



Economics

Avery Shenfeld
(416) 594-7356
avery.shenfeld@cibc.com

Benjamin Tal
(416) 956-3698
benjamin.tal@cibc.com

Andrew Grantham
(416) 956-3219
andrew.grantham@cibc.com

Royce Mendes
(416) 594-7354
royce.mendes@cibc.com

Katherine Judge
(416) 956-6527
katherine.judge@cibc.com

<http://economics.cibccm.com>

THE WEEK AHEAD

November 19-23, 2018

Which Way is the Fiscal Wind Blowing?

by Avery Shenfeld

Canada's economy has a new headwind in soft oil prices, but in the week ahead, markets will be looking for a tailwind from Ottawa. Although it's only a fiscal update, not a budget, many are hoping Finance Minister Morneau will unveil at least a partial response to the competitive challenges posed by last year's US tax reforms. In particular, markets are watching for a made-in-Canada version of the accelerated depreciation allowances provided to American corporates undertaking capital investments in that country.

If Morneau delivers on that hope, some will see it as a new tailwind for a Canadian economy that has not fared well in attracting business capital spending, with the US showing non-residential capital spending up 20% more since 2009 than in Canada. The energy sector's larger weight in Canada saw cap-ex soften much more sharply when oil prices weakened in late 2014, and we might be fated for something similar now, even with a dose of tax relief.

Still, even with a new business incentive, the overall fiscal thrust in Canada will not necessarily entail a net stimulus. For one, past updates and budgets have shown that the federal government is lagging behind its plans to spend on infrastructure projects across the country. In trying to spend wisely, and in concert with other levels of government, it's taking longer to get the funds out the door and the shovels into the ground. We might see more of the same in the week ahead update. As well, at least in the near term, the Liberals will be incented to keep their powder dry, saving fiscal room against their deficit targets for announcements close to next fall's election.

Provinces count a lot for the country's overall fiscal thrust. The mid-year update from Ontario trimmed this year's projected deficit by a half billion, but at \$14.5 bn, it's still far too wide for this stage of the business cycle. The overall tone in the statement was that while there is targeted tax relief for low income earners, there are big deficits to address, hinting at significant spending cuts in the 2019 budget. On balance, Ontario will still be tightening.

The direction in other large provinces is less clear. Québec's new government inherited a solid annual balance, but the province still has its work to do in trimming its debt/GDP ratio. That doesn't leave a lot of room for a fiscal ease overall, nor does its full-employment status make one logical for this stage of the cycle.

BC is a low-debt province that has been in surplus, but its 2018/19 budget showed a spike in capital spending that then falls off in the coming year, although its planning for a smaller surplus (before ICBC impacts) in 2019/20. Alberta could take a revenue hit if WCS prices stay depressed, and having run up deficits when the province went into recession in 2015, whichever party emerges as the winner in the coming election might feel that fiscal room is now more limited.

Overall, then, it's not clear that fiscal policy in Canada will be a net tailwind in 2019. Remember that the Fed's rate hikes are partly coming as an offset to the growth lift from an upturn in US federal spending and tax cuts. Without a parallel here, that's one reason for the Bank of Canada to take a more cautious approach.



