NATIONAL BANK FINANCIAL

The Week at a Glance

April 1st, 2022

THE WEEK IN NUMBERS

(March 28th – April 1st)

Research Services

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INDEX	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
Dow Jones Industrial	34,818.27	-42.97	-0.12%	-4.18%	5.02%	18.2
S&P 500	4,545.86	2.80	0.06%	-4.62%	13.08%	22.8
Nasdaq Composite	14,261.50	92.20	0.65%	-8.84%	5.80%	26.4
S&P/TSX Composite	21,952.95	-52.99	-0.24%	3.44%	15.60%	15.2
Dow Jones Euro Stoxx 50	3,918.68	50.95	1.32%	-8.83%	-0.69%	15.3
FTSE 100 (UK)	7,537.90	54.55	0.73%	2.08%	11.88%	14.3
DAX (Germany)	14,446.48	140.72	0.98%	-9.06%	-4.37%	14.5
Nikkei 225 (Japan)	27,665.98	-483.86	-1.72%	-3.91%	-5.86%	15.1
Hang Seng (Hong Kong)	22,039.55	634.67	2.97%	-5.80%	-23.84%	10.6
Shanghai Composite (China)	3,282.72	70.48	2.19%	-9.81%	-5.30%	12.0
MSCI World	3,057.07	7.96	0.26%	-5.40%	7.64%	19.4
MSCI EAFE	2,171.14	11.61	0.54%	-7.06%	-2.16%	14.8

S&P TSX SECTORS	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	Trailing P/E
S&P TSX Consumer Discretionary	250.97	4.59	1.86%	-8.31%	-5.67%	17.4
S&P TSX Consumer Staples	793.62	12.90	1.65%	4.00%	19.09%	22.9
S&P TSX Energy	226.87	-2.92	-1.27%	38.51%	88.31%	10.8
S&P TSX Financials	408.71	-6.80	-1.64%	1.39%	17.65%	11.5
S&P TSX Health Care	42.93	-2.70	-5.92%	-6.59%	-48.13%	N/A
S&P TSX Industrials	382.77	-8.16	-2.09%	0.48%	7.94%	22.0
S&P TSX Info Tech.	169.74	2.55	1.53%	-20.03%	-10.15%	34.8
S&P TSX Materials	400.91	3.66	0.92%	22.11%	30.59%	16.0
S&P TSX Real Estate	376.20	0.10	0.03%	-5.33%	14.61%	8.1
S&P TSX Communication Services	213.78	6.27	3.02%	9.55%	19.56%	21.8
S&P TSX Utilities	360.34	12.30	3.53%	4.95%	9.28%	30.8

COMMODITIES	Last price	Change Week	% Change Week	% Change YTD	%Change 1 Year	NBF 2022E
Oil-WTI futures (US$/Barrels)	$99.47	-14.43	-12.67%	32.26%	61.87%	$81.00
Natural gas futures (US$/mcf)	$5.72	0.15	2.73%	53.43%	116.86%	$4.05
Gold Spot (US$/OZ)	$1,922.30	-31.50	-1.61%	5.19%	11.34%	$1,830
Copper futures (US$/Pound)	$4.70	0.01	0.25%	5.44%	17.33%	$4.30

CURRENCIES	Last price	Curr. Net Change	% Change Week	% Change YTD	%Change 1 Year	NBF Q2/22e
Cdn$/US$	0.7988	-0.0026	-0.32%	0.95%	0.24%	0.80
Euro/US$	1.1045	0.0064	0.58%	-2.84%	-6.20%	1.11
Pound/US$	1.3109	-0.0079	-0.60%	-3.10%	-5.21%	1.34
US$/Yen	122.51	0.45	0.37%	6.46%	10.77%	114

Source: Refinitiv and NBF Research

Please see last page for NBF Disclosures

FIXED INCOME NUMBERS

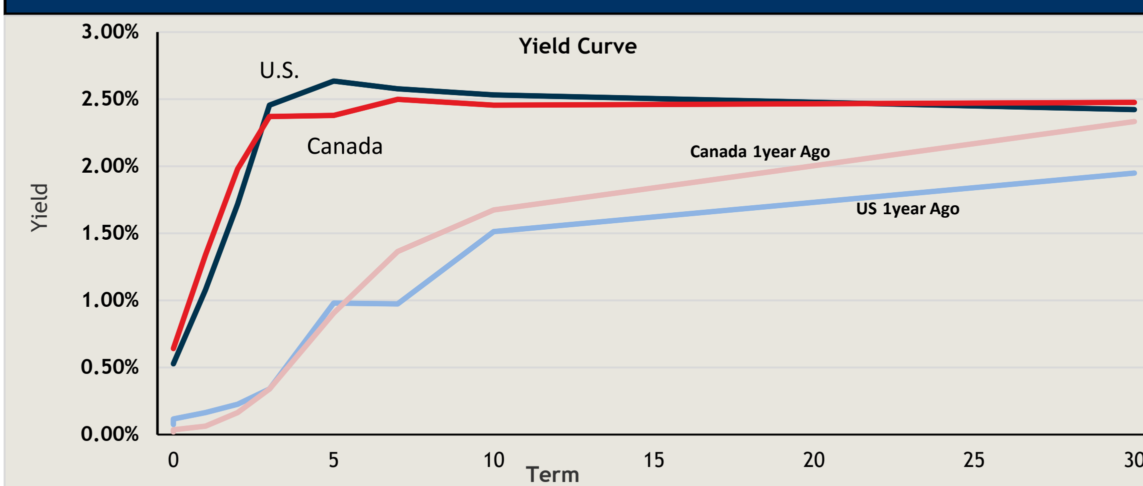
THE WEEK IN NUMBERS
(March 28th – April 1st)

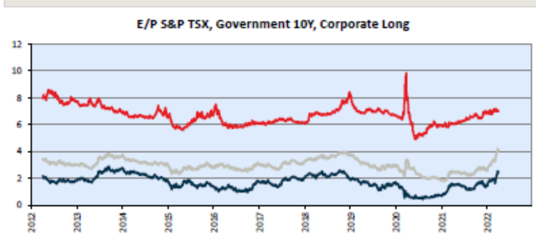
Canadian Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
CDA o/n	0.50%	0.0	CDA 5 year	2.50%	102.0
CDA Prime	2.70%	0.0	CDA 10 year	2.48%	76.4
CDA 3 month T-Bill	0.64%	26.0	CDA 20 year	2.52%	49.6
CDA 6 month T-Bill	1.34%	61.0	CDA 30 year	2.43%	44.5
CDA 1 Year	1.98%	86.0	5YR Sovereign CDS	38.88	
CDA 2 year	2.37%	104.1	10YR Sovereign CDS	39.86	

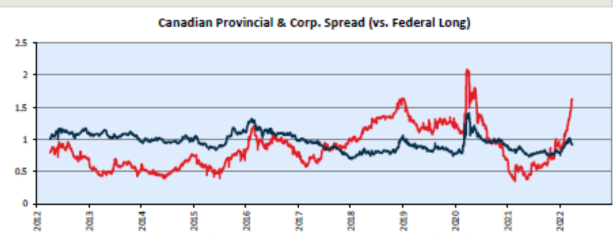
US Key Rate	Last	Change 1 month bps		Last	Change 1 month bps
US FED Funds	0.25-0.50%	0.0	US 5 year	2.58%	100.8
US Prime	3.25%	0.0	US 10 year	2.42%	70.7
US 3 month T-Bill	0.53%	19.6	US 30 year	2.50%	38.7
US 6 month T-Bill	1.08%	48.8	5YR Sovereign CDS	14.11	
US 1 Year	1.72%	82.7	10YR Sovereign CDS	21.09	
US 2 year	2.45%	112.2			

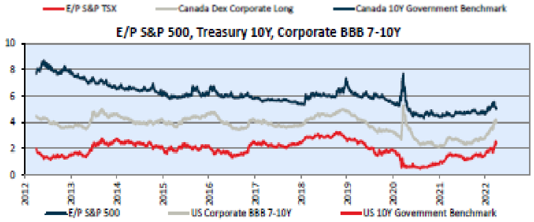
CANADIAN BOND - TOTAL RETURN	Change Week	Change Y-T-D
FTSE Universe Bond Index	0.44%	-6.97%
FTSE Short Term Bond Index	-0.20%	-2.98%
FTSE Mid Term Bond Index	-0.07%	-6.83%
FTSE Long Term Bond Index	1.73%	-11.73%

