

# Nine Lives

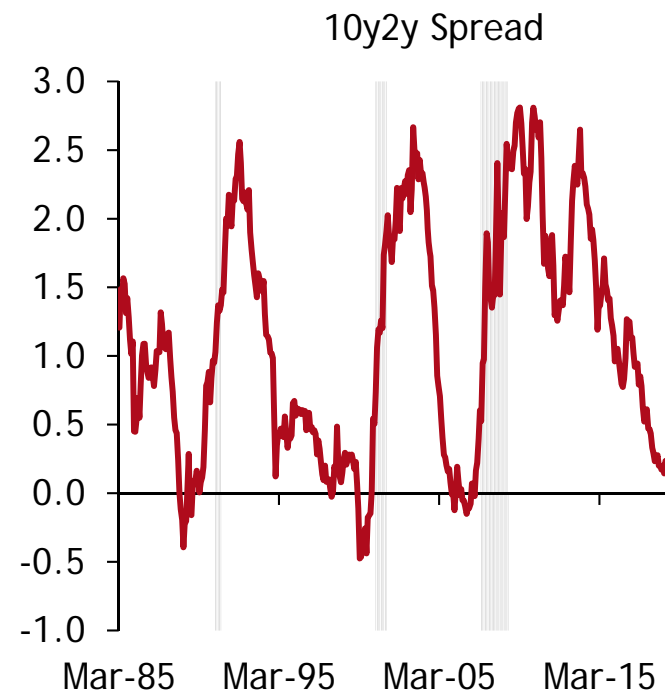
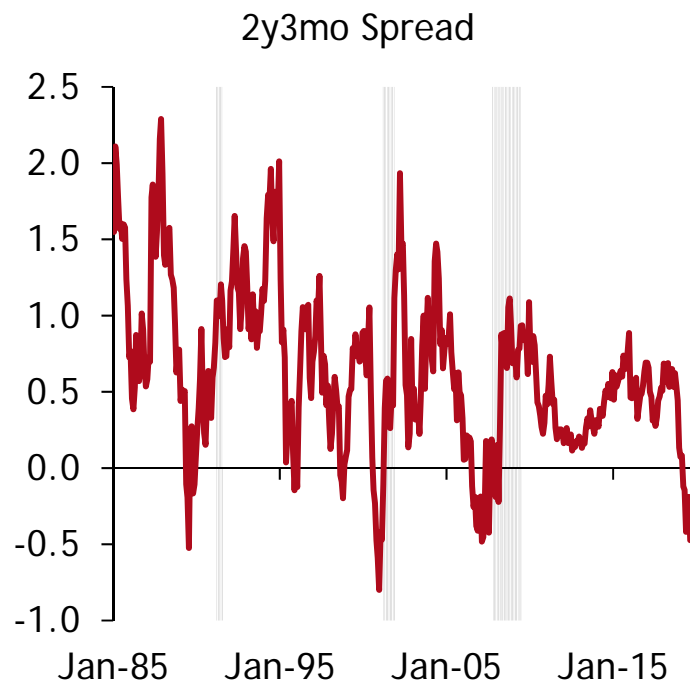


Benjamin Tal

September 2019



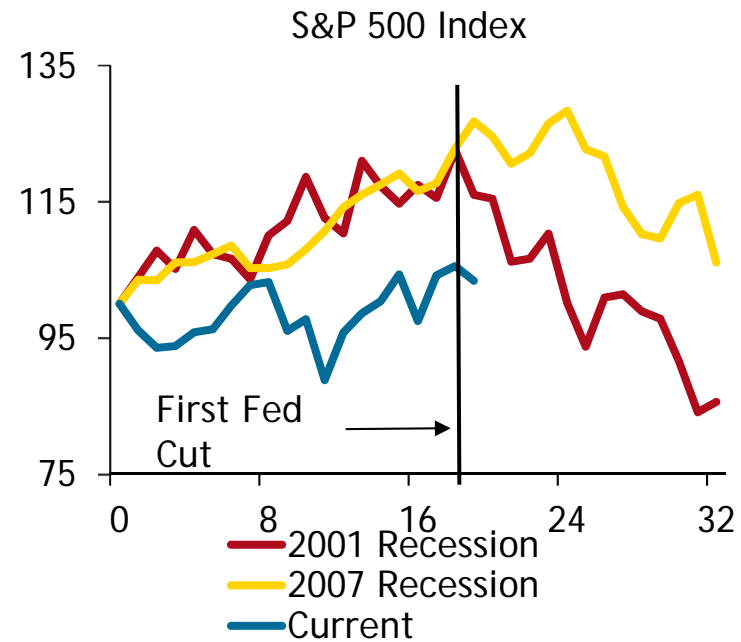
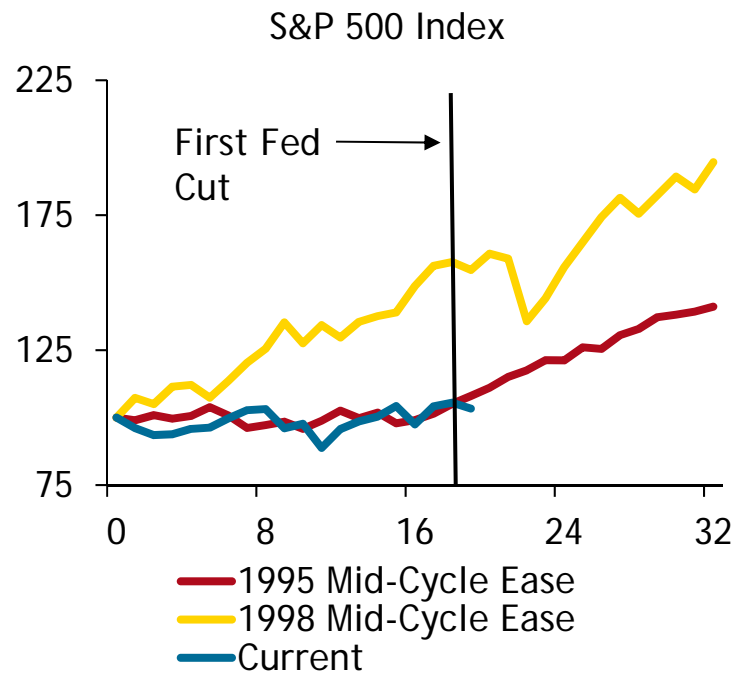
# Inversion



