



WEEKEND READING

Shedding the light on what's happening - our world - our finances - our times

Ridin' The Crazy Train

Q: What's happening with the Trump Tariffs? A: Is it Tuesday or Thursday?

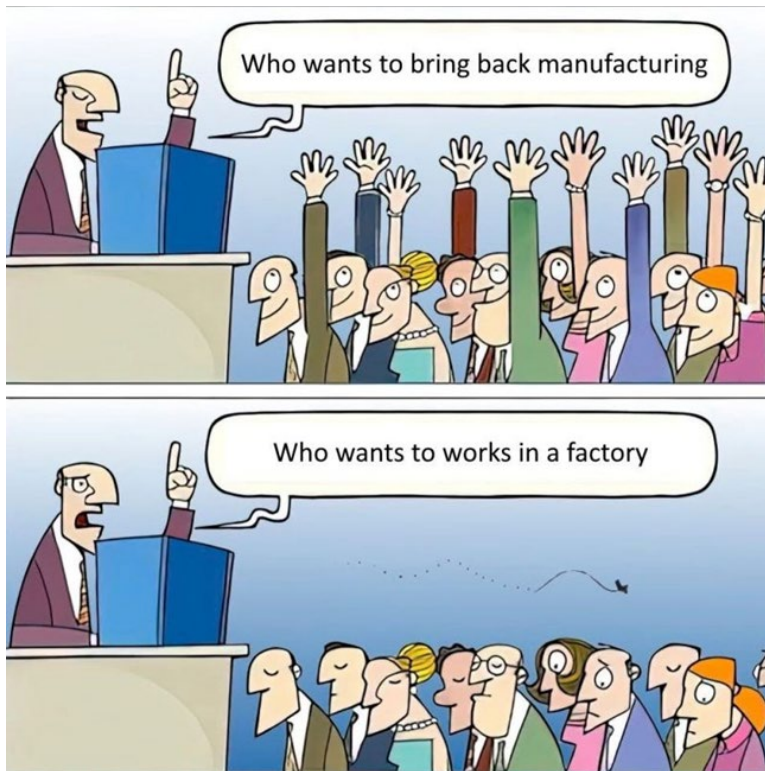
What month!

Dow Jones Industrials Avg (DJIA: 40,017) Mar 13-April 24, 2025 – daily ranges



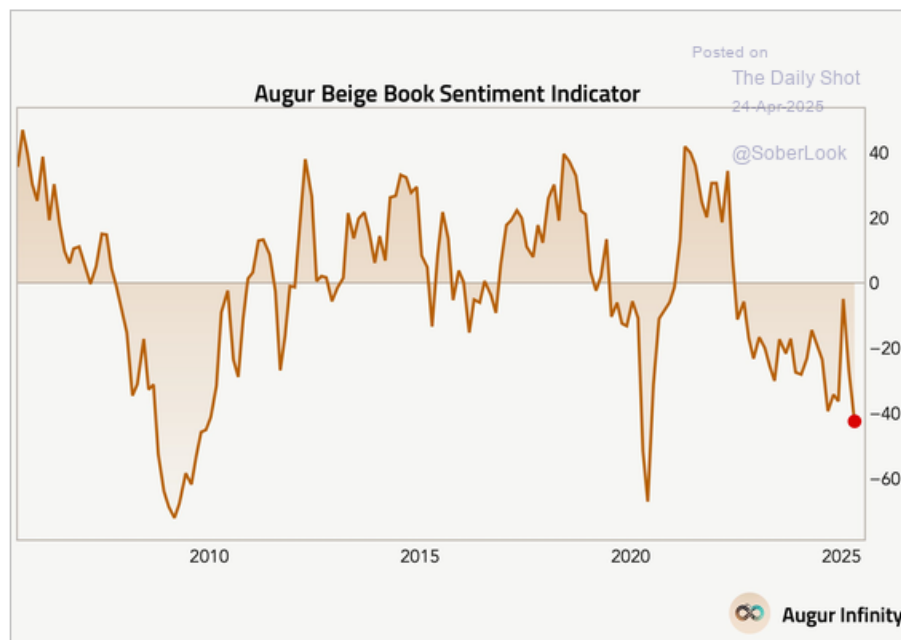
Source: LSEG, NBF, Hilberry

Trumpomania continues: What did he say? Will he? Won't he? Tariffs on, off, not-off, maybe on. Fire the Fed. Don't fire the fed. Musk in. Musk out. The Dow has been through four 10%+ swings in the past month. 30-day peak- trough **-14.5%**. The rebound **+11.4%**. It's a miracle we have any hair left. The chaos has weighed on investor confidence.



Got that 70's Stagflation feeling?

The United States: Here is the overall Beige Book sentiment index.



Source: <https://augurlabs.com/> via The Daily Shot 24-Apr-2025

(extract April 23, 2025 Fed Beige Book National Summary - page 2 highlight SH)

Prices

Prices increased across Districts, with six characterizing price growth as modest and six characterizing it as moderate, similar to the previous report. Most Districts noted that firms expected elevated input cost growth resulting from tariffs. Many firms have already received notices from suppliers that costs would be increasing. Firms reported adding tariff surcharges or shortening pricing horizons to account for uncertain trade policy. **Most businesses expected to pass through additional costs to customers. However, there were reports about margin compression amid increased costs, as demand remained tepid in some sectors, especially for consumer-facing firms.**

Source: [Fed Beige Book April/2025](#)

Beige Book explainer: [Investopedia: Beige Book - What it means. How it works.](#)

Monthly Economic Monitor – U.S. April 2025: More tariffs, less growth NBF

“Aware of the many risks, we have significantly raised our core U.S. CPI forecasts for the end of the year, from 2.7% to 3.6%. Conversely, we have slashed our growth forecasts for this year (from 2.1% to 1.7%) and for next year (from 1.6% to 0.8%) to take into account the disruptions caused by tariffs, which are greater than expected and have undermined business confidence. We remain ready to revise this scenario upward or downward depending on the evolution of trade policy.”