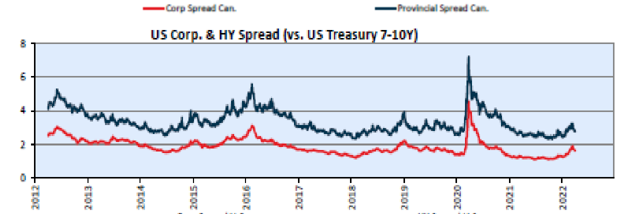
CURRENT YIELD CURVE











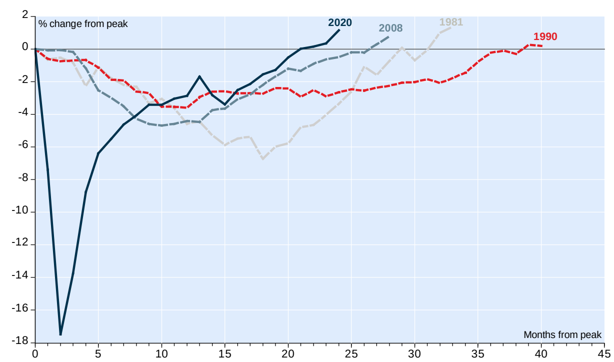
Source: Refinitiv & NBF

NBF Economy & Strategy Group

WEEKLY ECONOMIC WATCH

CANADA – Real GDP increased 0.2% m/m in January, a result exactly in line with consensus expectations. The monthly increase hoisted total output 0.4% above its pre-pandemic level. The prior month's result, meanwhile, was revised from 0.0% to +0.1%. Only 9 of the 20 industrial sectors covered saw production grow in January. Goods sector output expanded 0.8% as sizeable gains for utilities (+4.0%), construction (+2.8%) and agriculture/forestry/ fishing (+2.5%) were only partially offset by declines for mining/ quarrying/oil and gas extraction (-1.2%) and manufacturing (-0.5%). Industrial production slipped 0.2% m/m. Output for services-producing industries was unchanged, as solid showings by wholesale trade (+3.1%) and retail trade (+2.5%) were counterbalanced by abrupt retreats by arts/entertainment/ recreation (-10.8%) and accommodation/food services (-11.5%). Output declined also in the transportation/warehousing industry (-3.0%), albeit at a slower pace. Relative to their respective pre-pandemic peak, production remained 0.7% below in goods-producing industries but was 0.8% above in the services sector. Finally, Statistics Canada's preliminary estimate showed GDP expanding 0.8% m/m in February.

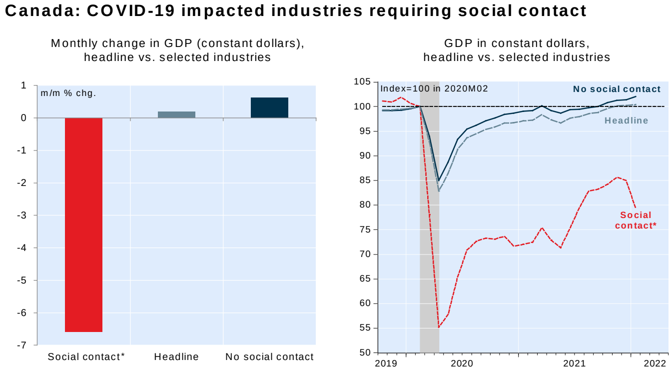
Canada: January gain hoists GDP 0.4% above pre-pandemic level
Real GDP, % change from peak (including preliminary estimate for February)



NBF Economy and Strategy (data via Bloomberg and Statistics Canada)

Canada's economy expanded 0.2% in January, an impressive feat considering that public health measures aimed at reducing the spread of the Omicron variant were in place in several provinces. This does not mean that the virus had no effect on output. On the contrary, the sectors that require the most social interaction, notably arts/entertainment/recreation and accommodation/food services, registered steep declines in output. The transportation segment, meanwhile, suffered from a steep drop in air transportation (-28.1%) and urban transit (-27.3%). However, these setbacks were more than offset by increases elsewhere. Output in the construction sector expanded at a swift rate, buoyed by the residential segment, which recorded its strongest advance since May 2021 (+4.3%). Wholesale trade, for its part, benefited from a strong showing in the manufacturing/equipment/supplies segment (+5.5%), something Statistics Canada attributed to "large imports of logging, construction, mining, and oil and gas field machinery and equipment [making] their way through distribution channels". Utilities, too, posted a strong gain, this time thanks to below-seasonal temperatures in Western and Central Canada during the month. Retail trade contributed positively to growth as well, with gains reported in 10 of the 12 sub-sectors, led by motor vehicles/parts dealers (+5.1%). Judging from the preliminary growth estimate for February, it would seem that the relaxation of public health measures gave economic growth a boost in the second month of the year. Statistics Canada flagged notable positive contributions from manufacturing, mining/quarrying/oil and gas extraction, accommodation/food services, and construction.

Canada: COVID-19 impacted industries requiring social contact



*Arts/entertainment/recreation, accommodation/food services, and transportation/warehousing
NBF Economics and Strategy (data via Statistics Canada)

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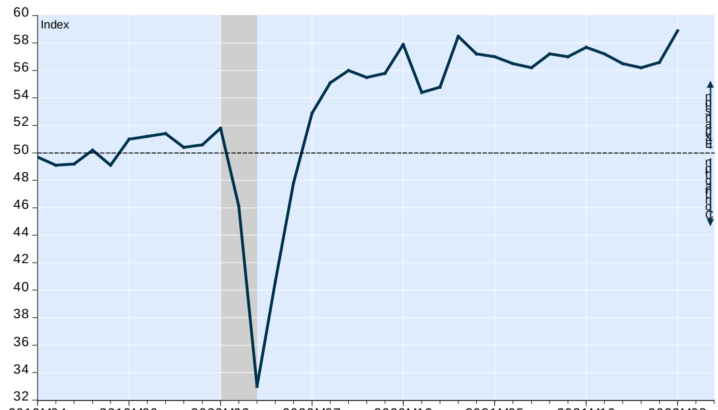
Manufacturing growth strengthened in March as evidenced by Markit's manufacturing PMI, which advanced from 56.6 to 58.9, the highest reading in the survey's eleven-and-a-half-year history. This also marked the 21st consecutive monthly improvement in operating conditions for Canadian factories. The easing of COVID-related restrictions allowed output and new orders to expand at "historically elevated" rates, while concerns over input shortages prompted a record increase in pre-production inventories. The positive outlook encouraged firms to add to their headcounts, but this did not prevent work backlogs from rising sharply. Higher costs for raw materials and transportation translated into a record increase in input prices. Prices charged also rose at their steepest clip ever, as firms tried to protect profit margins. Lead times, meanwhile, rose at the third stiffest rate in the survey's history, reflecting port congestion and freight issues. Looking ahead, firms remained upbeat about their growth prospects. Sentiment towards the year ahead improved, stimulated by the relaxation of pandemic restrictions and further hopes of a return to normality.

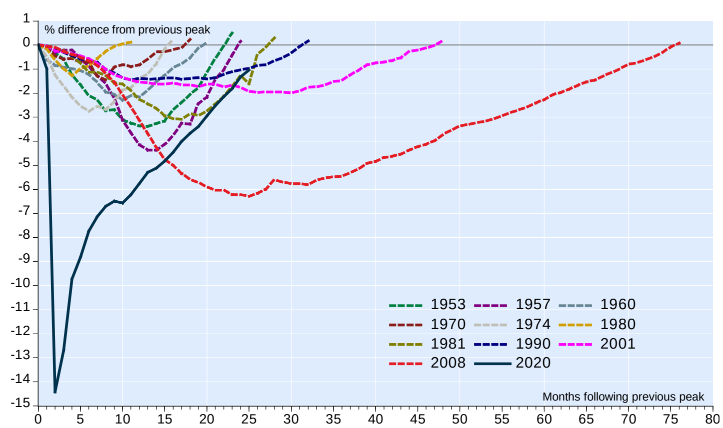
Canada: Operating conditions at factories improving at record pace
Markit Manufacturing PMI. Last observation: March 2022



NBF Economics and Strategy (Source: Markit via Refinitiv)

UNITED STATES - Nonfarm payrolls rose 431K in March, slightly less than the +490K print expected by consensus. A sizeable upward revision to the prior months' results (+95K) more than compensated for that miss. Employment in the goods segment jumped 60K, with gains in manufacturing (+38K) and construction (+19K). Services-producing industries, meanwhile, expanded payrolls by 366K, with notable increases for leisure/hospitality (+112K), professional/business services (+102K), education/health (+53K) and retail (+49K). Employment in the public sector advanced 5K. Average hourly earnings rose 5.6% y/y in March, 4 ticks more than in the prior month and a touch above the median economist forecast calling for +5.5%. Month on month, earnings progressed 0.4%.

U.S.: Labour-market recovery almost complete
Nonfarm payroll employment, % difference from previous peak



NBF Economics and Strategy (data from Refinitiv)

Released at the same time, the household survey (similar in methodology to Canada's LFS) painted an even more upbeat picture of the situation prevailing on the labour market, with a reported employment gain of 736K. This progression, combined with an increase in the participation rate (from 62.3% to 62.4%), translated into a 2-tick decline of the **unemployment rate** to a post-pandemic low of 3.6%. Full-time employment soared 912K, while the ranks of part-timers swelled 101K.

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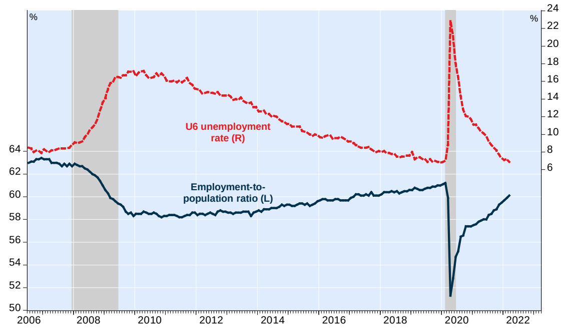
After a rather slow recovery from the pandemic, the U.S. job market now appears to be taking flight in a big way. Although non-farm payrolls came in a bit below expectations in March, the disappointment was more than compensated by a revision to the previous month's data. The household survey, meanwhile, reported a stellar gain. The details of the reports were quite impressive. Private employment and full-time positions registered healthy increases. The sectors that had been most affected by social distancing measures – notably leisure/hospitality and education/health – showed strong gains, a reflection of the ongoing re-opening process. The unemployment rate, meanwhile, stood just on tick above the 50-year low reached back in February 2020 and broader measures of employment such as the employment-to-population ratio (from 59.9% to 60.1%) or the underemployment rate (from 7.2% to 6.9%) continued to improve.

