MANDEVILLE
PRIVATE CLIENT INC.®

Market Commentary
Q1 2020

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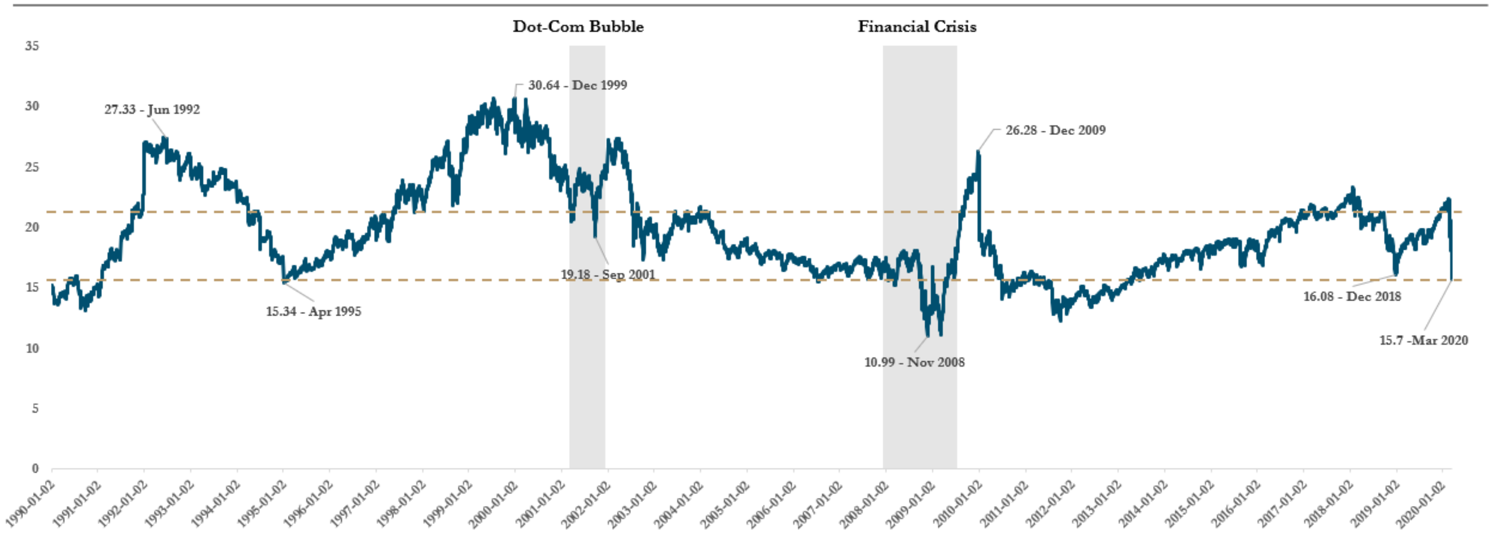
MARKET SUMMARY

A ten plus year bull market for global equities has finally come to an end–brought to its knees by the effects of a tiny and invisible enemy, yet one so powerful and potentially pervasive that governments, financial markets and society as a whole appear consumed by its grasps.

The world-wide spread of Coronavirus (COVID-19) came to global attention in December 2019 as its almost overnight and devastating impact on the populations of Wuhan and Hubei provinces in China earned international attention. COVID-19's subsequent rapid spread, first to hot zones in South Korea and Iran, then Europe-notable Italy, as well as Spain, Germany, and France and now across the United States and Canada, has been like a tsunami crashing upon global financial markets. Approaching modestly from a distance, then building size and momentum, the spreading Coronavirus pandemic has plunged global markets into uncertainty and turmoil and appears now most certainly poised to lead the global economy into recession. As business activity halts and layoffs surge, social distancing and more extreme social and non-essential business lockdown measures will have deep and wide-reaching effects on the global economy that not even the unprecedented efforts of governments and central banks to provide stimulus and support to mitigate financial damage can abate.

Just one short month ago, North American equity markets were at all-time highs—major Canadian and U.S. indices peaked in February 2020, and equity valuations (P/E ratios) where historically high. In the last week of February, as Coronavirus cases surged and the reach of the virus continued to spread globally, the consequence on financial markets has been turbulent; the S&P/TSX Composite benchmark index saw an unprecedented four trading sessions with daily losses greater than 7%, triggering circuit breakers on the exchange put in place after the Black Monday October 1987 stock market crash to serve as a buffer, and calm the market in times of duress and panic. Since its peak on February 20, the Canadian benchmark equity index has plunged and has now shed 33.6% of its value.