Source: Bloomberg, CIBC



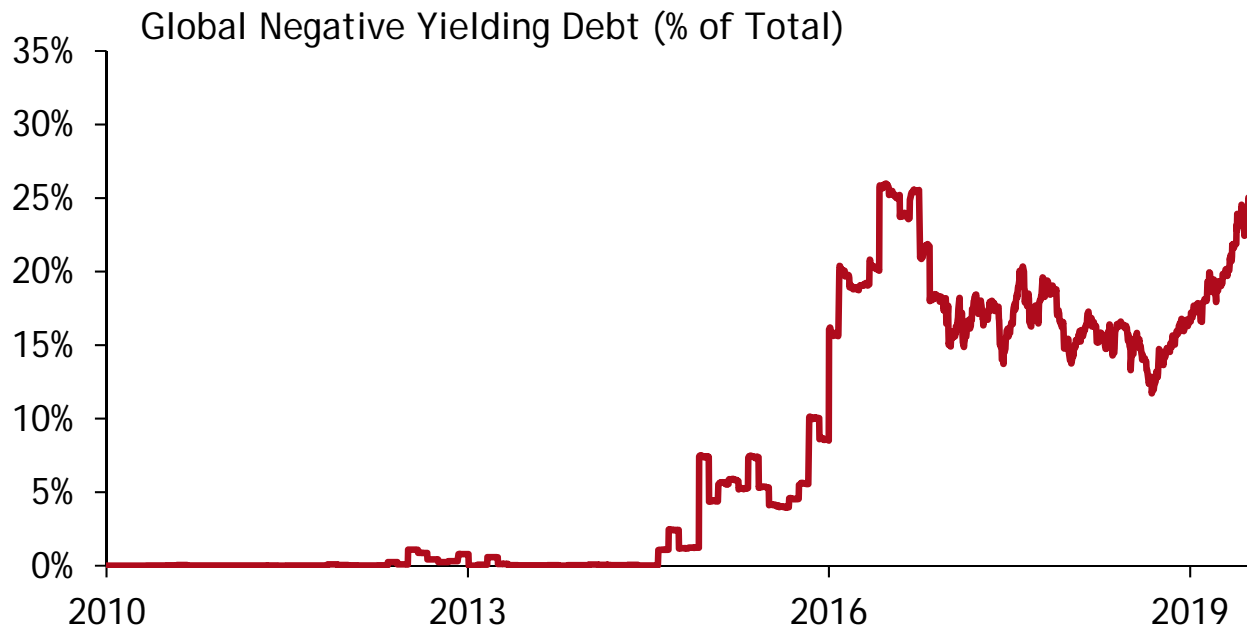
# Equity Investors: Be Careful What You Wish For Fewer Rate Cuts are Better than More



Source: Bloomberg, CIBC



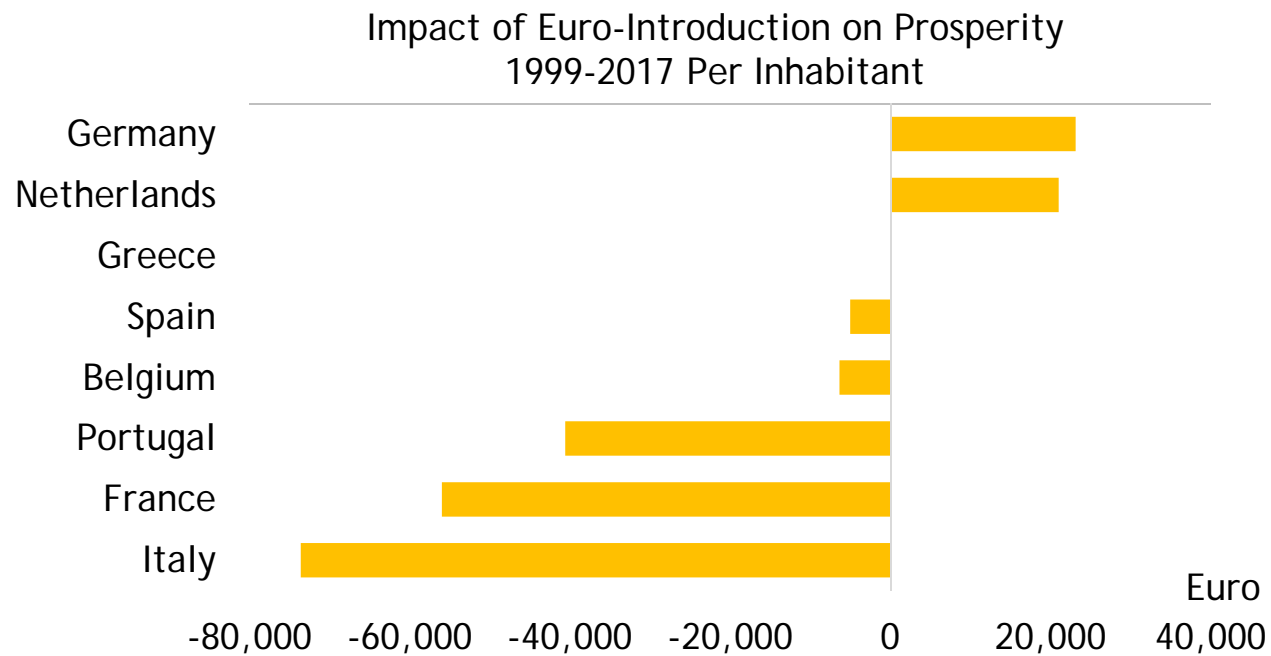
# Negative Yield Debt - Record High



Source: Bloomberg, CIBC



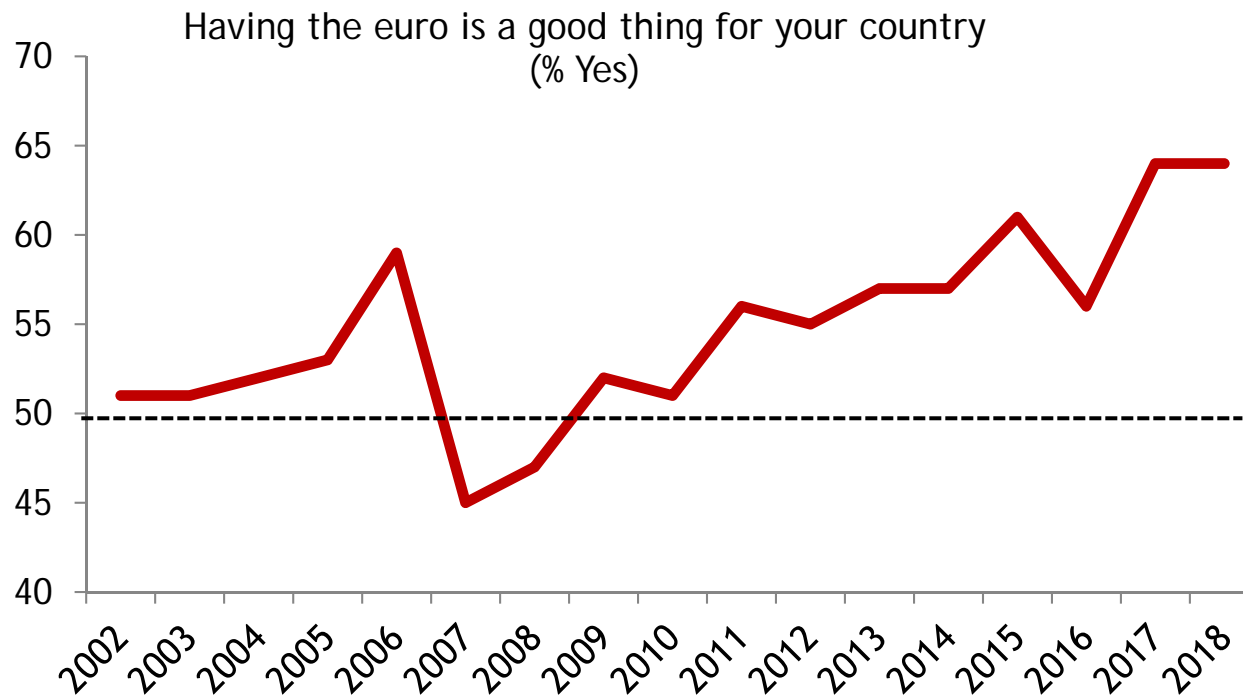
# The Eurozone - 20 Years After... Big Winners and Big Losers



