, the setup remains compelling, with NBF's coverage group now trading, on average, at 3.1x 2023e EV/DACF (and a FCF yield of. NBF's preferred names remain CPG, CVE, HWX, TVE, and WCP for oil exposure, and ARX, BIR, SDE and TOU for gas exposure.

- **Cenovus Energy Inc. (CVE):** NBF raised its target price by 17% to $41.00 (from $35.00 previously).
- **Tourmaline Oil Corp. (TOU):** NBF raised its target price by 27% to $95.00 (from $75.00 previously).
- **Whitecap Resources Inc. (WCP):** NBF raised its target price by 14% to $20.00 (from $17.50 previously).

Cenovus Energy Inc. (CVE)

NBF: CVE announced that it would be acquiring the remaining 50% working interest (WI) of its operated Sunrise asset from BP for i) $600 mln cash, ii) a quarterly variable payment with a maximum total value of $600 mln ($2.8 mln per C$1/bbl WCS above C$52/bbl WCS — expires after two years if $600 mln not reached), and iii) CVE's 35% WI in the undeveloped offshore Bay du Nord project. The acquisition is effective May 1, 2022, and is expected to close in Q3. Based on recent commodity prices and a $1.2 billion transaction value, we estimate an implied cash flow multiple of roughly 2.0x. Corporate guidance will be updated with the company's Q2 results to reflect the acquisition announcement. NBF previously flagged the likelihood of this type of asset being divested, so it doesn't view this as a surprise given CVE's recent proven success in applying its operating model across former HSE assets to enhance operational performance and margins. For context, we are currently modeling ~52 mbbl/d (gross) of production at Sunrise in 2022E (CVE ~26 mbbl/d net). Importantly, based on the current forward strip, CVE expects Sunrise to remain in the pre-payout phase (i.e., lower royalty rates) for the next seven to eight years and believes it can optimize its pad layout to reduce well pair costs by more than $1.0 million and increase well lengths by ~40%. CVE has been very active on the A&D front (i.e., Tucker, Retail, Wembley), and NBF expects to see further announcements as the company continues to optimize its portfolio. CVE trades at a discounted valuation of 3.8x 2023E EV/DACF relative to its peer group at 4.2x and its three-year historical average of 6.6x.

Canadian Banks

NBF: Although we'd argue that the credit outlook is a greater source of uncertainty to the Big-6 earnings outlook, expense growth is certainly an important one. Over the past year, we've seen expense growth rise across the sector, which is reasonable considering the banks were emerging from the cost-containment phase of the pandemic and improvement in volume/revenue growth necessitated increased investment. Nonetheless, there are clear signs that the inflationary environment has pushed banks to spend more than they initially planned to, with several banks stepping up their expense growth guidance over the past few quarters. The biggest driver has been wage inflation, with fixed compensation costs representing just under 40% of total bank expenses, and are up ~6% Y/Y in H1/22. The inflationary environment will challenge all banks. However, there are several indicators that suggest which banks could be better positioned to withstand an inflationary environment. These include:

1. Exposure to fixed compensation expense. Fixed compensation costs are the largest component of fixed costs (i.e., all NIX excluding variable comp). Moreover, this expense category is the one experiencing the most inflation (or at least the most transparently so). Banks that have a below-average proportion of fixed compensation as a percentage of total fixed costs are BNS, BMO and CM all at around 45%.
2. Relative "control" in other inflationary categories. During the first half, cost growth was highest in the Services/Fees, Technology which represent ~35% of total bank expenses, excluding variable compensation. Combined, these categories grew at 11% Y/Y across the industry during H1/22. Banks that reported relatively better performance include BNS (+6%) and BMO (+8%).
3. Easier comps. Banks that reported higher fixed cost growth during H2/21 and H1/22 could be better positioned simply because of the easier comp. effect. Standouts in this regard include CM, NA and TD. There are certainly other variables that affect the expense management outlook. What the breakdowns above illustrate is that there is more to the story than relying on "scale" as the primary determinant of cost management flexibility (though scale is certainly important). Perhaps surprisingly to some, CM having relatively lower exposure to fixed compensation expenses and facing easier comps over the next four quarters could be in a relatively stronger position.

