

October 21st, 2022

THE WEEK IN NUMBERS (October 17th – October 21st)

Research Services

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INDEX	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
Dow Jones Industrial	31,082.56	1,447.73	4.89%	-14.46%	-12.70%	17.7
S&P 500	3,752.75	169.68	4.74%	-21.26%	-17.52%	17.8
Nasdaq Composite	10,859.72	538.33	5.22%	-30.59%	-28.63%	20.5
S&P/TSX Composite	18,860.95	534.60	2.92%	-11.13%	-11.09%	12.0
Dow Jones Euro Stoxx 50	3,476.63	-306.47	-8.10%	-19.12%	-16.34%	12.2
FTSE 100 (UK)	6,969.73	110.94	1.62%	-5.62%	-3.07%	9.8
DAX (Germany)	12,730.90	293.09	2.36%	-19.86%	-17.72%	12.6
Nikkei 225 (Japan)	26,890.58	-200.18	-0.74%	-6.60%	-6.33%	14.9
Hang Seng (Hong Kong)	16,211.12	-376.57	-2.27%	-30.71%	-37.69%	8.1
Shanghai Composite (China)	3,038.93	-33.06	-1.08%	-16.51%	-15.46%	12.0
MSCI World	2,469.66	93.02	3.91%	-23.58%	-21.66%	16.3
MSCI EAFE	1,696.87	26.23	1.57%	-27.36%	-27.17%	12.6

S&P TSX SECTORS	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
S&P TSX Consumer Discretionary	242.87	4.95	2.08%	-11.27%	-8.01%	20.1
S&P TSX Consumer Staples	773.88	6.58	0.86%	1.42%	7.48%	18.1
S&P TSX Energy	251.49	14.22	5.99%	53.54%	62.09%	7.3
S&P TSX Financials	343.39	4.38	1.29%	-14.82%	-12.42%	9.6
S&P TSX Health Care	21.52	0.27	1.27%	-53.18%	-63.13%	N/A
S&P TSX Industrials	365.46	11.40	3.22%	-4.06%	-7.11%	25.4
S&P TSX Info Tech.	125.53	6.04	5.05%	-40.86%	-46.33%	29.3
S&P TSX Materials	305.78	13.07	4.47%	-6.86%	-4.96%	10.1
S&P TSX Real Estate	285.91	4.20	1.49%	-28.05%	-26.38%	6.5
S&P TSX Communication Services	172.94	3.20	1.89%	-11.38%	-8.40%	17.8
S&P TSX Utilities	301.41	2.18	0.73%	-12.22%	-9.48%	24.0

COMMODITIES	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	NBF 2023E
Oil-WTI futures (US\$/Barrels)	\$85.13	-22.49	-20.90%	13.19%	3.19%	\$80.00
Natural gas futures (US\$/mcf)	\$5.00	-1.22	-19.65%	33.99%	-2.29%	\$5.00
Gold Spot (US\$/OZ)	\$1,653.90	-172.60	-9.45%	-9.50%	-7.15%	\$1,700
Copper futures (US\$/Pound)	\$3.51	-0.25	-6.57%	-21.14%	-23.41%	\$3.40

CURRENCIES	Last price	Curr. Net Change	% Change Week	% Change YTD	%Change 1 Year	NBF Q2/23e
Cdn\$/US\$	0.7330	-0.0424	-5.47%	-7.37%	-9.34%	0.77
Euro/US\$	0.9860	-0.0694	-6.58%	-13.27%	-15.15%	1.03
Pound/US\$	1.1301	-0.0961	-7.84%	-16.47%	-18.06%	1.16
US\$/Yen	147.42	12.25	9.06%	28.10%	29.35%	132

Source: Refinitiv and NBF Research

Please see last page for NBF Disclosures

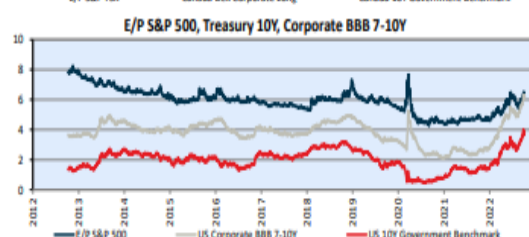
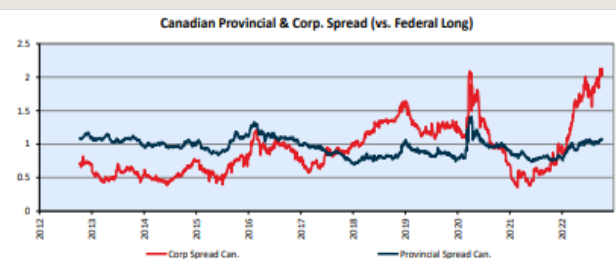
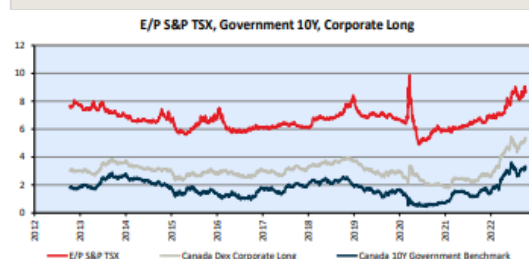
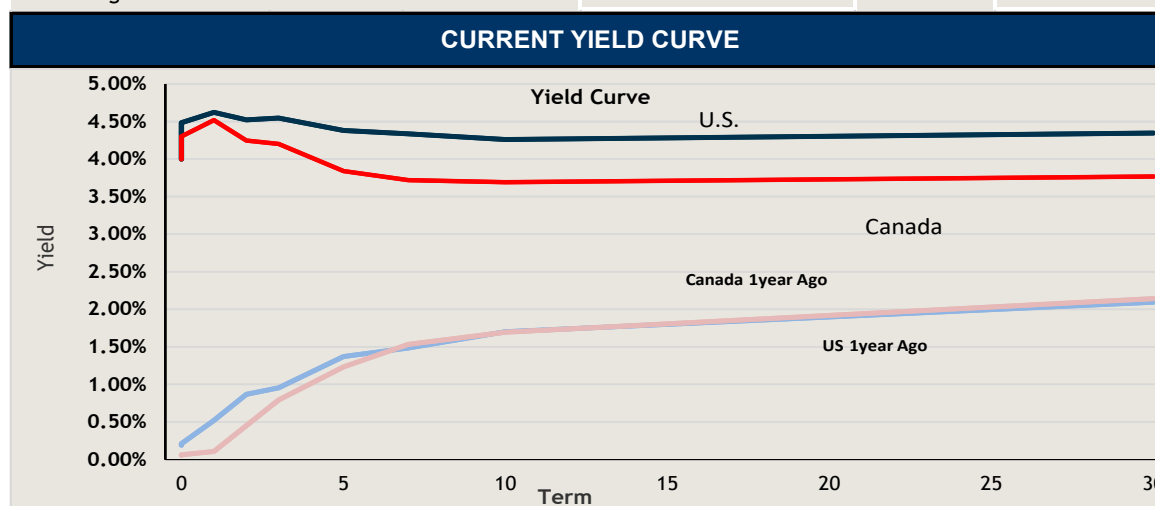
**FIXED INCOME
NUMBERS**

THE WEEK IN NUMBERS
(October 17th – October 21st)

Canadian Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
CDA o/n	3.25%	0.00	CDA 5 year	3.84%	57.8
CDA Prime	5.45%	0.00	CDA 10 year	3.69%	64.6
CDA 3 month T-Bill	4.00%	45.0	CDA 20 year	3.86%	81.7
CDA 6 month T-Bill	4.30%	50.0	CDA 30 year	3.77%	82.0
CDA 1 Year	4.52%	54.0	5YR Sovereign CDS	39.27	
CDA 2 year	4.26%	48.0	10YR Sovereign CDS	40.16	

US Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
US FED Funds	3.00-3.25%	0.75	US 5 year	4.38%	66.4
US Prime	6.25%	0.75	US 10 year	4.25%	73.6
US 3 month T-Bill	4.00%	70.8	US 30 year	4.34%	81.7
US 6 month T-Bill	4.48%	58.2	5YR Sovereign CDS	29.99	
US 1 Year	4.62%	54.9	10YR Sovereign CDS	37.98	
US 2 year	4.52%	52.2			

CANADIAN BOND - TOTAL RETURN	Change Week	Change Y-T-D
FTSE Universe Bond Index	-1.98%	-15.13%
FTSE Short Term Bond Index	-0.57%	-5.84%
FTSE Mid Term Bond Index	-1.64%	-13.48%
FTSE Long Term Bond Index	-4.34%	-27.22%

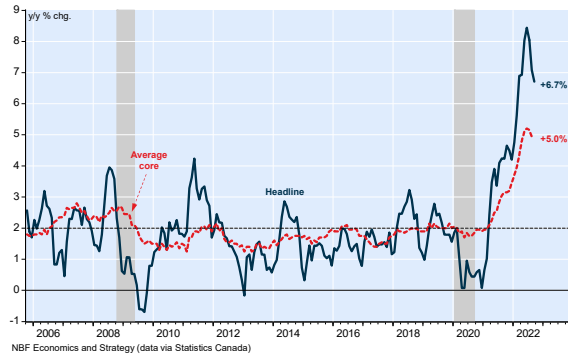


Source: Refinitiv & NBF

WEEKLY ECONOMIC WATCH

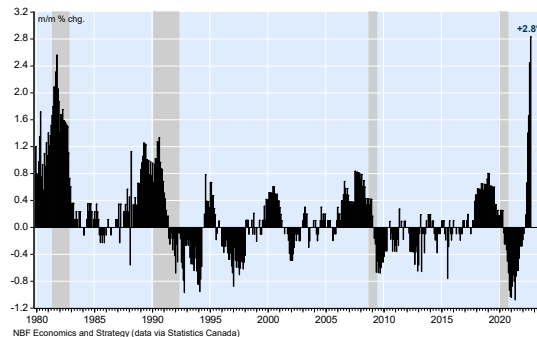
CANADA - The Consumer Price Index ticked up 0.1% in September before seasonal adjustments instead of retreating 0.1% as per consensus. It fell 0.3% the prior month. In seasonally adjusted terms, headline prices were up 0.4% as gains for food (+1.2%), shelter (+0.5), household operations (+0.4%), healthcare (+0.3%), and recreation/reading (+0.1%) were only partially offset by a decline in the transportation segment (-0.4%). Year on year, headline inflation ticked down to 6.9%. The core inflation measures were unchanged from the prior month at 5.2% for CPI-trim and 4.7% for CPI median. Needless to say, the average of the two measures did not budge from 5.0%.

Canada: Headline inflation eased for third month in a row
Consumer Price Index



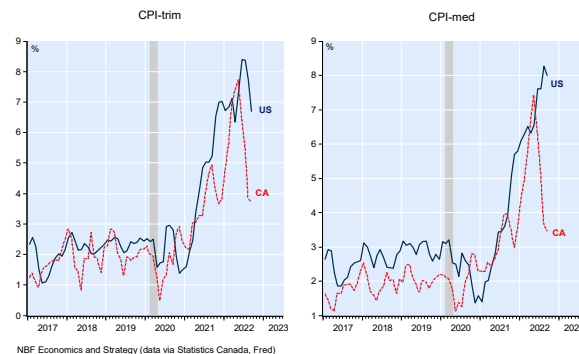
After some respite in August, price growth picked up in September as lower gasoline prices was more than offset by a dramatic jump in the food segment. Housing was another major contributor as mortgage interest costs rose 2.8%, their sharpest increase since 1971.

Canada: Mortgage cost strong contributor to September headline CPI
Consumer Price Index, mortgage interest cost component



Even after this category is excluded, gains were still widespread in the month, as evidenced by the fact that CPI-median and CPI-trim rose 0.27% and 0.35%, respectively. At an annualized pace, both these indices are tracking above the Bank of Canada's target range. However, despite September's uptick, the recent trend remains encouraging for the central bank. Indeed, core inflation measures are moderating much faster in Canada than in the United States, a development that could allow the Bank of Canada to end its tightening cycle ahead of the Fed and at a lower level.

