

# Alternative Facts

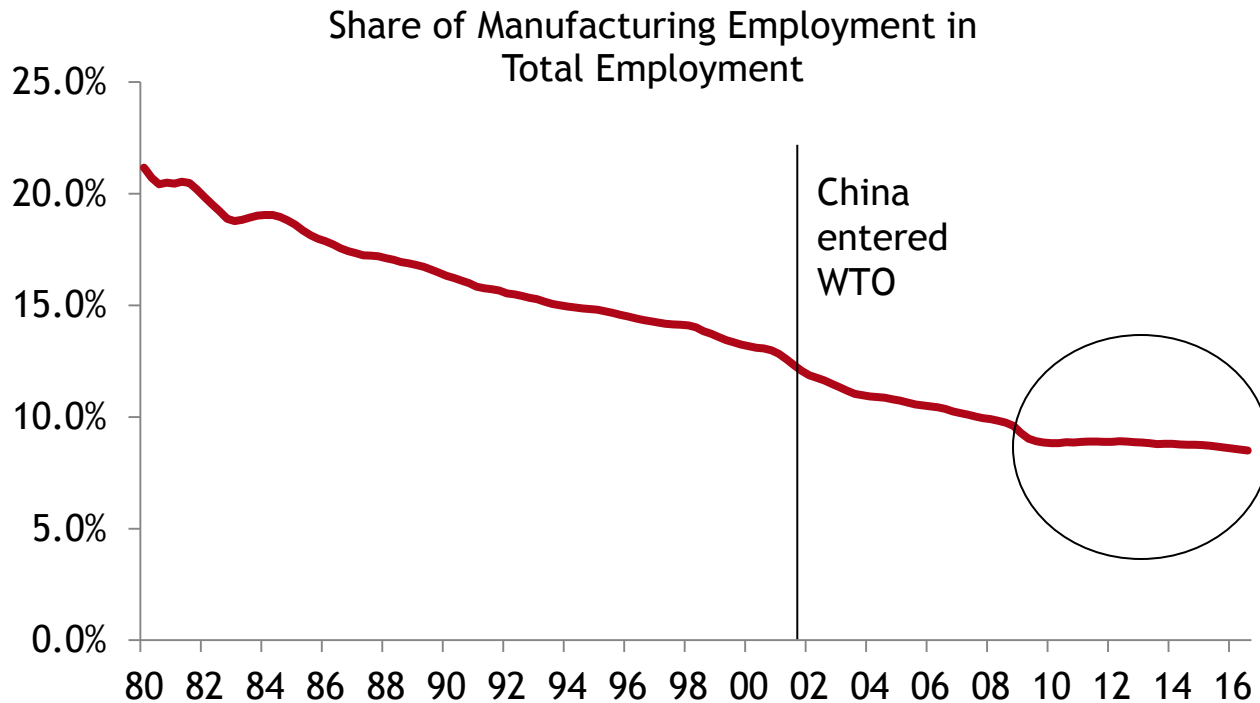


Benjamin Tal

February 2017



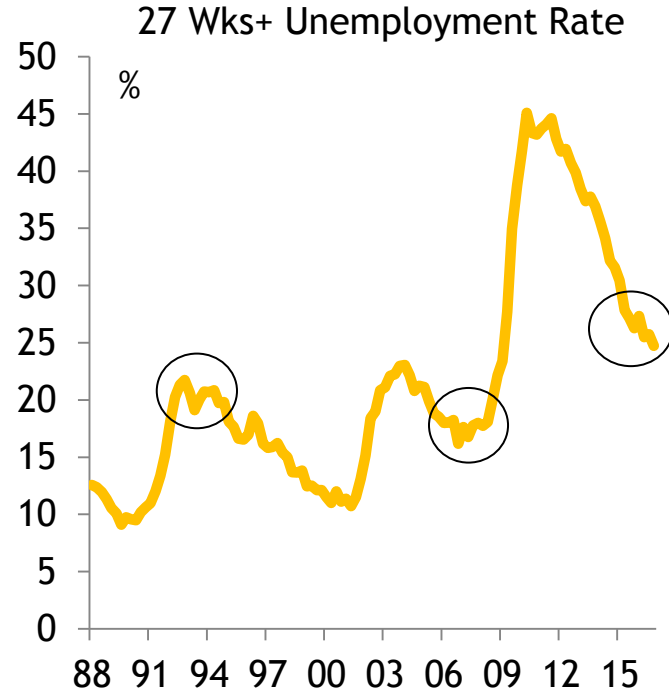
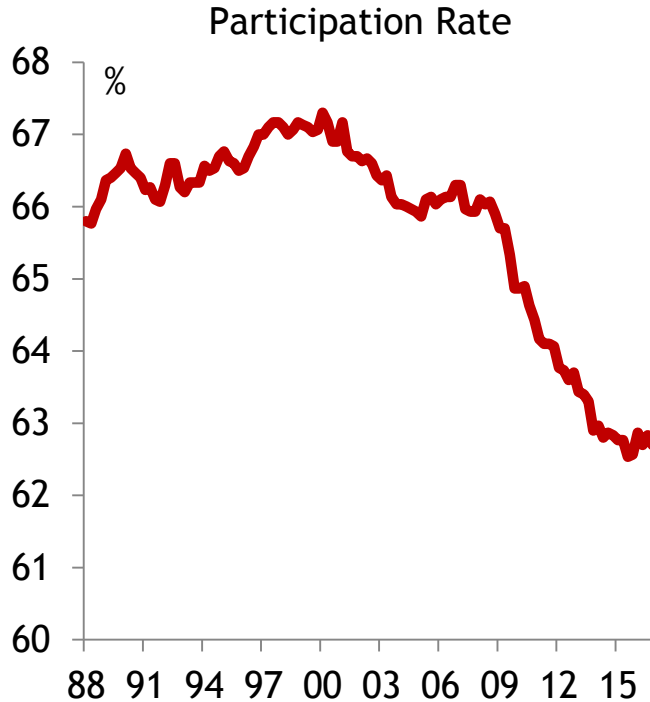
# US Manufacturing Jobs Were Falling Way Before China Entered WTO