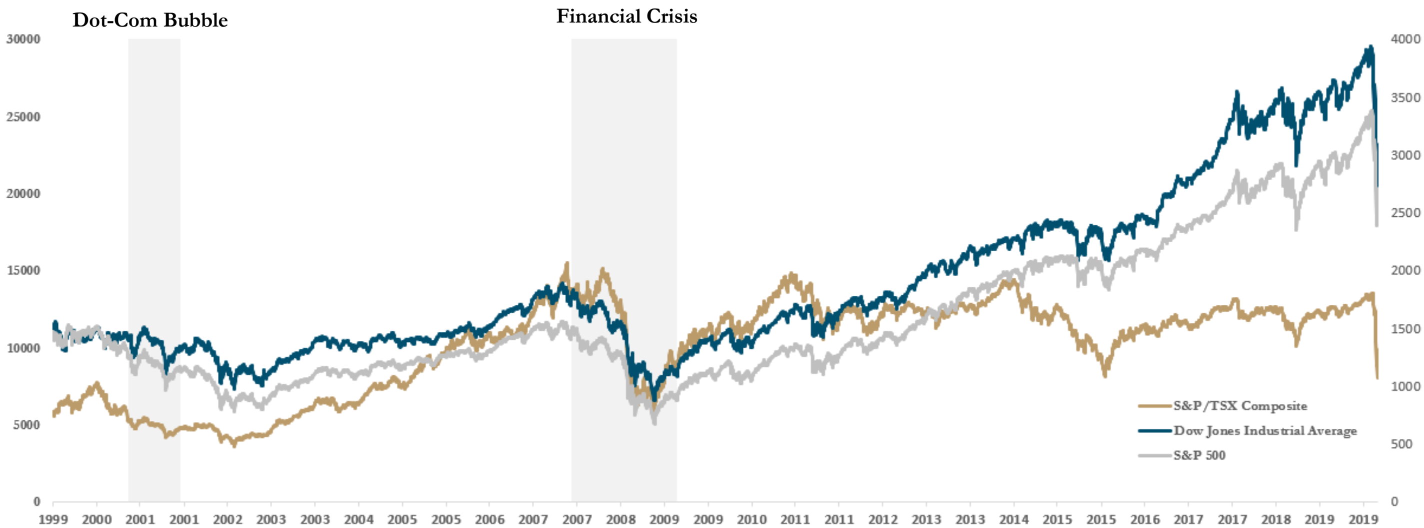
S&P 500 Historical Price/Earnings Ratio



Source: Bloomberg

U.S. equity markets have experienced a similar trajectory, with the S&P 500 benchmark index dropping 30.9% since its February 19 peak, and the Dow Jones Industrial Average shedding nearly 34% of its value since its peak on February 12. Market volatility and uncertainty has risen to extremes, with the VIX index (implied volatility on the S&P500 index) hitting an all-time high of 82.7 on March 16, compared to historically normal levels of 14-16. Not since the Global Financial Crisis of 2008 has the VIX risen to such heights—the previous record high of 80.86 was reached in November 2008.

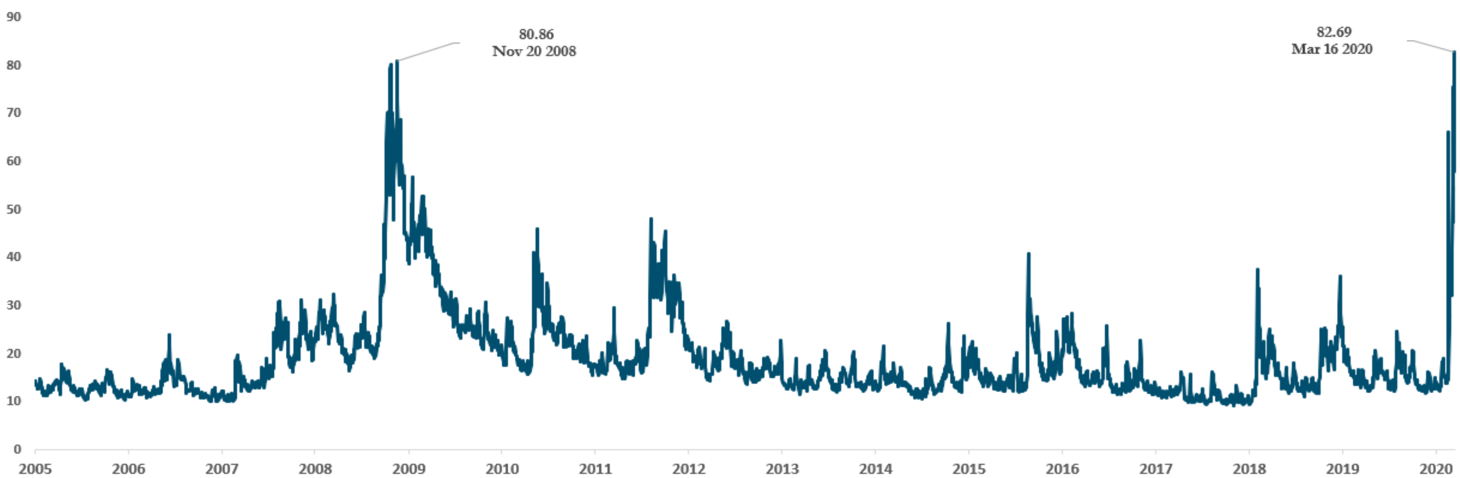
North American Indices Give Back Gains



Source: Bloomberg
Note: The S&P 500 index is plotted along the right-hand axis
All figures shown in USD

Implied Volatility on the S&P 500

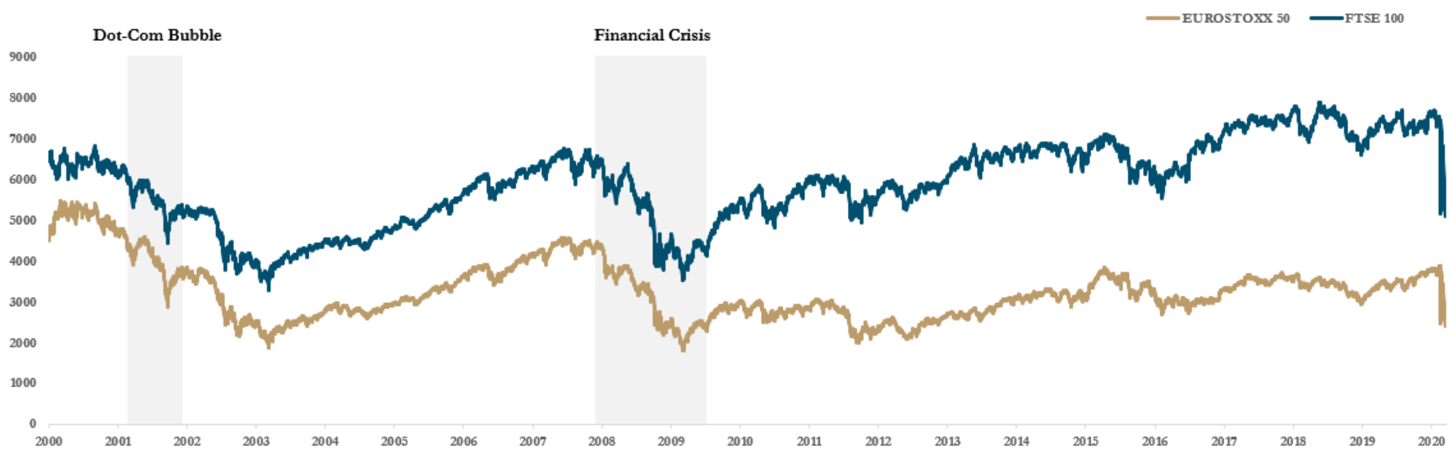
VIX



Source: Bloomberg

Equity markets globally have delivered the same coordinated response as in North America; over the last month and generally on a quarter and year to date basis, the FTSE (U.K market) is down about 30%, the Euro Stoxx 50 index (50 largest blue chip stocks trading on the European markets) is down 33%, and the Japanese NIKKEI is off 30%.