Canada: Core inflation softer this side of border
3-month annualized change in core inflation measures

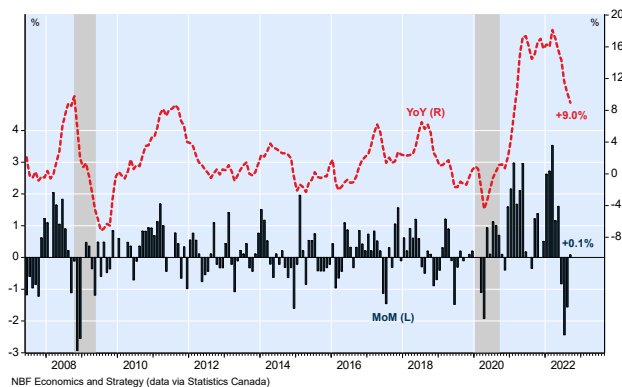


Prices for products manufactured in Canada, as measured by the Industrial Product Price Index (IPPI), eked up 0.1% in September after decreasing the three previous months. Currency movements had a significant impact on the headline print. Recall that the price of several products included in the overall index is set on international markets in USD, which means that the loonie's depreciation against the greenback contributed to lift prices in the month. Without this effect, Statistics Canada estimated that the IPPI would have fallen 0.6% instead.

Of the 21 major commodity groups, 11 saw higher prices, led by plastic/rubber products (+3.2%), pulp/paper products (+3.0%), and machinery/equipment (+1.8%). These gains were only partially offset by a 2.5% drop in the energy/petroleum products segment on lower prices for both finished motor gasoline (-5.2%) and refined petroleum products (-3.0%). Prices declined in the lumber/wood products segment as well, as demand continued to weaken in the residential sector.

On a 12-month basis, the IPPI was up 9.0%, down significantly from the peak of 18.1% attained in March. Among the major categories, energy/petroleum products (+38.4%), fruit/vegetables/feed (+16.7%), electrical/electronic/telecom equipment (+16.4%), and pulp/paper products (+15.4%) recorded the steepest increases. Alternatively, prices in the primary ferrous metal products segment were down 12.4% from a year earlier.

Canada: Upstream inflation continues to slow down
Industrial Product Price Index. Last observation: September 2022

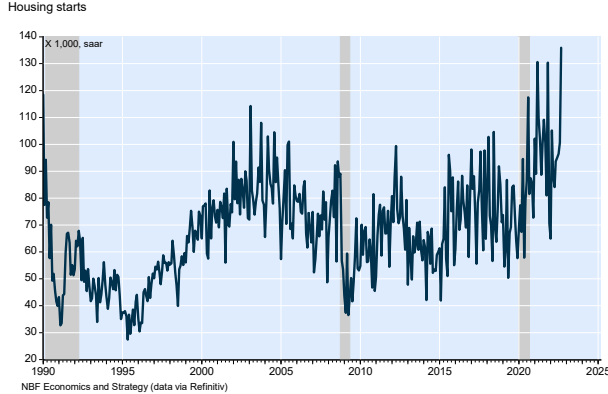


The Raw Materials Price Index slid 3.2% in September on declines for forestry products (-11.7%), non-metallic minerals (-5.3%), and crude energy products (-3.6%). On a 12-month basis, the headline RMPI was still up 11.0%.

Retail sales rose 0.7% m/m in August, 5 ticks above the consensus call for a 0.2% increase. The prior month's result was revised up by three ticks from -2.5% to -2.2%. Sales were pushed up by food/beverage stores (+2.4%) with some of those gains stemming from higher prices. The sporting goods category, meanwhile, saw its largest one-month surge in seven months (+5.0%) helped in part by sporting leagues returning to full capacity. Auto sales were up slightly in the month (+0.6%) but continued to be impacted by supply constraints and higher financing costs. Alternatively, gasoline station receipts edged down (-0.2%) as a drop in prices was only partially compensated by higher volumes. In all, 6 of the 11 subsectors surveyed saw an increase in sales. In real terms, retail sales advanced 1.1% m/m. We remain cautious in our view for consumption for the coming months as consumers contend with higher prices, a negative wealth effect and an ongoing interest rate shock. Lending credence to this view, preliminary September data showed a 0.5% drop in nominal sales.

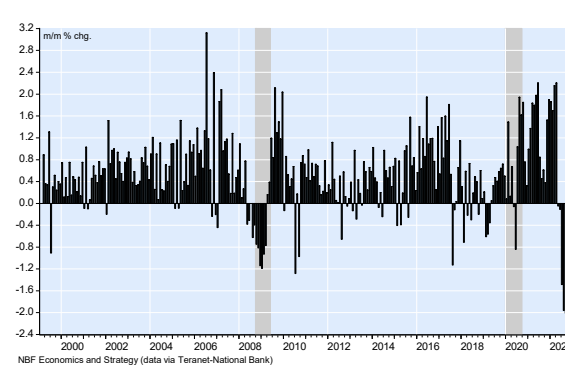
Housing starts rose 29.2K in September to a 10-month high of 299.6K (seasonally adjusted and annualized) instead of falling to 265K as economists anticipated. Urban starts progressed 29.8K to 276.1K on a steep increase in the multi-family segment (+30.0K to 216.5K). Starts in the single-family category, for their part, remained roughly unchanged at 59.6K. At the provincial level, gains in Ontario (+35.1K to an all-time high of 135.9K), Alberta (+6.6K to 40.7K) and British Columbia (+5.4K to 54.3K) were only partially offset by declines in Quebec (-8.8K to 50.1K), Saskatchewan (-2.5K to 3.1K), and Nova Scotia (-2.0K to 3.8K). Looking ahead, we expect housing demand to moderate as interest rates rise and demand in the resale market flags. This should eventually lead to a tapering of residential construction. However, with building permits remaining high and housing supply still tight, starts should stabilize at levels that remain relatively strong on a historical basis.

Ontario: Starts reach new all-time high despite cooling real estate market



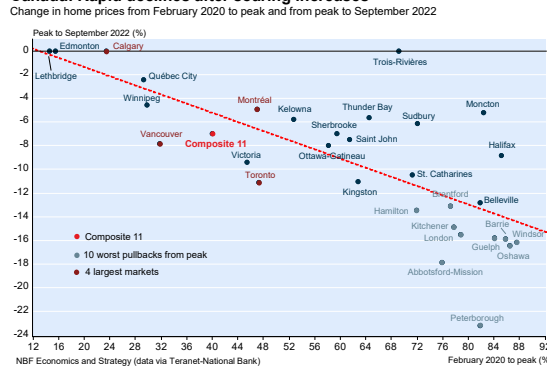
In September, the Teranet–National Bank Composite National House Price Index™ dropped 2.0% from the previous month after seasonal adjustments, marking the fifth consecutive decline for this indicator and the joint-largest in records going back to 1999. Of the 11 markets in the composite index, eight were down in the month, led by Vancouver (-3.5%), Montreal (-1.9%), and Toronto (-1.8%). Conversely, prices kept rising in Calgary (+1.2%), Halifax (+1.1%), and Edmonton (+0.2%). On a 12-month basis, the composite index was up 6.0%, driven by Halifax (16.4%), Calgary (14.7%), and Montreal (10.5%). Growth was lower than average in Winnipeg (5.9%), Edmonton (5.6%), Ottawa-Gatineau (5.0%), Toronto (4.5%), and Vancouver (3.9%).

Canada: Home prices dropped the most on record in September



Since hitting its high mark in May, the Teranet-National Bank Index has sunk 7.0%, a decline similar to the one observed after the 2008 financial crisis (-9.2% over eight months). Although broad-based, the price correction has been particularly severe in the census metropolitan areas (CMAs) that recorded the most significant price growth during the pandemic.

Canada: Rapid declines after soaring increases

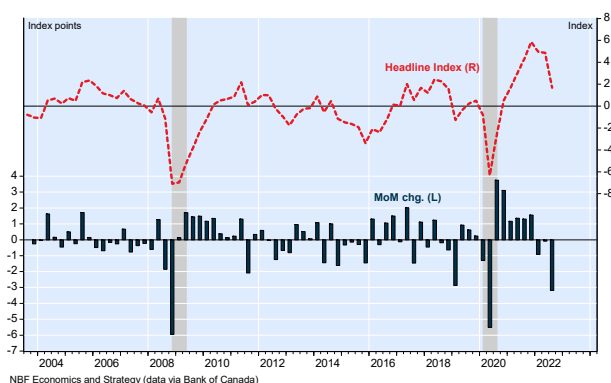


There seems to be little relief in sight at a time where the central bank intends to tighten monetary policy further. Consequently, we anticipate a record cumulative decline in home prices of about 15% nationally by the end of 2023, assuming the BoC's policy rate tops out at about 4.0%.

head of next week's monetary policy decision, the Bank of Canada published its latest quarterly Business Outlook Survey (BOS). Conducted from August 15 to September 9, the poll signaled a deterioration of operating conditions in Q3, as the headline indicator (a composite measure of responses to several BOS questions) fell the most since the start of the pandemic. Despite this quarterly decline, the index remained at levels consistent with a favourable business climate

Canada: Business sentiment remains positive despite steep drop in Q3

Business Outlook Survey Indicator

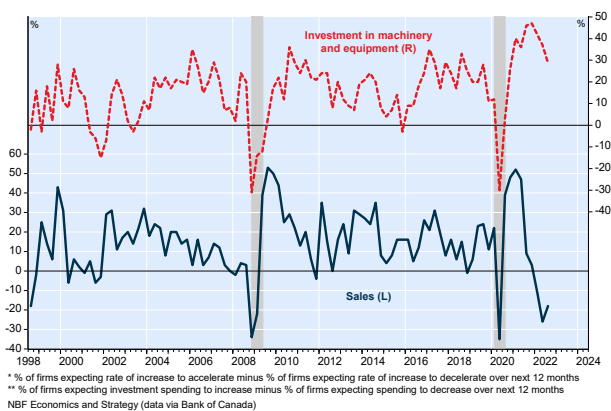


Here are the key takeaways from the survey:

- Sales outlook, capacity constraints and investment intentions: Firms anticipated that their sales would grow at a slower pace over the next 12 months, with those operating in the housing sector particularly pessimistic. Alternatively, firms involved in commodities or technology continued to have a positive sales outlook. Capacity constraints remained an issue, but pressures in this regard appeared to have peaked. The percentage of firms that indicated that they would have some/significant difficulty meeting an unexpected increase in demand eased for the second consecutive quarter. Combined with a weaker sales outlook, this translated into a further moderation of investment intentions. Rising interest rates were another concern. In this regard, two of every five survey respondents indicated that they would delay or reduce investments if borrowing costs increased two percentage points.

Weaker sales outlook among factors weighing on investment intentions

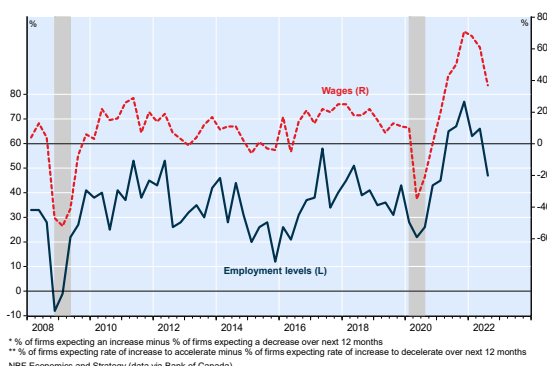
Balance of opinion on future sales volume* and investment**, Business Outlook Survey



Employment intentions and wages: Hiring intentions declined in the quarter but continued to be supported by strong demand. Businesses once again expected payroll expansions to be constrained by difficulties finding skilled workers although several noted an easing in labour market tightness. Indeed, some respondents described seeing “a decline in competition for labour, including less poaching, compared with 12 months ago”. Consistent with this finding, average expected wage gains receded.