Week Ahead Calendar And Forecast

	CANADA		UNITED STATES			
	CIBC	Consensus	Prior	CIBC	Consensus	Prior
Monday November 19	AUCTION: CASH MANAGEMENT BILLS \$3.5B			AUCTION: 3- M BILLS \$42B, 6-M BILLS \$36B		
				NAHB HOUSING INDEX	(Nov) (L)	68
Tuesday November 20	CASH MANAGEMENT BUYBACK (May'19-May'20) - \$0.5B			Speaker: 10:45 AM William C. Dudley (President, New York)		
				AUCTION: 4-WEEK BILLS \$50B (prev)		
				AUCTION: 8-WEEK BILLS \$30B (prev)		
				8:30 AM		
				HOUSING STARTS SAAR	(Oct) (M)	1230K
				BUILDING PERMITS SAAR	(Oct) (H)	1260K
						1201K
						1270K
Wednesday November 21	Speaker: 5:00 PM Timothy Lane (Deputy Gov.) Speaker: 12:45 PM Carolyn Wilkins (Sr. Deputy Gov.)			Speaker: 10:45 AM William C. Dudley (President, New York)		
				7:00 AM		
				MBA-APPLICATIONS	(Nov 16) (L)	-3.2%
				8:30 AM		
				WHOLESALE TRADE M/M	(Sep) (M)	0.1%
				INITIAL CLAIMS	(Nov 17) (M)	215K
				CONTINUING CLAIMS	(Nov 10) (L)	1650K
				DURABLE GOODS ORDERS M/M	(Oct) (H)	-2.2%
				DURABLE GOODS ORDERS EX-TRANS M/M	(Oct) (H)	0.7%
						0.0%
				10:00 AM		
				LEADING INDICATORS M/M	(Oct) (M)	0.1%
				EXISTING HOME SALES SAAR	(Oct) (M)	5.20M
				EXISTING HOME SALES M/M	(Oct) (M)	1.0%
				MICHIGAN CONSUMER SENTIMENT	(Nov) (H)	98.3
						98.3
Thursday November 22				Markets Closed (Thanksgiving Day)		
Friday November 23	Speaker: 9:45 AM Carolyn Wilkins (Sr. Deputy Gov.)			Speaker: 10:45 AM William C. Dudley (President, New York)		
				9:45 AM		
				MARKIT US SERVICES PMI	Nov P (L)	54.8
				MARKIT US COMPOSITE PMI	Nov P (L)	54.9
				MARKIT US MANUFACTURING PMI	Nov P (L)	55.7
						55.8

Week Ahead's Market Call

by Avery Shenfeld

In the US, it's a relatively light week for economic data around Thursday's Thanksgiving holiday. While housing starts could top consensus expectations following a hurricane-impacted prior month, durable goods orders may disappoint thanks to a decline in the aircraft component.

In Canada, we should see a temporary spike back up in October inflation, although given the recent decline in oil prices that re-acceleration will likely prove short-lived and core measures should continue to trend around 2%. Lower auto sales could lead overall retailing lower, and provide another indication that September GDP likely saw little growth. We'll be looking for a little extra fiscal stimulus from the Federal fiscal update, particularly surrounding capital depreciation to support business investment, although recent comments suggest that the government won't fully match the 100% bonus depreciation in the US. Senior Deputy Governor Carolyn Wilkins' speeches will be watched for hints as to whether the recent drop in oil prices has changed the BoC's thinking regarding interest rate hikes.

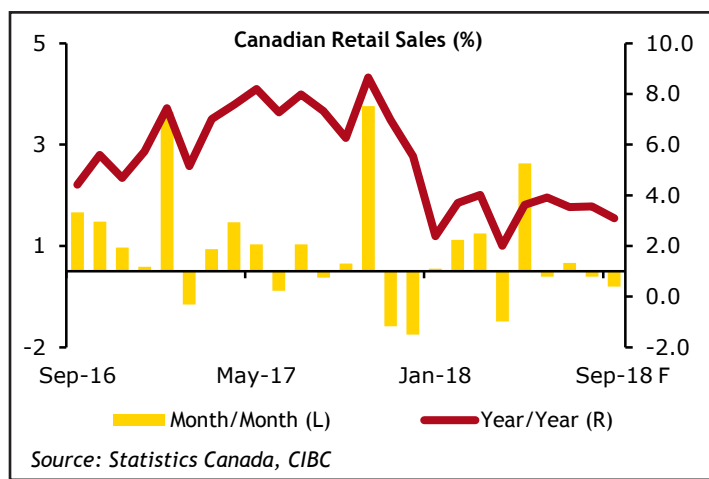
Week Ahead’s Key Canadian Number:

Retail Sales—September

(Friday, 8:30 a.m.)

Royce Mendes (416) 594-7354

	CIBC	Mkt	Prior
Retail Sales	-0.3%	na	-0.1%
Ex-Autos	0.2%	na	-0.4%



Auto sales hit the brakes in September, leaving headline retail sales set to post a second consecutive decline. Big-ticket items have been feeling the effects of both higher interest rates and a slower pace to home sales. Lower gasoline prices will weigh on the ex-autos reading, leaving it likely to show an uninspiring gain.

Forecast Implications—Household spending is clearly on a much slower track than it was at this time last year. As consumers feel a further pinch from higher interest rates, expect household purchases to contribute even less to GDP growth next year.

Other Canadian Releases:

Consumer Price Index—October

(Friday, 8:30 a.m.)

Consumer prices likely gained 0.2% MoM NSA in October, even with a decline in gasoline prices weighing on the headline reading. October tends to be a seasonally strong month for ex-food and energy prices. So even a trend-like increase in seasonally adjusted terms will still have that stripped down measure pushing total inflation higher to 2.4%. The Bank of Canada’s core-common component measure will remain at 1.9%, just a touch below the central bank’s target.