European Markets Experience Amplified Draw-Downs



Source: Bloomberg

As global central banks react swiftly to provide liquidity and monetary stimulus to the economy, short-term interest rates have fallen to near zero levels. The U.S. Federal Reserve (the "Fed") sharply cut the Fed Funds target rate to 0 - 0.25% with two significant moves, a 50bps cut on March 3, followed by a largely unexpected 100bps cut on March 15. Similarly, the Bank of Canada ("BOC") has reduced its overnight lending rate to now 0.75% with a 50bps reduction on March 4, followed by a second 50bps cut on March 13. Globally, the Bank of England and European Central Bank have also cut rates to effectively zero, in efforts to provide economic stimulus and support in the wake of the Coronavirus pandemic. Monetary policy however has been a blunt tool for central banks for two reasons; first, rates were already so low that there was little further room to cut to provide relief before the bottom was reached, and second, the nature of this particular economic shock created by COVID-19 cannot be materially assisted through demand based stimulus alone. Lower short-term interest rates may provide solace and greater capacity for consumers/businesses to weather the duration that economic activity is curtailed by Coronavirus avoidance, but neither consumers nor business can be motivated to spend their way out of the economic consequences. The larger economic problem is supply side economics, and therefore, ensuring the logistics of the supply chain remains operational will be important to mitigating the economic fallout.

With the Fed cutting short-term interest rates to near zero and the BOC taking decisive action but holding its benchmark lending rate at 0.75%, combined with a flight to quality among investors by switching to U.S. treasuries and U.S. dollar assets more generally, the Canadian dollar has seen a steep devaluation, falling over 5 cents versus the U.S. dollar to under USD$0.70 (~CAD$0.6965USD). Short-term yields have fallen to well under 1% on 10yr government treasuries as demand for quality assets has pushed government bond prices higher. Corporate credit spreads conversely have widened, forcing yields on corporate bonds and debentures higher.

Adding to the complications of the current financial situation are ongoing disputes within the OPEC+ oil cartel, and an outright price war between Russia and Saudi Arabia. Disagreement hit a wall in mid-March as the current over supply situation for crude oil, exacerbated by reduced travel (and hence significantly lower oil consumption requirements) from social distancing and lockdown measures affected energy demand from airline, cruise, and automotive travel. Production restrictions among cartel participants which had helped support oil prices, devolved into significant production increases by Saudi Arabia, flooding the global oil market and sending crude oil prices plummeting over 30%. Oil based countries and markets have been hard hit, and as WTI crude has fallen to a low of USD$22/barrel, the incremental shock to the Canadian economy and the energy sector (which comprises approximately 16% of the S&P/TSX Composite index), has been particularly painful.

Despite the volatility and challenge of the current financial market environment, it is important for investors to remember a few key principles and facts:

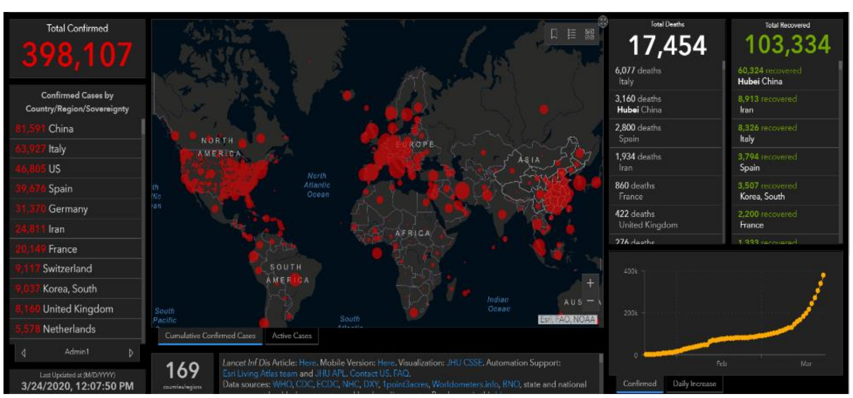
(1) Successful long-term investors lean to **control their emotions**, rather than impulsively react to short-term events, particularly where an investor's time horizon is medium to longer-term focused. Having a disciplined, framework driven approach to investing will result in greater longer-term wealth creation.

(2) **Timing markets is difficult and consistently unpredictable**, even for the most sophisticated and skilled investment professionals. Often, investors poorly time entry and exit points, choosing to exit the market when fear rides high and prices have already fallen, only to miss the upturn when markets revert by sitting on the sidelines. Risk tolerance and capacity should be appropriately gauged and an investor's asset allocation and security selection calibrated to it. It's unnecessary to check one's investment portfolio values each and every day – if the "sleep at night" factor proves challenging, particularly in correcting markets, perhaps risk has been calibrated too high and needs to be adjusted downward.

(3) In the current bear market environment, while the correction has been fast and steep, even at current levels, U.S. equity markets have retraced to prices seen just a little over a year ago—in December 2018, while Canadian equities would need to look back to mid-2015 or 4½ years to find prices on par with the current valuation**. Markets will eventually revert**—in this case, the trajectory will predominantly be determined by the spread of COVID-19, and policy actions that governments take to mitigate the financial and economic affects.

CORONAVIRUS HITS HOME

The first reports of a novel Coronavirus originating in the Hubei province of China arose in mid-December 2019. By the end of the month, Chinese authorities had reported 27 cases, but reassured the world that the threat of a spread beyond Chinese borders was extremely low. By mid-January, cases started appearing across Asia, with confirmed cases reported in Thailand, South Korea, Singapore and Japan. Equity markets generally ignored the spread at first, as major North American indices climbed to record highs during this time. By January 23rd, Chinese officials took the unprecedented action to lock down 11 million people located in Hubei province China, and investors began to weigh the impacts this decision would have on Chinese industrial activity. The World Health Organization ("WHO") declared a global health emergency on January 31st, and global equity investors began rotating out of hospitality and tourism sectors on news that the United States was contemplating travel restrictions to and from China. By mid-February, countries across the globe began reporting COVID-19 cases.