Canada: Labour market tightness eased a bit in Q3

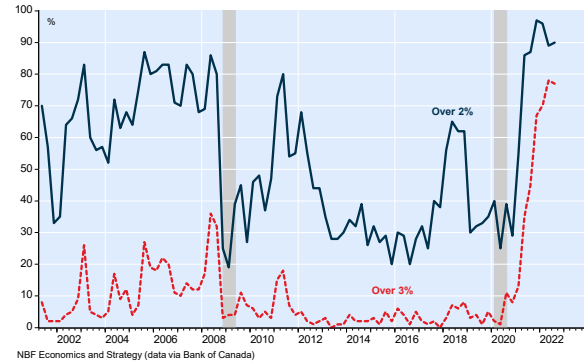
Balance of opinion on future employment levels* and wages**, Business Outlook Survey



- **Prices:** Short-term inflation expectations eased but remained above the Bank of Canada's target band. Firms linked rising prices to elevated commodity prices, persistent supply chain issues, strong demand, and high labour costs.

Business inflation expectations still outside BoC's target band

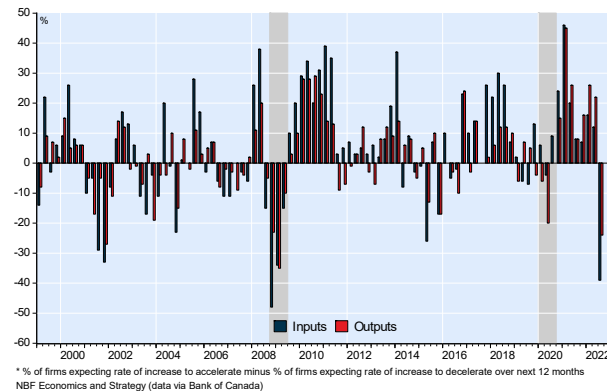
Percentage of firms expecting inflation above 2% and 3% over next two years, Business Outlook Survey



Longer-term expectations, meanwhile, were closer to target and showed no sign of deviating upwards. Encouragingly, polled firms expected input/output prices over the next 12 months to grow at their slowest pace since the Great Recession.

Canada: Businesses expecting sharp slowdown in price inflation

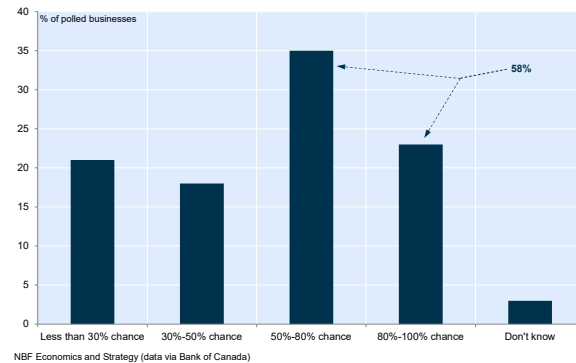
Balance of opinion on input/output prices*, Business Outlook Survey



Economic outlook: A majority of firms fixed the odds of a recession hitting Canada in the next 12 months at 50% or more. If this scenario were to come about, respondents thought it would most likely be caused by a large increase in interest rates and/or a reduction in consumer purchasing power.

Canada: Odds of recession mounting

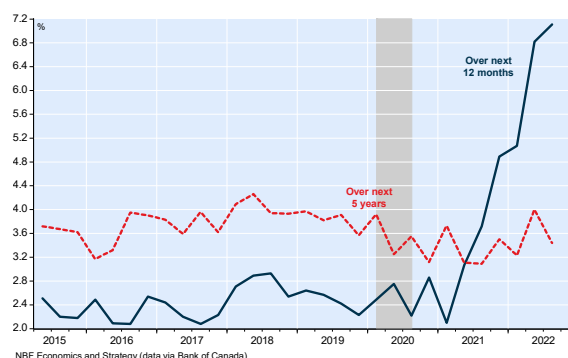
Odds of recession over next 12 months (% of firms for each probability band), Business Outlook Survey



Published at the same time as the BOS, the Survey of Consumer Expectations showed near-term inflation expectations continuing to rise in Q3 in reaction to high oil prices and ongoing supply chain constraints. Longer-term expectations, on the other hand, eased and were roughly in line with pre-pandemic levels.

Consumer long-term inflation expectations appear well anchored

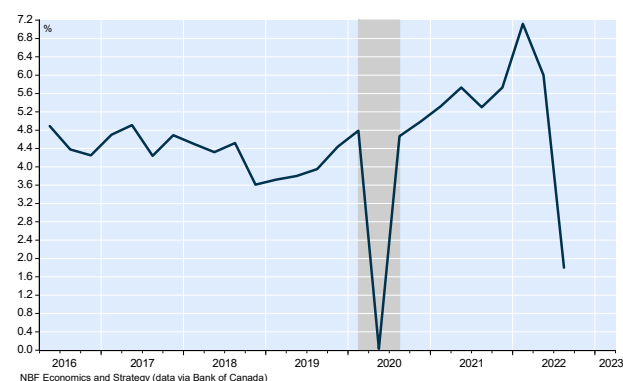
Inflation expectations, Survey of Consumer Expectations



Despite positive views of the labour market, a clear majority (78%) of survey respondents estimated the chances of a recession hitting the country in the next 12 months at 50% or above. Consumers also appeared concerned about rising interest rates, which they believed would contribute to moderate home price growth over the next 12 months.

Canada: Consumers expect rising interest rates to take a toll on housing

Expected change in home prices over next 12 months, Survey of Consumer Expectations



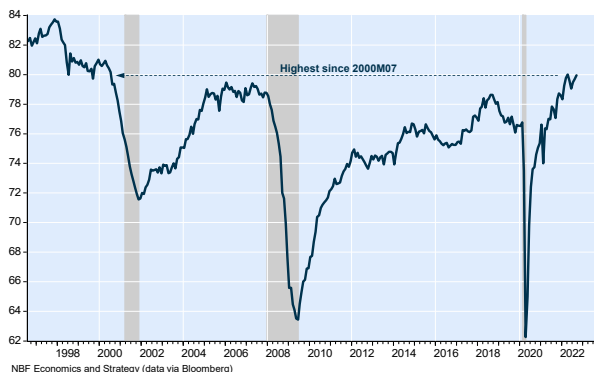
UNITED STATES: Industrial production expanded 0.4% in September and reached a new all-time high. Manufacturing output, too, sprang 0.4% as production of motor vehicles/parts (+1.0%) continued to recover after being hit by semiconductor shortages last year. Excluding autos, factory output still advanced 0.5% on a 1.1% gain for computers/electronics. Utilities output shrank 0.3% as temperatures normalized following a warmer-than-usual month of August, whereas production in the mining sector increased 0.6%. In the latter category, oil and gas well drilling sprang 1.0%, moving further above its pre-crisis level.

On a quarterly basis, industrial production progressed an annualized 2.9% in Q3 after gaining 5.2% in Q2. Manufacturing output did not fare quite as well, climbing only 1.9% in Q3.

Capacity utilization in the industrial sector improved from 80.1% in August to a 15-year high of 80.3% in September. In the manufacturing sector, it went from 79.7% to 80.0%, its joint-highest level since March 2000.

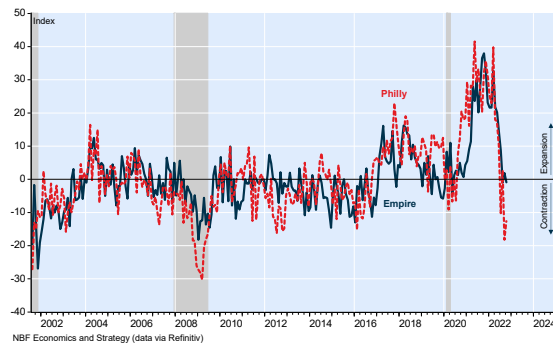
United States: Factories operating near full capacity

Capacity utilization in manufacturing sector



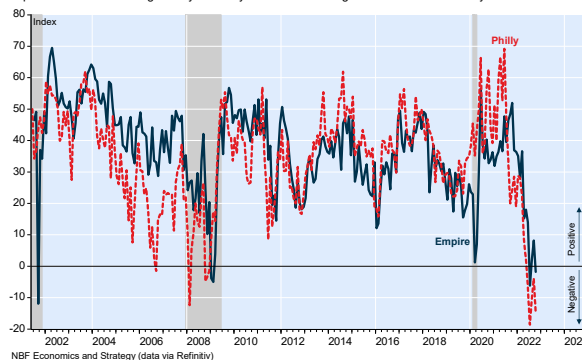
The Empire State Manufacturing Index of general business conditions signaled a third consecutive contraction in factory activity in New York state and surrounding area, slipping from -1.5 in September to -9.1 in October. Shipments retraced slightly (from 19.6 to -0.3) while new orders continued to accumulate at the same subdued pace (unchanged at 3.7). The number of employees tracker slipped a little (from 9.7 to 7.7) but held above its long-term average (4.7). Supply chain pressures continued to ease as evidenced by another decrease in the index tracking supplier delivery times (from 1.9 to a joint 29-month low of -0.9). However, this did not prevent input price inflation from accelerating (from 39.6 to 48.6), probably on account of the rebound in energy prices before the survey period. Manufacturers once again raised selling prices (this index went from 23.6 to 22.9), albeit at the slowest pace in nearly two years. Business optimism for the next six months cooled (from 8.2 to -1.8), as did technology spending intentions (from 13.2 to 11.0).

United States: Supply constraints fading fast in manufacturing sector
Supplier delivery times, Empire State Manufacturing Survey vs. Philly Fed Manufact. Business Outlook Survey



The Philly Fed Manufacturing Business Outlook Index painted a similarly downbeat picture of the situation prevailing in the manufacturing sector in October, as it remained in contraction territory for the second month in a row (from -9.9 to -8.7). New orders (from -17.6 to -15.9) continued to shrink while production (from 8.8 to 8.6) and employment (from 12.0 to 28.5) expanded. Input price inflation (from 29.8 to 36.3) and output price inflation (from 29.6 to 30.8) strengthened on an increase in energy prices. Supplier delivery times, meanwhile, shortened for the third time in four months. The index tracking future business activity dropped from -3.9 to -14.9, one of the lowest levels observed in the past 40 years.

United States: Grim outlook for factories
Business conditions over next 6 months, Empire State Manufacturing Survey vs. Philly Fed Manufacturing Business Outlook Survey

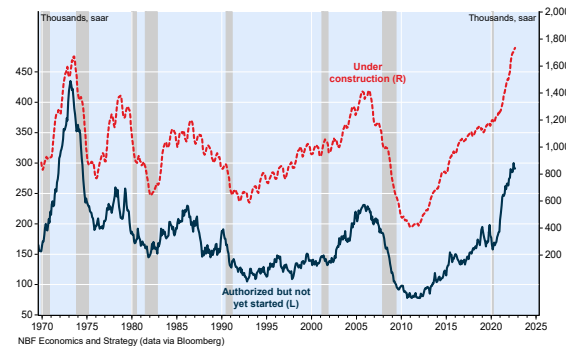


Housing starts retraced from 1,566K in August (initially estimated at 1,575K) to 1,439K in September, which is considerably lower than the median economist forecast calling for a 1,461K print. The drop reflected decreases in the single-family and the multi-family segments alike (respectively, -4.7% to a 28-month low of 892K and -13.2% to 547K).