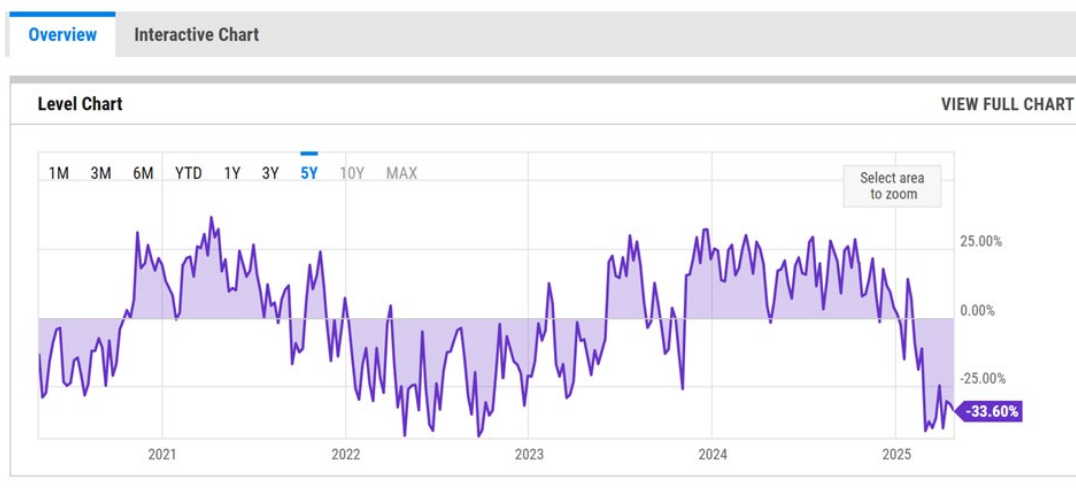
<https://nbf.bluematrix.com/links2/pdf/9846106d-a43a-4a38-9e79-08cc5fffb9f0>

It's a bull market in pessimism

Prices will be lowest when the auction house is empty.

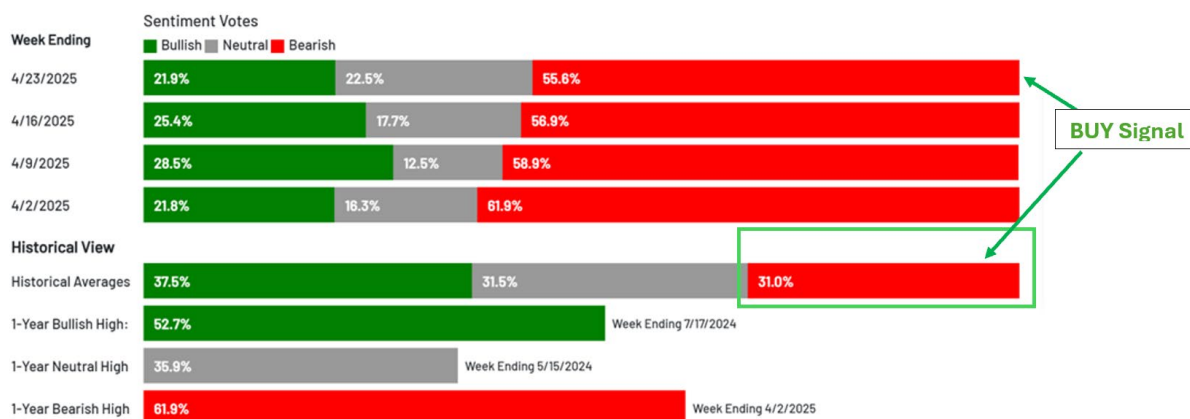
US Investor Sentiment, % Bull-Bear Spread (I:USISBBS)

-33.60% for Wk of Apr 24 2025



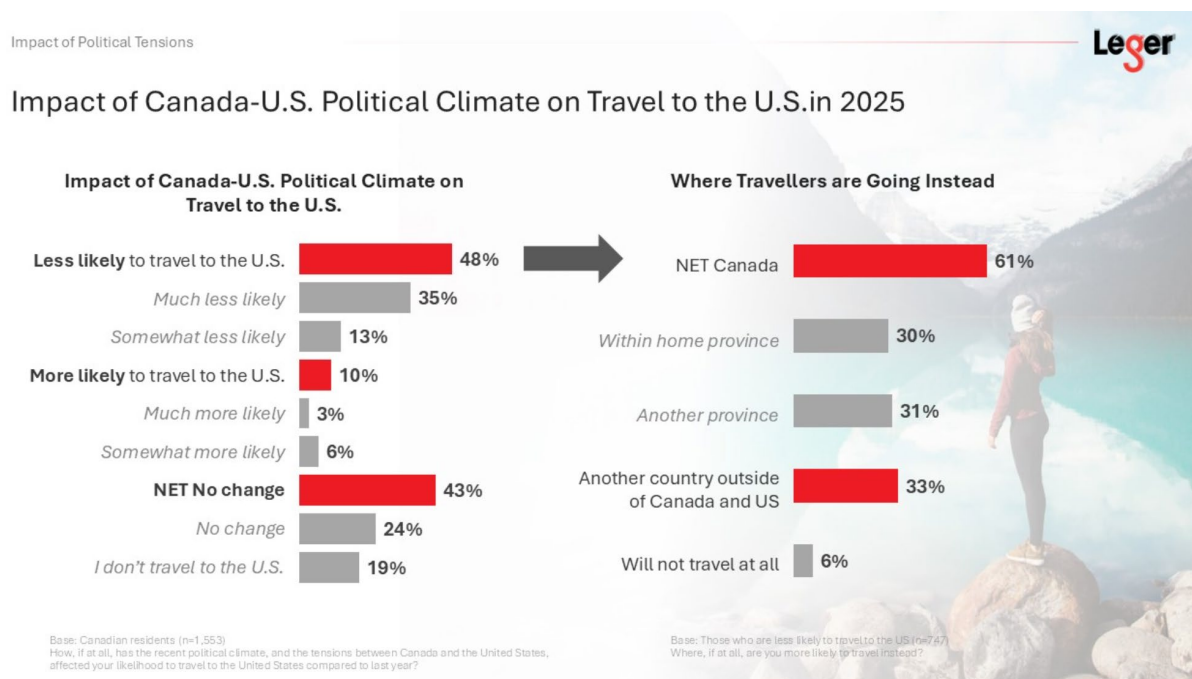
Source: [YCharts Bull-Bear Spread 24-Apr-2025](#)

What Direction Do AAI Members Feel The Stock Market Will Be In The Next 6 Months?



Source: [AAI Blog Sentiment Survey](#) 23-Apr-2025 – Graphic Notes Hilberry Apr 25, 2025

61% fewer Canadians are traveling to the US. Most are staying home.



Source: [Leger360](#)

We still have friends south of the border.