Canadian Imperial Bank of Commerce (CM)

NBF: One of the biggest takeaways of CM's 2022 Investor Day was a set of financial targets that are more ambitious than the ones previously espoused by the bank. Key targets, which are positioned to be achieved between now and fiscal 2025, include: High single-digit revenue growth; Mid-single-digit expense growth, with structural cost growth in the low single digits and the balance coming from initiative/investment spending; 7-10% EPS growth (was previously set at 5-10%); 16%+ ROE (was previously set at 15%+). Apart from growth targets, the bank is aiming to operate at a CET 1 ratio of 11.5%, and to maintain a 40-50% dividend payout ratio. What about the near term? Although CM's medium-term targets are impressive, NBF believes most investors are more focused on the near term, and how banks aim to navigate a very challenging macro backdrop. A few noteworthy comments by CM's management team included: 1) despite the negative macro backdrop, the bank believes the benefit of higher interest rates to revenue growth enables it to maintain investment spending that should keep cost growth in the mid-single digits; 2) mortgage growth is expected to fall to the low- to mid-single digits; and 3) it expects the CET 1 ratio to hover around its 11.5% target operating level.

Materials (Overweight)

Kinross Gold Corp. (KGC)

NBF: Kinross announced that it completed the sale of 100% of its Russian assets to Highland Gold Mining Group for total consideration of US$340 mln in cash, which equates to ~C$0.35/sh. Kinross has already received US$300 mln in U.S.-denominated cash into its corporate account (outside of Russia) and will receive the remaining payment of US$40 mln on the first anniversary of the closing (June 2023). Kinross has now fully divested all interest in Russia and has no further obligations or exposure to Russia. This transaction and the surfacing of US$340 mln of value from the Russian assets is seen as a very favourable outcome in NBF's view, as its base case NAV assumed no value for the Russian assets. With the sale of the Russian assets now complete NBF expects a re-rating of Kinross' shares to begin. Kinross now has about three quarters of its production and NAV tied to the Americas, with the asset base capable of sustaining annual production at or about 2.1 Moz by NBF estimates, with various options available to them to grow that production base by nearly 25% over the medium term. In NBF's opinion, on all key valuation metrics (EV/EBITDA, P/NAV, FCF Yield), Kinross screens very attractive relative to the senior producer peer group. The company also has a number of catalysts to watch out for over the NTM, which NBF believes could help drive the stock to re-rate. With an outstanding NCIB NBF also views limited downside from current levels (assuming the gold price remains supportive at current levels). Kinross remains a Top pick and NBF raised its target price to $13.00 per share, from $12.00 previously. The new target is based on a 100% weighted 6.50x (previously 6.25x) NTM EV/EBITDA target multiple, which implies a 1.10x (previously 1.05x) P/NAV multiple.

Utilities (Underweight)

Innergex Renewable Energy Inc. (INE)

NBF: INE has completed the acquisition of Aela Generación S.A. and Aela Energía SpA (together Aela), with a combined portfolio of 332 MW wind assets in Chile. Initially, INE should sell ~54% of the energy from Aela under contracts to distribution utilities, with the rest sold on the spot market. With contract inflation and higher spot power prices, INE updated guidance and now expects revenue of US$74 mln/yr (avg US$78 /MWh), up from US$67 mln/ yr (avg $70 /MWh). It forecasts slightly higher costs too, resulting in EBITDA of US$48 mln vs. an earlier estimate of US$44 mln. With an average spot price close to US$90/MWh, the assets could do better. With high power prices in Chile, Texas and Europe, NBF's estimates for INE could go higher. With the temporary freeze on solar tariffs in the U.S., INE should move forward with its solar projects in Hawaii although it could revisit its contracts with offtakers. INE could see organic growth in QC, with >3,000 MW of RFPs for renewables and opportunities to partner with Hydro-Quebec for 3,000 MW more. In May, INE announced plans to add 425 MWh of battery storage in Chile for US$129 mln, funded by debt (we estimate ~10x EBITDA). The storage can de-risk INE's solar assets and benefit from capacity payments and arbitrage between daytime and evening prices. NBF's $23.00 target is based on a long-term DCF with a cost of equity of 6% on operating assets and includes $1/sh for growth. NBF believes that INE trades at a steep discount to peers, with 30% upside to its target price. With a falling payout, rising power prices and an improving outlook for organic growth, INE should catch up to peers.