Building permits, for their part, edged up 1.4% to 1,564K as a 3.1% decline in the single-family segment (to 872K) was more than offset by a 7.8% gain in the multi-family category (to 692K). The number of authorized residential projects for which construction had not yet begun (291K) remained close to the 50-year high reached back in July (300K). Normally, such a high number of unexercised permits pile up when business is booming in the residential sector as it reflects builder inability to meet demand. Under current market conditions, however, this figure could be indicative instead of a loss of confidence among builders, who might prefer to leave a few projects on ice while waiting to see how the situation evolves. After all, a record number of housing units are currently under construction (1,734K) and this already risks boosting supply greatly at a time when demand is fading. In this context and given that the residential sector faces challenges ranging from rising interest rates to labour shortages, putting off the construction of housing units for which permits have already been issued does not seem like a bad idea.

U.S.: Are home builders putting projects on ice for fear of supply glut?

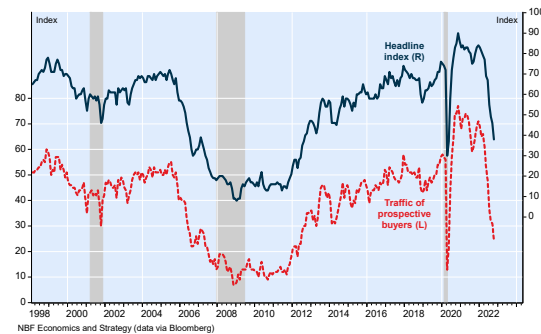
New privately owned housing units authorized but not yet started vs. total homes under construction



Homebuilder sentiment, meanwhile, is sliding fast. In October, the National Association of Home Builders Market Index fell 8 points to 38. This was the lowest print since August 2012 outside of the pandemic period. NAHB data also showed a significant drop in prospective buyer traffic. All told, these data suggest that there could be more pain in store for residential construction.

United States: Home builders feeling pinch of higher mortgage rates

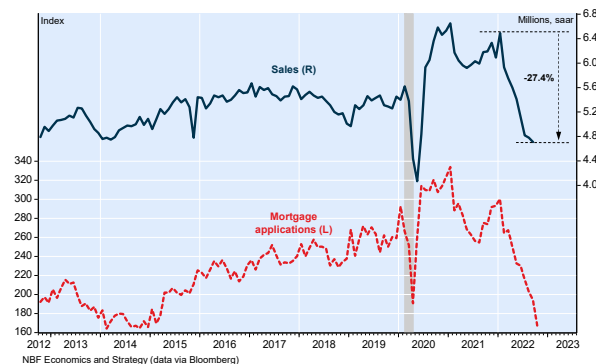
National Association of Home Builders Market Index



After seven consecutive declines from January to August, existing-home sales slipped another 1.5% in September to 4,710K (seasonally adjusted and annualized), bringing the total drawback since the beginning of the year to 27.4%. Excluding the first months of the pandemic, this was also the lowest level of sales observed in more than 10 years. Contract closings sagged for both single-family dwellings (-0.9%) and condos (-5.8%). The inventory-to-sales ratio, for its part, remained unchanged at 3.2. Despite the recent increase, this ratio remained low on a historical basis (<5 indicates a tight market for the National Association of Realtors), as supply continued to lag: The inventory of properties available for sale totaled just 1.25 million (not seasonally adjusted), the lowest level ever recorded in a month of September.

United States: Home resale market cooling fast

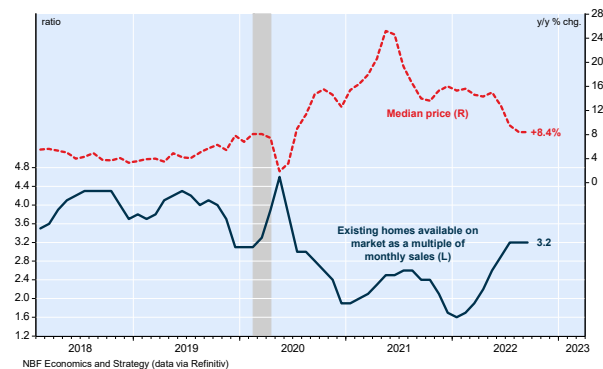
Existing-home sales vs. mortgage applications for purchase of a new home



Insufficient supply and low interest rates during the pandemic helped push prices up at breakneck speed. However, with supply recovering slowly and with mortgage rates having risen sharply, we expect price increases to moderate quickly. Although it was only one month's data, September stats seem to be in line with this forecast, with the median price paid for a previously owned home retracing from \$391,700 to a six-month low of \$384,800. This was up 8.4% y/y, no doubt a significant increase, but still much less pronounced than what was recorded at the height of the pandemic boom (+25.2% in May 2021).

U.S.: Improvement in supply will help slow down rise in house prices

Ratio of existing-homes inventory to sales vs. annual increase in median price

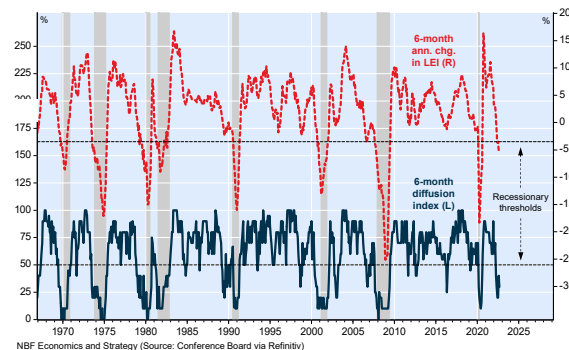


The housing market may face more woes down the road given the higher borrowing costs and the associated drop in mortgage applications. We expect sales to remain below their pre-pandemic level for some time and home prices to moderate further going forward.

The index of leading economic indicators (LEI) declined 0.5 index point in September to a 15-month low of 115.9. Five of the ten underlying economic indicators acted as a drag on the headline index, with the biggest negative contributions coming from stock prices (-0.32 pp), consumer expectations (-0.21 pp), and ISM new orders (-0.19 pp). The decline in jobless claims, meanwhile, contributed 0.19 pp to the headline figure. Historical analysis shows that an annualized drop of 3.5% in the LEI index over six months, coupled with a six-month diffusion index below 50%, is generally symptomatic of a pending recession. These conditions were met in September: The index dropped 5.6% annualized over six months and the six-month diffusion index stood at 30%.

United States: Leading indicators signal slowing economic growth

Leading Economic Indicator and diffusion index. Last observation: September 2022



In the week to October 15, initial jobless claims dipped from 226K to 214K. Continued claims, meanwhile, rose from 1,364K to 1,385K. This number remains very low by historical standards, which suggests that unemployed workers were finding new jobs quickly.

WORLD: In Japan, the national headline consumer price index (CPI) rose 3.0% y/y in September, the same rate as in August and one tick above consensus expectations. It was also the highest figure recorded in 8 years. The price of fresh food progressed 1.9% while energy prices jumped 16.8%. Excluding those two categories, the CPI advanced 1.8% from a year ago, two ticks more than in the prior month. CPI excluding fresh food, the core measure preferred by the Bank of Japan, went from 2.8% to 3.0%, above the central bank's target of 2% and the fastest rate since 1991 excluding periods after sales tax hikes.

MONTHLY ECONOMIC MONITOR – OCTOBER 2022

Highlights

- Except for the Bank of Japan, all the major central banks have raised their policy rates in recent months, some at the steepest pace in decades. When the U.S. economy recovered especially quickly from the pandemic shock, the Federal Reserve had no choice but to lead this tightening, which is now bringing multiple problems. The central banks of countries where inflation remains relatively subdued simply cannot follow the Fed's pace, something which encourages capital outflows and puts strong downward pressure on currencies. In economies with high inflation, policymakers have been able to better match the Fed's actions, but this has led to a rapid tightening of financial conditions that is now weighing heavily on growth. Signs of a slowdown are particularly visible in Europe and in emerging countries. After an expected expansion of 3.0% in 2022, we anticipate the world economy to grow just 2.2% in 2023.
- The amplitude of the global slowdown will thus depend on the decisions of the Federal Reserve. Unfortunately, the U.S. central bank is quite unlikely to stop tightening before the end of this year. Federal Open Market Committee members instead seem inclined to maintain the pace of current hikes for some time yet, to judge by the dot plot published following its meeting of September 20-21. It's hard to find fault with them when indicators seem to show a resilient economy. But despite the economy's resilience in response to rate hikes so far, their consequences will be felt sooner or later. In addition to weighing heavily on global equity markets, the tightening of monetary policy could stifle the real estate market and put a damper on consumers. We expect that economic growth will stagnate in the three quarters following its third quarter jump. A contraction of real GDP in the first half of 2023 is even conceivable. Such an outlook will, we hope, encourage the Fed to end and then reverse its tightening, breathing a bit of life into the economy in the second half of next year. U.S. GDP, after expanding 1.8% in the year now ending, would then be likely to grow only 0.2% next year before regaining some vigour in 2024.
- All is going well for the Bank of Canada so far. There are positive developments on the inflation front and the pace of the economy has moderated significantly but not catastrophically in recent months. But its work will be judged by the landing of the economy in 2023 and the inflation path afterward. The time lag for monetary policy to take effect means that in acting as quickly as it has, the Bank does not have the time to assess the effect of its actions and adjust if appropriate. Unfortunately we will know only after the fact whether it has gone too far. So it is normal for observers to be nervous (ourselves included). One thing is certain: we are already seeing a marked slowdown in real estate, entailing a deflation of home prices exacerbating the unprecedented negative wealth effect on households in the first half of 2022. In our view, interest rates at such levels will not be needed for long to calm inflation. We accordingly see the Fed and the Bank of Canada lowering them substantially in the second half of 2023. Given North American monetary tightening more pronounced than previously expected, we are lowering our forecast of Canadian economic growth in 2023 from 1.1% to a lethargic 0.7%. ([Full Text](#))

UNITED STATES

Financial Forecast**

	Current 10/14/22	Q3 2022	Q4 2022	Q1 2023	Q2 2023	2021	2022	2023
Fed Fund Target Rate	3.25	3.25	4.50	4.50	4.50	0.25	4.50	3.25
3 month Treasury bills	3.65	3.22	4.45	4.30	4.20	0.06	4.45	3.05
Treasury yield curve								
2-Year	4.48	4.22	4.45	4.30	3.85	0.73	4.45	2.85
5-Year	4.25	4.06	4.20	4.05	3.70	1.26	4.20	3.05
10-Year	4.00	3.83	3.95	3.85	3.60	1.52	3.95	3.20
30-Year	3.99	3.79	3.90	3.85	3.70	1.90	3.90	3.45
Exchange rates								
U.S.\$/Euro	0.98	0.98	0.97	0.99	1.03	1.14	0.97	1.06
YEN/U.S.\$	148	145	146	140	132	115	146	122

** end of period

IN THE NEWS



U.S. and Canadian News



Monday October 17th, 2022

New York Manufacturing Index Drops More Than Expected In October

The New York Fed said its general business conditions index slid to a negative 9.1 in October from a negative 1.5 in September. Economists had expected the index to dip to a negative 4.0.

Bank of Canada sees worst drop in business outlook since 2020

The central bank's business outlook indicator fell to 1.69 in the third quarter, from 4.87 previously. While still positive, that's the largest deterioration in the confidence of Canadian firms since the second quarter of 2020.

Tuesday October 18th, 2022

U.S. factory output solid in September; builder sentiment slumps further

Manufacturing output rose 0.4% last month, keeping pace with an upwardly revised 0.4% gain in August, the Federal Reserve said on Tuesday. Economists polled by Reuters had forecast factory production would rise 0.2%. Output increased 4.7% from a year earlier. Overall industrial production rose 0.4%, after slipping 0.1% the prior month. Economists had estimated a 0.1% increase. The NAHB/Wells Fargo Housing Market index dropped eight points to 38 this month. Economists had forecast the index at 43.

Annual pace of Canadian housing starts up in September, hitting highest level since Nov. 2021

Canada Mortgage and Housing Corp. says the seasonally adjusted annual rate of housing starts for September was 299,589 units, up 11 per cent from 270,397 in August. The increase came as the annual pace of urban starts rose 12 per cent to 276,142 in September.