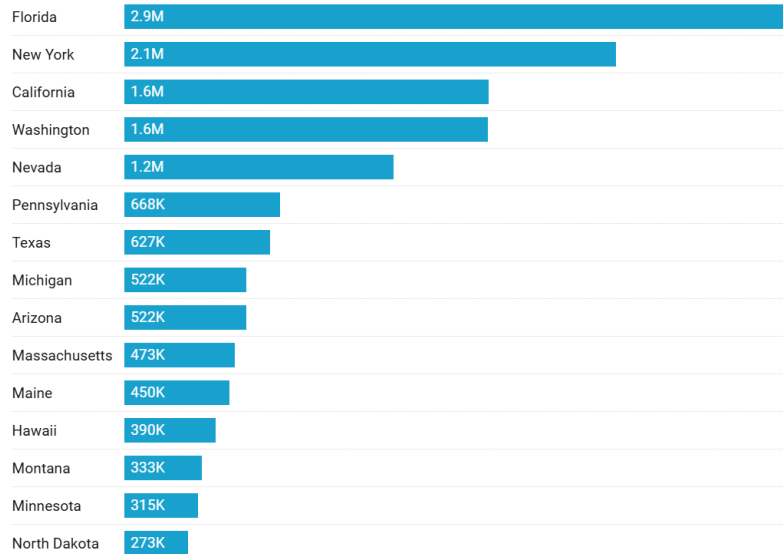
'Hundreds of Americans expected to flock to Nanaimo, B.C., after Canadian's invitation goes viral' National Post

<https://nationalpost.com/news/canada/americans-nanaimo-bc-canadian-invitation-viral>

Which US States do Canadians visit most often?

Top 15 states visited by Canadians in 2023

Nearly 20 million Canadian adult residents traveled to the U.S. in 2023, for at least one-night stay, according to the latest annual data available from Statistics Canada.

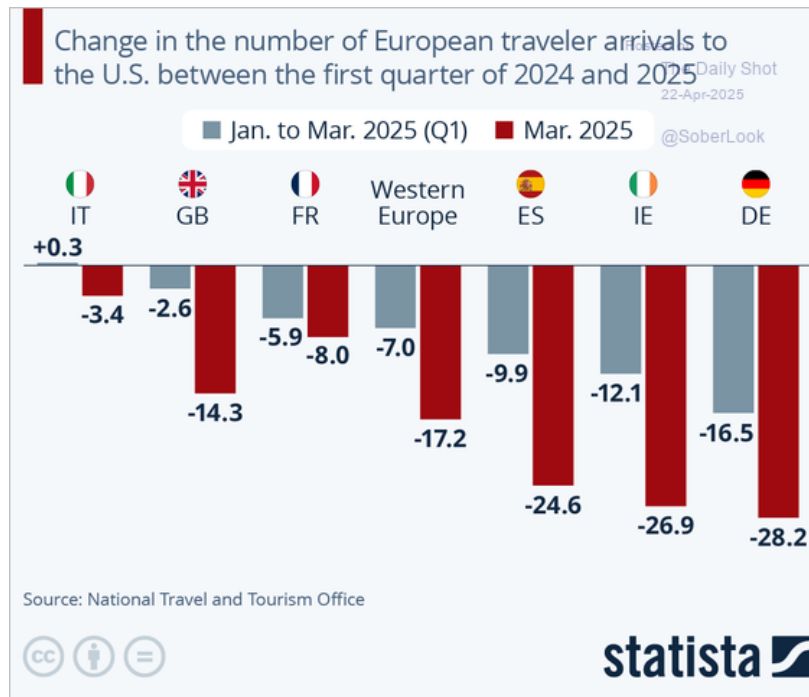


Note: Visits are at least one night spent in the U.S. made by a Canadian adult resident.

Source: Statistics Canada - Created with Datawrapper

Source: [Detroit Free Press](#)

Europeans aren't traveling to the US either.



Investors are worried about the US tourism, travel & entertainment industry.

Wynn Resorts (casinos) (WYNN-\$81.87) daily ranges – 6 mos



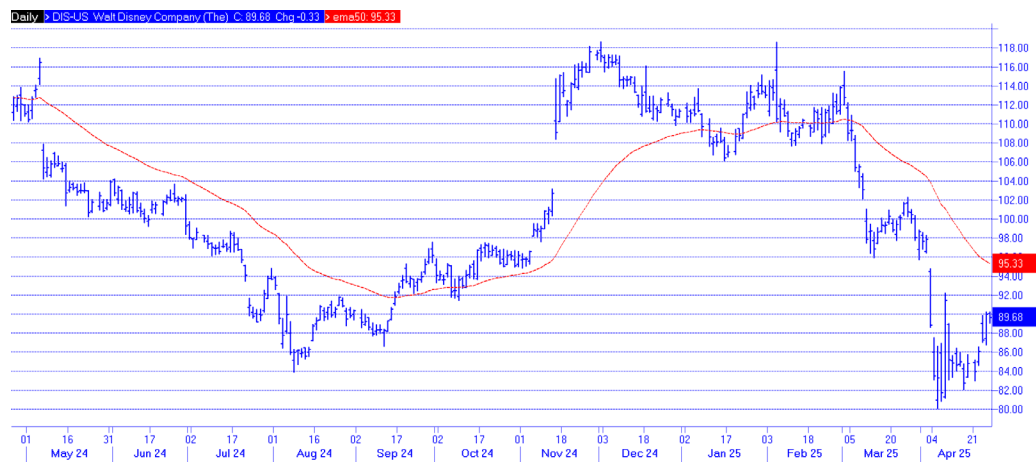
Source: LSEG, NBF, Hilberry

Carnival Corp (cruise lines) (CCL-US-\$18.63) daily ranges 6 months



Source: LSEG, NBF, Hilberry

The Walt Disney Co (DIS-NYSE-\$89.71)



Source: LSEG, NBF, Hilberry

While we are as 'dismayed' as the rest of Canada over the noises coming out of the US politicians, (deep breath) we think this too shall pass. We think Disney is priced for more trouble than is likely.

DISCLOSURE: We hold Disney shares personally, for family members and for client accounts over which we have trading authority. We have traded in the security within the last 60 days. The above is for information purposes only and not a recommendation to purchase securities.

Meanwhile Canadians have an election to ponder:

To clarify we are not endorsing any political party. The following is an attempt to present the challenges Canada has faced over the past decade and the potential future impact of Govt policies on our economy.

