



MARKET COMMENTARY Q2 2019

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Overview

After a wild and disappointing Q4 2018, global markets rebounded sharply from last year's sell-off and positive momentum has generally carried forward through the second quarter of 2019. The primary drivers of this resurgence are led by increasing optimism for a trade deal between the United States and China, and the dovish stance among major global Central Banks including the U.S. Federal Reserve and European Central Bank. Other factors including better-than-expected corporate earnings, stable fundamental economic data, OPEC production cuts supporting rising global oil prices, and the Chinese government's new round of fiscal stimulus have all had positive incremental effects on global market sentiment. Collectively, these catalysts boosted global markets from January through April, and in fact, U.S. equity markets had their best four-month start to a year in decades. The market rally took a step back in May when the effect of the boost began to fade and trade talks between the U.S. and China unexpectedly broke down and President Trump threatened to add new import tariffs on another important trade partner, Mexico. These uncertainties sent U.S. stock prices reeling to their worst May performance of the last nine years, but similar to last January, the dissipation of turbulence and return of optimism instigated a sharp rebound in June that continues to push markets to new highs. Added to the mix in June were the positive forces of resumed trade talks between the U.S. and China at the G20 Summit, and a renewed dovish posture by global central banks. Market consensus now expects at least one rate cut by the U.S. Fed in the second half of 2019.

Economic fundamentals in Q2 have painted a mixed landscape. On the positive side, amid the backdrop of a slowing global economy, U.S. GDP expanded by 3.1% through the first quarter. The U.S. employment picture continues to be robust with the unemployment rate at 3.6% and consumer demand and the service sector showing resilience. While labour statistics have been solid,

worries that these levels may not be sustainable, particularly in light of the current stage of business cycle, continue to overhang the economy. From a chronological perspective, the current 122 month bull market run is the longest in history, and almost double the 66 months average length of the typical stage of business cycle. In late May, the yield curve began to invert, and when inversion occurs, recessions have historically followed on average within the proceeding 12 months. There is still considerable debate as to whether this signal is as relevant this time, considering the significant quantitative easing injected by global central banks. Taking a contrarian perspective, one could argue that investment and housing markets are far from overheating as another important indicator, high inflation, is notably absent.

Consensus forecasts for 2019 Canadian GDP growth now stand at 1.5% compared with 1.9% at the start of the year. The revised outlook reflects greater trade uncertainty, moderating housing activity and a more volatile commodity price environment than forecast at the start of this year. The BOC has maintained its benchmark short-term bank rate at 1.75% in anticipation of improvement in the second half of this year, driven by easing financial conditions and higher exports supported by prospects for U.S.-Mexico-Canada Trade Agreement negotiations.

Canada Equities

The S&P/TSX Composite index delivered a total return gain of 16.19% through the first half of 2019. A number of macroeconomic drivers continue to be the focus of equity investors, including the outlook for global trade, the pace of global economic growth, and their combined impact on the corporate earnings. Greater uncertainty has resulted in Bank of Canada adopting a more cautious approach to monetary policy which has been supportive of higher equity valuations. Technology was the best performing industry sector year-to-date June 30, generating a 43.22% total return for investors. The healthcare sector remains a close second with a year-to-date total

return of 35.24%, due largely in part to the strong rebound in cannabis stocks this year. Despite the recovery in crude-oil prices in 2019, the TSX energy sector underperformed the broader index with a year-to-date total return of 12.33%. The communication services sector generated the lowest return of the TSX industry sectors, rising a more modest 9.73% from January to June 30. While the performance of all Canadian industry sectors through the first half of 2019 appears buoyant, recall the losses experienced during the preceding quarter—so effectively the market has caught up to where it left off prior to the decline.