Wednesday October 19th, 2022

U.S. housing starts fall in September; building permits rise

Housing starts dropped 8.1% to a seasonally adjusted annual rate of 1.439 million units last month. Data for August was revised down to a rate of 1.566 million units from the previously reported 1.575 million units. Economists had forecast starts would come in at a rate of 1.475 million units. Permits for future home construction rose 1.4% to a rate of 1.564 million units in September.

Canadian inflation rose 6.9% in September: StatsCan

The consumer price index was up 6.9 per cent from a year ago, higher than economist predictions for a 6.7 per cent gain. During the month of September, prices rose 0.1 per cent versus expectations for a 0.1 per cent decline. The data caused traders to shift bets toward a larger rate hike next week, with markets now pricing in a 60 per cent chance of a 75-basis-point increase from the Bank of Canada.

Thursday October 20th, 2022

U.S. weekly jobless claims fall

Initial claims for state unemployment benefits fell to a seasonally adjusted 214,000 for the week ended Oct. 15. Data for the prior week was revised to show 2,000 fewer applications filed than previously reported. Economists had forecast 230,000 applications for the latest week.

U.S. existing home sales slide again in September

Existing home sales fell 1.5% to a seasonally adjusted annual rate of 4.71 million units last month. Outside of the short-lived plunge during the spring of 2020, when the economy was reeling from the first wave of COVID-19, this was the lowest sales level since September 2012. Economists had forecast sales would decrease to a rate of 4.70 million units.

Canada home price tumble in September shattering record

The Teranet-National Bank National Composite House Price index, which tracks repeat sales of single-family homes in major Canadian markets, showed prices dropped a record 3.1% in September from August, led by sharp declines in Toronto and Hamilton, Ontario. The major market index is now 7.0% below the May peak.

Friday October 21st, 2022

U.S. 2022 budget deficit halves to \$1.375 trillion despite student loan costs

The U.S. government reported that its fiscal 2022 budget deficit plunged by half from a year earlier to \$1.375 trillion, due to fading COVID-19 relief spending and record revenues fueled by a hot economy, but student loan forgiveness costs limited the reduction.

Canada retail sales fell in September after short-lived rebound

Receipts for retailers dropped 0.5 per cent last month, according to an advance estimate released by Statistics Canada. That erases much of a 0.7 per cent jump in August and brings sales down near July levels, a very weak month that saw receipts fall by 2.2 per cent.

IN THE NEWS



International News

Monday October 17th, 2022

- **[China c.bank rolls over policy loans to maintain liquidity, keeps rate unchanged](#)**

China's central bank rolled over maturing medium-term policy loans while keeping the interest rate unchanged for a second month, reinforcing expectations that conditions will continue to stay loose to help the pandemic-hit economy.

- **[As Xi opens congress, China's state hands keep markets steady](#)**

Chinese state banks are stepping up intervention to defend the weakening yuan. Scores of companies have announced share buybacks or executive share purchase plans, when regulators unveiled plans to ease share buyback rules.

- **[Growth push went 'too far, too fast', says UK finance minister Hunt](#)**

Britain's new finance minister Jeremy Hunt said the government had gone "too far, too fast" in its drive for growth after Prime Minister Liz Truss was forced to fire his predecessor and make U-turns on tax-cutting plans amid market turmoil.

Tuesday October 18th, 2022

- **[German investor morale less pessimistic than expected](#)**

The ZEW economic research institute said its economic sentiment index grew slightly in October, to -59.2, from -61.9 in September, beating a forecast by analysts of a reading of -65.7.

- **[UK gilt yields rise as BoE pooh-poohs report of delay to bond sales](#)**

British government bond yields rose after the Bank of England said it had not decided to delay the start of its "quantitative tightening" sales of gilts again, labelling a Financial Times report that said such a move was likely as inaccurate.

Wednesday October 19th, 2022

- **[Soaring food prices push UK inflation back to 40-year high](#)**

The Office for National Statistics said the consumer price index (CPI) increased by 10.1% in annual terms in September. A Reuters poll of economists had pointed to a reading of 10.0%, after a 9.9% rise in August.

- **[Euro zone Sept inflation revised down slightly, still at record high](#)**

The European Union's statistics office Eurostat said consumer prices in the 19 countries sharing the euro rose 1.2% month-on-month for a 9.9% year-on-year surge, revising down its earlier estimate of a 10% year-on-year reading.

- **[Germany to cap electricity prices by taxing excess profits](#)**

Germany's government plans to introduce a cap on electricity prices for households and industry to ease the impact of soaring energy costs, a ministry document seen by Reuters showed. To help finance the cap and pay for the stabilisation of power transmission grids, Berlin is considering skimming off some electricity companies' profits. The scheme would also be financed by a 200 billion euro relief package Chancellor Olaf Scholz's government announced late last month.

Thursday October 20th, 2022

- **[Liz Truss resigns after six weeks as UK prime minister](#)**

Liz Truss said she would resign as British prime minister, brought down just six weeks into the job by an economic programme that roiled financial markets, pushed up living costs for voters and enraged much of her own party. The Conservative Party, which holds a big majority in parliament and need not call a nationwide election for another two years, will elect a new leader by Oct. 28.

- **[German PPI Surges Again to New Record High in September](#)**

German producer prices rose by 2.3% on the month and by an eye-watering 45.8% on the year. Excluding energy prices, the annual rate of inflation has now been in decline for four months, and totaled only 14% in September.

- **[Japan imports surge on weaker yen, fanning inflation fears](#)**

Japan's imports grew more than 40% for a fifth straight month in September to hit the largest value on record as a slump in the yen aggravated already high fuel import costs, stoking fears of cost-push inflation. The surge in imports overwhelmed growth in exports, resulting in a 2 trillion yen (US\$13.3 billion) trade deficit and extending the run of shortfalls to 14 months, adding to downward pressure on the Japanese currency.

- **[Australia's jobs engine brakes in Sept, supports slower rate hikes](#)**

Figures from the Australian Bureau of Statistics showed net employment rose just 900 in September, short of market forecasts of 25,000 and well down on August's jump of 36,300. Hours worked were also flat, suggesting some cooling in activity.

Friday October 21st, 2022

- **[Race to be next UK PM begins as momentum grows behind Boris Johnson](#)**

Former defence minister Penny Mordaunt became the first candidate to officially declare, but Johnson and Rishi Sunak, once his finance minister, led potential contenders as candidates canvassed support ahead of voting next week.

- **[Japan's inflation hits 8-year high in test of BOJ's dovish policy](#)**

Japan's core consumer inflation rate accelerated to a fresh eight-year high of 3.0% in September, challenging the central bank's resolve to retain its ultra-easy policy stance as the yen's slump to 32-year lows continue to push up import costs.

WEEKLY PERFORMERS – S&P/TSX

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
IAMGOLD Corp	\$1.86	\$0.42	29.17%
Bombardier Inc	\$34.80	\$6.60	23.40%
Lithium Americas Corp	\$35.87	\$5.06	16.42%
Energy Fuels Inc	\$9.55	\$1.15	13.69%
Shopify Inc	\$40.54	\$4.32	11.93%
Cenovus Energy Inc	\$25.76	\$2.74	11.90%
Cameco Corp	\$32.46	\$2.94	9.96%
First Quantum Minerals Ltd	\$26.72	\$2.41	9.91%
Denison Mines Corp	\$1.67	\$0.15	9.87%
Nexgen Energy Ltd	\$5.52	\$0.48	9.52%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Home Capital Group Inc	\$24.15	-\$3.64	-13.10%
Winpak Ltd	\$43.09	-\$4.54	-9.53%
Ero Copper Corp	\$15.60	-\$1.54	-8.98%
Mullen Group Ltd	\$13.09	-\$1.20	-8.40%
Advantage Energy Ltd	\$9.72	-\$0.80	-7.60%
Birchcliff Energy Ltd	\$9.97	-\$0.68	-6.38%
ECN Capital Corp	\$3.83	-\$0.25	-6.13%
Maple Leaf Foods Inc	\$19.92	-\$1.15	-5.46%
Capstone Copper Corp	\$3.06	-\$0.17	-5.26%
Corus Entertainment Inc	\$2.15	-\$0.10	-4.44%

Source: Refinitiv

WEEKLY PERFORMERS – S&P500

S&P500: LEADERS	LAST	CHANGE	%CHG
Netflix Inc	\$289.57	\$59.57	25.90%
Schlumberger NV	\$50.41	\$8.25	19.57%
Intuitive Surgical Inc	\$218.49	\$35.43	19.35%
Lam Research Corp	\$369.29	\$54.34	17.25%
Lockheed Martin Corp	\$454.61	\$65.20	16.74%
Baker Hughes Co	\$26.67	\$3.76	16.41%
Freeport-McMoRan Inc	\$32.03	\$4.39	15.88%
Halliburton Co	\$33.88	\$4.47	15.20%
Carnival Corp	\$8.20	\$1.07	15.01%
Norwegian Cruise Line Holdings Ltd	\$14.93	\$1.90	14.58%

S&P500: LAGGARDS	LAST	CHANGE	%CHG
SVB Financial Group	\$230.03	-\$87.74	-27.61%
Generac Holdings Inc	\$109.48	-\$27.46	-20.05%
M&T Bank Corp	\$161.77	-\$23.79	-12.82%
Robert Half International Inc	\$73.01	-\$7.99	-9.86%
Comerica Inc	\$65.34	-\$6.77	-9.39%
Allstate Corp	\$120.08	-\$12.36	-9.33%
EQT Corp	\$37.88	-\$3.25	-7.90%
Carmax Inc	\$55.69	-\$4.51	-7.49%
Pool Corp	\$284.83	-\$22.20	-7.23%
Fox Corp	\$29.43	-\$2.12	-6.72%

Source: Refinitiv

NBF RATINGS & TARGET PRICE CHANGES

Company	Symbol	Current Rating	Previous Rating	Current Target	Previous Target
5N Plus Inc.	VNP	Outperform	Sector Perform	C\$2.50	C\$2.50
AltaGas Ltd.	ALA	Outperform	Outperform	C\$30.00	C\$33.00
Altus Group Limited	AIF	Outperform	Outperform	C\$60.00	C\$70.00
Artemis Gold Inc.	ARTG	Outperform	Restricted	C\$8.00	Restricted
Canadian Tire Corporation Limited	CTC.A	Outperform	Outperform	C\$196.00	C\$213.00
Constellation Software Inc.	CSU	Outperform	Sector Perform	C\$2350.00	C\$2350.00
Copperleaf Technologies Inc.	CPLF	Outperform	Outperform	C\$12.00	C\$14.00
Docebo Inc.	DCBO	Outperform	Outperform	US\$60.00	US\$85.00
E Automotive Inc.	EINC	Sector Perform	Sector Perform	C\$5.50	C\$10.00
Equinox Gold Corp.	EQX	Sector Perform	Sector Perform	C\$5.00	C\$6.00
Farmers Edge Inc.	FDGE	Sector Perform	Sector Perform	C\$0.50	C\$1.00
GFL Environmental Inc.	GFL	Outperform	Outperform	C\$47.00	C\$53.00
Gildan Activewear Inc.	GIL	Outperform	Outperform	C\$45.00	C\$43.00
Goodfood Market Corp.	FOOD	Sector Perform	Sector Perform	C\$0.75	C\$1.50
IAMGOLD Corporation	IMG	Sector Perform	Sector Perform	C\$2.25	C\$2.10
Loblaw Companies Limited	L	Outperform	Outperform	C\$126.00	C\$127.00
Parkland Corporation	PKI	Outperform	Outperform	C\$38.00	C\$44.00
Q4 Inc.	QFOR	Outperform	Outperform	C\$5.00	C\$7.00
Sherritt International Corporation	S	Sector Perform	Sector Perform	C\$0.80	C\$0.70
Shopify Inc.	SHOP	Outperform	Outperform	US\$60.00	US\$75.00
Slate Office REIT	SOT.UN	Restricted		Restricted	
Spin Master Corp.	TOY	Outperform	Outperform	C\$57.00	C\$66.00
TFI International Inc.	TFII	Outperform	Outperform	C\$150.00	C\$152.00
Thinkific Labs Inc.	THNC	Outperform	Outperform	C\$4.00	C\$5.00
TVA Group Inc.	TVA.B	Sector Perform	Sector Perform	C\$2.00	C\$3.00
Wesdome Gold Mines Ltd.	WDO	Outperform	Outperform	C\$14.50	C\$15.00

STRATEGIC LIST - WEEKLY UPDATE

(October 17th – October 21st)

No Changes this Week

Comments

Communication Services (Market Weight)

Telecom

NBF: The CRTC finally outlined its decisions on the terms and conditions that will help pave the way for the rollout in Canada of mandated mobile virtual network operators (MVNOs). This critical process comes 18 months after the regulator determined that it would create a 7-year MVNO regime to foster added competition in wireless and enable smaller carriers to pursue wholesale carriage arrangements with larger ones in areas where the former hold spectrum as a prelude to them becoming facilities-based operators in these areas following network investments. The CRTC expects that MVNO agreements will get executed within 90 days of tariffs being finalized, so extended negotiations could take things toward the end of April 2023 barring any further delays or required arbitration. It's possible that MVNO deals could be struck during 1Q23, as we await commentary from the carriers on today's disclosures, but talks could push into early 2Q23 and NBF would be surprised to see any MVNO service get launched before next summer. As we await more details on MVNO rates, what deals may get struck, and who might launch where and when, NBF is not making any changes to telecom forecasts.