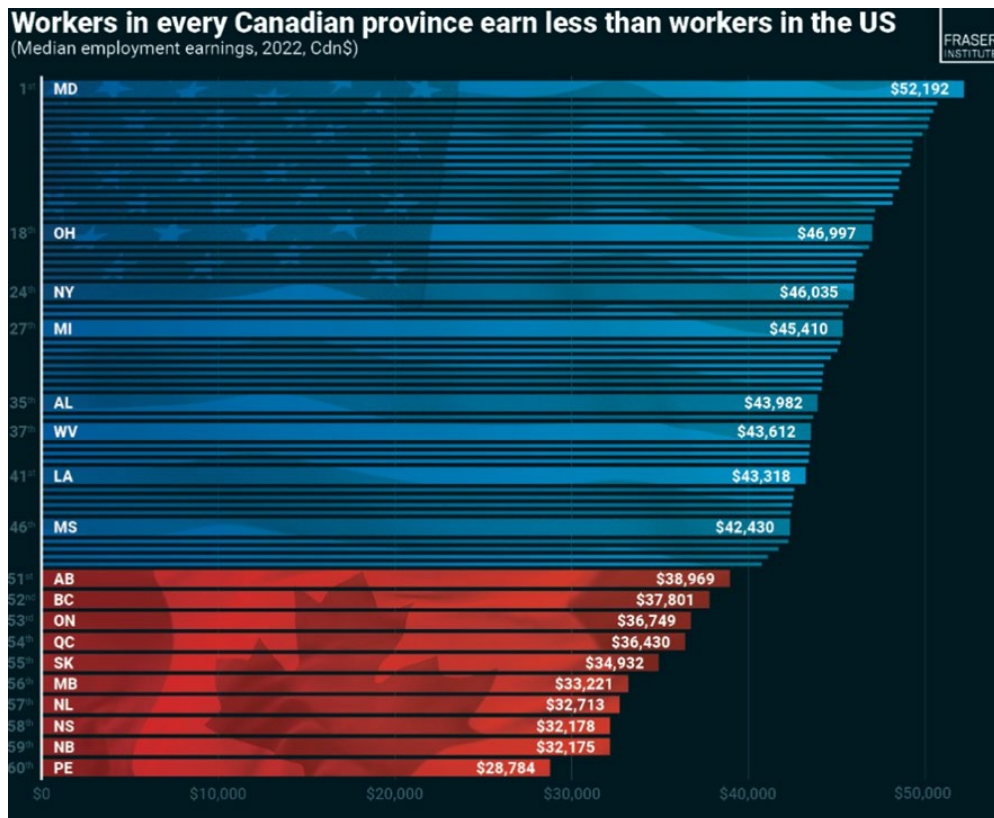
Extract from NBF's Friday April 25, 2025 'Before the Bell' energy desk notes:

*"Back from a spring vacation with the family and now attention, aside from reporting and broader market backdrop (which I'll get into more below), **increasingly turning to the upcoming election here in Canada**. While this is not a political note by any means (and not calling out any specific parties here), the outcome will have ramifications for Canada's energy and resource sector. As the charts below show, Canada is radically underperforming its potential. Unfortunately, there doesn't seem to be universal appreciation or recognition here collectively from all the various parties to correct this. There is so much opportunity to unlock growth and prosperity for Canadians. But a structural improvement in long term growth and prosperity for Canada can only come through a commonsense approach to policy, regulation and tax reform that encourages private investment (a carrot approach like in the US vs. Canada's reliance on a stick over the past decade+). In my opinion, outsized government spending and inefficient state centralized planning will only further hold Canada back. A strong and resilient Canada has so much more to offer the world and close partners like the US. You might have already had a chance to listen to **Pierre Poilievre on The Knowledge Project, if not I would encourage you to have a listen [HERE](#) or [HERE](#)**. I said I wasn't calling out specific parties but worth another reminder of what an alternative is for Canada vs. staying the course politically. In the discussion with Shane Parrish, Pierre articulates a strategy and vision that he thinks will help address Canada's short comings over the past decade, which will allow Canada to become more competitive and resilient, attract and retain private investment dollars and grow the economy to benefit all Canadians. While there seems to be a greater acknowledgement of the importance of Canada's resource sector from the leading parties, commentary to date on the campaign trail suggests very different visions, support and regulatory environment for the sector."*





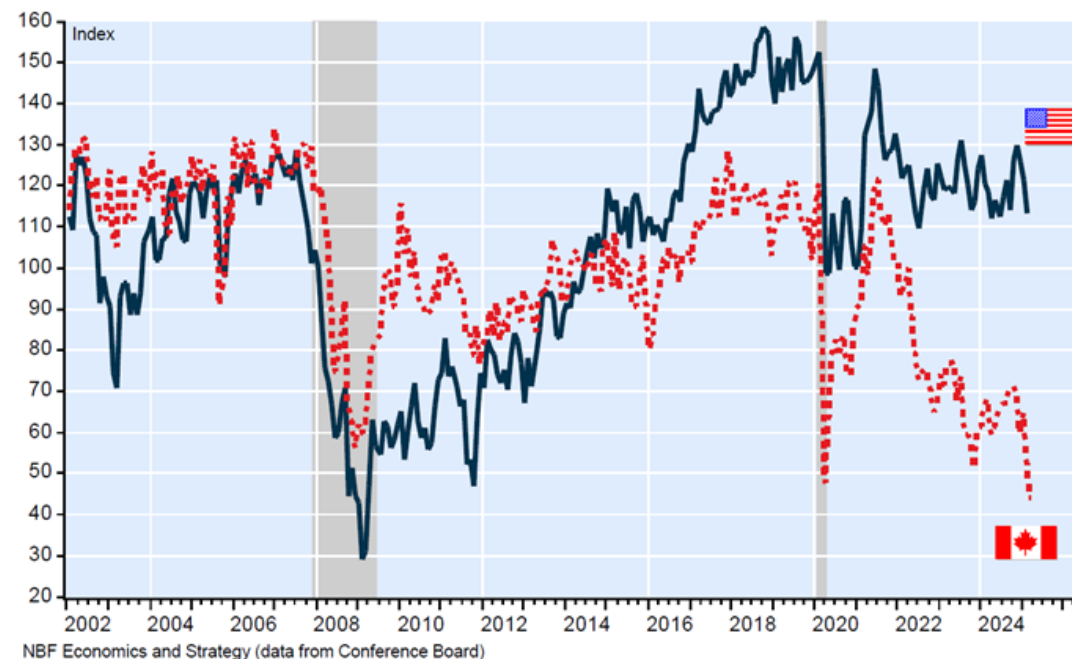
Source: @MPelletierCIO



Source: Frazer Institute

Canada: Consumers have never felt worse

Conference board index of consumer confidence: Canada vs. the U.S.