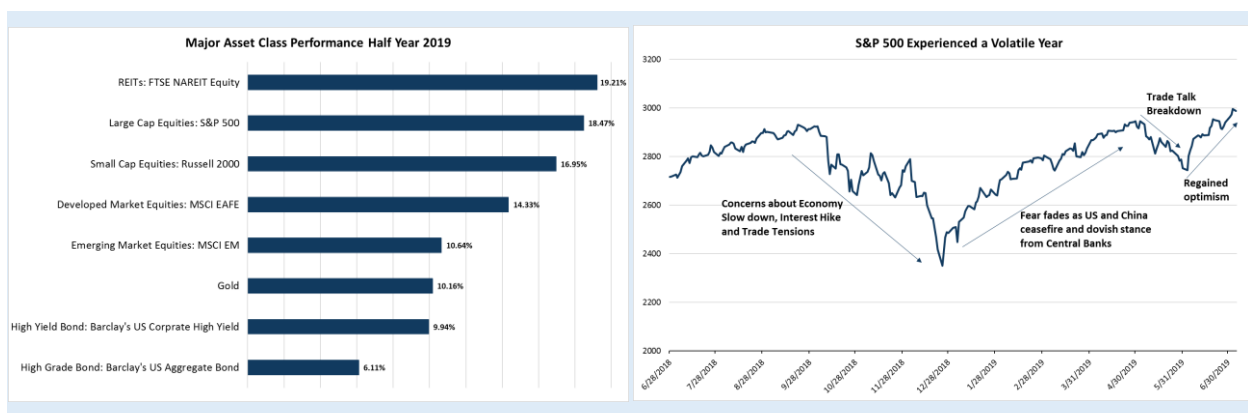
U.S. Equities

The S&P 500 index had a volatile second quarter, gaining 3.93% in April, followed by a 6.57% decline in May, and recovery of 6.89% in June. The first quarter's strong equity rally extended through the end of April as prices set an all-time high on April 30th, but then began a month-long retreat after U.S. trade negotiations collapsed. Markets had priced in an anticipated positive resolution to trade negotiations, so the surprise breakdown led investors to recalibrate the prolonged conflicts' impact on economic growth, corporate earnings and asset prices. A resumption in trade talks at the G20 Summit in the first week of July, along with a more dovish stance from Federal Reserve, helped the market to regain the optimism it had in June and recover from its earlier losses. Similar to the experience in Canada, the U.S. Technology sector

remained the top performing industry group with a year-to-date June 30 total return of 26.12%, followed by Consumer Discretionary and Industrials, which both delivered total returns greater than 20% for the same period. Healthcare was the weakest of the U.S. industry sectors over the same six month period generating only a 7.12% total return, but came out on top specifically in Q2, providing total returns of 3.79% over the quarter.

Global Equities

A significant factor affecting global equity markets has been the escalation (or potential for escalation) of trade wars. The MSCI Asia index managed to move only 0.04% higher in Q2 given that most economies in the region are heavily impacted by the U.S./China trade dispute. The Chinese stock market fell 3.62% during the second quarter, but from an economic perspective, China still expects an above 6% GDP growth rate for 2019 irrespective of the trade negotiation outcome. Chinese policymakers have put a continuous effort to stimulate the economy through credit infusion and tax cuts, both of which are showing early signs of success. In the Eurozone, the MSCI Europe index edged 0.65% higher during Q2 2019. European politics continue to promote an unpredictable influence on the region's economy, and a weakening trend in business investment, and further complexities for Brexit with the resignation of Prime Minister Theresa May continue to elevate uncertainties for the broader region.



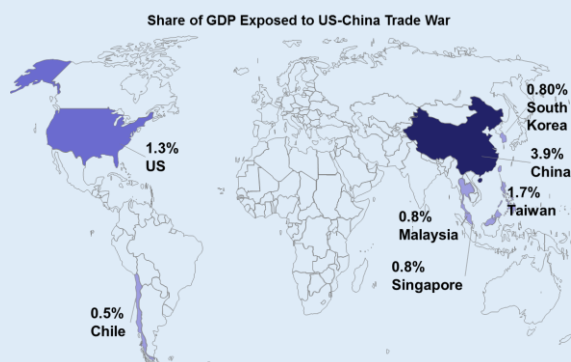
Trade Tension

A week before the one year anniversary of the United States implementing its first punitive tariffs against China on July 6th 2018, U.S. President Donald Trump and Chinese President Xi Jinping resumed trade talks at the G20 summit in Osaka, Japan. This was the third trade negotiation session between two parties in Q2 2019, following the first two in early April and May which both ended in stalemate. After Trump's new threat of additional tariffs on another US\$300 billion of Chinese imports, the Chinese government retaliated with tariffs of its own and a significant reduction in purchases of U.S. agricultural goods including soybean. The increasing tension plus Trump's sudden threat of adding new tariffs on Mexican imports were the major reasons for price pressure on U.S. equities in May.



China has surpassed Canada to become United States' largest trading partner since 2015, representing about 16% of U.S. total trade volume for calendar year 2018. While both the trade volume and trade deficit between the two parties has continued to increase over the last several years, in terms of China's exports as a percentage of total GDP, China's dependence on the U.S. market has been gradually decreasing. China also has multiple countermeasures it can leverage to put pressure on the Trump administration as part of its trade negotiation strategy and the balance of power between the sides in reaching an ultimate resolution may be more equal than the U.S. government would care to admit.

If both parties do not agree to step back from their escalating positions, the outlook for an agreement in the short-term may be dim. Besides the impact on consumers confidence, the potential effects on fundamentals could be substantial, and we have already seen some of these over the last several months. Specifically, rising costs from tariffs will be partly passed on to consumers, with the balance absorbed by compressed corporate profit margins. Declining sales volumes may then follow and capital investment could suffer. Global companies accustomed to largely unfettered international trade may find themselves facing barriers they have not encountered in decades. Smaller firms which cannot build inventories as readily as their larger counterparts, and who may not have as much financial flexibility will specifically be more vulnerable. By some estimates, as a worst case scenario, the impact of the currently implemented tariffs could negatively affect GDP growth rates for China, the U.S. and global economy by as much as 0.9%, 0.7% and 0.6% respectively by mid-2021.

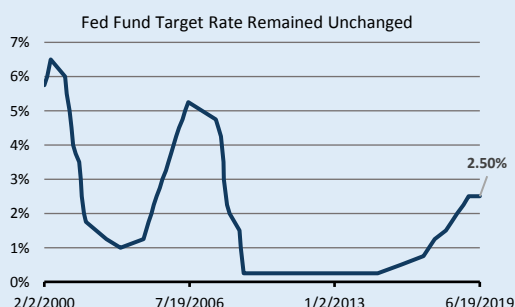


However, considering the substantial cost to both parties and the global economy, it is unlikely that we will see an all-out trade war between the U.S. and China for an extended period. With the 2020 U.S. Presidential election looming, Trump will need to assess the impact that trade relations with China will have on the domestic economy and voter sentiment, and most importantly their effect on his bid for re-election.