Consumer Staples (Overweight)

Loblaw Companies Ltd. (L)

NBF: Loblaw reports Q3/22 results on November 16, 2022, at 6:30 a.m. NBF projects Q3/22 EPS of \$1.90 vs. cons. at \$1.91; last year was \$1.59. NBF projects EPS to be higher by 20% y/y, reflecting positive food retail same-store sales growth (sssg), continued momentum at SC (F/E and Rx), lower y/y COVID-19 costs, benefits from Loblaw's ongoing efficiency programs and share repurchases. NBF projects food retail sssg of 3.2% vs. 0.2% last year. NBF projects SC total sssg of 3.7% vs. 4.4% last year. NBF projects consolidated revenue of \$16,973 mln vs. cons. at \$16,738 mln; last year was \$16,050 mln. NBF projects total EBITDA of \$1,803 mln vs. cons. at \$1,783 mln; last year was \$1,674 mln. Through L's Q3, StatsCan food store inflation averaged about 10.5% vs. Q2 at about 9.6%. NBF anticipates a similar upward trend with L's internal inflation. NBF's review of management commentary from grocery peers suggests a continuation of shifts in consumer behaviour: (a) Trade-down in certain categories; (b) Increasing preference for discount over conventional; (c) Growing private label penetration; and (d) A shift back to grocery from restaurants. Given L's high exposure to discount (vs. Canadian peer grocers), high inflation and strong private label offering, NBF anticipates sequentially improving sssg trends in food. NBF continues to maintain a favourable view on Loblaw and recommend it as its preferred grocer, supported by several key themes: (1) Anticipated continued execution and benefits from management's improvement initiatives; (2) Continued earnings growth (we forecast ~18% y/y in 2022 and 8%+ thereafter); (3) The ability to pass on elevated food inflation; and (4) Potential structural benefits, including longer-term stronger grocery demand. NBF maintained its Outperform rating and lowered its target price to \$126.00 from \$127.00. NBF values L at 8.5x NBF 2023/24 Retail EBITDA and 8.0x (was 9.5x) NBF 2023/24 Financial EPS. NBF lowered its Financial valuation multiple given increasing uncertainty regarding consumer financial health.

Consumer Discretionary (Underweight)

Canadian Tire Corporation Ltd. (CTC.a)

NBF: CTC reports Q3/22 results on November 10, 2022. NBF projects EPS of \$3.80 vs. cons. at \$3.96; last year was \$4.20. NBF's projection of an ~10% y/y EPS decline largely reflects softer results at CTFS and higher costs (this is the key pressure on Retail EBITDA); positive sssg across banners is expected to serve as a partial positive offset. NBF forecasts CTC sssg of 3.0%, slightly above CTC revenue growth of 2.9% y/y. NBF projects sssg of 10% at Mark's, and 5% at SportChek. NBF projects retail EBITDA of \$499 mln vs. \$514 mln last year and projects Financial EBT of \$92 mln vs. \$118 mln last year. Last quarter, management indicated strong retail sales, highlighting disproportionate growth in auto and clothing (Q2/22). Similarly, management noted that inventory was in good shape (suggesting no meaningful margin risk); NBF is looking for improvement in this metric, with lower y/y inventory growth of 11% vs. 18% last quarter. In addition, NBF is looking for sequential improvement in Retail SG&A growth trends (excl. Petroleum); NBF projects SG&A deleverage of ~90 bps y/y, down from ~120 bps y/y in Q2. NBF believes that management has executed well throughout the pandemic. NBF anticipates

The Week at a Glance

further benefits as operational efficiency initiatives and digital improvement programs continue to roll out. NBF expects investors to be focused on consumer demand trends (given mixed results from certain U.S. retailers, heightened macroeconomic uncertainty and media reports of a more promotional retail environment in the U.S.), cost control, supply chain/inventory management, and the company's expectations for the holiday season (management indicated it made a decision to bring in fall/winter inventory earlier than the prior year). NBF maintained its Outperform rating and lowered its target price to \$196.00 from \$213.00 previously. NBF values CTC using a sum-of-the-parts methodology, reflecting 10.0x (was 11.0x) NBF 2023/24 Retail EPS, 7.5x (was 8.5x) NBF 2023/24 Financial EPS, and CTC's ownership in CT REIT less a 15% discount. The lower valuation multiples reflect increasing pressure on discretionary retailers and growing uncertainty with consumer financial health.

Energy (Overweight)

Oil, Gas & Consumable Fuels

NBF: NBF is generally in line with consensus on its Q3/22 production estimates, but highlights AAV, ARX, PEY, PIPE, SGY and SU as select names for which it currently deviates from consensus CFPS estimates the greatest. Overall, NBF anticipates consensus CFPS estimates to contract leading into the quarter as commodity price decks continue to be marked-to-market. Despite the strong commodity price environment, NBF believes there will be a slim margin for error with Q3 reporting given the extremely challenging operating environment amid ongoing inflationary pressures, compounded by lofty shareholder return expectations. For these reasons, operational execution and strict capital discipline may prove to be key investment drivers this reporting season, while companies who report increasing cash costs, capex bumps and underwhelming return of capital updates may surprise to the downside. That being said, NBF remains constructive on both medium and long-term energy fundamentals, reinforced by OPEC+'s recent 2 mmbbl/d headline production cut, which could exacerbate a structurally undersupplied market. Given this compelling setup, NBF continues to endorse taking advantage of the current volatile environment to opportunistically purchase E&P equities (while appreciating that said macro-driven volatility is likely to persist in the near term), with its preference oriented towards quality as opposed to beta.

Cenovus Energy Inc. (CVE)

NBF: Cenovus Energy reports Q3 2022 results on November 2nd, before market open. NBF is forecasting CFPS of \$1.58 vs. consensus at \$1.66. NBF is forecasting production of 776.8 mboe/d, vs consensus at 794.6 mboe/d. NBF maintained its Outperform rating and \$36.00 target price.

Tourmaline Oil Corp.

NBF: Tourmaline reports Q3 2022 results on November 2nd, after market close. NBF is forecasting CFPS of \$2.94 vs. consensus at \$3.24. NBF is forecasting production of 482.5 mboe/d, vs consensus at 488.7 mboe/d. NBF maintained its Outperform rating and \$85.00 target price.

Whitecap Resources Inc. (WCP)

NBF: Whitecap Resources reports Q3 2022 results on October 27th, before market open. NBF is forecasting CFPS of \$0.94 vs. consensus at \$0.97. NBF is forecasting production of 142.0 mboe/d, vs consensus at 143.1 mboe/d. NBF maintained its Outperform rating and \$15.50 target price.

Industrials (Underweight)

NBF: What happens to earnings once macro signals of the dollar, oil and the yield curve all reach current (and rare) levels? Multiples are composed of two streams – risk premia and earnings. YTD, median share price decline for our coverage is -20% vs. TSX and S&P 500 at respective -12% and -22%. There are many inputs into trading multiple gyrations but those types of inferences typically assume static earnings; during a macro dislocation, one has both multiples compressions AND negative earnings revisions. NBF zero in on the subsequent earnings / share price impact when the USD & oil spike while the yield curve inverts. In the last 50 years the above-described conditions happened three times (concurrently – 1981, 1989 and 2000) with negative implications for earnings. Bottom-up consensus is forecasting +8% EPS growth for S&P 500 in 2023 whereas NBF empirical analysis points to likely an -11% decline. What's interesting of course is that the most common question NBF gets now from investors is whether the YTD pain has fully discounted a potentially negative macro scenario. Based on the below tables, earnings have not, yet. And if that's the case, defensive is still the way to go. In its Q3/22E Industrial Products positioning NBF highlighted STN, WSP, ATA and CIGI as the core group that should carry investors post the proverbial trough. Note, of course, that even though share prices have declined YTD across the board, Street forecasts have not even started to decline when it comes to 2023E. NBF presumes a more productive bottom fishing exercise is still ahead of us.

Information Technology (Market Weight)

Kinaxis Inc. (KXS)

NBF: Kinaxis reports Q3 2022 results on November 3rd. Kinaxis remains one of NBF's favourite names. NBF expects solid FQ3 results. NBF is forecasting revenue of US\$92 million and EPS of US\$0.24 versus consensus at US\$91 million and \$0.76 respectively. The continuing global supply chain challenges presents a structural market tailwind for Kinaxis where its RapidResponse (RR) platform sits in the crosshairs. And even though we're past the recent height of the COVID supply chain challenges, uncovered weakness continues to drive an awakening across enterprises for real-time insights into their supply chains. That's had Kinaxis' pipeline (actually) accelerating with 50%+Y/Y growth coming from new customers in H1'22, despite the challenging macro. Combine that with the Company's RPO at Q2'22 covering ~81% of its total revenue guidance and ~95% of its SaaS revenue guidance (both at the midpoint) and sales cycle times narrowing to 12-15 months (from 12-18 months) has us thinking there's upside to our current F22 estimates. Based on its due diligence, NBF believes software vendors offering supply chain solutions have collectively seen 2-5x increase in deal flow over the past two years (care of COVID). NBF believes Kinaxis is seeing a similar increase in its pipeline. If anything, NBF thinks the biggest challenge for Kinaxis will be its ability to have adequate resources to harvest those opportunities which has been further fueled by the move into the mid-market care of its RapidStart product. According to Gartner, by 2025, more than 80% of new supply chain applications will use AI (artificial intelligence) and data science in some way. On that, NBF believes Kinaxis has developed and will continue to build solutions that are positioned within this trend with the most recent being Planning.AI. Planning.AI was recently awarded the 2022 Digital Innovation Award by Ventana Research – the award highlights a technology vendor that best exemplifies innovation in technologies that support the operations or service of supply chains. Adding to these recent product developments and further fortifying the RapidResponse platform is the recent acquisition of MPO. In NBF's view Kinaxis is a prudent allocator of capital. In the past, the Company has generally deployed capital ahead of growth, NBF believes the most recent investment cycle is no different. NBF expects the pipeline for new deals to remain robust for large enterprise and mid-market customers given that many still utilize antiquated supply chain planning tools (e.g., Excel) and ongoing supply chain disruptions - the Global Supply Chain Pressure Index (GSCPI) remains elevated at ~1.5 standard deviations above historical averages. NBF continues to believe KXS's valuation does not fully value a "normalized" financial run rate looking ahead, particularly given what NBF estimates to be a market share of less than 10%. With its expectations for accelerating momentum over the next 12-24 months, NBF reiterates its Outperform rating and target price of \$250.00.