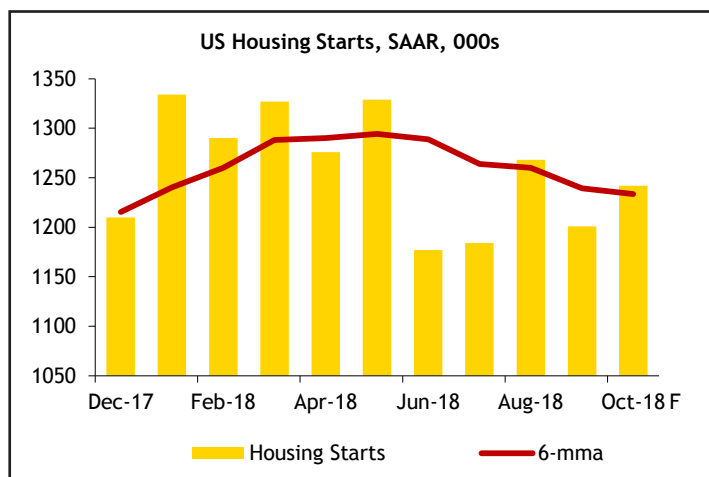
Week Ahead’s Key US Number:

Housing Starts—October

(Tuesday, 8:30 a.m.)

Katherine Judge (416) 956-6527

	CIBC	Mkt	Prior
Housing Starts	1252K	1225K	1201K



Housing starts have displayed a softening trend this year as labor and land shortages, along with higher building materials costs, have thwarted activity. Rising mortgage rates have impinged on affordability, something that has been exacerbated by an inventory shortage in key markets. And while rebuilding from hurricane Florence in October could bring temporary relief from recent softness, with starts accelerating to 1252K, the underlying weaker pace of permit issuance suggests that will be short-lived.

Forecast Implications—Although weather distortions could lend support to housing starts in the months ahead which would see residential investment as a positive growth contributor for the first time this year in Q4, slower household formation next year will contain homebuilding.

Market Impact—Our forecast is above consensus which could be positive for the USD and see yields rise.

Other U.S. Releases:

Durable Goods Orders—October

(Wednesday, 8:30 a.m.)

Recent strength in durable goods orders is largely attributable to the choppy transportation component, something that appears to have reversed direction in October and should send the headline index down 3.2%. Although business investment in Q3 moderated from an unsustainably hot pace, a normalization to a still-healthy pace in Q4 will likely be echoed in trend-like advances in core durable goods orders in the months ahead. Indeed, a 0.5% advance in ex-transportation durable goods orders in October following a contraction in the prior month is in line with that.

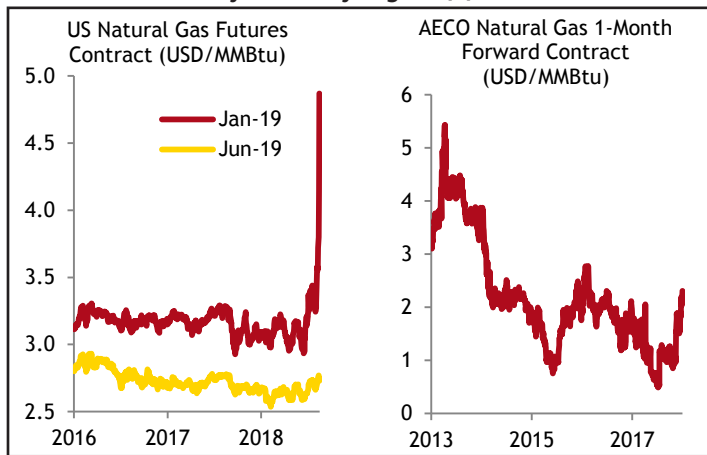
Equity Insights

Katherine Judge and Andrew Grantham

Cold Weather Heats Up US Nat Gas Prices

Despite low inventories being cited as the cause behind the recent spike in natural gas prices in the US, the real culprit appears to be the early arrival of cold weather. Indeed, buyers have locked in rates for the delivery of natural gas in January 2019 at levels 30% higher than they were at the start of the week. Although inventories remain stretched, June 2019 contracts haven't edged meaningfully higher, suggesting that the bump in prices is transitory. Canada's 1-month forward natural gas contracts have increased only modestly over the same period of time so this isn't yet a big win for related equities.