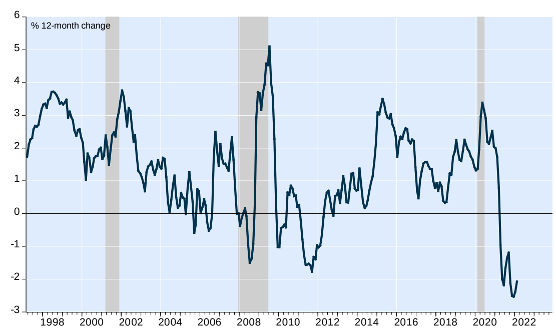
U.S.: Broader measures of employment heading in the right direction
Employment-to-population ratio vs. underemployment rate



NBF Economics and Strategy (data from Refinitiv)

Another positive development was the increase in the participation rate, which has now risen 0.5% since the start of the year. This suggests that, after a long break, some people are now re-joining the labour market, thereby providing a bit of relief to understaffed companies. It's still early to cry victory on the labour supply front. The participation rate remains 1.0% below its level in February 2020 and structural issues continue to keep some workers away.

U.S.: Real wages in decline
Median wage deflated by all-items Consumer Price Index – 12-month change



NBF Economics and Strategy (data from Atlanta Fed and Refinitiv)

The upshot? U.S. businesses are likely to grapple with shortages of labour for some time, something which should translate into higher compensations. March's earnings data were indeed quite solid and other indicators such as the Atlanta Fed median wage tracker are showing wages rising at the fastest pace in decades. But there is a limit to what companies can offer. U.S. firms are already dealing with a significant increase in the price of their inputs. These could eventually hit their bottom line if combined with galloping pay increases. And so wages are likely to lag behind inflation for some time. In fact, real wages have already been declining for 11 months now (see chart below). This trend obviously risks reducing the purchasing power of households, unless the latter decide to dip into their savings.

The **ISM Manufacturing PMI** fell from 58.6 in February to 57.1 in March, instead of rising to 59.0 as per consensus. This was a bit below this indicator's pre-pandemic levels but still consistent with a decent pace of growth in the goods economy. The new orders (from 61.7 to 53.8) and output sub-indices (from 58.5 to 54.6) signaled a moderation in growth, with both gauges dropping to their lowest level since the onset of the pandemic. Employment (from 52.9 to 56.3), on the other hand, expanded at the fastest pace in 12 months. The impacts of the war in Ukraine, and more specifically of rising energy costs were clearly visible in the report. the prices paid index surged from 75.6 to 87.1, signalling one of the steepest rises in input costs on record. Supplier delivery times, for their part, continued to increase, albeit at a slower pace than in the prior month (from 66.1 to 65.4). Of the 18 manufacturing industries surveyed, 15 reported growth in March.

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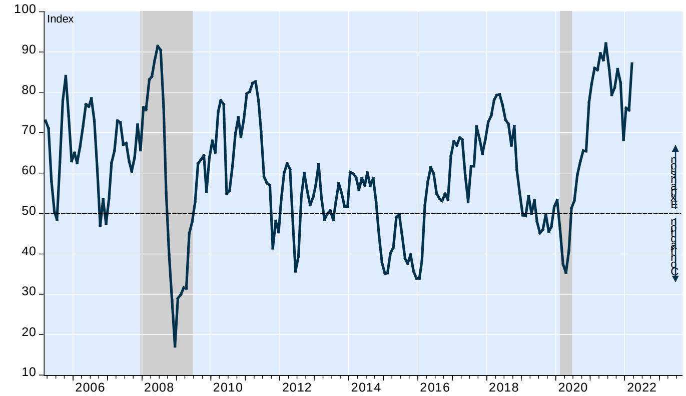
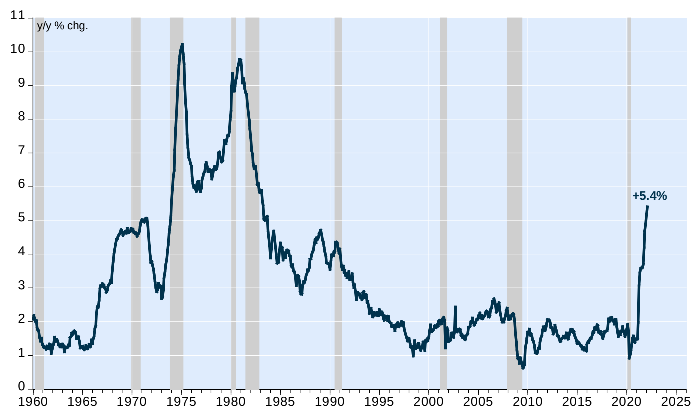
U.S.: Ukraine invasion translates into surging input cost for factories
ISM manufacturing PMI, prices paid sub-index



NBF Economics and Strategy (Source: Markit via Refinitiv)

Nominal personal income rose 0.5% in February after increasing 0.1% the month before. As the labour market continued to recover, the wage/salary component of income progressed 0.8%. Income derived from government transfers, meanwhile, contracted 0.3%, primarily reflecting a decline in the Provider Relief Fund as well as a decrease in Supplemental Nutrition Assistance Program benefits. All this translated into a 0.4% monthly gain for disposable income. **Nominal personal spending**, for its part, edged up 0.2% as an advance for services (+0.9%) was partially offset by a retreat in goods spending (-1.0%). As disposable income expanded at a faster pace than spending did, the saving rate sprang from a decade-low 6.1% to 6.3%. Adjusted for inflation, disposable income fell 0.2% (a seventh consecutive drop), while spending shrank 0.4%. With one month of data still to come, real household consumption is on track to grow roughly 3.8% annualized in the first quarter of the year. Still in February, the headline **PCE deflator** came in at 6.4% y/y, up from 6.1% the prior month and its highest point since January 1982. The core PCE measure, meanwhile, climbed from 5.2% to a 39-year high of 5.4%.

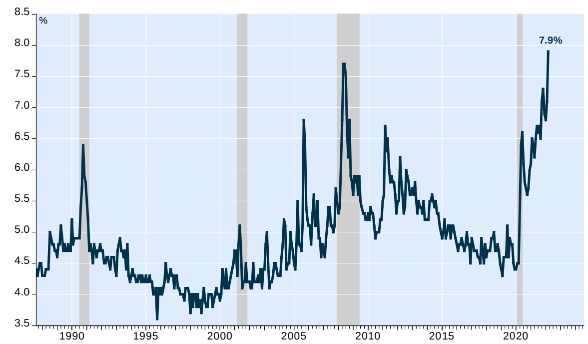
United States: Core inflation rose at fastest pace since 1983
Core personal consumption expenditures deflator (excluding food and energy)



NBF Economics and Strategy (data via Fred St. Louis)

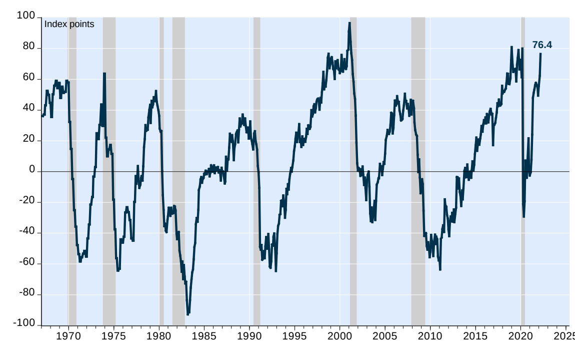
The **Conference Board Consumer Confidence Index** edged up from a 12-month low of 105.7 in February (initially estimated at 110.5) to 107.2 in March, a result roughly in line with the median economist forecast of 107.0. The monthly increase reflected an improved assessment of the present situation. This tracker jumped from 143.0 to an eight-month high of 153.0 as the percentage of respondents who deemed jobs plentiful rose from 53.5% to an all-time high of 57.2% and the percentage of polled individuals with a positive view of current business conditions climbed from 17.6% to 19.6%. Longer-term consumer expectations were much less upbeat. The sub-index tracking sentiment towards the next six months moved down from 80.8 to an eight-year low of 76.6. A smaller share of respondents had a positive outlook on business conditions (from 21.3% to 18.7%) and employment (from 19.4% to 17.4%). Without wanting to minimize the effects of the invasion of Ukraine on confidence, we believe that household concerns about mounting inflation had more of an impact over the survey period. Indeed, consumers in March expected inflation over the next 12 months to reach 7.9%, its highest level since data collection began in 1987.