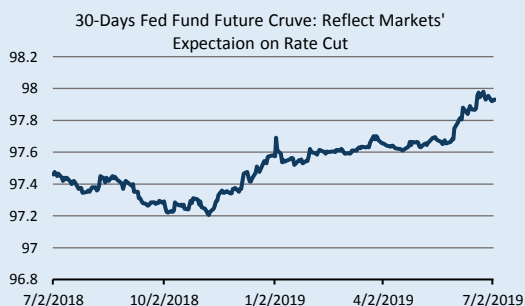
Source: Bloomberg; US Census Bureau

Federal Reserve Interest Rate Decision

The Federal Reserve has increased short-term interest rates nine times since 2015. When the Fed first raised rates in 2015, the move was viewed as a positive development because it signaled the central bank's confidence in maintaining a reasonable level of growth while reducing excessive monetary stimulus. With the Federal Reserve's continuous effort of restoring short-term interest rates to more normalized and neutral levels, the fed funds target rate has increased from near zero to its current level of 2.50%.



Similar to the Fed's decision to hold the line on rates in Q4 2018, when concerns for slowing economic growth and geopolitical uncertainties weighed, the current macroeconomic environment presents similar circumstances, but as in Q4 the FOMC held rates steady at its last meeting on June 19th.

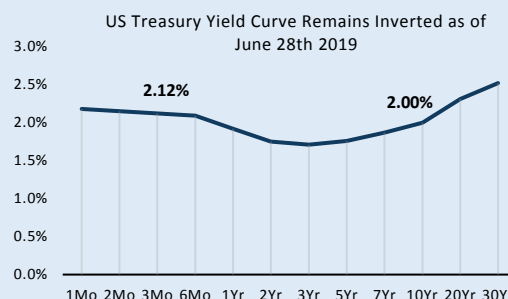


While the June decision was not a surprise to investors, the Fed's dovish stance gives the market more reason to believe that a rate cut will follow in July 2019. A rate cut would provide a boost to both the economy and capital markets in the near term, but the more significant problem may be rooted in the trade negotiations between the U.S., China, and Europe.

Source: Bloomberg; US Federal Reserve

Yield Curve

On May 23rd, 2019, U.S. 10-year treasury yields fell to 2.31%, and below the 3-month treasury rate of 2.37% presenting the first signs of an inverted yield curve. By the end of June the level of inversion increased to over 12 bps.



While the stock market has a spotty track record at accurately forecasting a downturn in the economy, the inversion of the yield curve has been widely regarded as a reliable leading indicator. In the past 60 years in the U.S., whenever the yield curve has inverted, with only one exception in 1960s, a recession has followed. Based on average historical time frames, an inversion usually appears 10 to 18 months prior to confirmation of a downturn, but the last time the yield curve inverted was 24 months before the 2008 global financial crisis.

It can be dangerous to ignore history, as history generally repeats but this does not mean that a recession is necessarily just around the corner. Considering the Fed Reserve's effort to gradually unwind monetary stimulus since 2015, and the fact that the yield curve systematically flattens and inverts during brief periods of monetary policy tightening, many economists suggest this time could be another exception. However, investors are reminded that interest rates remain historically low and market consensus is expecting and has priced in at least one addition cut in the second half 2019.

Inversion also does not predict the precise timing of possible recession. In fact, the S&P500 increased an incremental 17% from the last inversion in 2006 before reaching its ultimate peak in 2007, and heading into the financial crisis in 2008.

Source: US Department of Treasury

Key Economic Indicators

Canada

Canada's GDP expanded at an annualized pace of just 0.4% in Q1 2019. While energy exports were the major headwind during the first quarter, the newly released April GDP data showed easing signs in both the energy sector and housing market. In fact, both the mining, and oil & gas industries saw one of the strongest monthly increases in recent years as output ramped up alongside production limits in Alberta. Employment numbers were also positive, with Canada adding another 28,000 jobs in May, building on the 107,000 job increase posted in April and lowering the unemployment rate to 5.4%. Inflation came in at 2.4% for May, which was stronger than expected and suggests that the Canadian economy recovers with increasing signs of improving domestic demand. The Markit Canada PMI Index slipped below 50 twice during the second quarter, signaling weaker business confidence in light of heightened global economic uncertainty. However, the Business Barometer Index by CFIB, which measures Canadian small business confidence, sent a conflicting signal as it rose five points in May and June to a year-high of 61.5.

United States

The U.S. had a blistering first quarter with annualized GDP growth of 3.1%, boosted by a build-up in inventories and an increase in net exports. Growth subsequently slowed through the second quarter as business fixed investment weakened amid concerns of escalating trade tensions between the U.S. and China. GDP growth for 2019 is estimated at 2.5% and is expected to slow to 1.8% by 2020. Non-farm payrolls increased by 75,000 in May, well below the consensus estimate of 175,000. Wages were slightly weaker than expected but still managed to grow by 0.2% month-over-month and 3.1% year-over-year.