Source 1: Johns Hopkins University

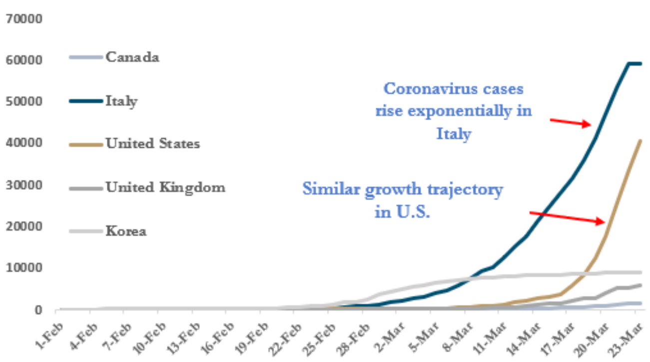
Infection numbers in Italy showed exponential spread, and investors began dumping risky assets. Fourteen other European countries began reporting COVID-19 cases and by March 11th the WHO declared COVID-19 a global pandemic.

Today governments across the world have begun carrying out contingency measures, including placing restrictions on travel, locking down cities, border closures and introducing crisis-era fiscal and monetary stimulus measures. Major governments have effectively banned most forms of social interaction and group public activity, and the economic impact of these measures will be dramatic. As of March 24th, globally confirmed cases of Coronavirus surpassed 400,000 and reported deaths exceeded 18,000 – China, Italy, the U.S. and Spain are currently the top four countries with the highest number of confirmed Coronavirus cases.

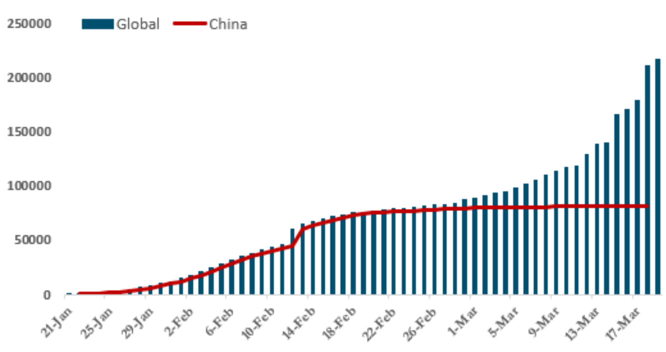
It is still too early to assess the global economic implications of COVID-19 given the fluidity of events but what we do know is that the financial impact will be severe. Forecasts from the major financial institutions are pointing toward an unprecedented pullback in global GDP for Q1 2020 as activity on both the supply side and demand side of the economy grind to a halt.

Coronavirus Cases Growing Exponentially

COVID-19 Confirmed Cases by Country
As of March 23, 2020



COVID-19 Global Confirmed Cases
Cases in China vs. Rest of World as of March 23, 2020



Source: Bloomberg

Adding Fuel to the Fire – OPEC+ Initiates an Oil Price War

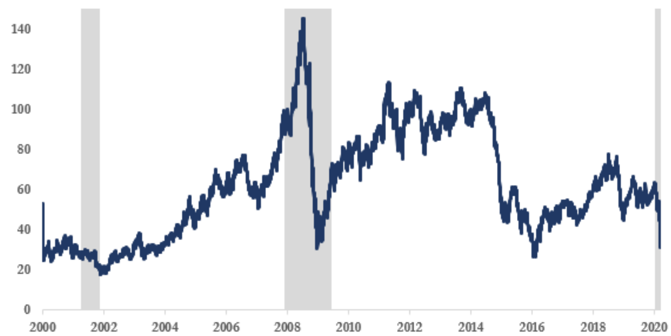
At a time when investors were already experiencing volatility not seen since the financial crisis, an oil price war between OPEC and Russia provided another blow to the markets. At an emergency OPEC meeting on March 5th, the cartel decided to cut production by 1.5 million barrels a day in efforts to stabilize oil prices from a Coronavirus-led contraction in demand. They called on their "OPEC+" ally Russia to follow suit, requesting a cut to production by 500,000 barrels a day. Russia rejected the request in an unprecedented display of defiance by a member of the OPEC+ alliance. On March 9th, Saudi Arabia retaliated by vowing to open their taps and flood the market with more than 10 million barrels per day (bpd) beginning in April while simultaneously slashing their selling prices for all crude grades by roughly 6-8 $US dollars a barrel. This news sent oil markets into turmoil, with major benchmarks losing 30% overnight.

United States Intervention

In response to the unprecedented sell-off, the Trump administration considered intervening to stabilize prices. The U.S. is now considering domestic production curtailments for the first time in decades. At the time of writing, the Trump administration is in talks with Saudi Arabia to co-ordinate further cuts as well as weighing potential sanctions on Russia. Crude traders took kindly to the news and oil prices rallied from their lowest levels in 18 years to post their largest one-day percentage gain in history. Gains were short-lived as prices fell back to record lows of $23 a barrel, off from highs of $63 to start the year.

Historical Crude Oil Prices – West Texas Intermediate

WTI Prices During Past Market Corrections
WTI Crude ($/barrel)



Significant Oil Market Disruptions in Recent Years
WTI Crude ($/barrel)

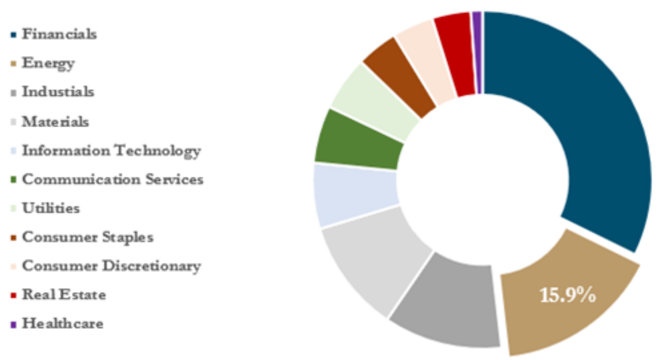
Source: Bloomberg

Canadian Perspective

Sustained pressure on oil prices is particularly significant for the Canadian economy given the importance of natural resources to overall GDP. The oil sector has an outsized weighting in the S&P/TSX Composite index at roughly 16%, and the energy industry contributes roughly 11% to aggregate Canadian GDP.