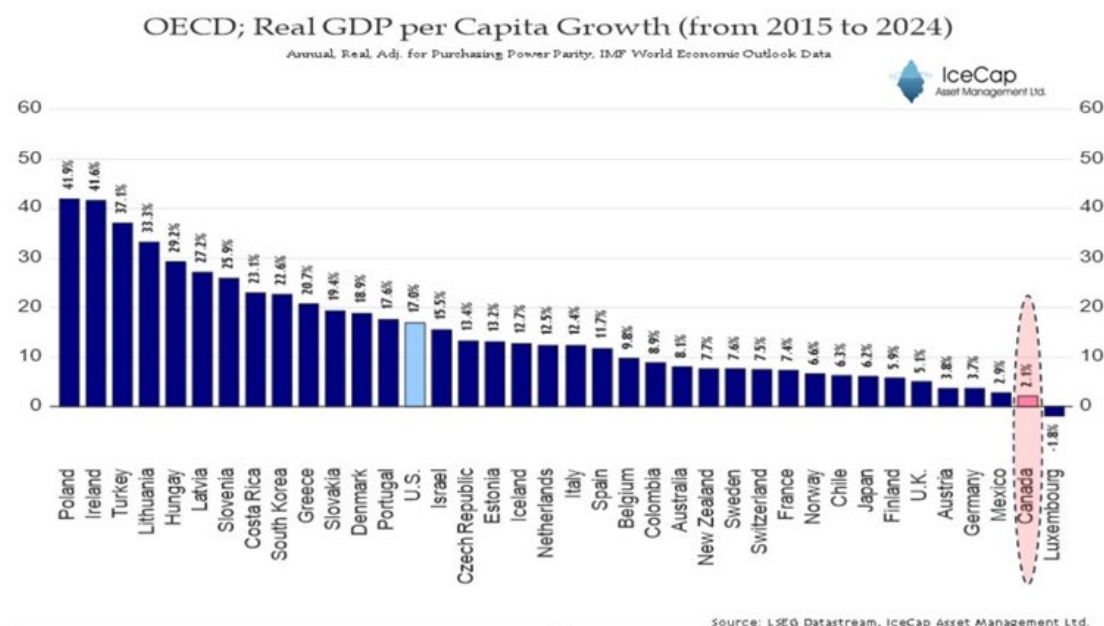
Source: NBF Economics (data from Conference Board)

National Bank's CEO Rails Against Red Tape for Energy Projects

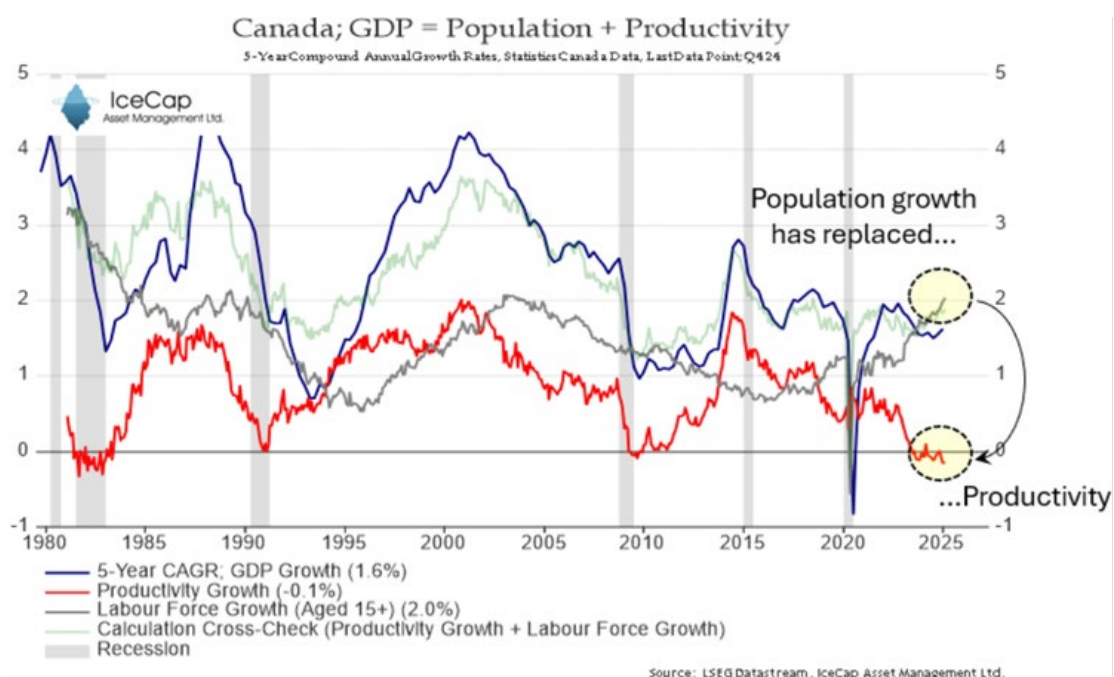
Summary by Bloomberg AI

- National Bank of Canada's CEO Laurent Ferreira called for a "complete overhaul" of the country's economic and industrial policies, citing "complacency" as the biggest risk facing Canada.
- Ferreira argued that Canada should prioritize infrastructure development for both renewable-energy and oil-and-gas projects, and that the current process is "broken" and "extremely difficult".
- Ferreira expressed concerns about the risk of Canada slipping into a recession in the second half of this year, citing uncertainty created by US President Donald Trump's shifting policies on global trade.