United States: Consumers' inflation expectations highest on record
Inflation rate expectation 12-month hence, Conference Board Consumer Survey



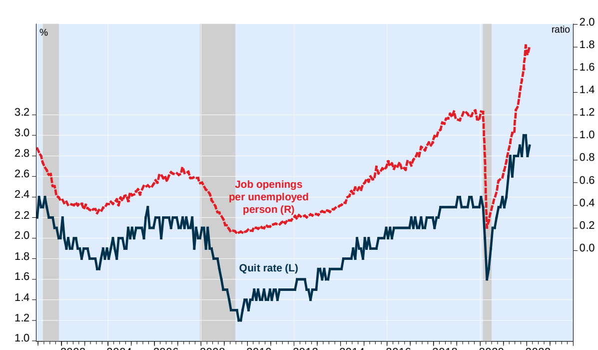
For March, the difference between the current outlook and the short-term outlook grew to 76.4 index points, the most since 2020. The matter merits attention because large gaps in the past have heralded economic downturns.

United States: Stark divergence between present and future outlook
Difference between present and expectations confidence indices, Conference Board Consumer Survey



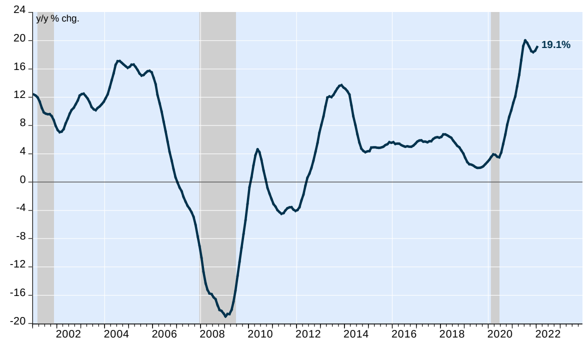
The **Job Openings and Labor Turnover Survey (JOLTS)** showed that positions waiting to be filled eased in February, from 11,283K to 11,266K. Despite the slight decline, the ratio of job offers per unemployed person continued to rise, going from 1.73 to a near all-time high of 1.80. The report also showed that hires jumped from 6,426K to 6,689K, a level 11.0% above this indicator's pre-pandemic peak. Total separations, for their part, rose slightly from 6,044K to 6,092K as quits increased from 4,258K, to 4,352K. The quit rate—the number of voluntary separations as a percent of total employment—ticked up to 2.9%, just 0.1 percentage point below the all-time high attained late last year. The large number of quits is encouraging in that it might reflect growing confidence among employees and stiffer competition among employers.

United States: Labour market has rarely been so favourable to workers
Job openings per unemployed person vs. quit rate (number of voluntary separations/total employment)



According to the **S&P CoreLogic Case-Shiller 20-City Index**, home prices rose for the 117th consecutive month in January, springing a seasonally adjusted 1.76% after climbing 1.43% the prior month. This was the joint-steepest monthly gain recorded since 2013 (tied with 2021M05). All the cities in the index saw higher prices, led by San Francisco (+3.16%), Tampa Bay (+2.63%), and San Diego (+2.55%). Year on year, the index was up 19.1% (vs. 18.6% the prior month), the fifth-largest 12-month jump ever recorded.

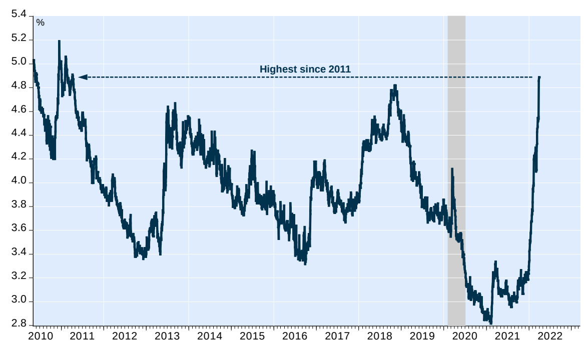
United States: Home prices rising at near record pace
S&P CoreLogic Case-Shiller 20-City Home Price Index



NBF Economics and Strategy (data via Refinitiv)

Looking ahead, it would not be surprising to see a deceleration in house-price inflation. It is true that short supply should continue to support prices (the inventory of properties for sale remains near an all-time low), but this could be offset by the recent increase in borrowing costs. After hitting a historic low about a year ago, mortgage rates have risen rapidly and are now at their highest level since 2011.

United States: Rising borrowing costs a risk for housing market
Average interest rate paid on 30-year fixed mortgage



NBF Economics and Strategy (source: bankrate.com via Bloomberg)

After plunging to a 53-year low, **initial jobless claims** bounced back from 188K to 202K in the week to March 26. **Continued claims**, for their part, slipped from 1,342K to 1,307K. This was the lowest level recorded since December 1969, when the U.S. population was much smaller than it is today. Such low levels of claims reflect the extraordinary strength of the labour market at the present time.

The **third estimate of Q4 GDP** growth pegged in at +6.9% in annualized terms, one tick down from the previous release. The details of the report showed downgrades to household consumption, business investment and exports being only partially offset by stronger showings for residential investment and inventories, the latter remaining the main driver of growth in the quarter. The report also showed pre-tax corporate profits advanced an annualized 2.8% from the prior quarter after surging 14.5% in Q3. On a 12-month basis, profits were up 21.0%.

Contributions to Q4 real GDP growth

	3rd est.	2nd est.
GDP	**6.9**	**7.0**
Consumption	1.76	2.13
Business Investm. Equip./Intell.	0.62	0.67
Business Investm. Struct.	-0.22	-0.25
Residential Investm.	0.10	0.05
Government	-0.46	-0.45
Domestic Demand	**1.8**	**2.2**
Exports	2.24	2.35
Imports	-2.46	-2.42
Trade	**-0.2**	**-0.1**
Final Sales	1.58	2.08
Inventories	**5.3**	**4.9**

NBF Economics and Strategy (data via Bloomberg)

WORLD - In the **Eurozone**, the **unemployment rate** ticked down from 6.9% in January to a record-low 6.8% in February.

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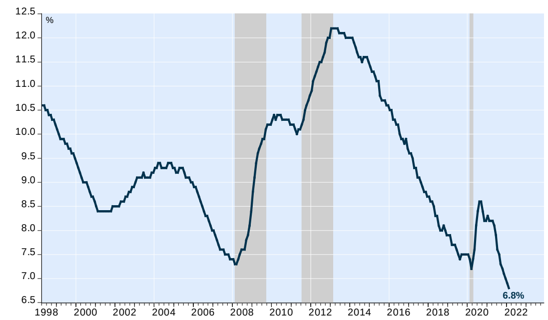
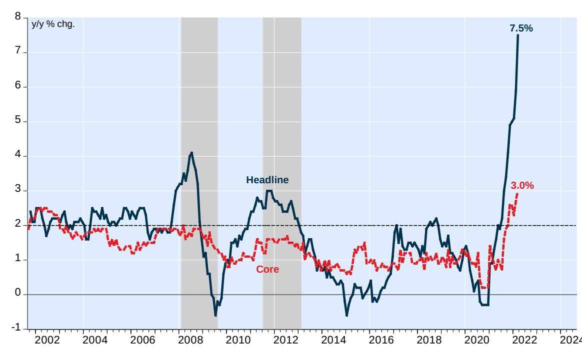
Eurozone: Unemployment rate at an all-time low
Unemployment rate



NBF Economics and Strategy (data via Bloomberg)

Still in the **Eurozone**, the flash estimate for the **Consumer Price Index** showed that prices rose 7.5% y/y in March, 1.6% more than in February and the highest reading since the inception of the series in the early 2000s. Energy prices spiked 44.7% from their level a year earlier, while the cost of food, alcohol and tobacco climbed 5.0%. The core CPI, which excludes these four items, moved up from 2.7% to a new all-time high of 3.0%.

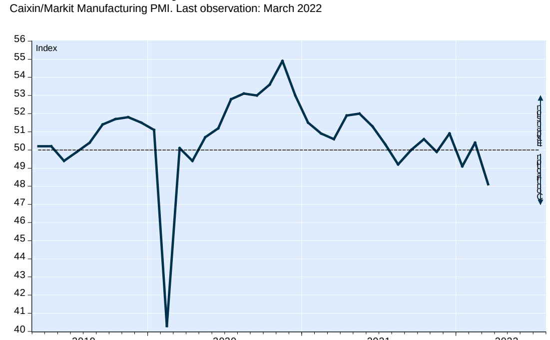
Eurozone: The war in Ukraine adds fuel to the inflation fire
Harmonised Index of Consumer Prices



NBF Economics and Strategy (data from Bloomberg)

The **Caixin/Markit manufacturing PMI for China** fell back into contraction territory (<50) in March, slipping from 51.4 to a 25-month low of 48.1. “The introduction of tighter restrictions to contain the spread of the latest wave of COVID-19 in China weighed heavily on manufacturing performance” Markit’s report mentioned. Output and new business fell at the fastest pace since the initial onset of the pandemic, with the latter hampered by the pandemic, greater uncertainty due to the Ukraine war and difficulties shipping items to clients. Indeed, supplier delivery times lengthened the most since last October. Cost pressures intensified, with input/output costs rising at the sharpest rates for five months. Finally, business expectations regarding future output cooled to a 3-month low, with companies citing “a number of headwinds to the outlook, most notably, uncertainty relating to the pandemic, the war in Ukraine and steep rises in costs.”