NBF STRATEGIC LIST

Company	Symbol	Addition Date	Addition Price	Last Price	Yield (%)	Beta	% SPTSX	NBF Sector Weight	NOTES*
Communication Services							**5.0**	**Market Weight**	
Rogers Communications Inc.	RCIb.TO	13-Feb-20	$ 65.84	$ 59.01	3.5	0.5			
Telus Corp.	T.TO	19-May-22	$ 30.64	$ 28.69	4.9	0.5			
Consumer Discretionary							**3.2**	**Market Weight**	
Canadian Tire Corporation Ltd.	CTCa.TO	18-Nov-21	$ 174.10	$ 162.51	4.0	1.9			
Dollarama Inc.	DOL.TO	19-Mar-20	$ 38.96	$ 71.99	0.3	0.6			
Consumer Staples							**3.9**	**Market Weight**	
Loblaw Companies Ltd.	L.TO	25-Mar-21	$ 68.50	$ 109.74	1.5	0.3			
Premium Brands Holdings Corp.	PBH.TO	17-Feb-22	$ 122.90	$ 90.71	3.0	0.7			***R**
Energy							**19.7**	**Overweight**	
Cenovus Energy Inc.	CVE.TO	16-Jan-20	$ 12.26	$ 24.81	1.6	2.5			
Enbridge Inc.	ENB.TO	21-Jan-15	$ 59.87	$ 52.71	6.5	0.9			
Tourmaline Oil Corp.	TOU.TO	13-Aug-20	$ 16.68	$ 67.50	1.3	1.4			
Whitecap Resources Inc.	WCP.TO	19-May-22	$ 10.27	$ 9.77	3.5	2.4			
Financials							**31.1**	**Market Weight**	
Canadian Imperial Bank of Commerce	CM.TO	29-Mar-22	$ 78.14	$ 64.15	5.2	1.1			
Element Fleet Management Corp	EFN.TO	02-Apr-20	$ 8.58	$ 12.92	2.4	1.2			
Fairfax Financial Holdings Ltd.	FFH.TO	20-Dec-18	$ 585.81	$ 633.60	2.0	0.9			
Intact Financial Corp.	IFC.TO	11-Jun-20	$ 130.04	$ 176.47	2.3	0.8			
Royal Bank of Canada	RY.TO	19-Jun-13	$ 60.69	$ 124.53	4.1	0.9			
Sun Life Financial	SLF.TO	10-Dec-20	$ 57.07	$ 58.23	4.8	1.4			
Health Care							**0.4**	**Market Weight**	
Industrials							**11.2**	**Market Weight**	
ATS Automation Tooling Systems Inc.	ATA.TO	18-Nov-21	$ 48.62	$ 35.78	0.0	0.7			
WSP Global Inc.	WSP.TO	19-May-22	$ 142.73	$ 139.56	1.1	1.7			
Information Technology							**5.2**	**Underweight**	
Kinaxis Inc.	KXS.TO	19-Mar-20	$ 100.05	$ 125.65	0.0	0.7			
Open Text Corp.	OTEX.TO	26-Oct-16	$ 41.61	$ 47.87	2.3	0.9			
Materials							**12.8**	**Overweight**	
Agnico Eagle Mines Ltd.	AEM.TO	29-Mar-22	$ 75.74	$ 66.09	3.1	0.6			
Kinross Gold Corp.	K.TO	16-Sep-21	$ 7.06	$ 5.37	2.9	0.5			
Teck Resources Ltd.	TECKb.TO	01-Nov-17	$ 27.15	$ 47.50	1.0	1.2			
REITs							**2.6**	**Underweight**	
Canadian Apartment Properties REIT	CAR_u.TO	10-Dec-20	$ 49.82	$ 43.25	3.4	0.7			
Summit Industrial Income REIT	SMU_u.TO	17-Feb-22	$ 21.50	$ 16.17	3.6	1.2			
Utilities							**5.0**	**Underweight**	
Capital Power Corp.	CPX.TO	22-Aug-19	$ 30.90	$ 43.89	5.0	1.2			
Innergex Renewable Energy Inc.	INE.TO	22-Aug-19	$ 15.00	$ 17.37	4.2	0.8			