Energy Holds a Significant Weighting in the Canadian S&P/TSX Index

S&P/TSX Composition by GICS Sector



XIU (S&P/TSX Index) vs. XEG (Canadian Energy Sector Index)

Source: S&P Global

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Global Monetary Policy Response

Central banks around the world have been quick to respond to the dual-shocks of oil price wars and Coronavirus by utilizing a variety of policy tools at their disposal. Most central banks have cut interest rates accordingly and re-introduced quantitative easing programs that were first implemented during the 2008 financial crisis.

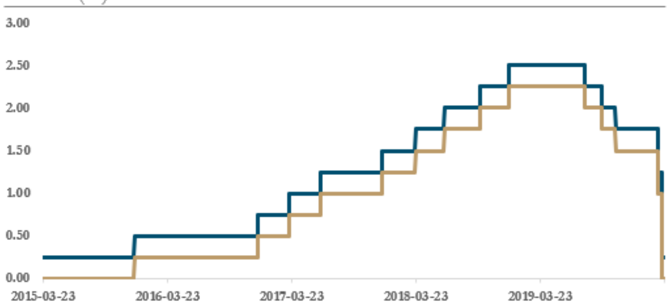
The U.S. Fed, in addition to their two emergency rate cuts of 150 basis points total, unveiled a massive $700 billion quantitative easing ("QE") program. The first round of QE included purchases of over $500 billion in U.S. Treasuries and $200 billion of mortgage-backed securities.

In Canada, in addition to 100bps of emergency rate cuts, the Bank of Canada ("BoC") announced an expansion of bond buying and repo operations. Subsequently the BoC announced an increase in purchases of mortgage-backed securities and a broadening of standards for what can be held as collateral for repo operations. Capital requirements for major banks were rolled by Canadian financial regulators which gave banks the capacity to lend an additional $214 billion.

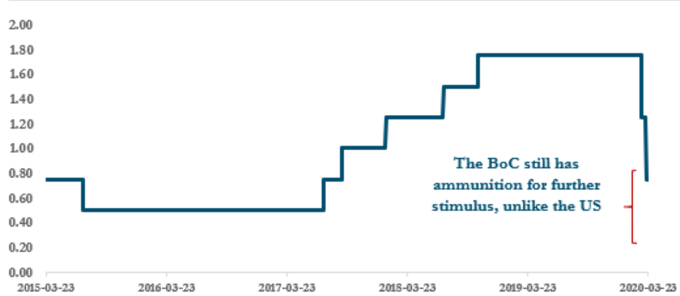
Similarly, the Bank of England cut interest rates from 0.25% to 0.10% - the lowest ever in the Bank's 325-year history. The Monetary Policy Committee in England announced an expansion of £200 billion in bond purchases as part of their own QE program. The European Central Bank held their benchmark rates steady, but introduced a €750 billion ($820 billion) Pandemic Emergency Purchase Program (PEPP) instead.

Global Central Banks Begin Easing Cycle

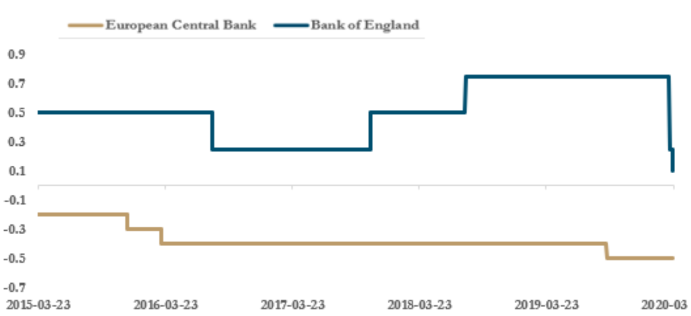
U.S. Fed Funds Target Interest Rates (Upper and Lower)
Percent (%)



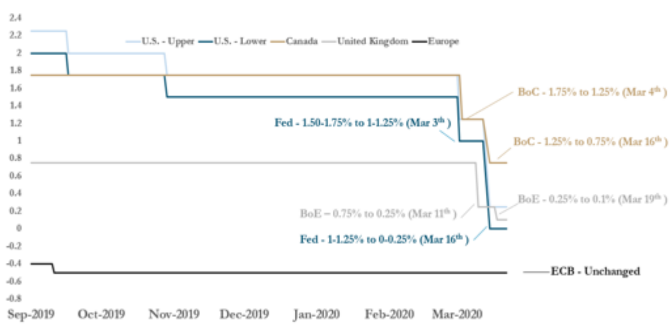
Bank of Canada Target Overnight Rate
Percent (%)



European and UK Central Bank Rates
Percent (%)



Timeline of Major Central Bank Announcements
Percent (%)



Source: Bloomberg

North American Fiscal Response

United States

On the fiscal side, it is encouraging to see policy makers working in lockstep with central banks in a coordinated effort to ease the economic fallout of COVID-19. Fiscal policy, if executed prudently, has the potential to cushion the blow from broad-based job losses and corporate insolvencies that may be increasingly likely. The United States has proposed a stimulus package that would be monumental in scale. On March 17th, the United States proposed a two trillion dollar stimulus bill which is currently negotiating Congressional approval. While this original Republican proposal has morphed in the negotiation process to accommodate Democratic support (this support being necessary for passage in the Democratic controlled House of Representatives), the proposal at a high level is expected to include many of the following key provisions:

- A tax credit of $1,200 per adult and $500 for each child for some families. The amount would be lower for people making between $75,000 and $99,000 a year, and none for people making over that amount. For people who pay less than $1200 in taxes the amount goes down, down to a minimum of $600 for the poorest people who have no federal income tax liability. And even that $600 is dependent on making at least $2,500 in qualifying income.
- $300 billion in loans to small business with under 500 employees, with loans capped at $10 million. Part of the loan would be forgiven if the companies don't lay off any employees through the end of June.
- $50 billion in loans and loan guarantees for passenger airlines.
- $8 billion in loans and loan guarantees for cargo airlines.
- $150 billion in loans and loan guarantees for "other eligible businesses" The Treasury Department has a lot of latitude to decide what falls into this category.

The first iteration of the bill was stalled as Democrats held out for more money to help local governments and hospitals. Both parties are demonstrating an extreme sense of urgency toward this, and we expect an agreement that will permit passage to be announced imminently.