Source: Bloomberg



Source: @RichardDias_CFA



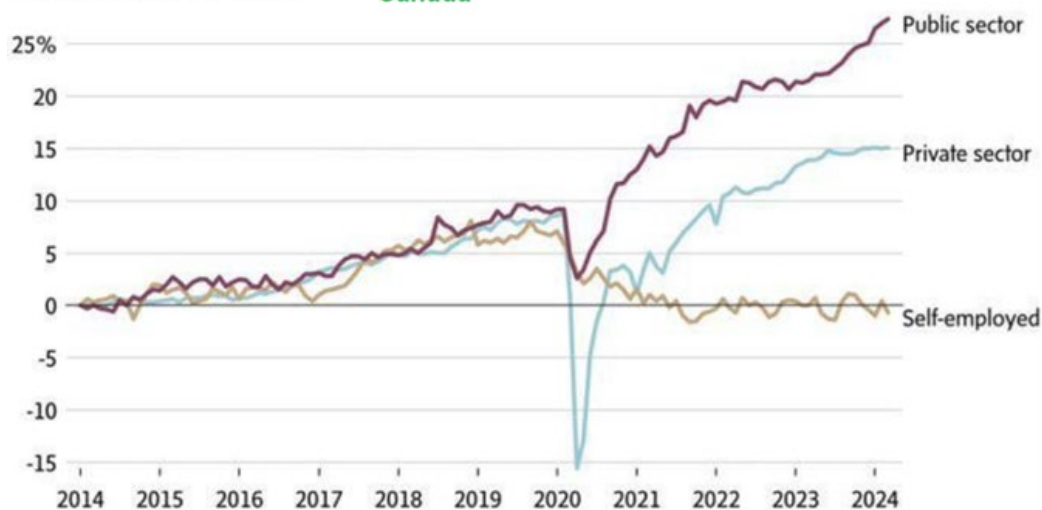
Source: @RichardDias_CFA



The widening gap between public, private and self-employment

Percentage change since 2014

Canada

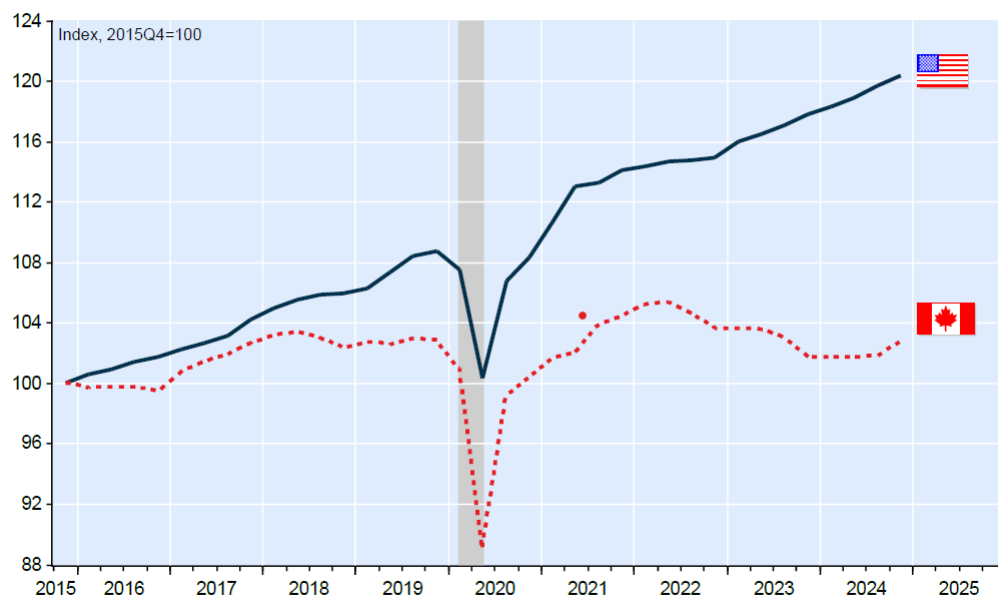


THE GLOBE AND MAIL, SOURCE: STATISTICS CANADA, GLOBE AND MAIL CALCULATIONS

Source : Globe & Mail

Canada: Final domestic demand finally picks up

Final domestic demand per capita (chained dollars)

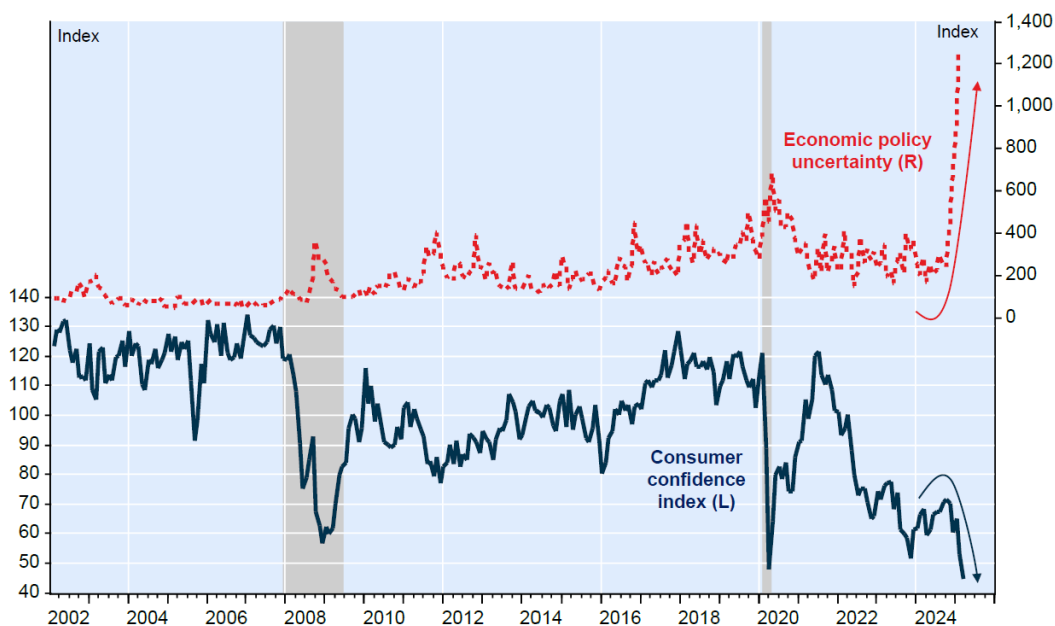


NBC Economics and Strategy (data via Statistics Canada)



Canada: Consumers have never felt worse as trade war loom

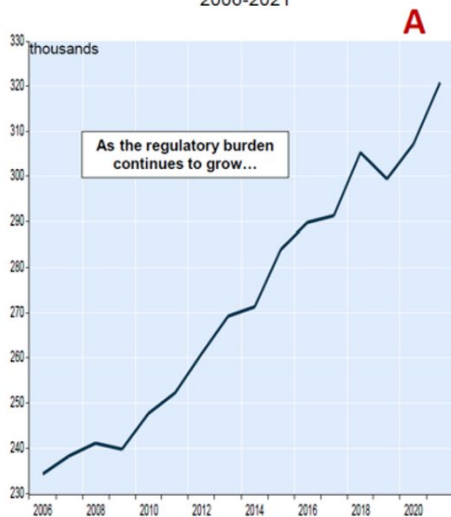
Consumer confidence index and economic policy uncertainty



NBC Economics and Strategy (data via Conference Board and Bloomberg)

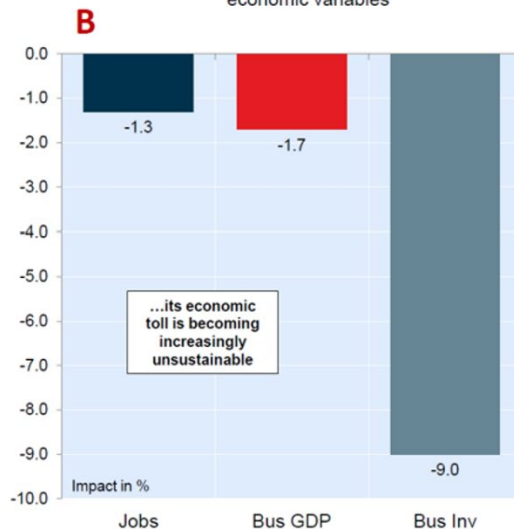
Canada: Is "regulation" the most beautiful word in our policymakers' dictionary?