Open Text Corp. (OTEX)

NBF: Open Text reports Q3 2022 results on November 3rd. NBF is expecting in-line results from OpenText in FQ1 (CQ3). That said, it thinks those results will have less meaning given its pending acquisition of Micro Focus. NBF is forecasting FQ1 revenue of US\$841 million, versus consensus at US\$839 million. NBF forecasts EPS of US\$0.76 in line with consensus. In NBF's view the material pullback in the stock, given uncertainty around Micro Focus presents a compelling opportunity based on OTEX's current valuation (7.6x EV/EBITDA F23E – ex Micro Focus). In NBF's view, a lot of the concern is around the size of the transaction, the declining revenue base of Micro Focus and the post deal leverage (around 3.8x). NBF has been conducting a number of industry checks in recent weeks on Micro Focus and thus far, the takeaways suggest the markets concerns are overdone here – NBF would be buyers. The Company continues to double down on its push into the Cloud across all products (many acquired) with notable developments being Titanium (set for release in CQ2'2023), the re-emergence of Magellan and a revamped API strategy. For FQ1 (September), we're expecting high-single-digit growth for Cloud Services revenue as OpenText continues to transition customers to Cloud coupled with a modest contribution from Zix. NBF believes this revenue shift will increase the Company's recurring revenue base by ~100 bps Y/Y to ~84.1% of total revenues. NBF continues to believe OTEX offers compelling defensive attributes (recurring FCF generation). In addition, organic growth has the potential to drive an upward valuation rerating in this name. NBF reiterated its Outperform rating with a target price of US\$60.00.

Materials (Overweight)

Teck Resources Ltd. (TECK.b)

NBF: Teck Resources reports Q3/22 results on October 27th, before market open. NBF is forecasting Q3/22 adj EPS/ CFPS of \$1.55/ \$2.36 below consensus at \$1.69/ \$2.71 respectively. NBF forecasts product of 5.83Mt coal, 72,300t copper, and 159Kt zinc. NBF has incorporated preliminary Q3/22 coal sales of 5.6Mt with realized price of US\$304/t as well as coal provisional pricing adjustments. NBF continues to carry elevated costs in the coal business associated with downtime related to the damaged feed conveyor at Elkview and increased transportation costs associated with previous labour action at Westshore. NBF awaits a project update at QB2 ahead of initial production in H1/23 and updates on possible monetization/spin-out of Fort Hills/ Zafrael. NBF maintained its Outperform rating and \$60.00 target price.

Utilities (Market Weight)

Innergex Renewable Energy Inc. (INE)

NBF: INE reports Q3/22 results on Nov. 7th. NBF updated its Q3E estimates for INE, reducing its generation forecast by 6%, to 2,810 GWh. Wind generation in France, Chile and Texas could come in below NBF's previous forecasts. Hydro looks solid in B.C., but could be soft in the U.S. N.E. Solar production could also be soft on economic curtailments. However, with strong pricing in Texas, Chile and France, NBF's adj EBITDA forecast remains unchanged at \$218 mln (was \$219 mln, cons. \$203 mln). With the forecasted impact of a power hedge, NBF's CAFD forecast falls to \$53 mln (was \$65 mln), though INE could see FX and interest rate hedge gains. NBF also updated its model to reflect the consolidation of 30% of its French wind portfolio which benefits Q4E and 2023E. INE has been selective with M&A, recently announcing the acquisition of the 30% NCI in its French wind farms that it could fund in large part with the sell-down of in-the-money FX hedges. Going forward, it would prefer to grow organically in France, Canada, Chile and the U.S. In its target markets, NBF believes INE has some competitive advantages: In Chile, it has scale and storage (which adds value to new intermittent assets); in France, it has a maturing pipeline and less competition for small wind projects; in Canada and in parts of the U.S., its JV with Hydro Quebec can give it market insight and expertise and potential for co-investment. With Q3 results, INE should provide updates on its project developments across its four target countries. It could provide details on its plans in Quebec, where it has bid on a 102 MW wind project under the recent Hydro Quebec (HQ) RFP and could target a partnership with HQ too. INE has lagged its peers, but with its recent well-timed acquisitions, a falling payout ratio and improving organic growth potential, it could outperform. NBF maintained its Outperform rating and \$23.00 target price which is based on a DCF on operating assets with a cost of equity of 6.75% and including \$2/sh for growth.

NBF STRATEGIC LIST

Company	Symbol	Addition Date	Addition Price	Last Price	Yield (%)	Beta	% SPTSX	NBF Sector Weight
Communication Services							4.9	Market Weight
Rogers Communications Inc.	RCIb.TO	13-Feb-20	\$ 65.84	\$ 52.84	3.8	0.5		
Telus Corp.	T.TO	19-May-22	\$ 30.64	\$ 27.86	4.9	0.5		
Consumer Discretionary							3.6	Underweight
Canadian Tire Corporation Ltd.	CTCa.TO	18-Nov-21	\$ 174.10	\$ 149.31	4.4	1.9		
Dollarama Inc.	DOL.TO	19-Mar-20	\$ 38.96	\$ 79.96	0.3	0.6		
Consumer Staples							4.2	Overweight
Loblaw Companies Ltd.	L.TO	25-Mar-21	\$ 68.50	\$ 111.12	1.5	0.3		
Premium Brands Holdings Corp.	PBH.TO	17-Feb-22	\$ 122.90	\$ 81.23	3.4	0.7		
Energy							18.8	Overweight
Cenovus Energy Inc.	CVE.TO	16-Jan-20	\$ 12.26	\$ 25.76	1.7	2.5		
Enbridge Inc.	ENB.TO	21-Jan-15	\$ 59.87	\$ 51.67	6.7	0.9		
Tourmaline Oil Corp.	TOU.TO	13-Aug-20	\$ 16.68	\$ 74.37	1.2	1.4		
Whitecap Resources Inc.	WCP.TO	19-May-22	\$ 10.27	\$ 10.43	4.3	2.4		
Financials							30.6	Market Weight
Canadian Imperial Bank of Commerce	CM.TO	29-Mar-22	\$ 78.14	\$ 59.46	5.7	1.1		
Element Fleet Management Corp	EFN.TO	02-Apr-20	\$ 8.58	\$ 17.39	1.8	1.2		
Fairfax Financial Holdings Ltd.	FFH.TO	20-Dec-18	\$ 585.81	\$ 620.89	2.0	0.9		
iA Financial Corporation Inc.	IAG.TO	21-Jul-22	\$ 64.09	\$ 73.47	3.7	1.9		
Intact Financial Corp.	IFC.TO	11-Jun-20	\$ 130.04	\$ 195.21	2.1	0.8		
Royal Bank of Canada	RY.TO	19-Jun-13	\$ 60.69	\$ 123.73	4.2	0.9		
Health Care							0.4	Market Weight
Industrials							13.2	Underweight
ATS Automation Tooling Systems Inc.	ATA.TO	18-Nov-21	\$ 48.62	\$ 45.35	0.0	0.7		
WSP Global Inc.	WSP.TO	19-May-22	\$ 142.73	\$ 154.26	1.0	1.7		
Information Technology							5.2	Market Weight
Kinaxis Inc.	KXS.TO	19-Mar-20	\$ 100.05	\$ 143.11	0.0	0.7		
Open Text Corp.	OTEX.TO	26-Oct-16	\$ 41.61	\$ 38.12	3.5	0.9		
Materials							12.0	Overweight
Agnico Eagle Mines Ltd.	AEM.TO	29-Mar-22	\$ 75.74	\$ 58.75	3.6	0.6		
Kinross Gold Corp.	K.TO	16-Sep-21	\$ 7.06	\$ 4.91	3.4	0.5		
Teck Resources Ltd.	TECKb.TO	01-Nov-17	\$ 27.15	\$ 48.05	1.1	1.2		
REITs							2.5	Underweight
Canadian Apartment Properties REIT	CAR_u.TO	10-Dec-20	\$ 49.82	\$ 40.75	3.7	0.7		
Summit Industrial Income REIT	SMU_u.TO	17-Feb-22	\$ 21.50	\$ 17.29	3.3	1.2		
Utilities							4.8	Market Weight
Capital Power Corp.	CPX.TO	22-Aug-19	\$ 30.90	\$ 43.53	5.4	1.2		
Innergex Renewable Energy Inc.	INE.TO	22-Aug-19	\$ 15.00	\$ 14.60	4.9	0.8		

Source: Refinitiv (Priced October 21, 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

THE ECONOMIC CALENDAR

(October 24th – October 28th)

U.S. Indicators

<u>Date</u>	<u>Time</u>	<u>Release</u>	<u>Period</u>	<u>Previous</u>	<u>Consensus</u>	<u>Unit</u>
24-Oct	08:30	National Activity Index	Sep	0.00		Index
24-Oct	09:45	S&P Global Mfg PMI Flash	Oct	52.0	51.0	Index (diffusion)
24-Oct	09:45	S&P Global Svcs PMI Flash	Oct	49.3	49.2	Index (diffusion)
24-Oct	09:45	S&P Global Comp Flash PMI	Oct	49.5		Index (diffusion)
25-Oct	09:00	CaseShiller 20 MM SA	Aug	-0.4%		Percent
25-Oct	09:00	CaseShiller 20 YY	Aug	16.1%	14.4%	Percent
25-Oct	10:00	Consumer Confidence	Oct	108.0	106.5	Index
26-Oct	07:00	MBA Mortgage Applications	21 Oct, w/e	-4.5%		Percent
26-Oct	10:00	New Home Sales-Units	Sep	0.685M	0.590M	Number of (Mln)
26-Oct	10:00	New Home Sales Chg MM	Sep	28.8%	-12.4%	Percent
26-Oct	10:30	EIA Wkly Crude Stk	21 Oct, w/e	-1.725M		Barrel (Mln)
27-Oct	08:30	Durable Goods	Sep	-0.2%	0.5%	Percent
27-Oct	08:30	Durables Ex-Transport	Sep	0.3%	0.2%	Percent
27-Oct	08:30	GDP Advance	Q3	-0.6%	2.1%	Percent
27-Oct	08:30	GDP Deflator Advance	Q3	9.1%	5.3%	Percent
27-Oct	08:30	Core PCE Prices Advance	Q3	4.7%	4.6%	Percent
27-Oct	08:30	PCE Prices Advance	Q3	7.3%		Percent
27-Oct	08:30	Initial Jobless Clm	22 Oct, w/e	214k	223k	Person (Thou)
27-Oct	08:30	Jobless Clm 4Wk Avg	22 Oct, w/e	212.25k		Person (Thou)
27-Oct	08:30	Cont Jobless Clm	15 Oct, w/e	1.385M	1.393M	Person (Mln)
27-Oct	10:30	EIA-Nat Gas Chg Bcf	21 Oct, w/e	111B		Cubic foot (Bln)
28-Oct	08:30	Personal Income MM	Sep	0.3%	0.4%	Percent
28-Oct	08:30	Consumption, Adjusted MM	Sep	0.4%	0.4%	Percent
28-Oct	08:30	Core PCE Price Index MM	Sep	0.6%	0.5%	Percent
28-Oct	08:30	Core PCE Price Index YY	Sep	4.9%	5.2%	Percent
28-Oct	08:30	PCE Price Index MM	Sep	0.3%		Percent
28-Oct	08:30	PCE Price Index YY	Sep	6.2%		Percent
28-Oct	08:30	Employment Costs	Q3	1.3%	1.2%	Percent
28-Oct	10:00	U Mich Sentiment Final	Oct	59.8	59.8	Index
28-Oct	10:00	Pending Homes Index	Sep	88.4		Index
28-Oct	10:00	Pending Sales Change MM	Sep	-2.0%	-5.0%	Percent