While the pace of job growth has slowed, the overall labour market remains vibrant as the unemployment rate sits at a solid 3.6%, which is the lowest level in the last 50 years. Inflation remains in check at 1.8%, and provides flexibility for the FOMC to apply modest monetary stimulus as required. The seasonally adjusted Markit PMI Index posted 50.6 in June, broadly in line with its 50.5 level in May, and signaling a marginal improvement in the U.S. manufacturing sector.

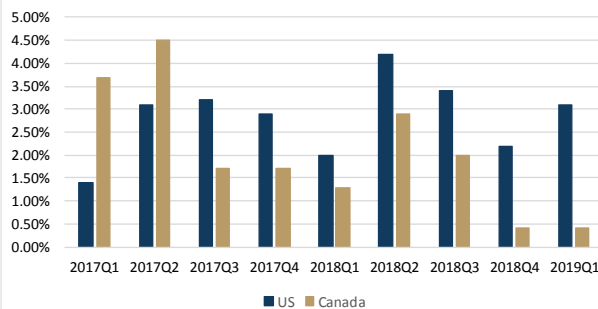
World

The growth dynamics in the Eurozone improved slightly in the first quarter after a sharp slowdown in second half last year. Across the region, GDP growth advanced a modest 0.4% in Q1 and the European Central Bank now expects a full year growth rate of 1.1% for 2019. Most large Eurozone economies have improved, led by particularly strong gains in Spain whose GDP advanced 0.7% in Q1, following a 2.5% growth rate in 2018. Both Germany and Italy displayed positive growth trajectories in the first quarter after showing stagnant growth in prior periods. Solid regional demand drove the acceleration, with household spending improving, boosted by a falling unemployment rate and wage growth. The major challenges for the region remain Brexit and rising protectionism, which have both weighed on trade and business investment growth.

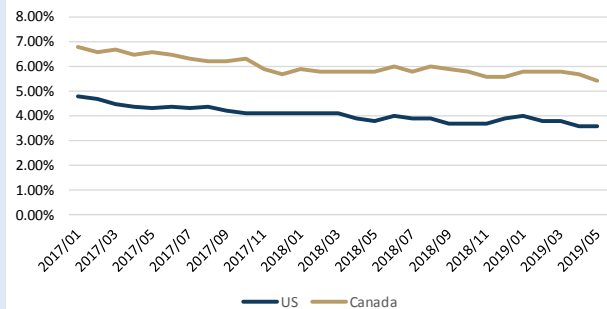
Growth across East Asia and the Pacific is projected to soften to 6.0% in 2019 and 2020, down from 6.3% in 2018, largely reflecting the effects of global headwinds. Fortunately demand has remained strong across much of the region, partly offsetting the impact of slowing exports. China's economy, despite sizeable challenges, is still expected to see growth in the range of 6.0%+ through 2019.