Source: An Empirical Study by Alessandro Gasparotti und Matthias Kullas, February 2019



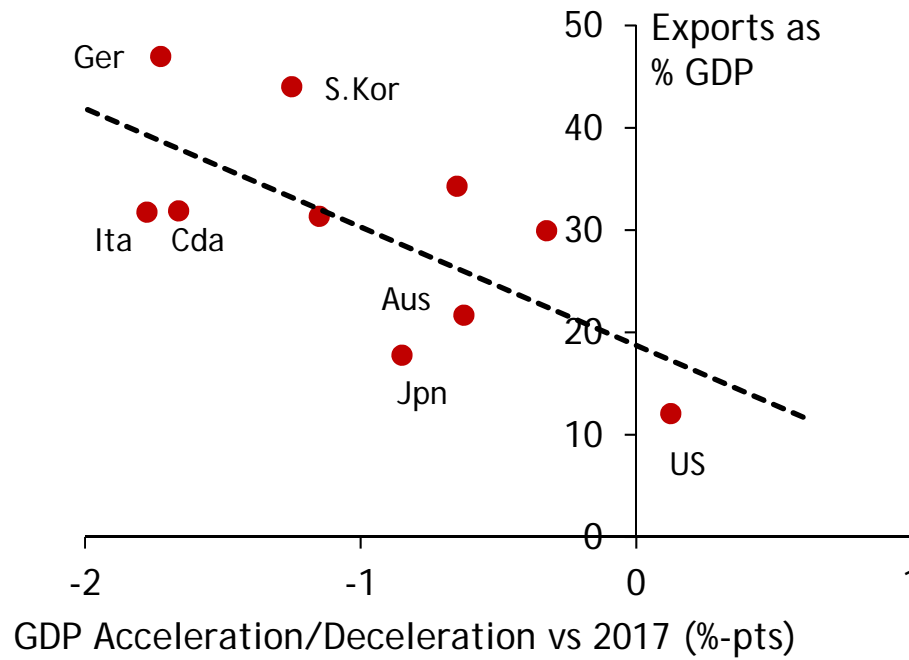
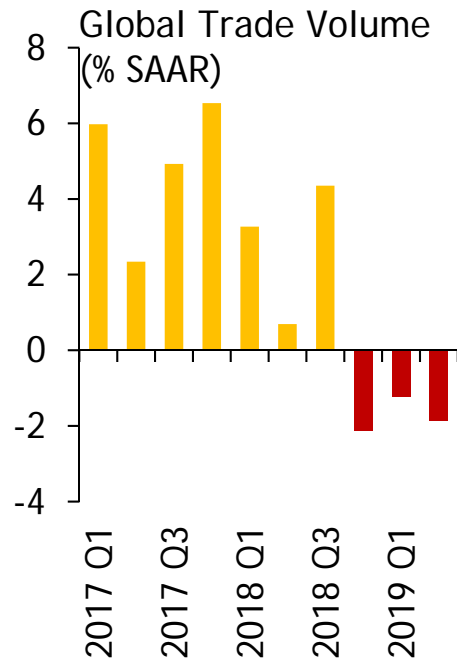
# Euro Support on The Rise



Source: Eurobarometer, WikiPolls, Bloomberg, CIBC



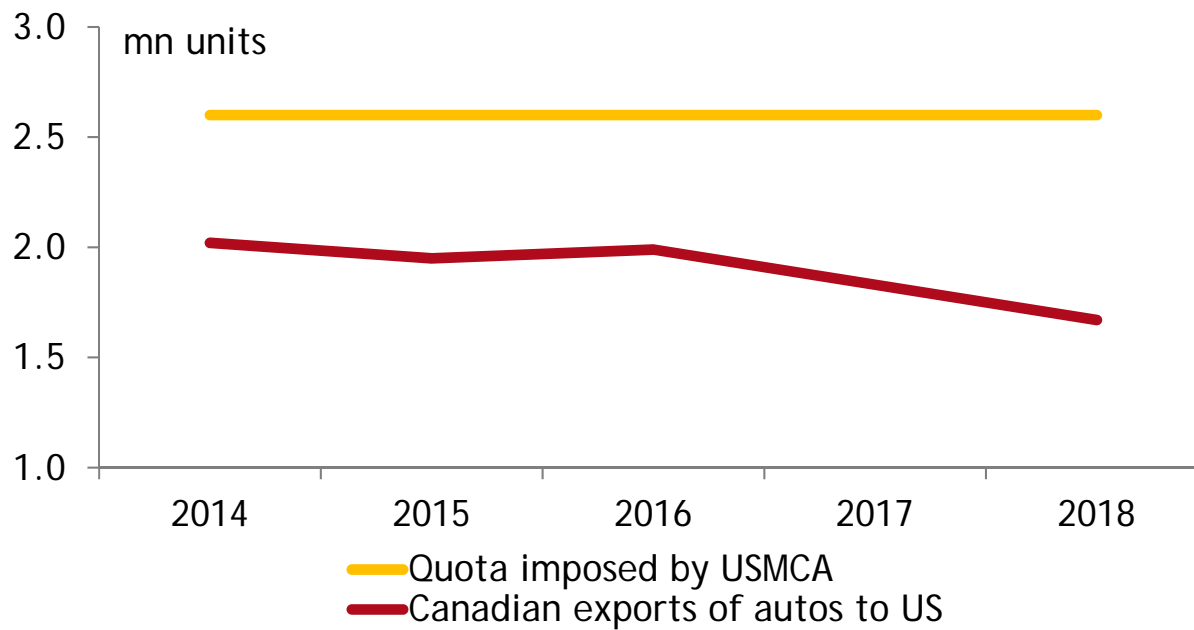
# Slowing Global Trade (L) Exposes Open Economies to Greatest Deceleration (R)