Canada

In Canada, the Trudeau government unveiled an $82 billion COVID-19 Emergency Response Package. The package includes $27 billion in direct supports and another $55 billion to help business liquidity through tax deferrals. Combined, the package represents more than three per cent of Canada's GDP. The support aims to help Canadians pay for rent and groceries, to help businesses continue to meet payroll and pay bills, and to stabilize the economy. Support measures are meant to be immediate and could start flowing in weeks. Canada’s emergency aid plan includes, among other things:

- A temporary boost to Canada Child Benefit payments, delivering about $2 billion in extra support.
- A new Emergency Care Benefit of up to $900 biweekly, up to 15 weeks, to provide income support to workers, including the self-employed, who have to stay home and don't qualify for paid sick leave or employment insurance. The measure could disburse up to $10 billion.
- A new Emergency Support Benefit to provide up to $5 billion in support to workers who are not eligible for EI and who are facing unemployment.
- A six-month, interest-free reprieve on student loan payments
- Extending the tax filing deadline to June 1 and allowing taxpayers to defer until after Aug. 31 tax payments that are due after today and before September.

The Trudeau government is also preparing a bailout package for the oil and gas industry, but details are to be announced in the coming days or weeks. Industry experts predict that the package will include significant access to credit, especially for struggling small and medium sized producers. The package may also contain funding to create jobs for laid-off workers to clean up abandoned oil and gas wells.

GLOBAL ECONOMIC IMPACTS OF COVID-19 CRISIS

With the significant amount of uncertainty in markets and massive monetary and fiscal stimulus thrown at the financial system by central banks and governments, one can be reasonably sure that the impact to the global economy will be considerable. On the reasonable assumption that widespread business shutdowns will occur and remain in place anywhere from 6-10 weeks, many economists are predicting the hit to business activity could be between 10-20% of GDP quarter-on-quarter through late Q1 and Q2 of 2020. At these levels, the effect on aggregate output for the Canadian and U.S. economies could push annualized GDP down to -1.0% annualized. At those levels, this fall in output would eclipse the output fall in the 2009 post financial crisis period (-0.5% y/y) and be the worst year for the global economy since the 1940's.

But business activity will rebound once restrictions are lifted. The lessons from China suggest that this turnaround may be uneven, with production rebounding first and consumer spending being slower to recover. While the shape and form of how a recovery will unfold however is unclear, it will primarily be predicated on two key variables; how nations and the global community are able to arrest the affects and compress the time-frame for the COVID-19 outbreak, and what policy decisions are implemented to deal with its repercussions. Economic predictions suggest that that most economies will return to their pre-crisis GDP path within a 1-2 year timeframe. Some economies may experience permanently lower output but economies with lower debt-to-GDP levels and stronger balance sheets, including Canada and the United States, should bound back more fully and quickly.

Monetary policy has effectively been utilized to its limits with global central banks rapidly cutting short-term lending rates to effectively zero to stimulate demand. The goal of central banks now is simply to prevent the freezing of the financial system through liquidity management and quantitative easing (QE) measures. And government policymakers aren't out of bullets either—a targeted fiscal policy approach will bear the greater burden of supporting demand, and deficit financing will at least occur at lower carrying rates. The disruption has consequences for both the supply- and the demand-side of the economy. In theory, the former is inflationary (since the ability to supply goods and services is constrained) while the latter is deflationary (since demand for goods and services is diminished). It's likely that deflation poses a greater short-term risk to the economy than inflation. The aggregate effect on inflation should therefore depend on how these two forces balance out.

The major announcements of massive monetary and fiscal policy support have provided quick support for financial markets but like a rush of adrenaline, much of this relief has proved temporary. While these policy actions are necessary and very appropriate given the circumstances, their efforts are apparently insufficient—policy cannot offset the near-term consequences of shutting down a large part of the global economy—but it can help to cushion its affects. The yet elusive element to a meaningful and lasting recovery for the economy and rebound in financial markets, we think, rests with demonstrating clear evidence of curve flattening that will allow lockdowns to end.

PORTFOLIO GUIDANCE

In challenging market environments, particularly those whose direction and impact is shaped by sudden, largely unforeseen shocks to the global economy as is the case with the current COVID-19 crisis, investors are reminded that sticking to the discipline of a longer-term game plan is wise advice. A well-constructed and suitably diversified portfolio customized to the specific risk capacity and tolerance of the individual investor, and with purposeful allocation and security selection that takes into account the relevant time horizon, liquidity needs and other salient factors that are material to the financial situation, will help maximize returns in line with the expected long-term outcome. Simply put, having a solid investment framework, and maintaining discipline and adherence to that framework is key, and particularly important in times of market extremes, at either end of the risk spectrum. Human behavior is often emotional, and reactive (or over-reactive) in extreme situations but the most successful investors are those that are able to take a clinical approach to assessing the risks and opportunities of the marketplace, and often making important investment decisions at times or in directions that are opposite to the consensus. As Warrant Buffet aptly said, "be fearful where others are greedy, and greedy when others are fearful". The later part of that statement exemplifies the situation we are now in, and while investing is not a riskless activity, reactive, panic motivated decisions are often made at the absolute wrong time, and selling at the bottom or near the bottom of a market route may only assure that one misses out on the majority of an eventual upturn or foregoes attractive buying opportunities.

This is not to say that the current market situation should be ignored in favour of standing pat for the long-term, but the following are some thoughts and guidance to consider:

(1) For the majority of investors, **it is advisable NOT to focus on the intraday**, or day-to-to gyrations of the market. This will only cause distraction, induce emotion, and result in impulsive and likely poor investment decisions that deviate from the longer-term framework and wealth creation process.

(2) If the "sleep at night factor" is overwhelmingly difficult given the current market volatility, then likely the risk calibration of the portfolio was set too high and may need to be re-assessed.

(3) Remember that investing is not a riskless activity but directionally the economy and financial markets operate in cycles and that for every dislocation there is a rebound opportunity, and that over the long-term **MARKETS GO UP!** The **CRISIS** of the current environment = **DANGER** as well as **OPPORTUNITY**! Firstly, to mitigate the danger;

A. FOCUS on QUALITY

i. Companies that exhibit the Mandeville Difference and 15 of 15 principles

ii. Companies with;

    1. Low debt levels
    2. Well capitalized
    3. Strong market positions

iii. Companies in sectors more insulated from temporary business shutdown risks and beyond the "eye of the storm" (such as airlines, hotels, cruise operators, etc.)