Graphs of Key Economic Indicators

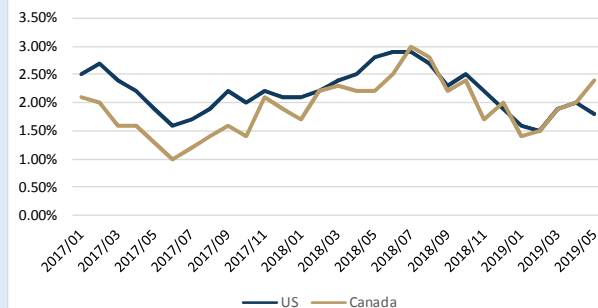
US & Canada Quarter GDP Growth



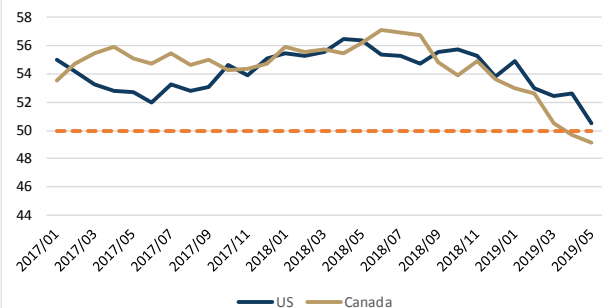
US & Canada Monthly Unemployment Rate



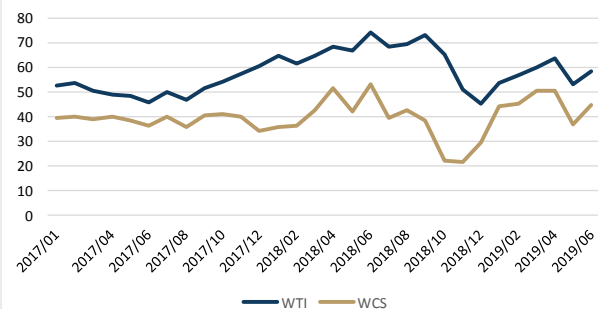
US & Canada YoY Monthly CPI



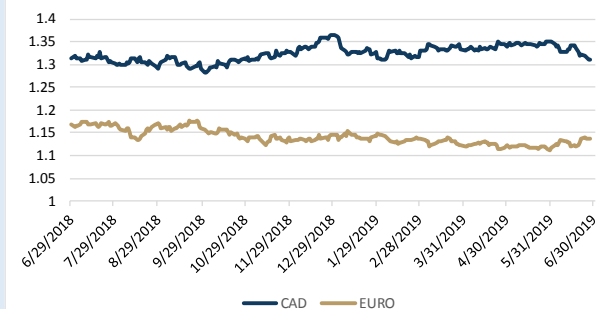
US & Canada PMI



WTI & WCS

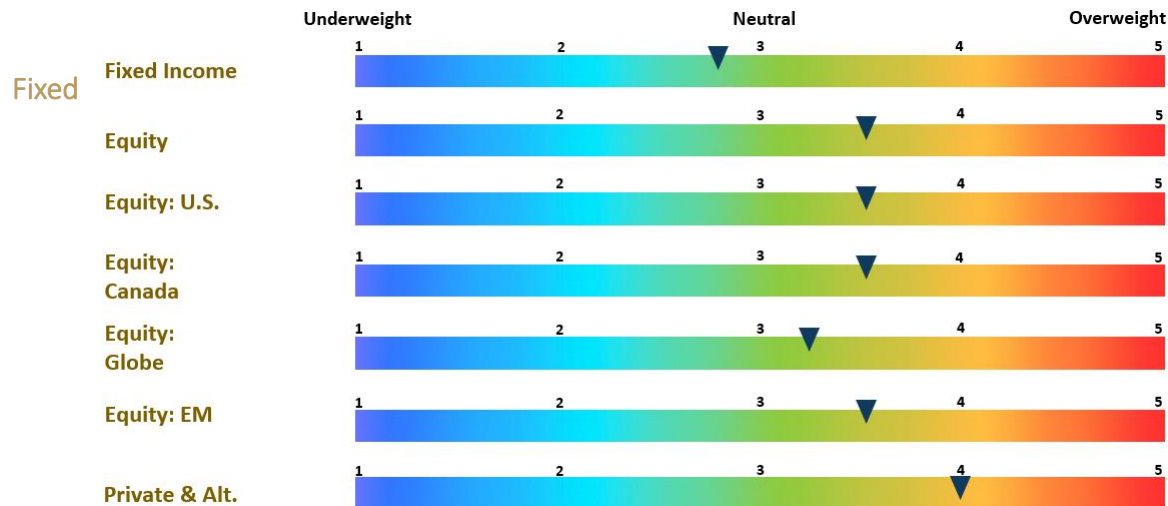


CAD & EUR FX Spot



Source: Bloomberg

Tactical Asset Allocation



Income

Not surprisingly, global developed market government bonds rallied during the eventful second quarter as capital flowed to quality and safety. The US 10-year treasury yield fell 41 basis points between April and June to its lowest level since 2017 as investors sought safe haven against a mixed macroeconomic backdrop and intensifying geopolitics uncertainty. Credit markets have maintained their posture, particularly in June, as markets priced in at least one rate cut by the U.S. Fed through the second half of 2019. While investors remain worried about the future, fundamental economic data is not all bad news and discounting trade tensions, market expectations for further monetary stimulus would likely be lower or non-existent. In the short-term, we recommend a neutral view on fixed income. Over the longer-term, as government bond yields inevitably rises to more historically normal and sustainable levels, pressure on prices motivate an underweight positioning for fixed income assets.

Equities

Amid a slowing global economic backdrop, the equity market outlook remains fragile yet generally stable. Protectionism and global trade tension is arguably the most significant threat, but markets also face other challenges including Brexit and

decelerating Chinese growth. On the positive side, both the United States and China have experienced relatively solid GDP growth over the last two quarters, and central banks around the globe are actively deploying fiscal stimulus. While the extended duration of the current stage of business cycle and recent yield curve inversion are cautionary signs, the timing of the next economic downturn and market reversal is not necessarily immediate. History demonstrates that bull cycles last on average 12 months beyond the first warning signs become evident. As a result, we believe it may be premature for investors to move below “neutral” on equity allocations but a more cautious posture to higher quality, defensive names may be prudent.

Private & Alternative

We recommend a strategic allocation to Private and Alternative assets as it is important for investors to build a portfolio that reflects appropriate diversification, low cross-correlation among major asset categories, and measured impact to market volatility given current conditions. A meaningful but suitable allocation to private and alternative investments can provide stability across varying economic cycles and changing market conditions, serving to smooth out the long-term path for value accretion and portfolio growth.