Source: BLS, CIBC



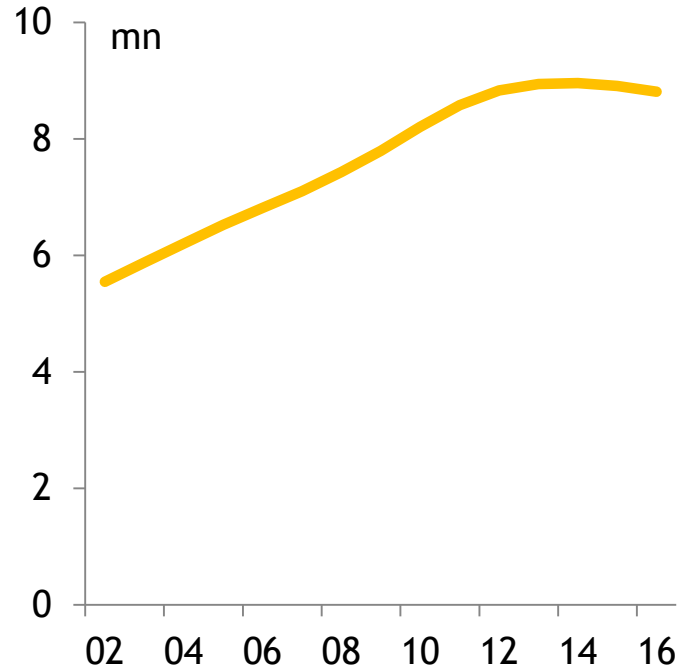
# Not All is Well in US Labour Market



Source: BLS, CIBC



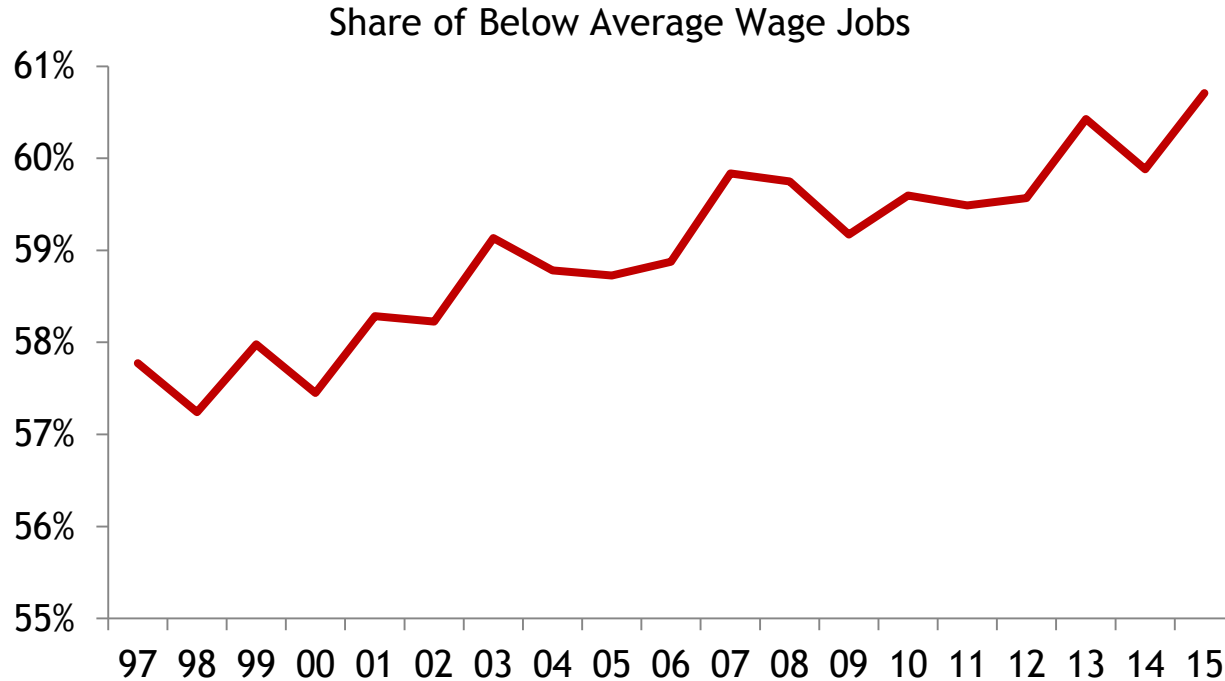