B. **EMPHASIS** on sectors that are defensive, or have a better opportunity to capitalize from or weather the current market environment:
   i. Overweight consumer staples, utilities and healthcare
   ii. Reduce exposure to consumer discretionary, energy; be cautious among real estate and financials

Secondly, from an opportunity leveraging perspective;

C. **MAXIMIZE** your opportunity to invest in **HIGH QUALITY PRIVATE** securities
   i. Private securities can serve as a buffer from the effects of public markets
   ii. Private securities are often less correlated to public markets and offer both diversification and specific benefits in all market environments but particularly in times of public market duress
   iii. Since private securities generally do not have a tick-by-tick price transparency mechanism and prices are not visibly changing with the same rapid frequency as public markets, privates serve to re-enforce the long-term discipline required for wealth creation and remove emotion and impulsive decisions from the investment process

D. Solid long-term businesses are **ON SALE**—use this as an opportunity to allocate or re-allocate capital to investments at attractive valuations.

E. **LOOK FOR YIELD** – investments with strong dividends/distributions are attractive at lower market prices, translating into higher effective yields and greater long-run total returns. While the shape of the eventual recovery and rebound is not necessarily known, patient capital can provide rewarding yields while waiting for a sustainable recovery to eventually take hold.

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APPENDIX

Figure 1: North American Fiscal Packages – As of March 22, 2020

CANADA	
March 11	Canada announced a $1bn package. The government agreed to deploy $500 million to provinces and territories to fund critical health care system needs, with the remainder largely targeted toward additional research and vaccine development. The government also announced that the one-week waiting period for EI would be waived to assist individuals and businesses affected by COVID-19.
March 18	"Phase One" of Canada's stimulus package, The "Government of Canada COVID-19 Economic Response Plan", pledges up to $27 billion in direct support to Canadian workers and businesses, and an additional $55 billion of support to households and businesses in the form of tax deferrals. Included, among other things was: 1. A temporary boost to Canada Child Benefit payments 2. A new Emergency Care Benefit of up to $900 biweekly, up to 15 weeks, to provide income support to workers, including the self-employed, who have to stay home and don't qualify for paid sick leave or employment insurance 3. A six-month, interest free reprieve on student loan payments 4. Extending the tax filing deadline to June 1 and allowing taxpayers to defer until after August 31.

UNITED STATES	
March 6	President Trump signed an $8.3 billion spending bill, currently called "Phase One" of stimulus efforts, to fund efforts to fight the pandemic. Among other things it: 1. funded research for a COVID-19 vaccine 2. gave money to state and local governments to stop the virus' spread 3. deferred taxes for industries affected most by the virus – primarily hospitality and tourism
March 13	The Democrat-controlled House of Representatives passed a stimulus bill, dubbed "Phase Two" of the stimulus package, which required further approval from the Republican-controlled Senate. The proposal included, among other things: 1. free virus testing and expanded unemployment benefits 2. freeing up $50 billion in financial assistance for states, localities and territories 3. required every U.S. state to dramatically step-up their emergency operation centres, and told every hospital in the country to activate emergency preparedness plans
March 17	Treasury Secretary Steven Mnuchin announced that individuals and businesses would have an extra 90 days past April 15 to pay their tax bills. He estimated the move would free up $300 billion in extra liquidity over the time period. Individuals were told they could delay taxes up to $1 million, and corporations up to $10 million so they could pay for other expenses in the meantime. Mnuchin noted that taxpayers would still be required to file their paperwork by the April 15th deadline, however. Secretary Mnuchin and President Trump also suggested a roughly $1 trillion stimulus package, dubbed "Phase Three," to the Republican-controlled Senate. The package was only a proposal with details to still left undecided, and the plan would need to be passed by Congress. Included in the proposed package were $500 billion in direct payments, including a more than $1000 payment to all qualifying adults; a $50 billion in bailouts for the airline industry; and upwards of $500 billion for small businesses and other expenditures
March 19	Senate Majority Leader Mitch McConnell released a draft bill of the "Phase Three" stimulus package. The Republican plan includes the following, among other things: 1. a tax credit of $1,200 per adult and $500 for each child for some families - the amount would be lower for theose earning above $75,000. 2. $300 billion in loans to small business with under 500 employees. Part of the loan would be forgiven if the companies refrain from laying off any employees through the end of June 3. $50 billion in loans and guarantees for passenger airlines and $8 billion for cargo airlines, (4) $150 billion in loans and loan guarantees for "other eligible businesses"

Figure 2: North American Economic Indicators - as most economic indicators are backward-looking (lagging indicators), the impact of the current economic climate may not yet be shown in these data

CANADA						
Event	**Period**	**Date**	**Consensus Est.**	**Actual**	**Prior**	**Revised**
Labour Market Data						
Net Change in Employment	Dec	10-Jan	25.0k	4-Feb	-71.2k	-54.4k
Unemployment Rate	Dec	10-Jan	5.80%	5.60%	5.90%	--
Net Change in Employment	Jan	7-Feb	17.5k	34.5k	35.2k	27.3k
Unemployment Rate	Jan	7-Feb	5.70%	5.60%	5.90%	--
Net Change in Employment	Feb	6-Mar	11.0k	30.3k	34.5k	--
Unemployment Rate	Feb	6-Mar	5.60%	5.60%	5.50%	--
Price Inflation Data						
CPI YoY	Dec	22-Jan	2.30%	2.20%	2.20%	--
CPI YoY	Jan	19-Feb	2.30%	2.40%	2.20%	--
CPI YoY	Feb	18-Mar	2.10%	2.20%	2.40%	--
GDP Data						
GDP MoM	Oct	23-Dec	0.00%	-0.10%	0.10%	--
GDP YoY	Oct	23-Dec	1.40%	1.20%	1.60%	1.50%
GDP MoM	Nov	31-Jan	0.00%	0.10%	-0.10%	--
GDP YoY	Nov	31-Jan	1.40%	1.50%	1.20%	--
GDP MoM	Dec	28-Feb	0.10%	0.30%	0.10%	--
GDP YoY	Dec	28-Feb	1.60%	1.90%	1.50%	1.60%
Manufacturing Data						
Markit Canada Manufacturing PMI	Dec	2-Jul	--	50.4	20-Feb	--
Markit Canada Manufacturing PMI	Jan	1-Aug	--	19-Feb	50.4	--
Markit Canada Manufacturing PMI	Feb	3-Sep	--	20-Feb	19-Feb	--