Source: CRB, National Statistics Agencies, CIBC



# Quota Schmota

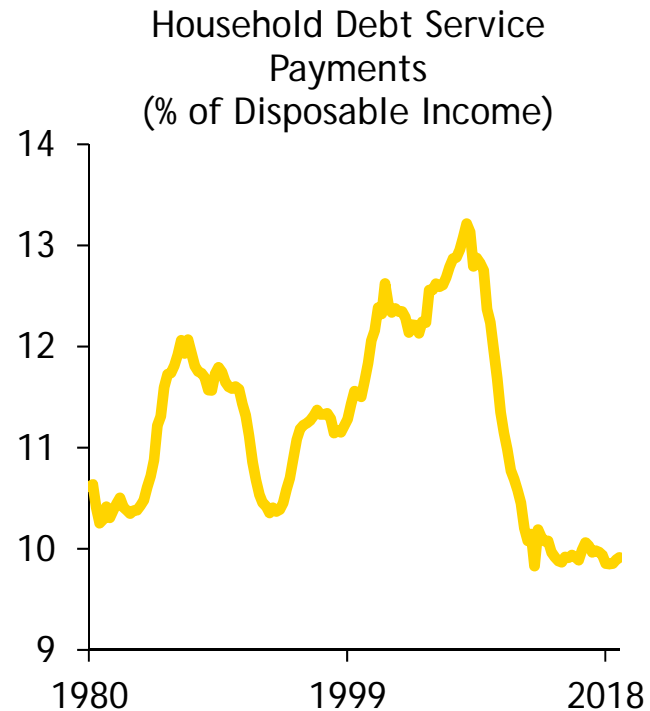
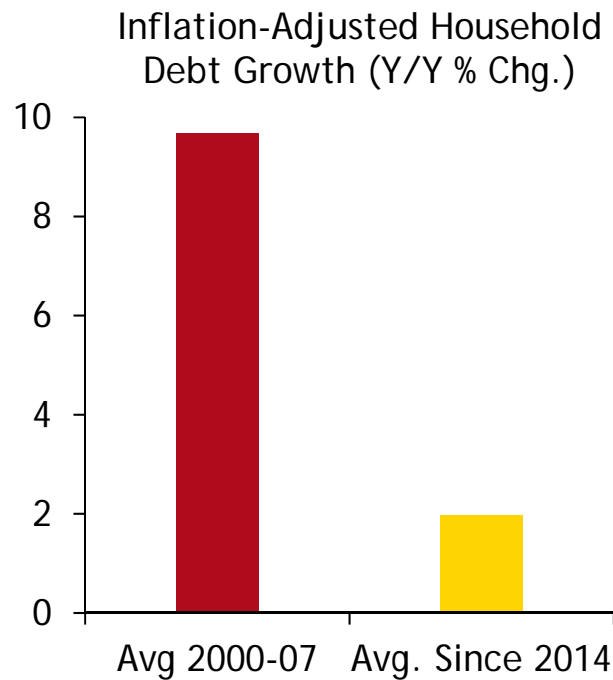


Source: US Department of Commerce, CIBC





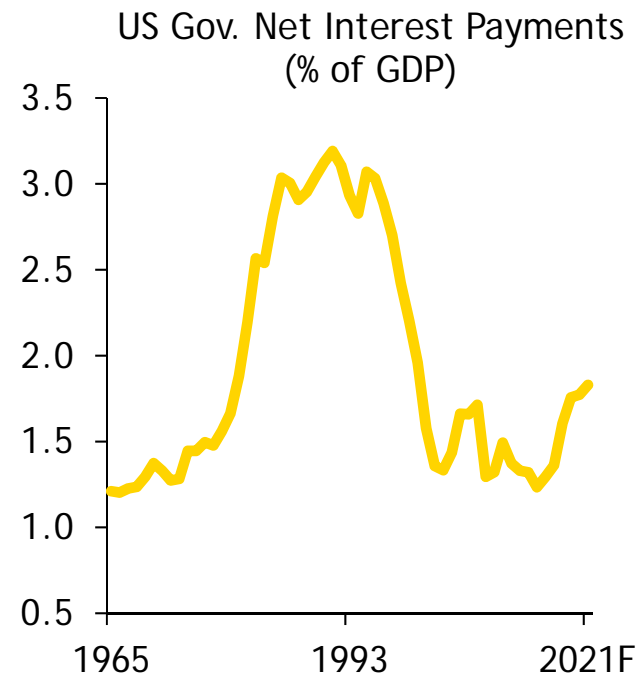
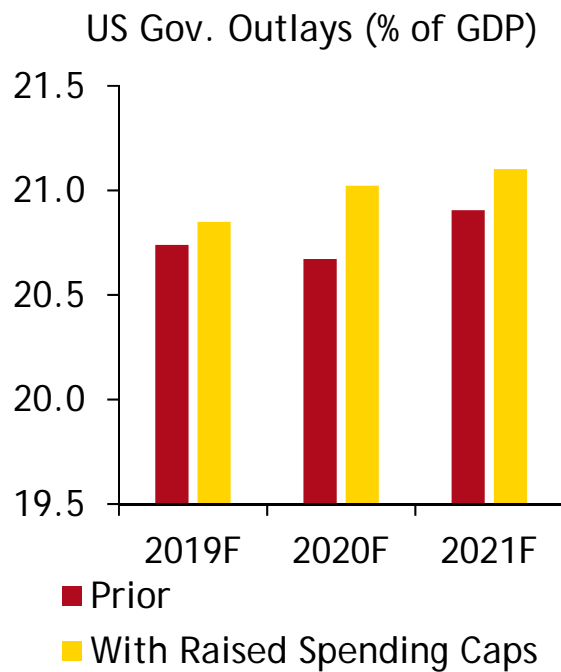
# Household Debt Relatively Contained (L), With Service Costs Near Bottom (R)