Source: Refinitiv (Priced June 17, 2022 after market close)

* R = Restricted Stocks - Stocks placed under restriction while on The NBF Strategic List will remain on the list, but noted as Restricted in accordance with compliance requirements

Week Ahead

THE ECONOMIC CALENDAR

(June 20th – June 24th)

U.S. Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
21-Jun	08:30	National Activity Index	May	0.47		Index
21-Jun	10:00	**Existing Home Sales**	May	5.61M	5.39M	Number of
21-Jun	10:00	Exist. Home Sales % Chg	May	-2.4%		Percent
22-Jun	07:00	MBA Mortgage Applications	17 Jun, w/e	6.6%		Percent
23-Jun	08:30	Current Account	Q1	-217.9B	-271.6B	USD
23-Jun	08:30	**Initial Jobless Clm**	13 Jun, w/e	229k	229k	Person
23-Jun	08:30	Jobless Clm 4Wk Avg	13 Jun, w/e	218.50k		Person
23-Jun	08:30	Cont Jobless Clm	6 Jun, w/e	1.312M		Person
23-Jun	09:45	**S&P Global Mfg PMI Flash**	Jun	57.0	56.4	Index (diffusion)
23-Jun	09:45	**S&P Global Svcs PMI Flash**	Jun	53.4	53.5	Index (diffusion)
23-Jun	09:45	S&P Global Comp Flash PMI	Jun	53.6		Index (diffusion)
23-Jun	10:30	EIA-Nat Gas Chg Bcf	13 Jun, w/e	92B		Cubic foot
23-Jun	11:00	EIA Wkly Crude Stk	13 Jun, w/e	1.956M		Barrel
24-Jun	10:00	**U Mich Sentiment Final**	Jun	50.2	50.2	Index
24-Jun	10:00	**New Home Sales-Units**	May	0.591M	0.580M	Number of
24-Jun	10:00	New Home Sales Chg MM	May	-16.6%		Percent

Canadian Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
21-Jun	08:30	New Housing Price Index	May	0.3%		Percent
21-Jun	08:30	**Retail Sales MM**	Apr	0.0%	0.8%	Percent
21-Jun	08:30	Retail Sales Ex-Autos MM	Apr	2.4%	0.6%	Percent
22-Jun	08:30	**CPI Inflation MM**	May	0.6%	1.1%	Percent
22-Jun	08:30	CPI Inflation YY	May	6.8%	7.5%	Percent
22-Jun	08:30	CPI BoC Core YY	May	5.7%		Percent
22-Jun	08:30	CPI BoC Core MM	May	0.7%		Percent
22-Jun	08:30	CPI Median	May	4.4%		Percent
22-Jun	08:30	CPI Trim	May	5.1%		Percent
22-Jun	08:30	CPI Common	May	3.2%	3.4%	Percent

Source : Refinitiv

S&P/TSX QUARTERLY EARNINGS CALENDAR

Monday June 20th, 2022

None

Tuesday June 21st, 2022

None

Wednesday June 22nd, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Empire Company Ltd	EMP.a	06:30	0.70

Thursday June 23rd, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
BlackBerry Ltd	BB	AMC	-0.05

Friday June 24th, 2022

None

Source: Refinitiv, NBF Research
*Companies of the S&P/TSX index expected to report. Stocks from the Strategic List are in Bold.

S&P500 INDEX QUARTERLY EARNINGS CALENDAR

Monday June 20th, 2022

None

Tuesday June 21st, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Lennar Corp	LEN	BMO	3.97
Progressive Corp	PGR	BMO	

Wednesday June 22nd, 2022

None

Thursday June 23rd, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Accenture PLC	ACN	BMO	2.85
Darden Restaurants Inc	DRI	BMO	2.21
Factset Research Systems Inc	FDS	BMO	3.23
FedEx Corp	FDX	AMC	6.87

Friday June 24th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Carmax Inc	KMX	BMO	1.52462
Carnival Corp	CCL	BMO	-1.16977

Source: Refinitiv, NBF Research
* Companies of the S&P500 index expected to report.

Disclosures

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