UNITED STATES						
Event	**Period**	**Date**	**Consensus Est.**	**Actual**	**Prior**	**Revised**
Labor Market Data						
ADP Employment Change	Dec	08-Jan	160k	202k	67k	161k
Unemployment Rate	Dec	10-Jan	3.50%	3.50%	3.50%	--
ADP Employment Change	Jan	05-Feb	157k	291k	202k	167k
Unemployment Rate	Jan	07-Feb	3.50%	3.60%	3.50%	--
ADP Employment Change	Feb	04-Mar	170k	183k	291k	209k
Unemployment Rate	Feb	06-Mar	3.60%	3.50%	3.60%	--
Price Inflation Data						
CPI YoY	Dec	14-Jan	2.40%	2.30%	2.10%	--
CPI YoY	Jan	13-Feb	2.40%	2.50%	2.30%	--
CPI YoY	Feb	11-Mar	2.20%	2.30%	2.50%	--
GDP Data						
GDP Annualized QoQ	4Q A	30-Jan	2.00%	2.10%	2.10%	--
Personal Consumption	4Q A	10-Jan	2.00%	1.80%	3.20%	--
GDP Annualized QoQ	4Q S	27-Feb	2.10%	2.10%	2.10%	--
Personal Consumption	4Q S	27-Feb	1.70%	1.70%	1.80%	--
GDP Annualized QoQ	4Q T	26-Mar	2.10%	--	2.10%	--
Personal Consumption	4Q T	26-Mar	1.70%	--	1.70%	--
Manufacturing Data						
Markit US Manufacturing PMI	Dec	02-Jan	21-Feb	52.4	52.6	52.4
Markit US Manufacturing PMI	Jan	03-Feb	20-Feb	51.9	52.4	51.9
Markit US Manufacturing PMI	Feb	02-Mar	19-Feb	50.7	51.9	--

Figure 3: Market Data

Equities	Close Mar 23 ($)	YTD TotRet
S&P/TSX Composite	11,228.49	-28.61%
S&P/TSX Venture	351.19	-34.69%
Dow Jones	18,591.93	-28.64%
S&P 500	2,237.40	-25.32%
FTSE 100 Index	4,993.89	-28.88%
EURO STOXX 50	2,485.54	-28.53%
Nikkei 225	6,860.67	-17.82%
NASDAQ Composite Index	6,860.67	-17.84%
MSCI EAFE	4,284.43	-33.21%
MSCI Emerging Markets	359.79	-31.80%

Fixed Income	Yield Mar. 24 (%)	YTD Chg
BoC Overnight Rate	0.75	-100bps
3mos Canada T-Bill	0.46	-122.8bps
2yr Canada	0.583	-111.1bps
10yr Canada	0.826	-87.2bps
30yr Canada	1.296	-46.4bps
Fed Funds Rate	0 - 0.25	-150bps
3mos U.S. T-Bill	-0.0432	-158.68bps
2yr UST	0.3936	-117.55bps
10yr UST	0.8291	-108.84bps
30yr UST	1.3878	-100.18bps

Currencies	Rate Mar. 24	YTD Chg
CAD/USD	0.6888	-10.56%
USD/CAD	1.4494	11.74%
CAD/EUR	0.6386	-6.99%
CAD/JPY	76.726	-8.39%
CAD/GPB	0.5855	0.72%

Market Factors	Mar. 23	YTD Chg
Volatility Meter – VIX	61.59	334.40%

*Figure 4: North American Data from 2008 - **Data shown is from 2008 –** the affect of COVID-19 on the aggregate output of the global economy could eclipse the fall in 2009 post financial crisis.*

CANADA						
Event	**Period**	**Date**	**Consensus Est.**	**Actual**	**Prior**	**Revised**
GDP Data						
Quarterly GDP Annualized	1Q 2008	2008-05-30	0.40%	-0.30%	0.80%	0.50%
Quarterly GDP Annualized	2Q 2008	2008-08-29	0.60%	0.30%	-0.30%	-0.30%
Quarterly GDP Annualized	3Q 2008	2008-12-01	1.10%	1.30%	0.30%	1.40%
Quarterly GDP Annualized	4Q 2008	2009-03-02	-3.70%	-3.40%	1.30%	3.30%
Quarterly GDP Annualized	1Q 2009	2009-06-01	-6.60%	-5.40%	-3.40%	-4.60%
Quarterly GDP Annualized	2Q 2009	2009-08-31	-3.00%	-3.40%	-5.40%	-8.70%
UNITED STATES						
Event	**Period**	**Date**	**Consensus Est.**	**Actual**	**Prior**	**Revised**
GDP Data						
GDP Annualized QoQ	1Q F 2008	2008-06-26	1.00%	1.00%	0.90%	--
Personal Consumption	1Q F 2008	2008-06-26	1.00%	1.10%	1.00%	--
GDP Annualized QoQ	2Q F 2008	2008-09-26	3.30%	2.80%	3.30%	--
Personal Consumption	2Q F 2008	2008-09-26	1.70%	1.20%	1.70%	--
GDP Annualized QoQ	3Q F 2008	2008-12-23	-0.50%	-0.50%	-0.50%	--
Personal Consumption	3Q F 2008	2008-12-23	-3.70%	-3.80%	-3.70%	--
GDP Annualized QoQ	1Q F 2009	2009-06-25	-5.70%	-5.50%	-5.70%	--
Personal Consumption	1Q F 2009	2009-06-25	1.50%	1.40%	1.50%	--
GDP Annualized QoQ	2Q F 2009	3009-09-30	-1.20%	-0.70%	-0.10%	--
Personal Consumption	2Q F 2009	2009-09-30	-1.00%	-0.90%	-1.00%	--

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