Source: FRBNY, BLS, FRED, CIBC



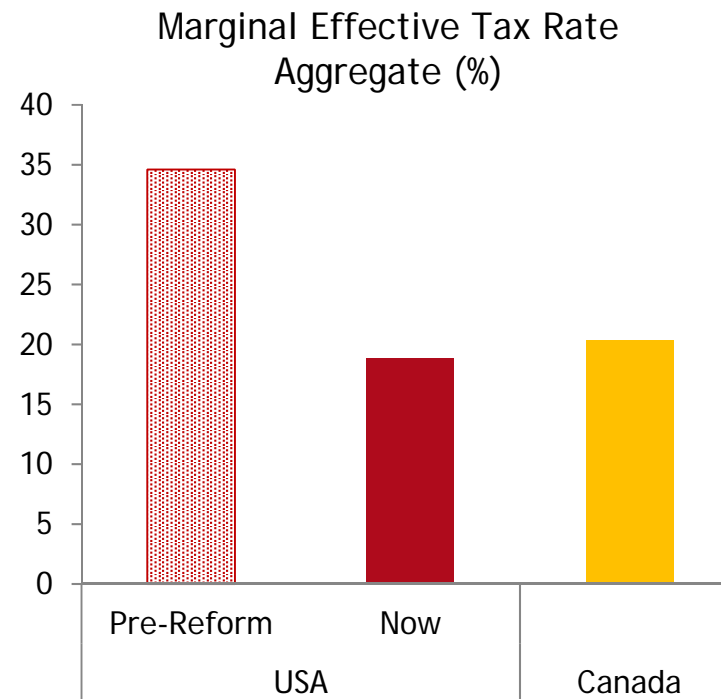
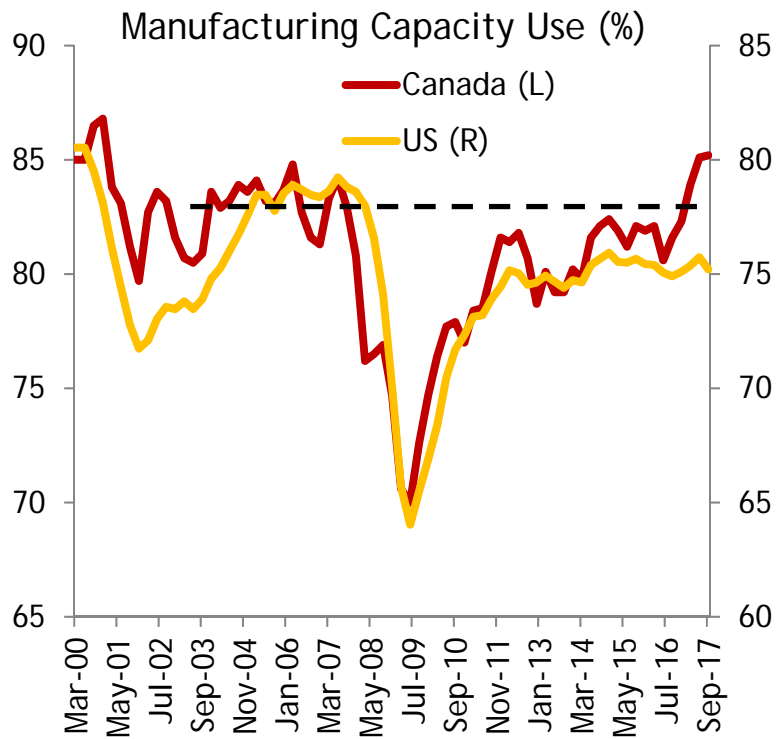
# Government Spending Gaps Raised (L) But Service Costs Not Worrisome (R)