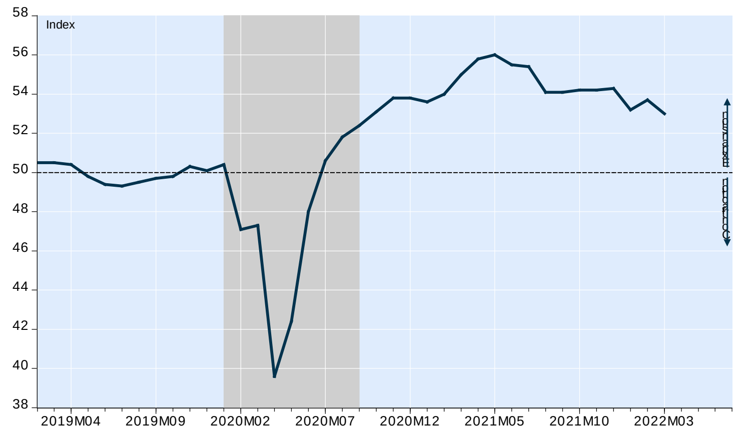
China: Factories hit by Omicron wave
Caixin/Markit Manufacturing PMI. Last observation: March 2022



NBF Economics and Strategy (Source: Markit via Refinitiv)

The **JPMorgan/Markit World Manufacturing PMI** slipped from 53.7 in February to an 18-month low of 53.0 in March. Output and new orders increased at the slowest pace in the current 21-month sequence of increases, with both being affected by headwinds such as “ongoing COVID disruptions, stretched global supply chains, rising inflationary pressures and elevated geopolitical tensions.” Headcounts, meanwhile, expanded for the 17th consecutive month, with the rate of increase hitting a 7-month high. Supply chain constraints remained severe with supplier delivery times lengthening at one of the steepest pace in the survey's history. March also saw the rates of inflation of input and output charges pick up from already elevated levels. Of the 30 nations covered by the survey, 23 saw operating conditions improve in March, led by Ireland, Canada, the United States and Australia. Alternatively, conditions deteriorated in Russia, China, Mexico and Turkey.

World: Manufacturing growth weakest in 18 months
JPMorgan/Markit Manufacturing PMI. Last observation: March 2022



NBF Economics and Strategy (Source: Markit via Refinitiv)

NOVA SCOTIA - 2022 BUDGET

Investing for the future, even if it means budgetary red ink

Highlights:

Nova Scotia is wrapping up a 2021-22 fiscal year characterized by hearty economic growth and bountiful revenues. That saw the outgoing fiscal year's budget balance thoroughly transformed, as a planned deficit of $585 million morphed into a budget surplus of $108 million, the corresponding level of net debt landing comfortably below plan. With the economy returning to more "normal" growth, some extraordinary revenue gains unlikely to be repeated, and a host of new investments to be made, Nova Scotia plans for a return to deficit… in 2022-23 and each year of the fresh four-year fiscal plan. A deficit of $506 million has been forecast for 2022-23 (equivalent to just under 1% of GDP). All told, the budgetary red ink sums to ~$1.6 billion over the four fiscal years ending 2025-26. In general, the governing PC Party—which secured a majority in an August 2021 general election—aims to eliminate the deficit over six years. Despite ending 2021-22 on a firmer fiscal footing, the combination of budget deficits and capital investments would see some $6 billion of net debt tacked on over four years, the relative debt burden (vs. nominal GDP) moving higher each year. That key ratio looks to be ending 2021-22 at a leaner-than-planned 33.5% but is projected to hit 40% by 2025-26. The outgoing fiscal year's revenue bonanza—the majority of which was steered to the bottom line—meant Nova Scotia was far less active in debt capital markets, issuing $1.1 billion of purely domestic bonds in 2021-22. Underlying cash requirements step up in the coming fiscal year, but some $600 million of cumulative pre-funding (deemed to have been completed over a number of years) ultimately results in a relatively manageable $1.65 billion gross bond program for 2022-23. It's believed that gross bond issuance could surpass $2 billion in 2023-24, before receding to a low of $1.25 billion by 2025-26 (when the deficit is due to be more than halved vs. 2022-23). All in all, there's a considerably stronger fiscal starting point from which to commit to incremental spending, marginal red ink and additional debt, a return to balance appearing to be some years off. ***(Full text)***

Current long-term credit ratings: S&P: AA-, Stable | Moody's: Aa2, Stable | DBRS: A(High), Stable.

IN THE NEWS

U.S. and Canadian News

Monday March 28th, 2022

- **Putin not seen ready to compromise ahead of peace talks**
  Ukraine and Russia were preparing on Monday for the first face-to-face peace talks in more than two weeks, but a senior U.S. official said Russian President Vladimir Putin did not appear ready to make compromises to end the war.
- **U.S. goods trade deficit narrows in February; still near record highs**
  The trade deficit last month fell 0.9% to $106.6 billion. The goods trade deficit hit an all-time high of $107.6 billion in January.
- **Canadian consumer confidence falls to 14-month low on inflation**
  The Bloomberg Nanos Canadian Confidence Index, a measure of sentiment based on weekly polling, fell to 56.3 last week, the lowest reading since January last year. The gauge is down more than three points since the end of February.
- **Vermilion Energy buying Leucrotta Exploration for $477M**
  Under the agreement, Leucrotta shareholders will receive $1.73 in cash plus one common share and 0.1917 common share purchase warrants in the new company for each Leucrotta share held. Vermilion will also acquire a 12.5 per cent stake in the new company for $14 million.

Tuesday March 29th, 2022

- **Russia promises to scale down operations near Kyiv and north Ukraine**
  Russia promised to scale down military operations around Kyiv and northern Ukraine as a confidence-building step, in the most tangible sign yet of progress towards negotiating an end to the war.
- **U.S. consumer confidence rebounds; job openings near record high**
  The Conference Board said its consumer confidence index rose to a reading of 107.2 this month from a downwardly revised 105.7 in February. Economists had forecast the index decreasing to 107.0 from the initially reported reading of 110.5 in February. JOLTS report on showed that job openings, a measure of labor demand, fell 17,000 to 11.266 million on the last day of February.
- **Feds' climate plan calls for 42% cut in oil and gas emissions**
  A new climate plan for Canada projects the oil and gas industry will need to cut greenhouse-gas emissions by 42 per cent from current levels by 2030 if the country is to meet its new targets.

Wednesday March 30th, 2022

- **U.S. private payrolls rise solidly**
  Private payrolls increased by 455,000 jobs last month, the ADP National Employment Report showed. Data for February was revised higher to show 486,000 jobs added instead of the initially reported 475,000. Economists had forecast private payrolls would increase by 450,000 jobs.
- **U.S. economic growth accelerates in fourth-quarter**
  Gross domestic product increased at a 6.9% annualized rate, the Commerce Department said in its third estimate of fourth-quarter GDP growth. That was revised slightly down from the 7.0% pace estimated in February. Economists had expected GDP growth would be revised up to a 7.1% rate.

Thursday March 31st, 2022

- **Declining goods purchases curb U.S. consumer spending; labor market tightening**
  Consumer spending, which accounts for more than two-thirds of U.S. economic activity, rose 0.2% last month. Data for January was revised higher to show outlays rebounding 2.7% instead of 2.1% as previously reported. Economists had forecast consumer spending increasing 0.5%. Personal income rose 0.5% in February, with wages shooting up 0.8%. The so-called core PCE price index jumped 5.4% year-on-year in February, the biggest gain since April 1983. The core PCE price index increased 5.2% in the 12 months through January. initial claims for state unemployment benefits increased 14,000 to a seasonally adjusted 202,000 for the week ended March 26.
- **Biden orders record oil release from U.S. reserve to tame prices**
  The U.S. will release roughly a million barrels of oil a day from its reserves for six months, a historic drawdown that underscores White House concern about rising gas prices and supply shortages following Russia's invasion of Ukraine.
- **Canadian economy picks up steam as February output rises 0.8%**
  Gross domestic product rose by 0.8 per cent last month, according to a preliminary estimate from Statistics Canada. In January, the economy expanded by 0.2 per cent. The statistics agency revised the December output growth up to 0.1 per cent, from unchanged.

Friday April 1st, 2022

- **U.S. labor market powers ahead; unemployment rate drops to 3.6%**
  The survey of establishments showed that nonfarm payrolls increased by 431,000 jobs last month. The economy created 95,000 more jobs in January and February than initially estimated.
- **U.S. manufacturing sector activity slows in March; input prices surge - ISM**
  The Institute for Supply Management (ISM) said that its index of national factory activity fell to a reading of 57.1 last month from 58.6 in February.
- **Carbon price rising to $50 a tonne today, adds 2.2 cents to litre of gas**
  The national price on pollution will go up another $10 per tonne of greenhouse gas emissions as scheduled today in most provinces. Environment Minister Steven Guilbeault is withstanding political pressure to delay or cancel the increase as fuel prices surge due mainly to the Russian invasion in Ukraine. Today's increase brings the total price to $50 per tonne, adding another 2.2 cents to the cost of a litre of gasoline, or 11 cents total.

Click on title to view the full story.