Appendix

Canada & U.S. Equity Universe Q2 2019

Sector	SP/TSX Comp.	S&P/TSX Leaders/Laggards				S&P 500	S&P 500 Leaders/Laggards			
Health Care	33.09%	Leaders		Laggards			Leaders		Laggards	
		Aurora Cannabis Inc.	+45.58%	Cantrust Holdings	-2.28%		Dentsply Sirona Inc.	+56.84%	Mylan NV	-30.51%
		Hexo Corp	+44.59%	Knight Therapeutics	-1.43%	+7.12%	Metter-Toledo Int.	+48.52%	Biogen Inc.	-22.28%
		Canopy Growth Corp	+44.33%	Chartwell Retirement	+12.58%		Idexx Laboratories Inc.	+48.01%	Abbvie Inc.	-21.12%
		Cronos Group Inc.	+39.29%	Aphria Inc.	+13.50%		Celgene Corp.	+44.23%	ABIOMED Inc.	-19.86%
Information Technology	+45.41%	Leaders		Laggards			Leaders		Laggards	
		Shopify Inc.	+116.21%	Celestica Inc.	-24.41%		XEROX Corp	+79.20%	F5 Networks Inc.	-10.12%
		Constellation	+41.71%	Sierra Wireless Inc.	-13.80%	+26.12%	AMD	+64.52%	Alliance Data Sys	-6.63%
		Descartes Systems	+35.44%	Blackberry Ltd.	-0.21%		Cadence Design Sys	+62.83%	Citrix Systems Inc.	-4.22%
		Kinaxis Inc.	+24.02%	Enghouse Systems Ltd.	+6.79%		Total System Services	+57.79%	Juniper Networks	-10.4%
Real Estate	15.15%	Leaders		Laggards			Leaders		Laggards	
		OpenText Corp	+23.46%	CGI Inc.	+21.44%		Global Payment Inc	+55.27%	Cognizant Tech	-0.14%
		Summit Industrial	+36.72%	Tricon Capital Group	+4.95%		Equinix Inc.	+43.04%	Macerich Co/The	-22.62%
		Altus Group Ltd.	+35.53%	Boardwalk Real Estate	+6.85%	+18.48%	SBA Communications	+38.88%	Simon Property Group	-4.90%
		Firstservice Corp	+35.36%	Interrent Real Estate	+7.51%		Prologis Inc.	+36.41%	Iron Mountain Inc.	-3.42%
Utilities	+21.09%	Leaders		Laggards			Leaders		Laggards	
		Artis Real Estate	+27.06%	Allied Properties	+8.15%		American Tower Corp	+29.24%	SL Green Realty Corp	+1.63%
		Dream Industrial	+26.37%	Smartcentres	+9.41%		CBRE Group	+28.12%	Vornado Realty Trust	+3.34%
		Transalta Corp	+47.94%	Hydro One Ltd.	+13.78%		American Water Works	+27.80%	NRG Energy Inc.	-11.31%
		Altagas Ltd.	+43.60%	Innergex Renewable	+14.19%	+12.82%	Sempra Energy	+27.04%	Centerpoint Energy	+1.42%
Industrials	+22.76%	Leaders		Laggards			Leaders		Laggards	
		Superior Plus Corp	+39.36%	Capital Power Corp	+14.52%		Southern Co/The	+25.87%	Duke Energy Corp	+2.25%
		Transalta	+35.10%	Fortis Inc.	+14.74%		XCEL Energy Inc.	+20.74%	Evergy Inc.	+5.95%
		Brookfield Renewable	+32.96%	Atco Ltd.	+15.49%		WEC Energy Group	+20.37%	Exelon Corp	+6.30%
		Westjet Airlines Ltd.	+70.61%	SNC-Lavalin Group	-41.88%		Copart Inc.	+56.43%	3M Co	-9.03%
Energy	+10.04%	Leaders		Laggards			Leaders		Laggards	
		Air Canada	+60.75%	Transcontinental	-22.18%	+20.20%	Arconic Inc.	+53.14%	WW Grainger Inc.	-5.00%
		Boyd Group Income	+51.66%	Mullen Group Ltd.	-18.96%		Fortune Brands Home	+50.38%	Nielsen Holdings PLC	-3.13%
		Badger Daylighting	+51.01%	Ritchie Bros	-1.10%		Equifax Inc.	+45.22%	Hunt Transprt Svcs	-1.75%
		ATS Automation	+47.81%	Russell Metals Inc.	-1.08%		Jacobs Engineering	+44.36%	Pentair PLC	-1.54%
Financials	+13.80%	Leaders		Laggards			Leaders		Laggards	
		TC Energy Corp	+33.50%	Peyto Exploration	-44.21%		Anadarko Petroleum	+60.95%	Occidental Petroleum	-18.08%
		Keyera Corp	+30.84%	Seven Generations	-41.20%	+11.13%	HESS Corp	+56.96%	Halliburton Co	-14.45%
		Parex Resources Inc.	+24.59%	Nuvista Energy Ltd.	-37.99%		Kinder Morgan Inc.	+35.76%	National Oilwell Varco	-13.50%
		Gibson Energy Inc.	+24.57%	Meg Energy Corp	-34.11%		Technipfmc PLC	+32.48%	Hollyfrontier Corp	-9.47%
Consumer Discretionary	+14.21%	Leaders		Laggards			Leaders		Laggards	
		Cenovus Energy Inc.	+22.40%	Gran Tierra Energy	-33.56%		Oneok Inc.	+27.54%	Marathon Petroleum	-5.30%
		Element Fleet	+42.26%	CIBC	+2.68%		MSCI Inc.	+61.97%	State Street Corp	-11.11%
		Home Capital Group	+39.79%	Bank of Nova Scotia	+4.25%	+15.92%	Marketaxess	+52.11%	Bank of New York	-6.20%
		TMX Group Ltd.	+31.37%	Great-West Lifeco Inc	+7.35%		Synchrony Financial	+47.78%	Affiliated Managers	-5.44%
Consumer Staples	+12.85%	Leaders		Laggards			Leaders		Laggards	
		ECN Capital Corp	+26.67%	Fairfax Financial	+7.52%		Moody's Corp	+39.47%	Schwab Corp	-3.23%
		CI Financial Corp	+26.39%	Genworth MI Canada	+8.31%		Ameriprise Financial	+39.08%	E*Trade Financial	1.64%
		Dollarama Inc.	+49.12%	Canada Goose	-10.87%		Chipotle Mexican Grill	+69.73%	Nordstrom Inc.	-31.65%
		BRP Inc.	+37.52%	Great Canadian Gaming	-6.83%	+20.99%	Under Armour	+43.46%	Gap Inc	-30.24%
Communication Services	+7.38%	Leaders		Laggards			Leaders		Laggards	
		Hudson's Bay Co	+34.71%	Sleep Country	-3.46%		Ulta Beauty Inc.	+41.68%	Kohls Corp	-28.32%
		Restaurant Brands Int	+28.81%	Martina Int. Inc.	-2.49%		Ebay Inc.	+40.72%	Macy's Inc.	-27.94%
		Gildan Activewear Inc	+22.42%	Stars Group Inc.	-2.35%		Carmax Inc.	+38.42%	Foot Locker Inc.	-21.20%
		Alimentation Couche	+23.41%	Cott Corporation	-9.31%		Coty Inc.	+104.27%	Kraft Heinz Co	-27.88%
Materials	+12.57%	Leaders		Laggards			Leaders		Laggards	
		Premium Brands	+22.76%	North West Co Inc.	-4.87%	+14.46%	Tyson Foods Inc.	+51.20%	Kroger Co	-21.05%
		Empire Co Ltd.	+13.84%	Saputo Inc.	+1.20%		Estee Lauder Co	+40.75%	Walgreen Boots	-19.99%
		Weston Ltd.	10.82%	Maple Leaf Foods	+5.67%		General Mills Inc.	+34.87%	Lamb Weston	-13.87%
		Loblaw Companies	+9.62%				Mondelez Int.	+34.65%	Kellogg Co	-6.03%
		Leaders		Laggards			Leaders		Laggards	
		Cogeco	+43.17%	Cineplex Inc.	-9.63%		Dish Network Corp	+53.82%	Centurylink Inc.	-22.38%
		BCE Inc.	+10.48%	Rogers	+0.20%	+18.34%	Facebook Inc.	+47.23%	Tripadvisor Inc.	-14.18%
		Quebecor Inc.	+8.52%				Charter	+38.67%	Fox Corp - Cls A	-7.82%
		Shaw Communication	+8.13%				Netflix Inc.	+37.23%	Fox Corp - Cls B	-6.81%
		Leaders		Laggards			Leaders		Laggards	
		Telus Corp	+6.98%				Electronic Arts Inc.	+28.32%	Activision Blizzard	+1.35%
		Ero Copper Corp	+125.89%	Canfor Corp	-33.45%		Ball Corp	+52.22%	Mosaic Co	-14.31%
		Eldorado Gold	+104.75%	Oceanagold Corp	-30.32%	+15.96%	Air Products & Chemical	+41.44%	Aibemarle Corp	-8.64%
		Ivanhoe Mines Ltd	+87.34%	Turquoise Hill	-28.89%		Vulcan Materials	+38.98%	Westrock Co	-3.42%
		Leaders		Laggards			Leaders		Laggards	
		Alacer Gold Corp	+78.97%	Pan American Silver	-15.30%		Ecolab Inc.	+33.99%	Dupont De Nemours	-1.34%
		Semafo Inc.	+68.81%	Western Forest	-13.23%		Marin Marietta	+33.89%	Dow Inc.	-1.08%