# Americans Receiving Disability Benefits



Source: SSDP, CIBC



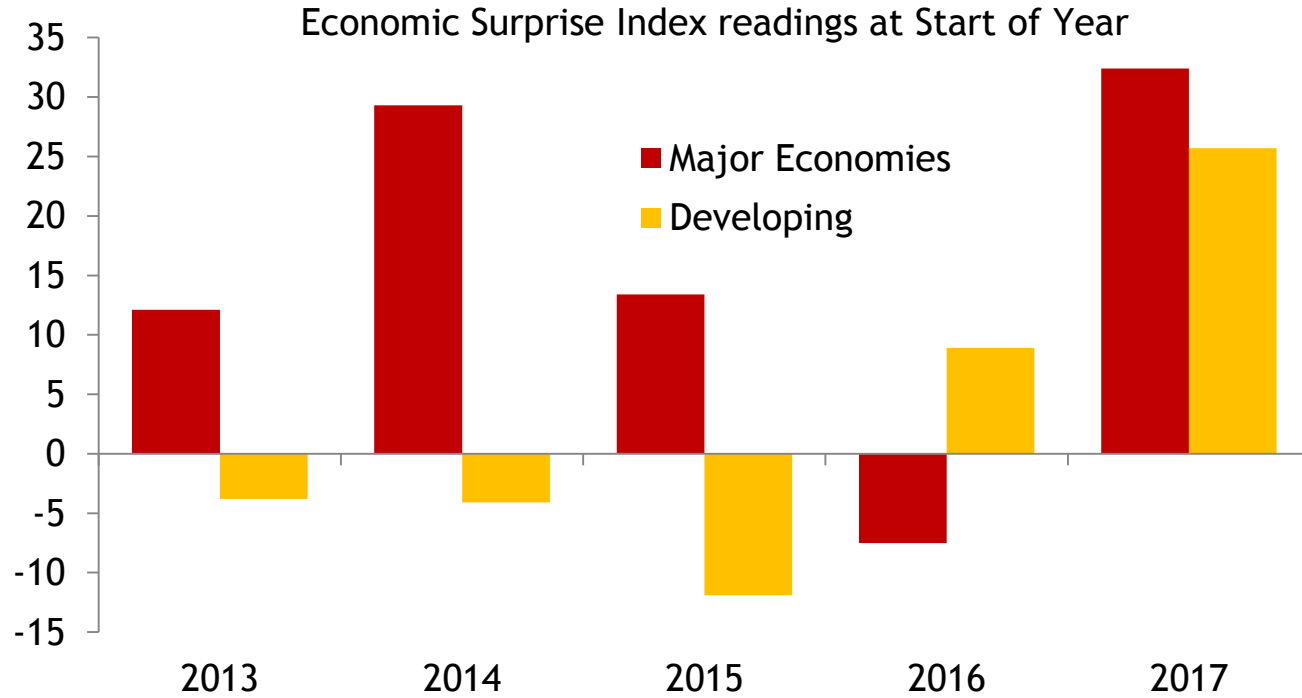
# Canada: Share of Low-Paying Jobs - Rising