US Natural Gas Price Increases Only Temporary (L), With Canadian Prices Only Modestly Higher (R)

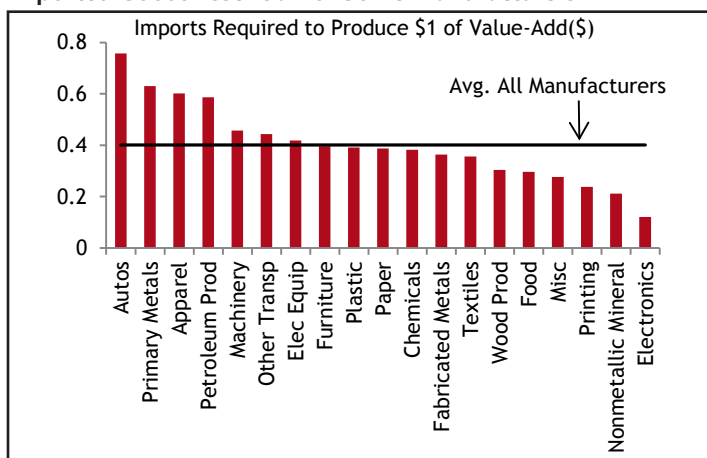


Source: Bloomberg, CIBC

Tariffs Threaten Some US Producers More Than Others

President Trump's tariffs have started to show up in select components of both producer and consumer inflation recently. Indeed, while USD strength has partly helped offset higher import costs for producers, some industries are more reliant than others in terms of their share of imports used in production. Auto manufacturers and primary metal producers require an outsized amount of imported material to produce one dollar of value-add, in contrast to electronics producers that are also facing tariffs on inputs to production. As the full impact of tariffs materializes, look for electronics producers to see less of an impact on bottom lines than their import-intensive auto and primary metal counterparts.

Imported Goods Essential for Some Manufacturers

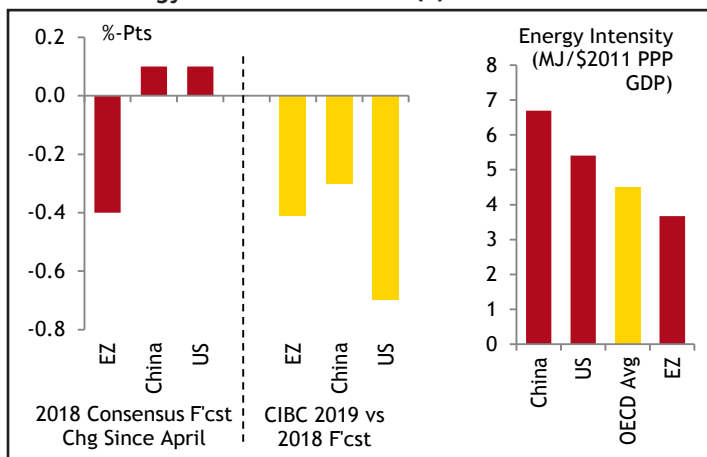


Source: BEA, CIBC

Global Growth and Oil Demand: The How and Who

OPEC expressed concern this week about how strong global growth may be next year, and what that means for oil demand. However, for oil, who's driving such growth is also important, and the composition could also be less constructive next year. So far in 2018, much of the disappointment in global growth has been centered on the Eurozone, where energy use in relation to the size of its economy is below average. However, with concerns about Chinese growth rising, and given our 2019 expectation for the US to slow more than the consensus expects, global growth disappointments going forward could be focused on more energy-intensive countries.

Disappointments in Global Growth Expected to Shift (L) to More Energy-Intensive Countries (R)



Source: Bloomberg, World Bank, CIBC

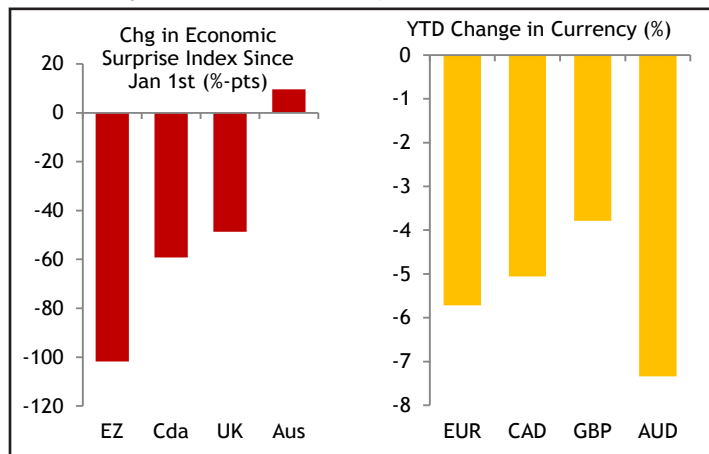
Currency Currents

Andrew Grantham

A Surprise Standout?