Source: Bloomberg

Key Economy Indicators – Canada



Labour Market Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Net Change in Employment	Mar	5-Apr-19	6000	-7200	55900	--
Unemployment Rate	Mar	5-Apr-19	5.80%	5.80%	5.80%	--
Participation Rate	Mar	5-Apr-19	65.7%	65.7%	65.8%	--
Net Change in Employment	Apr	10-May-19	11600	106500	-7200	--
Unemployment Rate	Apr	10-May-19	5.80%	5.70%	5.80%	--
Participation Rate	Apr	10-May-19	65.7%	65.9%	65.7%	--
Net Change in Employment	May	7-Jun-19	5000	27700	106500	--
Unemployment Rate	May	7-Jun-19	5.7%	5.4%	5.7%	--
Participation Rate	May	7-Jun-19	65.80%	65.70%	65.90%	--

Manufacturing Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Markit Canada Manufacturing PMI	Apr	1-May-19	--	49.7	50.5	--
Markit Canada Manufacturing PMI	May	3-Jun-19	--	49.1	49.7	--
Capacity Utilization Rate	1Q	7-Jun-19	81.00%	80.90%	81.70%	81.80%

GDP Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
GDP YoY	Feb	30-Apr-19	1.40%	1.10%	1.60%	--
GDP MoM	Feb	30-Apr-19	0.00%	-0.10%	0.30%	--
GDP YoY	Mar	31-May-19	1.20%	1.40%	1.10%	--
GDP MoM	Mar	31-May-19	0.40%	0.50%	-0.10%	-0.20%
Quarterly GDP Annualized	1Q	31-May-19	0.70%	0.40%	0.40%	0.30%
GDP YoY	Apr	28-Jun-19	1.60%	1.50%	1.40%	--
GDP MoM	Apr	28-Jun-19	0.20%	0.30%	0.50%	--