Source: CBO, CIBC



# Canada Needs Investment More Than The US (L) But Corporate Tax Advantage Has Vanished (R)

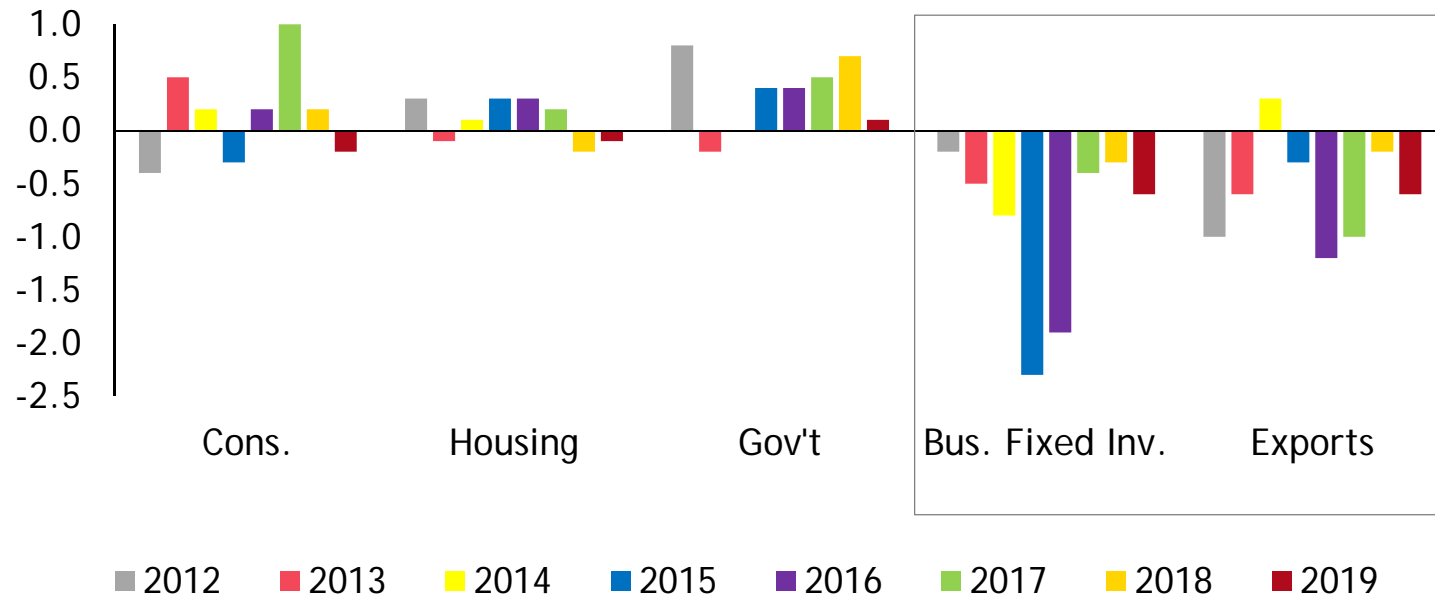


Source: Statistics Canada, BEA, CIBC



# Exports and Capital Spending Have Been Serial Disappointments

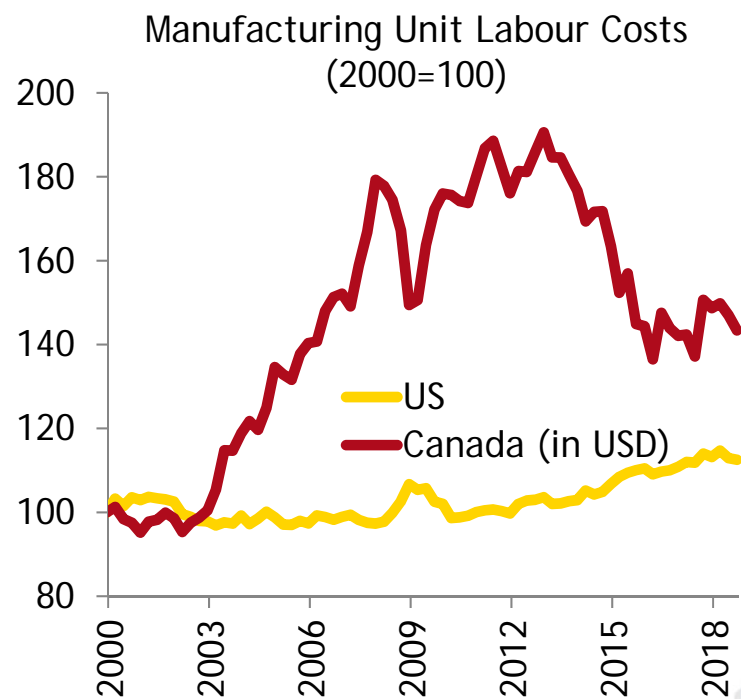
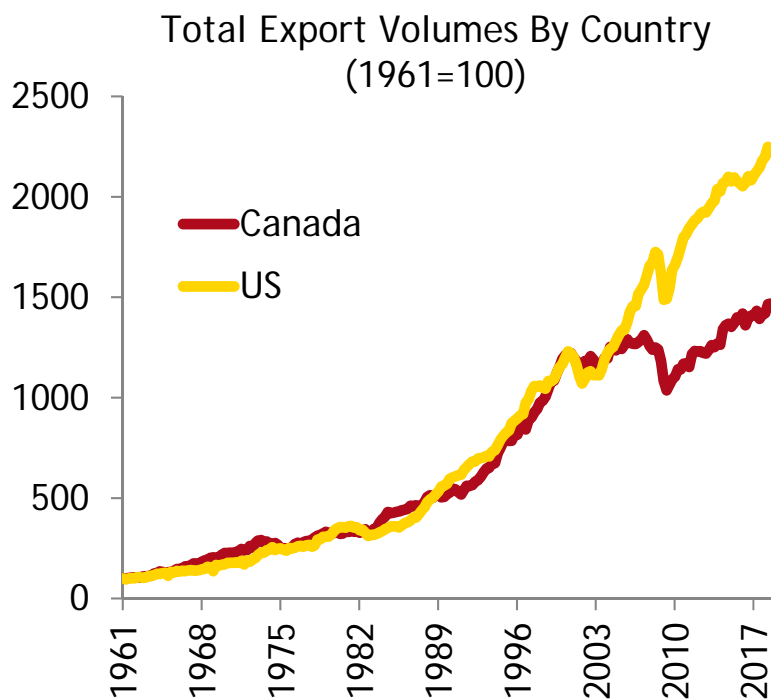
Difference Between Bank of Canada's Initial and Final Estimate of GDP Contribution (%)



Source: Bank of Canada, CIBC



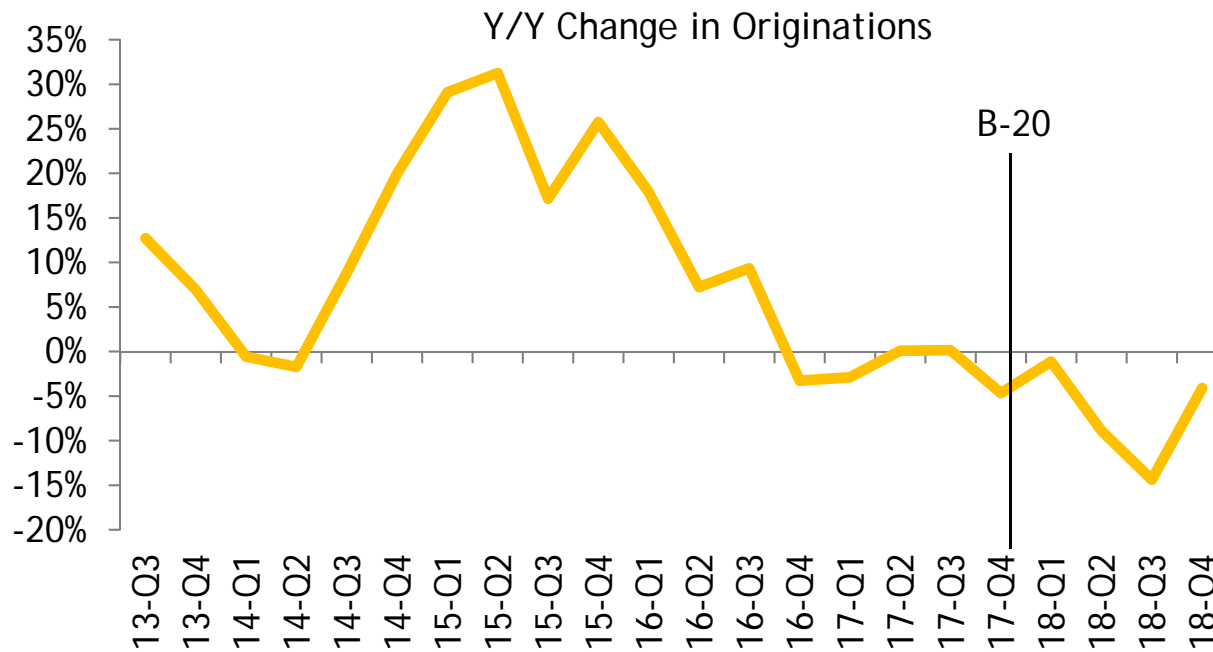
Canada's Export Malaise Began in 2005 (L) Cheap C\$ of Recent Years Hasn't Restored Relative Unit Labour Costs to 2000 Level (R)