Source: Statistics Canada, CIBC



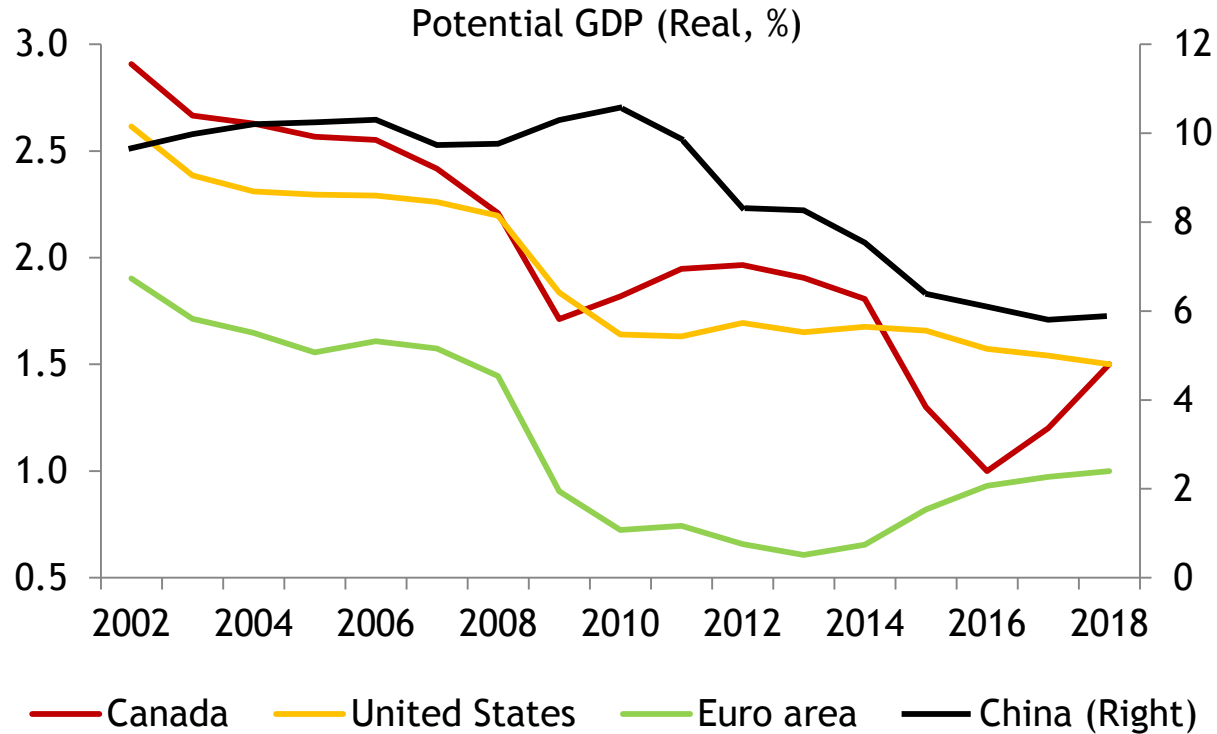
# Surprise Indexes Show 2017 Starting Strong