Housing Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Housing Starts	Apr	8-May-19	195500	235500	192500	192000
New Housing Price Index YoY	Mar	9-May-19	0.10%	0.10%	0.10%	--
Building Permits MoM	Mar	10-May-19	2.40%	2.10%	-5.70%	-4.90%
Housing Starts	May	10-Jun-19	207500	202300	235500	233400
Building Permits MoM	Apr	10-Jun-19	1.80%	14.70%	2.10%	2.80%
New Housing Price Index YoY	Apr	13-Jun-19	0.10%	0.10%	0.10%	--

Price Inflation Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
CPI YoY	Apr	15-May-19	2.00%	2.00%	1.90%	--
CPI Core YoY%	Apr	15-May-19	1.80%	1.80%	1.80%	--
Industrial Product Price MoM	Apr	31-May-19	0.70%	0.80%	1.30%	--
CPI YoY	May	19-Jun-19	2.10%	2.40%	2.00%	--
CPI Core YoY%	May	19-Jun-19	1.90%	1.80%	1.80%	--
Industrial Product Price MoM	May	28-Jun-19	-0.10%	0.10%	0.80%	--

Trade Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Current Account Balance	1Q	30-May-19	-\$18.10b	-\$17.40b	-\$15.50b	-\$16.60b

Source: Bloomberg

Key Economy Indicators – U.S.



Labor Market Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
ADP Employment Change	Apr	1-May	180,000	275,000	129,000	158,000
Unemployment Rate	Apr	3-May	3.80%	3.60%	3.80%	--
Average Hourly Earnings MoM	Apr	3-May	0.30%	0.20%	0.10%	0.20%
Average Hourly Earnings YoY	Apr	3-May	3.30%	3.20%	3.20%	--
Labor Force Participation Rate	Apr	3-May	63.00%	62.80%	63.00%	--
ADP Employment Change	May	5-Jun	185,000	27,000	275,000	255,000
Unemployment Rate	May	7-Jun	3.60%	3.60%	3.60%	--
Average Hourly Earnings MoM	May	7-Jun	0.003	0.002	0.002	--
Average Hourly Earnings YoY	May	7-Jun	3.20%	3.10%	3.20%	--

Price Inflation Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
CPI YoY	Mar	10-Apr	1.80%	1.90%	1.50%	--
CPI Ex Food and Energy YoY	Mar	10-Apr	2.10%	2.00%	2.10%	--
CPI YoY	Apr	10-May	2.10%	2.00%	1.90%	--
CPI Ex Food and Energy YoY	Apr	10-May	2.10%	2.10%	2.00%	--
CPI YoY	May	12-Jun	1.90%	1.80%	2.00%	--
CPI Ex Food and Energy YoY	May	12-Jun	2.10%	2.00%	2.10%	--

GDP Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
GDP Annualized QoQ	1Q A	26-Apr	2.30%	3.20%	2.20%	--
Personal Consumption	1Q A	26-Apr	1.00%	1.20%	2.50%	--
GDP Annualized QoQ	1Q S	30-May	3.00%	3.10%	3.20%	--
Personal Consumption	1Q S	30-May	1.20%	1.30%	1.20%	--
GDP Annualized QoQ	1Q T	28-Jun	3.20%	3.10%	3.10%	--
Personal Consumption	1Q T	28-Jun	1.30%	0.90%	1.30%	--

Housing Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Housing Starts MoM	Apr	16-May	6.20%	5.70%	-0.30%	4.40%
Building Permits MoM	Apr	16-May	0.10%	0.60%	-1.70%	-0.20%
Housing Starts MoM	May	18-Jun	0.30%	-0.90%	5.70%	6.80%
Building Permits MoM	May	18-Jun	0.10%	0.30%	0.60%	0.20%

Manufacturing Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Markit US Manufacturing PMI	Apr	1-May	52.4	52.6	52.4	52.6
Markit US Manufacturing PMI	May	3-Jun	50.6	50.5	52.6	50.5

Consumer Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Personal Income	Mar	29-Apr	0.40%	0.10%	0.20%	--
Personal Spending	Mar	29-Apr	0.70%	0.90%	--	-0.20%
Personal Income	Apr	31-May	0.30%	0.50%	0.10%	--
Personal Spending	Apr	31-May	0.20%	0.30%	0.90%	1.00%
Personal Income	May	28-Jun	0.30%	0.50%	0.50%	--
Personal Spending	May	28-Jun	0.50%	0.40%	0.30%	0.60%

Trade Data						
Event	Period	Date	Consensus Est.	Actual	Prior	Revised
Trade Balance	Mar	9-May	-\$50.1b	-\$50.0b	-\$49.4b	-\$50.0b
Trade Balance	Apr	6-Jun	-\$50.7b	-\$50.8b	-\$50.0b	-\$51.9b
Current Account Balance	1Q	20-Jun	-\$124b	-\$130b	-\$134b	-\$144b

Source: Bloomberg

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