Economic data has been surprising to the downside to varying degrees in most countries this year, and FX markets have responded broadly in line with those disappointments with the euro struggling most and CAD somewhere in the middle of the pack. The big standout is the Aussie dollar, and even though there are concerns that slowing Chinese growth will impact the Australian economy, that hasn't shown up in the data yet. Even though we think that China has slowed more than the official data suggest, it could stabilize at that lower level in early 2019 which would support risk sentiment and the Aussie dollar.

Large Negative Shifts in Surprise Indexes (L), Mirrored by FX Moves With Exception of AUD (R)

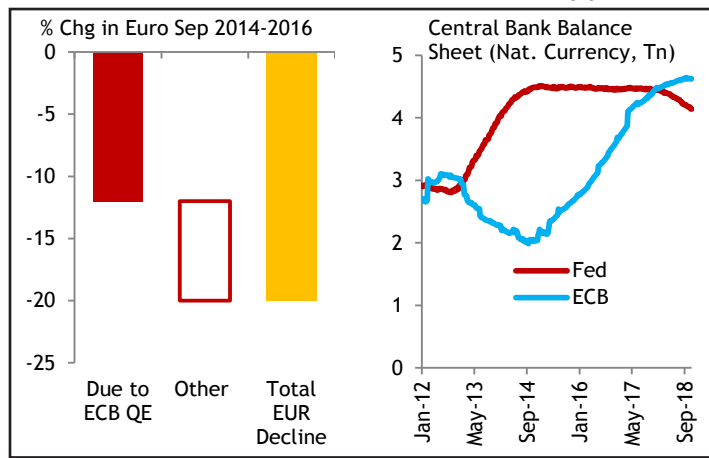


Source: Bloomberg, Citi, CIBC

EUR: Measuring the Impact of QE

Research this month from the ECB highlighted just why euro bulls were so excited regarding the upcoming end of QE, as it showed the expansion of its balance sheet vs the Fed's was responsible for more than half (12% of 20%) of the currency's depreciation between 2014-16. However, what could be holding back the euro from further gains is the fact that the ECB's balance sheet continues to rise relative to the Fed's, due to the gradual tapering in the US. We still expect the euro to appreciate in 2019, however the biggest move could come after an initial rate hike over the summer.

ECB QE Had Big Downward Impact on Euro (L); Balance Sheet Continues to Rise Relative to Fed's (R)

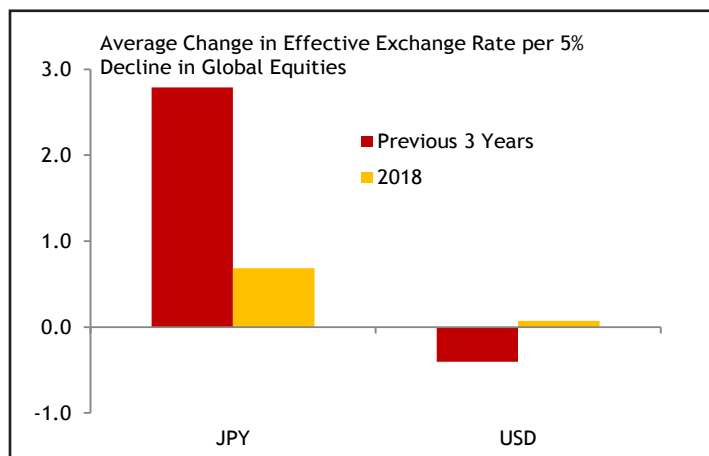


Source: ECB, Bloomberg, Federal Reserve, CIBC

Yen's Risk-off Allure Fading

The yen has long held the stature of a risk-off play, tending to appreciate in times of global economic concern. While that's still the case, its allure in this regard doesn't appear as strong as in the past. In the instances where global equities have slumped by 5% or more this year, the trade-weighted yen has appreciated less than 1% on average. That compares to an average of almost 3% in previous years. And with global trade concerns focusing increasingly on China (now a key buyer of Japanese goods), that lower sensitivity to risk could persist.