Total number of regulatory requirements
2006-2021



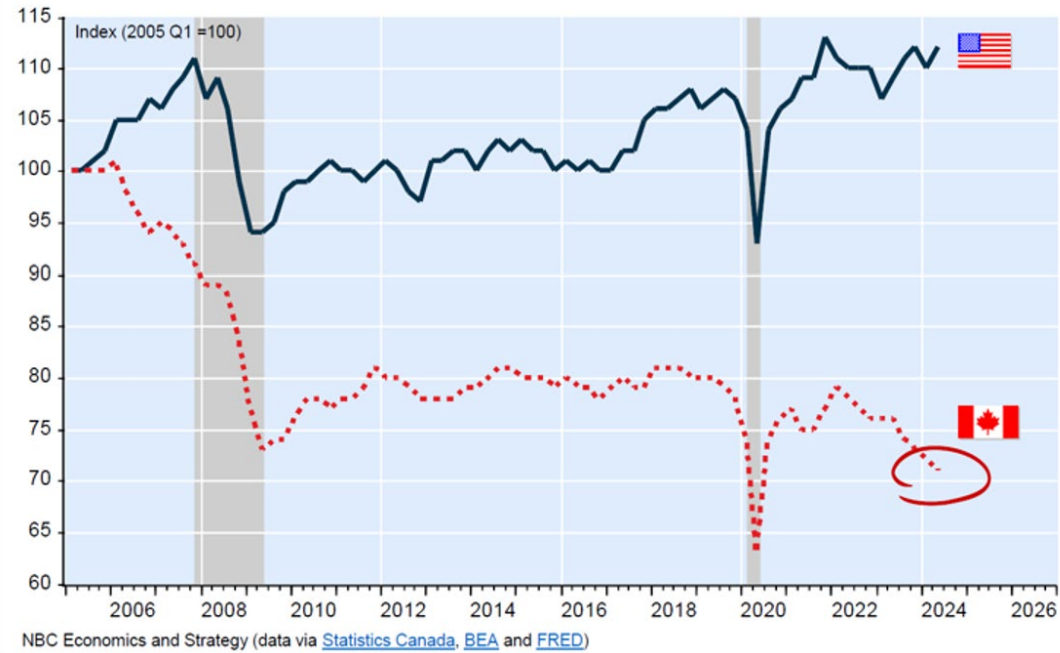
NBC Economics and Strategy (data via [Statistics Canada](https://www150.statcan.gc.ca/n1/pub/28-263-x/2021001/article/00001-eng.htm))