Source: Statistics Canada, BEA, Haver Analytics, CIBC



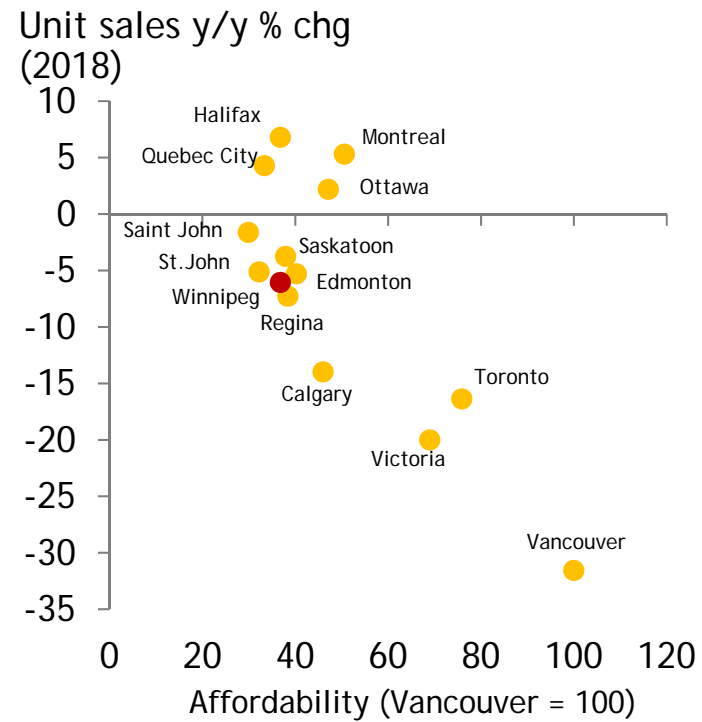
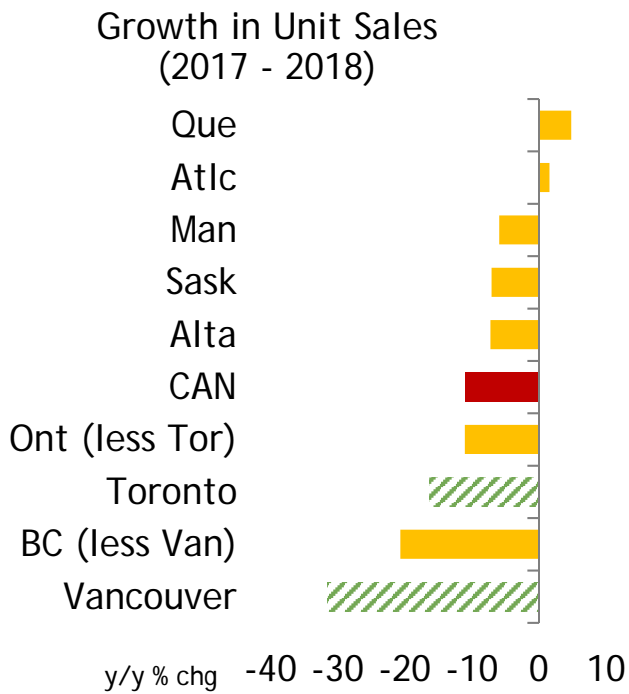
# Mortgage Originations Started to Soften Well Before B-20



Source: Equifax, CIBC



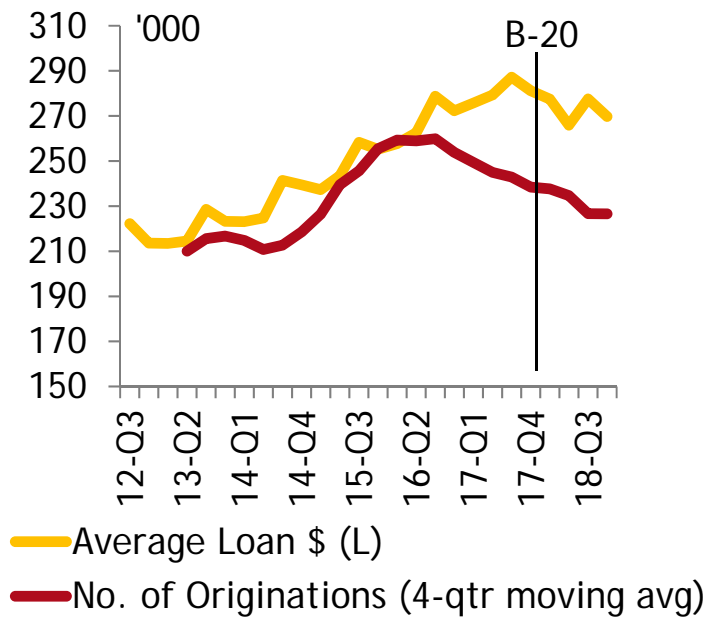
# B-20 - Most Effective in Less Affordable Markets



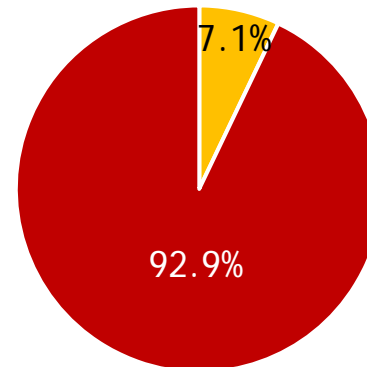
Source: CREA, Statistics Canada, CMHC, CIBC



# Fall in Number of Borrowers Mostly Behind Softening Originations



Slowing in Originations



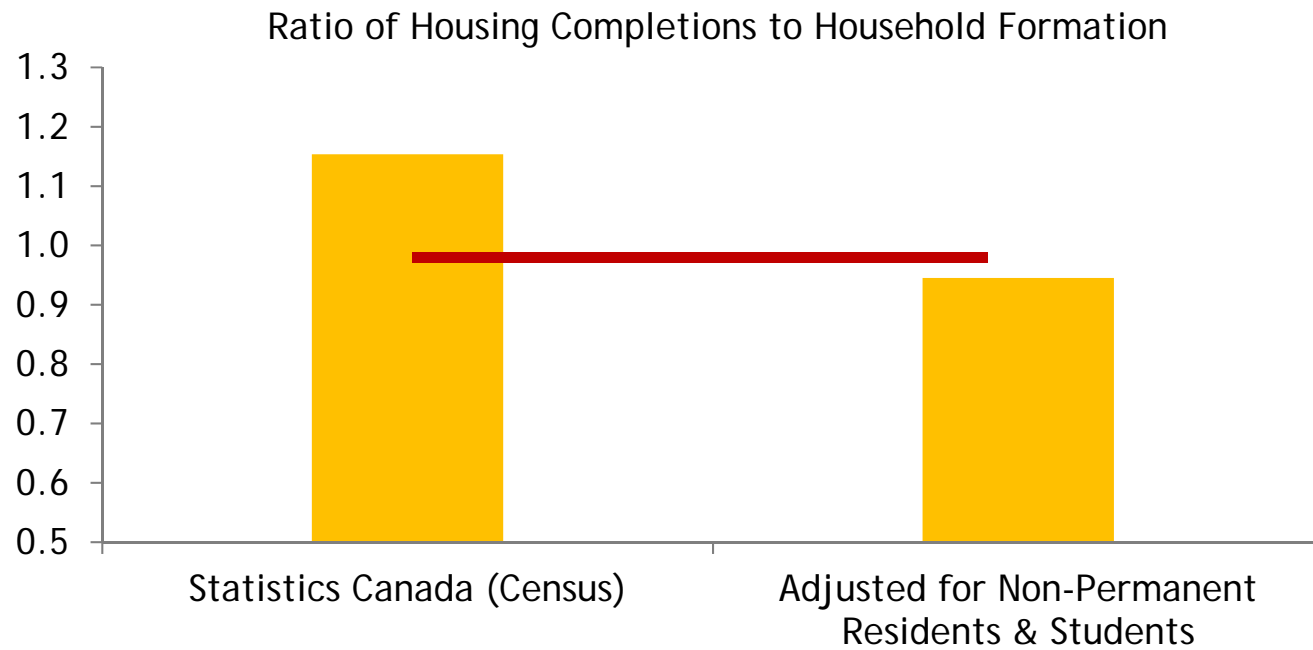
- Due to a smaller mortgage size
- Due to a lower number of borrowers