Yen Getting Less of a Lift From Global Risk Concerns Than in the Previous Years



Source: Bloomberg, CIBC

CANADIAN RELEASE AND EVENT DATES November/December 2018



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
12 REMEMBRANCE DAY OBSERVED (HOLIDAY) (Bond Market Closed)	13	14	15 ADP EMPLOYMENT SURVEY 8:30 AM ONTARIO ECONOMIC STATEMENT	16 INT'L TRANSACTIONS IN SECURITIES C\$BN, NET 8:30 AM BONDS MONEY STOCKS TOT MARKET JUL 12.7 -0.4 3.0 15.3 AUG -7.4 4.7 5.3 2.6 SEP -0.3 6.8 1.2 7.7 SURVEY OF MANUFACTURING 8:30 AM SHIPMENTS M Y JUL 1.0 10.6 AUG -0.5 8.6 SEP 0.2 7.8
19	20 Bank of Canada Sr. Dep. Governor Wilkins speaks in Montreal at 12:45 PM ET Bank of Canada Dep. Governor Lane speaks on AI & Employment in Toronto at 5:00 PM ET	21 WHOLESALE TRADE 8:30 AM FEDERAL FISCAL UPDATE	22 QUARTERLY FINANCIAL STATISTICS 8:30 AM Bank of Canada Sr. Dep. Governor Wilkins speaks at National Housing Conf in Ottawa at 9:45 AM ET	23 RETAIL TRADE 8:30 AM (Current\$) M Y JUL 0.2 3.5 AUG -0.1 3.6 SEP CPI 8:30 AM M Y AUG -0.1 2.8 SEP -0.4 2.2 OCT
26	27	28	29 BALANCE OF INT'L PAYMENTS 8:30 AM CURR. ACCT. BAL. \$BN(QR) \$BN(AR) 18:Q1 -17.5 -69.9 18:Q2 -15.9 -63.5 18:Q3 PAYROLL EMPLOYMENT, EARNINGS & HOURS 8:30 AM	30 NATIONAL ACCTS 8:30 AM REAL PRICE GDP DEFLATOR %ch AR %ch AR 18:Q1 1.3 1.7 18:Q2 2.9 2.1 18:Q3 GDP BY INDUSTRY 8:30 AM (2002\$) GDP IND.PROD. M M JUL 0.2 0.6 AUG 0.1 0.1 SEP INDUSTRIAL PRICES 8:30 AM M (NSA) Y AUG -0.5 5.7 SEP 0.1 6.2 OCT
3	4 LABOUR PRODUCTIVITY 8:30 AM	5 INTERNATIONAL RESERVES 8:15 AM \$BN \$BN CHANGE LEVEL SEP -0.555 80.7 OCT 1.405 82.1 NOV Bank of Canada Interest Rate Announcement	6 MERCHANDISE TRADE 8:30 AM \$MN 12 MO. BALANCE AUG -551 -24,942 SEP -416 -22,099 OCT IVEY PURCHASING MANAGERS' INDEX 10:00 AM	7 LABOUR FORCE SURVEY 8:30 AM AVG EMPLOY UNEMP HRLY (HSHOLD) RATE EARN M Y % Y SEP 0.3 1.2 5.9 2.2 OCT 0.1 1.1 5.8 1.9 NOV
HOUSING STARTS 8:15 AM 000's (AR) TOTAL SINGLES SEP 190 52 OCT 206 47 NOV BUILDING PERMITS (\$) 8:30 AM M M (RES) (NON-RES) AUG -5.1 0.6 SEP 0.3 0.6 OCT	11	12 CAPACITY UTILIZATION 8:30 AM LEVEL (%) TOTAL MANUF. 18:Q1 83.7 80.8 18:Q2 85.5 81.8 18:Q3	13 NEW HOUSING PRICE INDEX 8:30 AM CANADA'S INTERNATIONAL INVESTMENT POSITION 8:30 AM	14

All data seasonally adjusted except where noted "NSA". M: per cent change from previous month. Q: per cent change from previous quarter at annual rates. Y: per cent change from year earlier. AR: Annual Rate. YTD: Year to date. Release dates are provided by sources outside CIBC World Markets Inc. Dates are subject to change. Sources for historical data: Statistics Canada, CMHC, Human Resources Development Canada and the Bank of Canada.