Canadian Indicators

<u>Date</u>	<u>Time</u>	<u>Release</u>	<u>Period</u>	<u>Previous</u>	<u>Consensus</u>	<u>Unit</u>
26-Oct	10:00	BoC Rate Decision	26 Oct	3.25%	4.00%	Percent
27-Oct	07:00	Business Barometer	Oct	52.50		Index
27-Oct	08:30	Average Weekly Earnings YY	Aug	2.89%		Percent
28-Oct	08:30	GDP MM	Aug	0.1%	0.1%	Percent
28-Oct	11:00	Budget Balance, C\$	Aug	-3.87B		CAD (Bln)
28-Oct	11:00	Budget, Year-To-Date, C\$	Aug	6.33B		CAD (Bln)

Source : Refinitiv

S&P/TSX QUARTERLY EARNINGS CALENDAR

Monday October 24th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Celestica Inc	CLS	AMC	0.45
Prairiesky Royalty Ltd	PSK	AMC	0.52

Tuesday October 25th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Canadian National Railway Co	CNR	AMC	2.01
First Quantum Minerals Ltd	FM	AMC	0.17
Lundin Mining Corp	LUN	AMC	0.25

Wednesday October 26th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Agnico Eagle Mines Ltd	AEM	AMC	1.19
Alamos Gold Inc	AGI	AMC	0.23
Allied Properties Real Estate Investment Trust	AP_u	AMC	0.61
Canadian Pacific Railway Ltd	CP	AMC	1.00
Crescent Point Energy Corp	CPG	BMO	1.05
FirstService Corp	FSV	BMO	1.20
Methanex Corp	MX	17:00	0.66
OceanaGold Corp	OGC	AMC	0.08
TMX Group Ltd	X	AMC	1.73
West Fraser Timber Co Ltd	WFG	NTS	2.19

Thursday October 27th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Advantage Energy Ltd	AAV	AMC	0.64
Atco Ltd	ACOX	BMO	0.62
Cameco Corp	CCO	BMO	0.00
Canadian Utilities Ltd	CU	BMO	0.36
Canfor Corp	CFP	AMC	0.77
Cogeco Communications Inc	CCA	AMC	
Eldorado Gold Corp	ELD	AMC	0.40
Precision Drilling Corp	PD	BMO	1.32
Shopify Inc	SHOP	BMO	-0.07
Teck Resources Ltd	TECK.b	BMO	1.65
TFI International Inc	TFII	AMC	1.89
Whitecap Resources Inc	WCP	BMO	0.98
Yamana Gold Inc	YRI	AMC	0.18

The Week at a Glance

Friday October 28th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Air Canada	AC	BMO	0.40
AltaGas Ltd	ALA	BMO	0.10
Fortis Inc	FTS	BMO	0.68
Imperial Oil Ltd	IMO	BMO	3.74

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 October 24th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Alexandria Real Estate Equities Inc	ARE	AMC	2.11
Brown & Brown Inc	BRO	AMC	0.61
Cadence Design Systems Inc	CDNS	AMC	0.97
Discover Financial Services	DFS	AMC	3.72
Packaging Corp of America	PKG	AMC	2.81
W R Berkley Corp	WRB	AMC	0.85

Tuesday October 25th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
3M Co	MMM	BMO	2.60
Alphabet Inc	GOOGL	NTS	1.26
Ameriprise Financial Inc	AMP	AMC	5.85
Archer-Daniels-Midland Co	ADM	BMO	1.44
Biogen Inc	BIIB	BMO	4.16
Boston Properties Inc	BXP	AMC	1.87
Centene Corp	CNC	06:00	1.24
Chipotle Mexican Grill Inc	CMG	16:10	9.21
Chubb Ltd	CB	AMC	2.59
Coca-Cola Co	KO	BMO	0.64
Corning Inc	GLW	BMO	0.51
CoStar Group Inc	CSGP	AMC	0.24
Enphase Energy Inc	ENPH	AMC	1.08
Equity Residential	EQR	AMC	0.91
F5 Inc	FFIV	AMC	2.52
FirstEnergy Corp	FE	AMC	0.78
General Electric Co	GE	BMO	0.46
General Motors Co	GM	BMO	1.88
Halliburton Co	HAL	BMO	0.56
Illinois Tool Works Inc	ITW	08:00	2.25
Invesco Ltd	IVZ	BMO	0.41
Juniper Networks Inc	JNPR	AMC	0.50
Kimberly-Clark Corp	KMB	08:30	1.44
Microsoft Corp	MSFT	AMC	2.30
Moody's Corp	MCO	BMO	2.06
MSCI Inc	MSCI	BMO	2.71
Paccar Inc	PCAR	BMO	1.98
Pentair PLC	PNR	BMO	0.93
Pultegroup Inc	PHM	BMO	2.82
Raytheon Technologies Corp	RTX	BMO	1.14
Sherwin-Williams Co	SHW	BMO	2.56
Synchrony Financial	SYF	06:00	1.38
Teradyne Inc	TER	17:00	1.04
Texas Instruments Inc	TXN	NTS	2.39

The Week at a Glance

United Parcel Service Inc	UPS	BMO	2.84
Universal Health Services Inc	UHS	AMC	2.43
Valero Energy Corp	VLO	BMO	6.85
Visa Inc	V	AMC	1.87

Wednesday October 26th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Align Technology Inc	ALGN	16:00	2.18
Amphenol Corp	APH	BMO	0.75
Apple Inc	AAPL	AMC	1.27
Automatic Data Processing Inc	ADP	BMO	1.80
Avery Dennison Corp	AVY	06:45	2.46
Boeing Co	BA	BMO	0.07
Boston Scientific Corp	BSX	BMO	0.44
Bristol-Myers Squibb Co	BMJ	BMO	1.82
CME Group Inc	CME	BMO	1.94
Digital Realty Trust Inc	DLR	AMC	1.68
EQT Corp	EQT	AMC	1.06
Essex Property Trust Inc	ESS	AMC	3.67
Everest Re Group Ltd	RE	AMC	-5.61
Ford Motor Co	F	16:05	0.27
Fortive Corp	FTV	BMO	0.76
Fortune Brands Home & Security Inc	FBHS	AMC	1.72
Garmin Ltd	GRMN	BMO	1.13
General Dynamics Corp	GD	BMO	3.15
Globe Life Inc	GL	AMC	2.10
Hess Corp	HES	BMO	1.85
Hilton Worldwide Holdings Inc	HLT	BMO	1.24
IDEX Corp	IEX	BMO	1.99
Invitation Homes Inc	INVH	AMC	0.43
IQVIA Holdings Inc	IQV	BMO	2.38
KLA Corp	KLAC	AMC	6.24
Kraft Heinz Co	KHC	BMO	0.56
Masco Corp	MAS	07:00	1.06
Meta Platforms Inc	META	AMC	1.89
Mid-America Apartment Communities Inc	MAA	AMC	2.10
Molina Healthcare Inc	MOH	AMC	4.21
Norfolk Southern Corp	NSC	BMO	3.64
Old Dominion Freight Line Inc	ODFL	BMO	3.07
O'Reilly Automotive Inc	ORLY	16:30	8.50
Otis Worldwide Corp	OTIS	BMO	0.78
Raymond James Financial Inc	RJF	AMC	2.00
Rollins Inc	ROL	BMO	0.21
Roper Technologies Inc	ROP	BMO	3.46
ServiceNow Inc	NOW	AMC	1.85
Teledyne Technologies Inc	TDY	BMO	4.29
Thermo Fisher Scientific Inc	TMO	BMO	4.82
Tyler Technologies Inc	TYL	AMC	1.86
UDR Inc	UDR	AMC	0.59

The Week at a Glance

United Rentals Inc	URI	AMC	9.06
VF Corp	VFC	AMC	0.73
Waste Management Inc	WM	BMO	1.51

Thursday October 27th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
A O Smith Corp	AOS	BMO	0.69
Allegion PLC	ALLE	BMO	1.47
Altria Group Inc	MO	BMO	1.30
Amazon.com Inc	AMZN	AMC	0.22
American Electric Power Company Inc	AEP	BMO	1.57
American Tower Corp	AMT	07:00	1.13
Arthur J. Gallagher & Co.	AJG	AMC	1.66
Baxter International Inc	BAX	BMO	0.82
Bio Rad Laboratories Inc	BIO	AMC	2.78
Borgwarner Inc	BWA	BMO	1.04
Camden Property Trust	CPT	AMC	1.70
Capital One Financial Corp	COF	16:05	5.04
Carrier Global Corp	CARR	BMO	0.65
Caterpillar Inc	CAT	BMO	3.16
CBRE Group Inc	CBRE	06:55	1.26
CMS Energy Corp	CMS	BMO	0.58
Comcast Corp	CMCSA	BMO	0.90
Dexcom Inc	DXCM	NTS	0.24
DTE Energy Co	DTE	BMO	1.61
Eastman Chemical Co	EMN	AMC	2.00
Edwards Lifesciences Corp	EW	AMC	0.62
Fiserv Inc	FISV	BMO	1.70
Gilead Sciences Inc	GILD	AMC	1.46
Hartford Financial Services Group Inc	HIG	AMC	1.24
Honeywell International Inc	HON	BMO	2.16
Intel Corp	INTC	AMC	0.33
International Paper Co	IP	BMO	1.21
Keurig Dr Pepper Inc	KDP	BMO	0.46
Kimco Realty Corp	KIM	BMO	0.39
L3harris Technologies Inc	LHX	AMC	3.39
Laboratory Corporation of America Holdings	LH	BMO	4.67
Linde PLC	LIN	06:00	2.93
LKQ Corp	LKQ	BMO	0.96
Mastercard Inc	MA	BMO	2.56
McDonald's Corp	MCD	BMO	2.58
Merck & Co Inc	MRK	BMO	1.71
Mohawk Industries Inc	MHK	AMC	3.35
Monolithic Power Systems Inc	MPWR	AMC	3.50
Northrop Grumman Corp	NOC	BMO	6.11
Pioneer Natural Resources Co	PXD	AMC	7.66
Principal Financial Group Inc	PFG	16:15	1.45
Republic Services Inc	RSG	AMC	1.22

The Week at a Glance

Resmed Inc	RMD	AMC	1.52
S&P Global Inc	SPGI	BMO	2.80
Southern Co	SO	07:30	1.34
Southwest Airlines Co	LUV	BMO	0.42
Stanley Black & Decker Inc	SWK	BMO	0.71
Teleflex Inc	TFX	BMO	3.10
Textron Inc	TXT	BMO	0.93
T-Mobile US Inc	TMUS	AMC	0.04
Verisign Inc	VRSN	16:05	1.54
Vertex Pharmaceuticals Inc	VRTX	AMC	3.65
VICI Properties Inc	VICI	AMC	0.49
West Pharmaceutical Services Inc	WST	BMO	2.12
Western Digital Corp	WDC	BMO	0.40
Weyerhaeuser Co	WY	AMC	0.38
Willis Towers Watson PLC	WTW	BMO	2.13
Xcel Energy Inc	XEL	BMO	1.23

Friday October 28th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Abbvie Inc	ABBV	BMO	3.57
Charter Communications Inc	CHTR	07:00	8.23
Chevron Corp	CVX	BMO	4.81
Church & Dwight Co Inc	CHD	BMO	0.65
Colgate-Palmolive Co	CL	BMO	0.73
DaVita Inc	DVA	BMO	1.77
Exxon Mobil Corp	XOM	BMO	3.76
LyondellBasell Industries NV	LYB	BMO	2.84
Newell Brands Inc	NWL	BMO	0.47
Nextera Energy Inc	NEE	BMO	0.80
WW Grainger Inc	GWW	08:00	7.26

Source: Refinitiv, NBF Research

* Companies of the S&P500 index expected to report.

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