IN THE NEWS

International News

Monday March 28th, 2022

- **BoE's Bailey sees risks from commodity trading frenzy**
  Bank of England Governor Andrew Bailey said swings in commodity markets after Russia's invasion of Ukraine posed a risk to financial stability and the challenges facing the world economy are bigger than after the global financial crisis.
- **BOJ offers four days unlimited bond-buying to defend yield cap**
  Struggling to swim against the tide taking interest rates higher globally, the Bank of Japan staunchly defended its 0.25% yield cap by offering to buy an unlimited amount of government bonds for the first four days of this week.
- **China industrial profits up, but mired in single-digit growth**
  Profits rose 5.0% in from a year earlier, up from a 4.2% gain in December. The growth in January-February was driven by surging profits in the energy and raw materials sectors, thanks to higher prices of commodities such as crude oil and coal.
- **German producer prices jump by record 25.9%**
  The February figures continued a stretch of record increases since the office began compiling numbers, topping December and January's figures of 24.2% and 25% respectively. The average expectation among analysts was for an annual increase of 26.2%. Producer prices also registered a jump of 1.4% from the previous month.

Tuesday March 29th, 2022

- **War, inflation drag German consumer sentiment lowest since Feb 2021**
  The GfK institute said its consumer sentiment index tumbled to -15.5 points heading into April from a revised -8.5 points a month earlier, the lowest since February 2021. Analysts had on average expected the index to drop to -14.0.
- **Shanghai tightens COVID lockdown on second day of curbs**
  The financial hub of Shanghai, home to 26 million people, is in its second day of a lockdown authorities are imposing by dividing the city roughly along the Huangpu River, splitting the historic centre from the eastern financial and industrial district of Pudong to allow for staggered testing.
- **Australian retail sales jump in Feb, augur well for Q1 growth**
  Data from the Australian Bureau of Statistics showed retail sales climbed 1.8% in February from the previous month to A$33.1 billion, handily beating forecasts of a 1.0% gain.

Wednesday March 30th, 2022

- **German inflation rises more than expected in March**
  Consumer prices, harmonised to make them comparable with inflation data from other European Union countries (HICP) rose 7.6% on the year after 5.5% in February.
- **Euro zone facing slower growth, higher inflation: ECB's Lagarde**
  Europe is facing slower growth and higher inflation as the war in Ukraine is draining confidence and pushing up energy prices, European Central Bank President Christine Lagarde said.
- **Spain's March flash CPI rises to 9.8% y/y, fastest since 1985**
  Prime Minister Pedro Sanchez said more expensive electricity and fuel and non-processed food accounted for almost three-quarters of the overall CPI increase. Analysts had expected 12-month CPI to rise to 8% in March.

Thursday March 24th, 2022

- **Chinese manufacturing, services contract together for first time since 2020**
  The official manufacturing Purchasing Managers' Index (PMI) fell to 49.5 from 50.2 in February, while the non-manufacturing PMI eased to 48.4 from 51.6 in February.
- **Hong Kong retail sales fall 14.6% in Feb, snapping 12 months of growth**
  Retail sales in February fell 14.6% from a year earlier to HK$25.2 billion (US$3.22 billion). That compares with a revised 4% increase in January and a 13.7% fall in last decline in January 2021.
- **Japan's Feb factory output rises for first time in three months**
  Factory output rose 0.1% in February from the previous month, as growing production of cars and transport equipment offset a decline in chemicals. That meant output returned to growth after slipping 0.8% in January and 1.0% in December. The increase was weaker than a 0.5% gain forecast of economists.
- **Brazil's jobless rate hits six-year low for quarter through February**
  Brazil's jobless rate stood at 11.2% in the three months through February, the lowest level for the period in six years, amid a drop in the number of people seeking employment. A Reuters poll of economists had projected that the unemployment rate would be 11.4%.

Friday April 1st, 2022

- **Euro zone inflation hits new peak, deepening ECB's dilemma**
  Euro zone inflation surged to 7.5% in March, hitting another record high with months still left before it is set to peak, raising pressure on the European Central Bank to rein in runaway prices even as growth slows sharply. Consumer price growth in the 19 countries sharing the euro accelerated from 5.9% in February, far beyond the 6.6% expected.
- **Euro zone March factory growth slumped**
  S&P Global's final manufacturing Purchasing Managers' Index (PMI) fell to a 14-month low of 56.5 in March from February's 58.2, below an initial "flash" estimate of 57.0.
- **China March factory activity contracts at sharpest rate in 2 years - Caixin PMI**
  The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) fell to 48.1 in March, indicating the steepest rate of contraction since February 2020, from 50.4 in the previous month.

Click on title to view the full story.

WEEKLY PERFORMERS – S&P/TSX

S&P/TSX: LEADERS	LAST	CHANGE	%CHG
Lithium Americas Corp	$48.78	$5.82	13.55%
Cargojet Inc	$182.00	$19.08	11.71%
K92 Mining Inc	$9.28	$0.91	10.87%
Converge Technology Solutions Corp	$10.36	$0.84	8.82%
WELL Health Technologies Corp	$5.01	$0.39	8.44%
Lightspeed Commerce Inc	$39.08	$2.90	8.02%
Ero Copper Corp	$19.52	$1.40	7.73%
Dollarama Inc	$72.42	$4.89	7.24%
BRP Inc	$103.67	$6.83	7.05%
Fairfax Financial Holdings Ltd	$696.64	$45.66	7.01%

S&P/TSX: LAGGARDS	LAST	CHANGE	%CHG
Canopy Growth Corp	$9.24	-$1.59	-14.68%
Tilray Brands Inc	$9.38	-$1.34	-12.50%
Aurora Cannabis Inc	$4.93	-$0.65	-11.65%
BlackBerry Ltd	$8.42	-$0.81	-8.78%
Cronos Group Inc	$4.85	-$0.46	-8.66%
Canfor Corp	$24.47	-$2.30	-8.59%
Interfor Corp	$33.30	-$3.07	-8.44%
Lion Electric Co	$10.23	-$0.93	-8.33%
West Fraser Timber Co Ltd	$99.42	-$8.42	-7.81%
Vermilion Energy Inc	$27.02	-$2.18	-7.47%

Source: Refinitiv

WEEKLY PERFORMERS – S&P500

S&P500: LEADERS	LAST	CHANGE	%CHG
Nielsen Holdings PLC	$27.33	$5.05	22.67%
Dexcom Inc	$531.57	$50.60	10.52%
Norwegian Cruise Line Holdings Ltd	$21.82	$1.96	9.87%
Edwards Lifesciences Corp	$123.07	$10.70	9.52%
Carnival Corp	$20.05	$1.66	9.03%
Royal Caribbean Cruises Ltd	$83.66	$6.72	8.73%
Paychex Inc	$138.87	$10.16	7.89%
Constellation Energy Corp	$58.02	$4.22	7.84%
Epam Systems Inc	$287.04	$20.29	7.61%
AES Corp	$26.22	$1.85	7.59%

S&P500: LAGGARDS	LAST	CHANGE	%CHG
J B Hunt Transport Services Inc	$181.51	-$27.68	-13.23%
Old Dominion Freight Line Inc	$278.50	-$35.26	-11.24%
HP Inc	$35.60	-$4.24	-10.64%
Fifth Third Bancorp	$41.80	-$4.96	-10.61%
M&T Bank Corp	$164.66	-$18.91	-10.30%
People's United Financial Inc	$19.41	-$2.22	-10.26%
Advanced Micro Devices Inc	$108.19	-$11.48	-9.59%
Zions Bancorporation NA	$64.30	-$6.78	-9.54%
KeyCorp	$21.66	-$2.23	-9.33%
Citizens Financial Group Inc	$44.19	-$4.51	-9.26%

Source: Refinitiv

NBF RATINGS & TARGET PRICE CHANGES

Company	Symbol	Current Rating	Previous Rating	Current Target	Previous Target
AG Growth International Inc.	AFN	**Restricted**	**Outperform**	**-**	**C$49.00**
Agnico Eagle Mines Ltd.	AEM	Outperform	Outperform	**C$94.00**	**C$83.00**
Anaergia Inc.	ANRG	**Restricted**	**Sector Perform**	**-**	**C$18.00**
Aya Gold & Silver Inc.	AYA	Outperform	Outperform	**C$11.50**	**C$11.25**
Bank of Montreal	BMO	**Sector Perform**	**Restricted**	**C$151.00**	**C$0.00**
BRP Inc.	DOO	Outperform	Outperform	**C$136.00**	**C$124.00**
BTB REIT	BTB.un	**Sector Perform**	**Restricted**	**C$4.75**	**C$0.00**
Dollarama Inc.	DOL	Outperform	Outperform	**C$75.00**	**C$69.00**
Eldorado Gold Corp.	ELD	Outperform	Outperform	**C$18.00**	**C$17.00**
Equinox Gold Corp.	EQX	Outperform	Outperform	**C$13.00**	**C$11.50**
Farmers Edge Inc.	FDGE	Sector Perform	Sector Perform	**C$3.00**	**C$4.00**
Fortuna Silver Mines Inc.	FVI	Sector Perform	Sector Perform	**C$5.50**	**C$5.75**
Gildan Activewear Inc.	GIL	Outperform	Outperform	**C$64.00**	**C$65.00**
Keyera Corp.	KEY	Outperform	Outperform	**C$37.00**	**C$36.00**
New Gold Inc.	NGD	Sector Perform	Sector Perform	**C$2.75**	**C$2.50**
Newmont Corporation	NGT	Outperform	Outperform	**C$107.00**	**C$98.00**
NorthWest Healthcare Properties REIT	NWH.un	**Sector Perform**	**Restricted**	**C$15.00**	**C$0.00**
OceanaGold Corporation	OGC	Outperform	Outperform	**C$3.50**	**C$3.00**
PetroShale Inc.	PSH	**Sector Perform**		**C$1.00**	**C$0.00**
Rogers Communications Inc.	RCI.B	Outperform	Outperform	**C$77.00**	**C$74.00**
Sabina Gold & Silver Corp.	SBB	**Outperform**	**Restricted**	**C$3.25**	**-**
Stelco Holdings Inc.	STLC	**Sector Perform**	**Outperform**	**C$55.00**	**C$48.00**
Summit Industrial Income REIT	SMU.un	**Outperform**	**Restricted**	**C$26.50**	**C$0.00**
Superior Plus Corp.	SPB	**Restricted**	**Outperform**	**C$0.00**	**C$13.00**
Taiga Motors Corp.	TAIG	Outperform	Outperform	**C$12.00**	**C$16.00**
Thinkific Labs Inc.	THNC	Outperform	Outperform	**C$6.00**	**C$12.00**
VerticalScope Holdings Inc.	FORA	Outperform	Outperform	**C$34.00**	**C$36.00**
Xebec Adsorption Inc.	XBC	**Outperform**	**Sector Perform**	**C$3.25**	**C$4.00**
Yamana Gold Inc.	YRI	Outperform	Outperform	**C$8.75**	**C$7.25**