U.S. RELEASE AND EVENT DATES November/December 2018



MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
12 VETERAN'S DAY OBSERVED (HOLIDAY) (Treasury Markets Closed)	13 TREASURY BUDGET 2:00 PM <i>BOT (9:00) REDBOOK (8:55)</i>	14 CPI 8:30 AM M(SA) Y (NSA) AUG 0.2 2.7 SEP 0.1 2.3 OCT 0.3 2.5	15 PHILADELPHIA FED INDEX 8:30 PM RETAIL SALES 8:30 AM M Y AUG -0.1 6.4 SEP -0.1 4.2 OCT 0.8 4.6 BUSINESS INVENTORIES 10:00 AM <i>3, 10-Yr NOTE SETTLEMENT</i> <i>30-Yr BOND SETTLEMENT</i> <i>INITIAL JOBLESS CLAIMS (8:30)</i>	16 CAPACITY UTIL/IND. PROD. 9:15 AM LEV M Y AUG 78.5 0.8 5.4 SEP 78.5 0.2 5.6 OCT 78.4 0.1 4.1 NET CAPITAL INFLOWS TICS 4:00 PM
19	20 HOUSING STARTS 8:30 AM Mn. M/M AUG 1.268 7.1 SEP 1.201 -5.3 OCT <i>BOT (9:00) REDBOOK (8:55)</i>	21 DURABLE GOODS ORDERS 8:30 AM M Y AUG 4.6 12.1 SEP 0.8 7.9 OCT LEADING INDICATOR 10:00 AM MICHIGAN SENTIMENT (F) 10:00 AM EXISTING HOME SALES 10:00 AM <i>2, 5-, 7-Yr NOTE ANNOUNCE.</i> <i>INITIAL JOBLESS CLAIMS (8:30)</i>	22 THANKSGIVING DAY (HOLIDAY) (Markets Closed)	23
26	27 S&P CORE LOGIC/CASE-SHILLER HOUSE PRICE INDEX 9:00 AM CONSUMER CONFIDENCE 10:00 AM <i>2-Yr NOTE AUCTION</i> <i>5-Yr NOTE AUCTION</i> <i>BOT (9:00) REDBOOK (8:55)</i>	28 ADV. TRADE IN INTERNATIONAL GOODS 8:30 AM GDP 8:30 AM (AR) REAL IMPLICIT GDP DEFLATOR 18:Q2(F) 4.2 3.0 18:Q2(A) 3.5 1.7 18:Q2(P) NEW HOME SALES 10:00 AM <i>7-Yr NOTE AUCTION</i>	29 PERS. INC & OUT. 8:30 AM SAVING INCOME CONS RATE M M AR AUG 0.4 0.5 6.4 SEP 0.2 0.4 6.2 OCT FOMC Minutes <i>INITIAL JOBLESS CLAIMS (8:30)</i>	30 CHICAGO PMI 9:45 AM <i>2, 5-, 7-Yr NOTE SETTLEMENT</i>
3 ISM MFG SURVEY 10:00 AM COMP. PRICES INDEX INDEX SEP 59.8 66.9 OCT 57.7 71.6 NOV LIGHT VEHICLES SALES MIL (AR) Y SEP 17,425 -3.7 OCT 17,514 -2.0 NOV	4 <i>BOT (9:00) REDBOOK (8:55)</i>	5 ADP SURVEY 8:15 AM NON-FARM PRODUCTIVITY 8:30 AM Q/Q (AR) Y/Y 18:Q2 (F) 3.0 1.3 18:Q3 (A) 2.2 1.3 18:Q3 (F) ISM NON-MFG SURVEY 10:00 AM Beige Book	6 GOODS & SERV. BALANCE (BOP) \$B 8:30 AM GDS SERV TOT AUG -76.6 23.3 -53.3 SEP -77.2 23.2 -54.0 OCT FACTORY ORDERS 10:00 AM M(SA) Y(NSA) AUG 2.6 10.3 SEP 0.7 7.9 OCT <i>3, 10-Yr NOTE ANNOUNCEMENT</i> <i>30-Yr BOND ANNOUNCEMENT</i> <i>INITIAL JOBLESS CLAIMS (8:30)</i>	7 EMPLOY. SITUATION 8:30 AM NON- CIV AVG FARM UNEMP HRLY PAYROLL RATE EARN SEP 118 3.7 2.8 OCT 250 3.7 3.2 NOV CONSUMER CREDIT 3:00PM
10	11 PPI 8:30 AM M (SA) Y (NSA) SEP 0.0 3.2 OCT -0.1 2.8 NOV <i>3-Yr NOTE AUCTION</i> <i>BOT (9:00) REDBOOK (8:55)</i>	12 CPI 8:30 AM M(SA) Y (NSA) SEP 0.1 2.3 OCT 0.3 2.5 NOV TREASURY BUDGET 2:00 PM <i>10-Yr NOTE AUCTION</i>	13 30-Yr BOND AUCTION <i>INITIAL JOBLESS CLAIMS (8:30)</i>	14 RETAIL SALES 8:30 AM M Y SEP -0.1 4.2 OCT 0.8 4.6 NOV CAPACITY UTIL/IND. PROD. 9:15 AM LEV M Y SEP 78.5 0.2 5.6 OCT 78.4 0.1 4.1 NOV BUSINESS INVENTORIES 10:00 AM