Cumulative Impact on key
economic variables



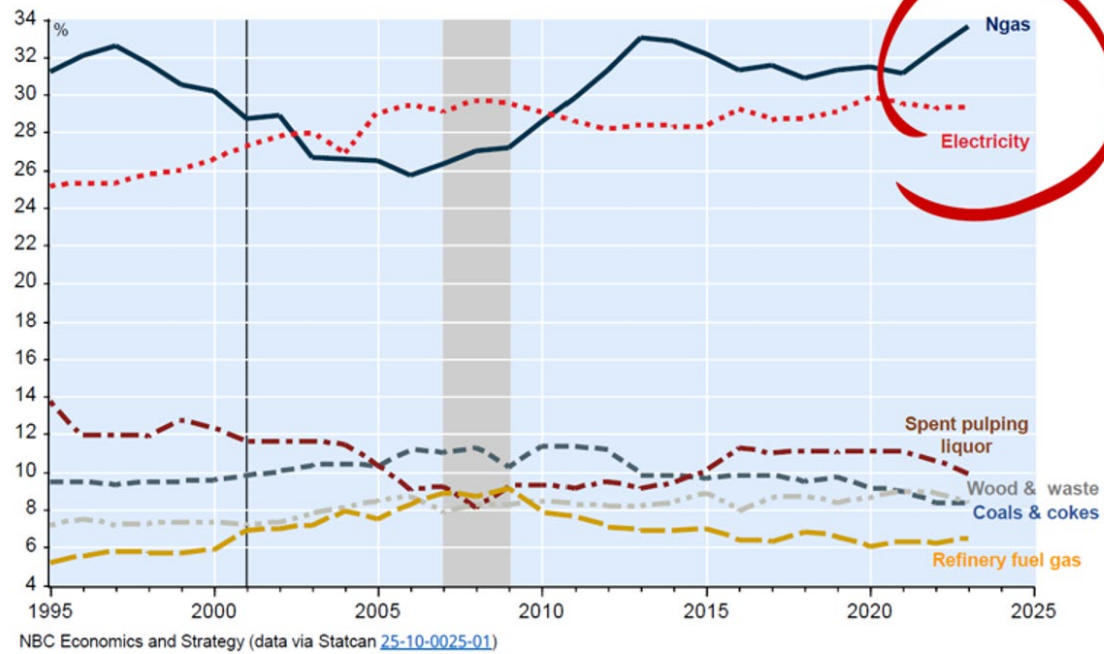
Canada: This atrophy is concerning

Manufacturing GDP Per Capita



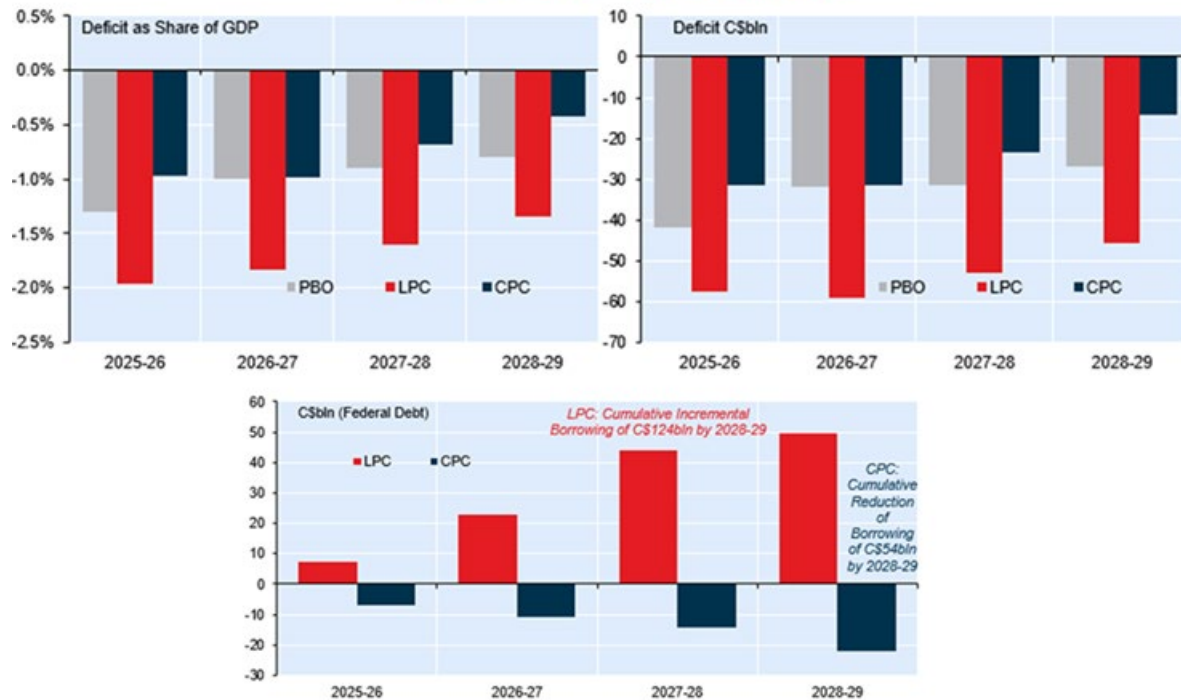
Canada: Manufacturing is energy intensive

Energy consumed by manufacturing sector

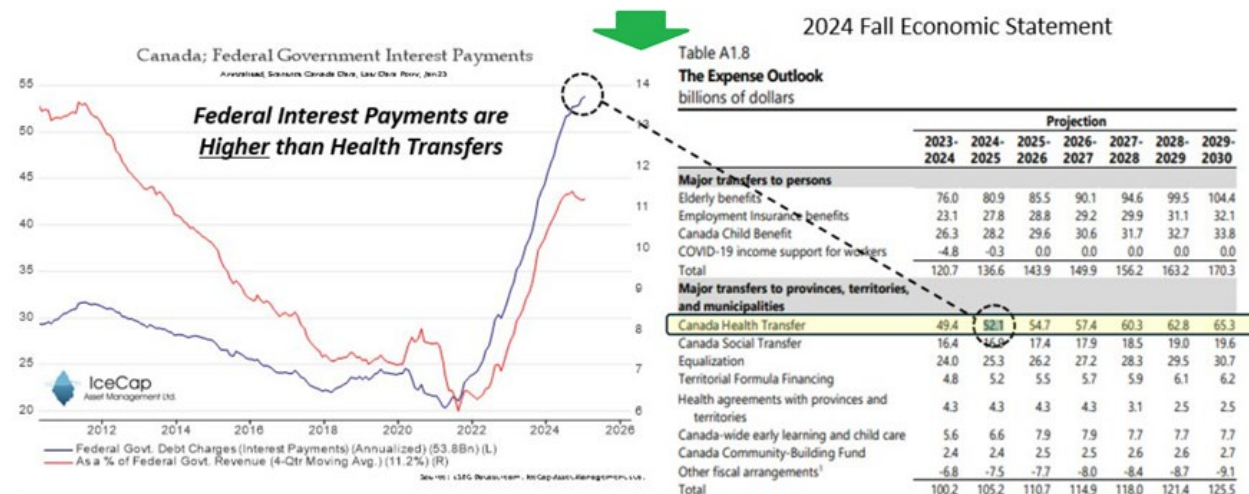


The two parties present very different plans for Canada's finances

LPC vs. PC Platform



Source: NBF



Source: @RichardDias_CFA

Canada: Foreign Investors dumped Canadian shares in Feburary



Source: The Daily Shot Apr 21, 2025

Summing it up: We still have hair. We think (some kind of) normal returns. Going against the American and Canadian economies has been a sucker's bet. For selected companies we follow, we believe investors have priced in enough trouble to make buying attractive.

Have a Great Weekend

Steve & Anna Hilberry



Steve Hilberry
Wealth Management Advisor, CIM

Anna Hilberry
Wealth Management Advisor, CIM

FOR THE RECORD Apr 24, 2025 close

DOW INDUSTRIALS:	40,093
S&P 500:	5,484
S&P/TSX COMP:	24,727
WTI:	\$62.79
LOONIE IN \$USD:	\$0.7215 \$US



April 25, 2025

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Canadian Investment Regulatory Organization (CIRO) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). NBF may act as financial advisor, fiscal agent or underwriter for certain companies mentioned herein and may receive remuneration for its services. NBF and/or its officers, directors, representatives or associates may have a position in the securities mentioned herein and may make purchases and/or sales of these securities from time to time on the open market or otherwise.

The information contained herein has been prepared by Steven Hilberry, a Portfolio Manager at NBF. The information has been obtained from sources we believe to be reliable, but are not guaranteed by us and may be incomplete. The opinions expressed are based upon our analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein. The opinions expressed do not necessarily reflect those of NBF. I have prepared this report to the best of my judgment and professional experience to give you my thoughts on various financial aspects and considerations. The securities or sectors mentioned in this letter are not suitable for all types of investors and should not be considered as recommendations. Please consult your investment advisor to verify whether the security or sector is suitable for you and to obtain complete information, including the main risk factors. Some of the securities or sectors mentioned may not be followed by the analysts of NBF.

Sent by
Montreal Office
National Bank Financial
Wealth Management
800 Saint-Jacques Street
Office 79721
Montreal, QC H3C 1A3
Ph: 514-879-2222

Toronto Office
National Bank Financial
Wealth Management
130 King Street West
Suite 3200
Toronto, ON M5X 1J9
Ph: 416-869-3707



CIRO
Canadian Investment
Regulatory
Organization



HILBERRY GROUP