STRATEGIC LIST - WEEKLY UPDATE

(March 28th – April 1st)

Changes this Week

Removed: Bank of Montreal (BMO) and SSR Mining Inc. (SSRM)
Added: Canadian Imperial Bank of Commerce (CM) and Agnico Eagle Mines Ltd. (AEM)

Comments:

Removed: Bank of Montreal (BMO)

We removed Bank of Montreal from the NBF Strategic List based on its lower quantitative score in our screening model. Considering downside risks facing the overall economy, NBF took a more cautious stance on BMO, and downgraded the stock to Sector Perform (from Outperform).

Removed: SSR Mining Inc. (SSRM)

We removed SSR Mining Inc. from the NBF Strategic List based on its lower quantitative score in our screening model. NBF continues to believe SSR is a quality name to invest in, offering clients stable production a quality dividend, excellent exploration upside, superior NAV leverage to the gold price and good FCF generation potential and has attractive longer-term growth prospects. However, given solid share price performance, fair valuation, limited expected NTM EPS and a minimal return to its 1-year price target, NBF downgraded the stock to Sector Perform (from Outperform).

Added: Canadian Imperial Bank of Commerce (CM)

We added Canadian Imperial Bank of Commerce to the NBF Strategic List based on its higher quantitative score in our screening model.

Thesis: Canadian Imperial Bank of Commerce is the fifth largest bank in Canada in terms of assets. CM operates three strategic business units. Retail & Business Banking provides financial products and services to personal and small business customers. Wholesale banking offers a full range of investment banking products. Lastly, Wealth Management includes the bank's full-service and direct brokerage operations in addition to its trust and asset management services. CM is aiming to improve the historical perception of the bank as a low growth story… and its loan growth performance is helping to support that cause. In Canada, we saw 13% growth in mortgages and 18% growth in commercial in Q1/22, along with a second consecutive quarter of sequential growth in cards balances. In the U.S., we saw loan growth of 8%, or 13% excluding Paycheck Protection Program (PPP) loan repayments. Additionally, deposits grew by 10%, resulting in a balanced loans-to-deposits ratio of 100%. While there are certainly some unique tailwinds blowing in CM's favour (e.g., mortgage & deposit demand), NBF sees a bank performing in the recovery phase of the cycle at or better than how its peers are. NBF expects a thorough overview of how CM has changed its business growth strategy at its June 16th Investor Day, which will aim to shift investors' mindset away from viewing CM as simply a re-rating story. Expense outlook emphasises flexibility in an inflationary environment In-quarter expense growth of 10% (7% excluding variable compensation) was better than NBF's 13% growth forecast. This performance is particularly impressive considering the bank delivered far better-than-expected revenue growth this quarter. In terms of the outlook, CM guided to full-year expense growth in the upper-single digits, which incorporates a healthy dose of initiative spending (e.g., ~40% of expense growth this quarter excl. variable comp). CM stated that inflation is adding a bit of pressure on expense management. If inflation becomes too onerous, CM indicates that it has the flexibility to dial back initiative spending in fairly short order.

Added: Agnico Eagle Mines Ltd. (AEM)

We added Agnico Eagle Mines Ltd. to the NBF Strategic List based on its higher quantitative score in our screening model.

Thesis: Agnico Eagle Mines Ltd. is a senior gold producer, with a production base heavily weighted to Canada (LaRonde, Meadowbank, Goldex, Canadian Malartic, Hope Bay, and Meliadine), Mexico (Pinos Altos, Creston Mascota, La India) as well as exposure to Northern Europe (Kittila). A merger of equals with Kirkland Lake Gold closed on February 8, 2022, adding Detour Lake, Fosterville, and Macassa to the portfolio. Agnico Eagle offers investors exposure to a relatively lower risk senior gold mining company. In recent years, the company has delivered on substantial growth projects, notably at the Meliadine and Meadowbank mines in Nunavut. Guidance calls for 3.075 Moz to 3.25 Moz of production in 2022 (prorated for the Kirkland Lake assets as of closing of the MOE on February 8), up from ~1.6Moz in 2018. Agnico Eagle is renowned for its experienced management team, disciplined capital allocation and technical expertise. NBF also notes that it pays out a steady dividend. On September 28, 2021, the company announced it entered an agreement with Kirkland Lake Gold to combine in a merger of equals, which is expected to substantially increase the production profile with a geographic focus on Canada and Australia. The merger was approved by shareholders and closed on February 8, 2022.

Communication Services (Market Weight)

Rogers Communications Inc. (RCI.b)

NBF: Q1-2022 Quarterly Preview:1Q Gets Reported April 20. NBF forecast Revenues of $3613M, EBITDA $1490M, Adj. EPS $0.84 vs. $0.77 & FCF $707M (+79%), with consensus last at $3619M, $1461M, $0.82 & $403M, respectively. Besides strength in Wireless, NBF looks for upside to the Street in Cable profits, while FCF could see a big lift from the timing of working capital and taxes. NBF anticipates colour on the 2Q outlook. Guidance for 2022 ex-Shaw calls for growth of 4%-6% in services revs & 6%-8% in EBITDA, with capex $2.8B-$3.0B & FCF $1.8B-$2.0B. NBF updated its forecasts for recent financing related to Shaw and to adjust for the expected sale of Freedom concurrent with the anticipated closing of the Shaw transaction in June which is still subject to key regulatory approvals. NBF maintained its Outperfrom rating and increased its target price to $77 (from $74). NBF target is based on PF2022E DCF & PF2023E NAV, with implied EV/EBITDA multiples of 8.7x PF2022E & 8.2x PF2023E

Consumer Discretionary (Market Weight)

Dollarama Inc. (DOL)

NBF: DOL reported quarterly results: EPS was $0.74 vs. NBF/cons. at $0.72/$0.71; LY was $0.56. NBF considers results to be good. The headline EPS beat largely stemmed from stronger than anticipated Dollarcity (DC) performance and a $0.01 EPS benefit from a lower tax rate. Same store sales growth was 5.7% (basket growth was -4.0%; transaction growth was 10.1%). Total revenue was $1,225 mln vs. NBF at $1,242 mln and cons. at $1,224 mln; last year was $1,104 mln. The gross margin rate was 45.2%, in line with NBF; last year was 45.5%. The SG&A rate was 14.5% vs. NBF at 14.7%; last year was 16.9%. The quarterly dividend was increased by 10% to $0.0553/share, largely in line with NBF's view. DOL issued F2023 guidance as follows: 60 to 70 net new stores, gross margin rate of 42.9% to 43.9% (NBF is 43.8%), SG&A rate of 13.8% to 14.3% (NBF is 13.9%), capex of $160 to $170 mln and share repurchases. Guidance ranges reflect sssg of 4% to 5%, minimal direct COVID-19 costs and the absence of COVID-19 restrictions. NBF estimates DOL's guidance parameters suggest F2023 EPS of $2.38 to $2.65. Their F2023 EPS goes to $2.61 from $2.58 and their F2024 EPS goes to $2.91 from $2.86. DOL also announced plans to introduce additional price points up to $5 throughout F2023; but NBF anticipates benefits to be gradual.

Financials (Market Weight)

Royal Bank of Canada (RY)

NBF: RY announced plans to acquire Brewin Dolphin Holdings PLC (LON: BRW; Not Rated) for an equity value of £1.6 bln (~$2.6 bln). The British Wealth manager is one of the largest independent providers of discretionary wealth management offerings in the UK with AUM of ~£57 bln (~$93 bln) and over 30 offices in the UK and Ireland. The deal is a 100% cash deal with a P/AUM valuation of ~2.8%. Brewin Dolphin provides a variety of custom investment solutions across the client spectrum (for mass market, affluent and HNW/UHNW clientele) to the firm's 80,000+ total clients. The deal will give RY a #3 market position in the UK and Ireland with pro forma AUM of ~£64 bln (~$104 bln) and revenue of ~£0.5 bln (~$0.8 bln). RY also believes it can continue growing revenue at ~9% CAGR for its pro forma UK Wealth segment, following the closing of this acquisition. Overall, Brewin Dolphin represents a modestly sized acquisition that significantly scales up RY's UK and Ireland Wealth business (i.e., from ~£7 bln to ~£64 bln in AUM). Although a $2.6 bln deal sounds large, it is only ~18% of RY's current excess capital position and the ~40 bps CET 1 ratio hit is modest given the bank's 13.5% CET 1 ratio. Once synergies are achieved, RY expects the segment to generate adj. pre-tax profit of ~£0.3 bln (~$0.5 bln). Anticipated closing for the acquisition is CYQ3/2022, pending shareholder and regulatory approvals. Post-closing, Brewin Dolphin will operate as a standalone subsidiary under the firm's existing management team. Brewin Dolphin's current investment advisors are also expected to remain with the firm.