All data seasonally adjusted except where noted "NSA". M: per cent change from previous month. Q: per cent change from previous quarter at annual rates. Y: per cent change from year earlier. AR: Annual Rate. YTD: Year to date. Release dates are provided by sources outside CIBC World Markets inc. Dates are subject to change. Sources for historical data: U.S. Department of Commerce, U.S. Department of Labor and U.S. Federal Reserve Board.

CIBC World Markets Inc., CIBC World Markets Corp., CIBC World Markets Plc., CIBC Australia Limited and certain other corporate banking and capital markets activities of Canadian Imperial Bank of Commerce operate under the brand name CIBC Capital Markets.

This report is issued and approved for distribution by (a) in Canada, CIBC World Markets Inc., a member of the Investment Industry Regulatory Organization of Canada, the Toronto Stock Exchange, the TSX Venture Exchange and a Member of the Canadian Investor Protection Fund, (b) in the United Kingdom, CIBC World Markets plc, which is regulated by the Financial Services Authority, and (c) in Australia, CIBC Australia Limited, a member of the Australian Stock Exchange and regulated by the ASIC (collectively, "CIBC") and (d) in the United States either by (i) CIBC World Markets Inc. for distribution only to U.S. Major Institutional Investors ("MI") (as such term is defined in SEC Rule 15a-6) or (ii) CIBC World Markets Corp., a member of the Financial Industry Regulatory Authority. U.S. MIs receiving this report from CIBC World Markets Inc. (the Canadian broker-dealer) are required to effect transactions (other than negotiating their terms) in securities discussed in the report through CIBC World Markets Corp. (the U.S. broker-dealer).

This report is provided, for informational purposes only, to institutional investor and retail clients of CIBC World Markets Inc. in Canada, and does not constitute an offer or solicitation to buy or sell any securities discussed herein in any jurisdiction where such offer or solicitation would be prohibited. This document and any of the products and information contained herein are not intended for the use of private investors in the United Kingdom. Such investors will not be able to enter into agreements or purchase products mentioned herein from CIBC World Markets plc. The comments and views expressed in this document are meant for the general interests of wholesale clients of CIBC Australia Limited.

This report does not take into account the investment objectives, financial situation or specific needs of any particular client of CIBC. Before making an investment decision on the basis of any information contained in this report, the recipient should consider whether such information is appropriate given the recipient's particular investment needs, objectives and financial circumstances. CIBC suggests that, prior to acting on any information contained herein, you contact one of our client advisers in your jurisdiction to discuss your particular circumstances. Since the levels and bases of taxation can change, any reference in this report to the impact of taxation should not be construed as offering tax advice; as with any transaction having potential tax implications, clients should consult with their own tax advisors. Past performance is not a guarantee of future results.

The information and any statistical data contained herein were obtained from sources that we believe to be reliable, but we do not represent that they are accurate or complete, and they should not be relied upon as such. All estimates and opinions expressed herein constitute judgments as of the date of this report and are subject to change without notice.

This report may provide addresses of, or contain hyperlinks to, Internet web sites. CIBC has not reviewed the linked Internet web site of any third party and takes no responsibility for the contents thereof. Each such address or hyperlink is provided solely for the recipient's convenience and information, and the content of linked third-party web sites is not in any way incorporated into this document. Recipients who choose to access such third-party web sites or follow such hyperlinks do so at their own risk.

© 2018 CIBC World Markets Inc. All rights reserved. Unauthorized use, distribution, duplication or disclosure without the prior written permission of CIBC World Markets Inc. is prohibited by law and may result in prosecution.