Source: Equifax, CIBC





# Are We Overbuilding or Are We Just Right?

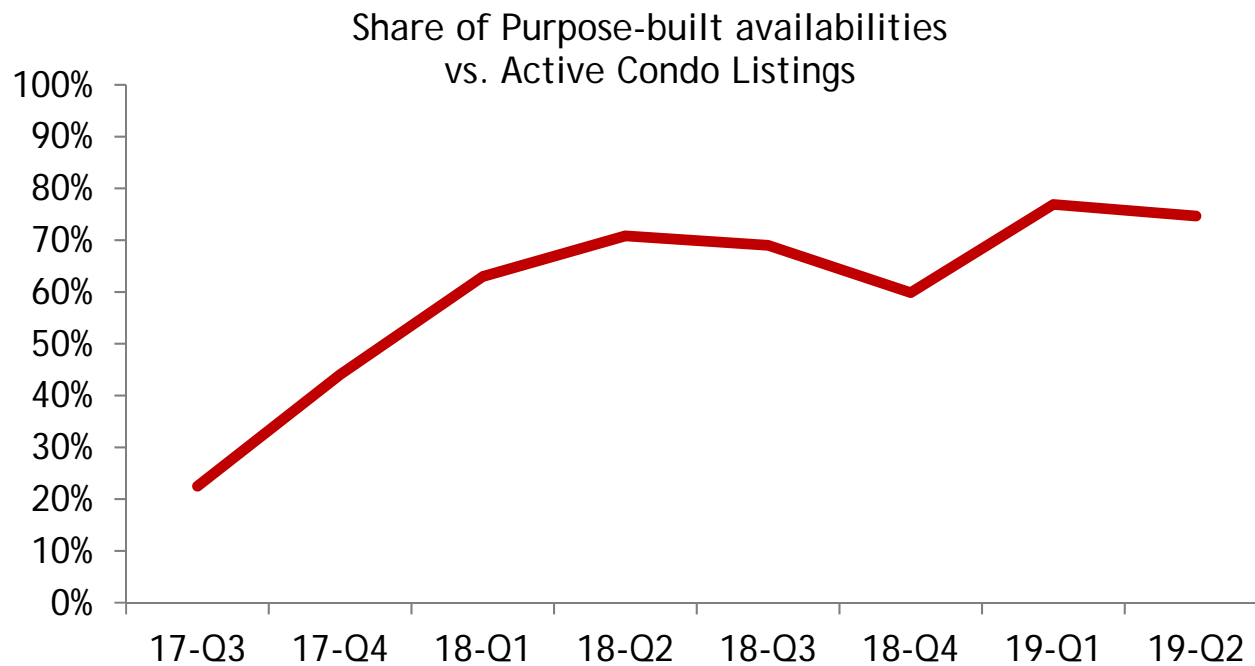


Source: Statistics Canada, CMHC, CIBC



# Total Purpose-built & Condo Rental Availabilities

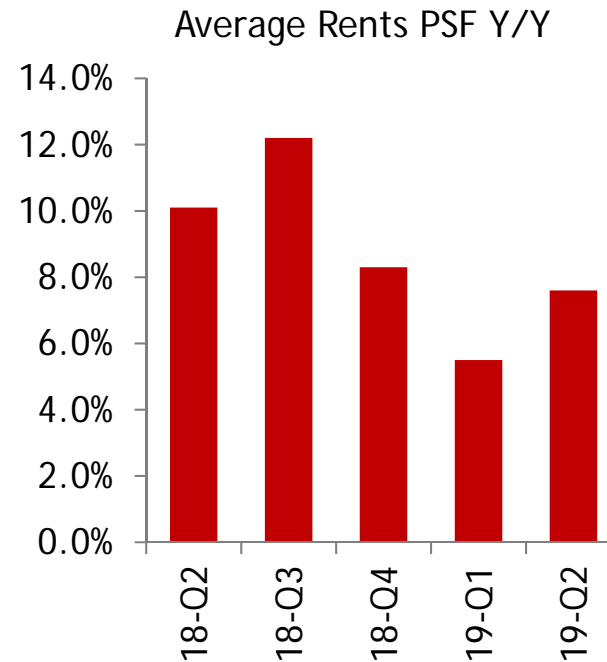
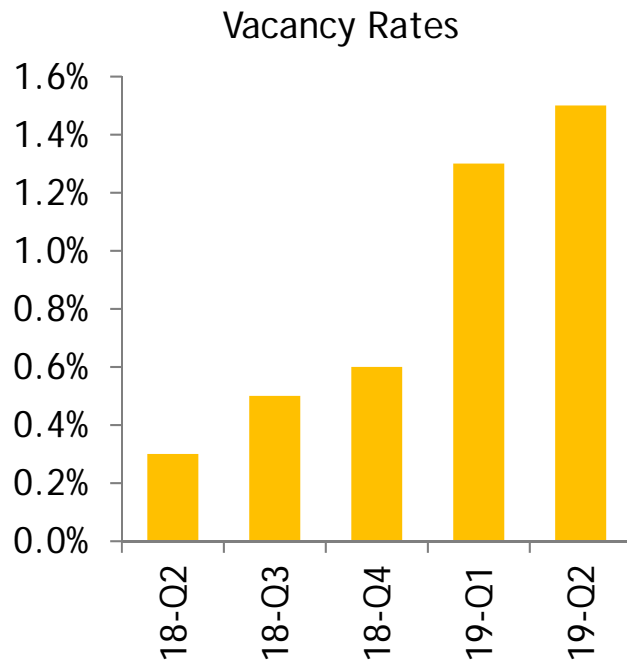
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Source: Urbanation, CIBC



# Purpose-Built Rental Market



Source: Urbanation, CIBC