Materials (Overweight)

Kinross Gold Corp. (K)

NBF: Kinross reported that it plans to divest its Russian assets and is now in exclusive negotiations with a third-party mining company regarding a potential 100% sale of its assets in Russia. Any divestiture or change of control is subject to approval from the Russian government. In Russia, Kinross has its Kupol producing gold mine (429koz produced in 2021) and Udinsk development project. On March 3, 2022, NBF completely removed these assets from its estimates on both a NAV valuation and operational basis after noticing that recent trading suggested Kinross's Russian assets were largely priced out of its share price. Thus, NBF views any surfacing of value from the Russian assets as potential upside to its estimates. Kinross remains a Top Pick. As part of the exclusivity agreement, Kinross's Russian subsidiaries are continuing to operate during the transition period. Kinross will oversee monitoring systems and transportation of industrial materials that are not permitted to remain at Russian ports to maintain safety and regulatory compliance. Kinross will also continue to manage and mitigate the environmental impacts of its operations and prioritize the well-being of its more than 2,000 employees throughout the transition plan. Kinross will not benefit financially from operations as the transition plan is being executed, and all necessary funding for operations will come from resources already in-country. NBF maintained its Outperform rating and $11.00 target price.

NBF STRATEGIC LIST

Company	Symbol	Addition Date	Addition Price	Last Price	Yield (%)	Beta	% SPTSX	NBF Sector Weight
Communication Services							**5.1**	**Market Weight**
Quebecor Inc.	QBRb.TO	29-Nov-18	$ 28.70	$ 30.11	4.0	0.5		
Rogers Communications Inc.	RCIb.TO	13-Feb-20	$ 65.84	$ 71.44	2.8	0.5		
Consumer Discretionary							**3.1**	**Market Weight**
Canadian Tire Corporation Ltd.	CTCa.TO	18-Nov-21	$ 174.10	$ 185.80	2.8	1.9		
Dollarama Inc.	DOL.TO	19-Mar-20	$ 38.96	$ 72.42	0.3	0.6		
Consumer Staples							**3.7**	**Market Weight**
Loblaw Companies Ltd.	L.TO	25-Mar-21	$ 68.50	$ 110.88	1.3	0.3		
Premium Brands Holdings Corp.	PBH.TO	17-Feb-22	$ 122.90	$ 107.00	2.6	0.7		
Energy							**16.3**	**Overweight**
Cenovus Energy Inc.	CVE.TO	16-Jan-20	$ 12.26	$ 21.19	0.7	2.5		
Enbridge Inc.	ENB.TO	21-Jan-15	$ 59.87	$ 58.08	6.0	0.9		
Tourmaline Oil Corp.	TOU.TO	13-Aug-20	$ 16.68	$ 59.32	1.4	1.4		
Financials							**32.2**	**Market Weight**
Canadian Imperial Bank of Commerce	CM.TO	29-Mar-22	$ 156.28	$ 151.37	4.2	1.1		
Element Fleet Management Corp	EFN.TO	02-Apr-20	$ 8.58	$ 12.08	2.6	1.2		
Fairfax Financial Holdings Ltd.	FFH.TO	20-Dec-18	$ 585.81	$ 696.64	1.9	0.9		
Intact Financial Corp.	IFC.TO	11-Jun-20	$ 130.04	$ 184.67	2.2	0.8		
Royal Bank of Canada	RY.TO	19-Jun-13	$ 60.69	$ 137.32	3.5	0.9		
Sun Life Financial	SLF.TO	10-Dec-20	$ 57.07	$ 69.81	3.8	1.4		
Health Care							**0.6**	**Market Weight**
Industrials							**11.8**	**Market Weight**
ATS Automation Tooling Systems Inc.	ATA.TO	18-Nov-21	$ 48.62	$ 43.60	0.0	0.7		
Toromont Industries Ltd	TIH.TO	05-Dec-19	$ 67.24	$ 118.53	1.3	0.8		
Information Technology							**6.1**	**Underweight**
Kinaxis Inc.	KXS.TO	19-Mar-20	$ 100.05	$ 161.50	0.0	0.7		
Open Text Corp.	OTEX.TO	26-Oct-16	$ 41.61	$ 53.31	2.1	0.9		
Materials							**13.7**	**Overweight**
Agnico Eagle Mines Ltd.	AEM.TO	29-Mar-22	$ 75.74	$ 79.14	2.7	0.6		
Kinross Gold Corp.	K.TO	16-Sep-21	$ 7.06	$ 7.56	2.0	0.5		
Teck Resources Ltd.	TECKb.TO	01-Nov-17	$ 27.15	$ 52.85	1.0	1.2		
REITs							**2.9**	**Underweight**
Canadian Apartment Properties REIT	CAR_u.TO	10-Dec-20	$ 49.82	$ 53.94	2.7	0.7		
Summit Industrial Income REIT	SMU_u.TO	17-Feb-22	$ 21.50	$ 21.62	2.6	1.2		
Utilities							**4.6**	**Underweight**
Capital Power Corp.	CPX.TO	22-Aug-19	$ 30.90	$ 40.88	5.4	1.2		
Innergex Renewable Energy Inc.	INE.TO	22-Aug-19	$ 15.00	$ 19.93	3.6	0.8		

Source: Refinitiv (Priced April 1, 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

(April 4th – April 8th)

U.S. Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
4-Apr	10:00	Factory Ex-Transp MM	Feb	1.0%		Percent
4-Apr	10:00	**Factory Orders MM**	Feb	1.4%	-0.5%	Percent
5-Apr	08:30	**International Trade $**	Feb	-89.7B	-88.5B	USD
5-Apr	09:45	S&P Global Svcs PMI Final	Mar	58.9		Index (diffusion)
5-Apr	09:45	S&P Global Comp Final PMI	Mar	58.5		Index (diffusion)
5-Apr	10:00	**ISM N-Mfg PMI**	Mar	56.5	58.0	Index
6-Apr	07:00	MBA Mortgage Applications	28 Mar, w/e	-6.8%		Percent
6-Apr	10:30	EIA Wkly Crude Stk	28 Mar, w/e	-3.449M		Barrel
7-Apr	08:30	Cont Jobless Clm	21 Mar, w/e	1.307M	1.302M	Person
7-Apr	08:30	Jobless Clm 4Wk Avg	28 Mar, w/e	208.50k		Person
7-Apr	08:30	**Initial Jobless Clm**	28 Mar, w/e	202k	200k	Person
7-Apr	10:30	EIA-Nat Gas Chg Bcf	28 Mar, w/e	26B		Cubic foot
7-Apr	15:00	Consumer Credit	Feb	6.84B	16.30B	USD
7-Apr	10:00	Wholesale Sales MM	Feb	4.0%		Percent

Canadian Indicators

Date	Time	Release	Period	Previous	Consensus	Unit
4-Apr	08:30	**Building Permits MM.**	Feb	-8.8%		Percent
5-Apr	08:15	Reserve Assets Total	Mar	102,889M		USD
5-Apr	08:30	Imports C$	Feb	54.00B		CAD
5-Apr	08:30	Exports C$	Feb	56.62B		CAD
5-Apr	08:30	**Trade Balance C$**	Feb	2.62B	2.90B	CAD
6-Apr	10:00	Ivey PMI	Mar	62.2		Net balance
8-Apr	08:30	Participation Rate	Mar	65.4%		Percent
8-Apr	08:30	Part Time Employment Chng SA	Mar	215.1k		Person
8-Apr	08:30	Full Time Employment Chng SA	Mar	121.5k		Person
8-Apr	08:30	**Unemployment Rate**	Mar	5.5%	5.4%	Percent
8-Apr	08:30	**Employment Change**	Mar	336.6k	80.0k	Person

Source : Refinitiv

S&P/TSX QUARTERLY EARNINGS CALENDAR

Monday April 4th, 2022

None

Tuesday April 5th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
NovaGold Resources Inc	NG.A	AMC	-0.03

Wednesday April 6th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Tilray Brands Inc	TLRY	BMO	-0.08

Thursday April 7th, 2022

None

Friday April 8th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Corus Entertainment Inc	CJRb.TO	BMO	N/A
MTY Food Group Inc	MTY.TO	BMO	0.68

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 April 4th, 2022

None

Tuesday April 5th, 2022

None

Wednesday April 6th, 2022

None

Thursday April 7th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Conagra Brands Inc	CAG	BMO	0.58
Constellation Brands Inc	STZ	BMO	2.12
Lamb Weston Holdings Inc	LW	BMO	0.44

Friday April 8th, 2022

COMPANY*	SYMBOL	TIME	EPS ESTIMATE
Eli Lilly and Co	LLY	BMO	2.12

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

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