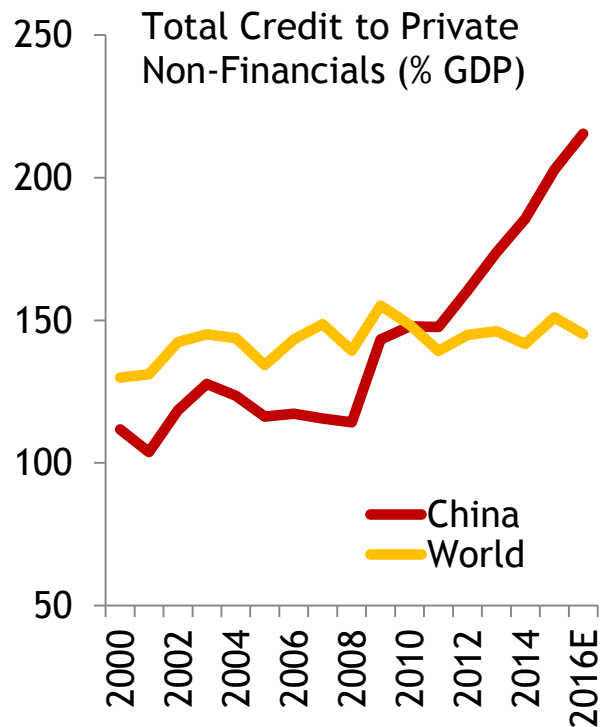
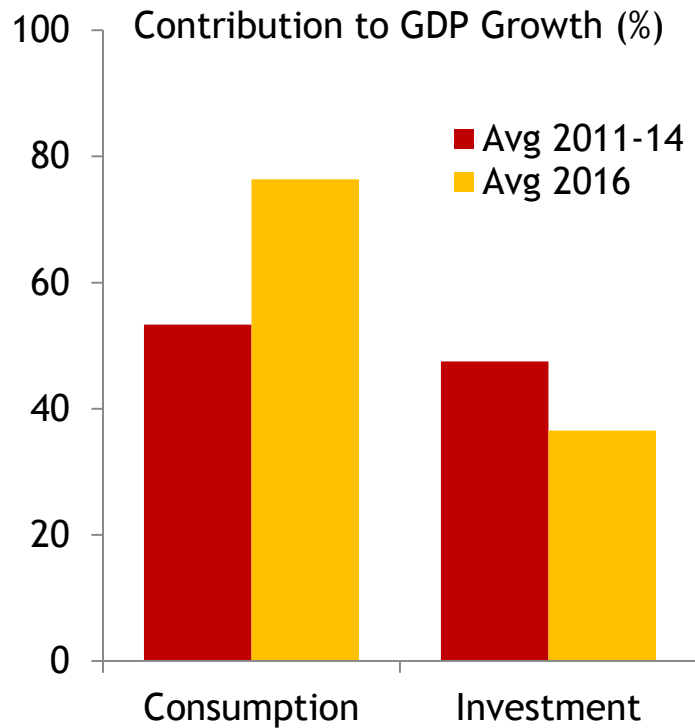
Source: Bloomberg, Citi, CIBC



# Slower Speed Limits: GDP Bar is Lower for Full Employment



# China: Growth Less Reliant on Investment Recently (L), Credit to Non-Financials Rising Fast (R)

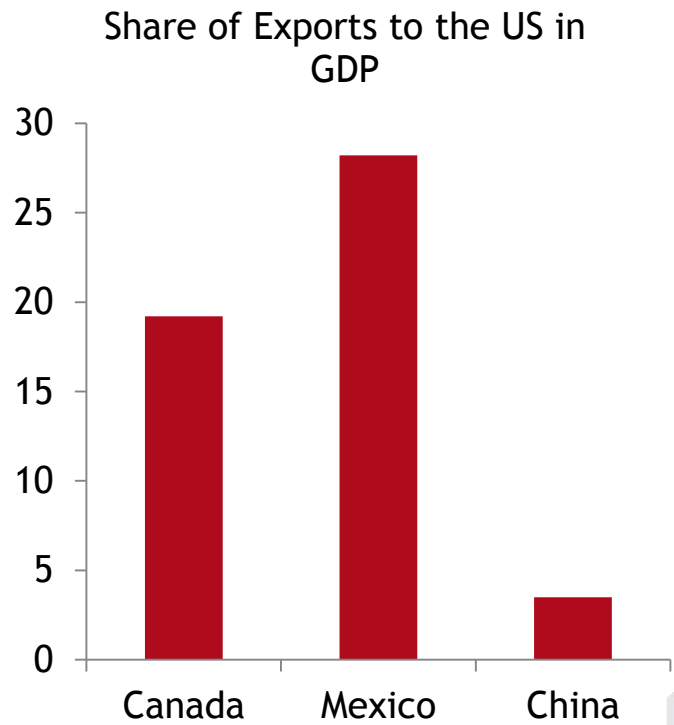


Source: NBS, BIS, CIBC





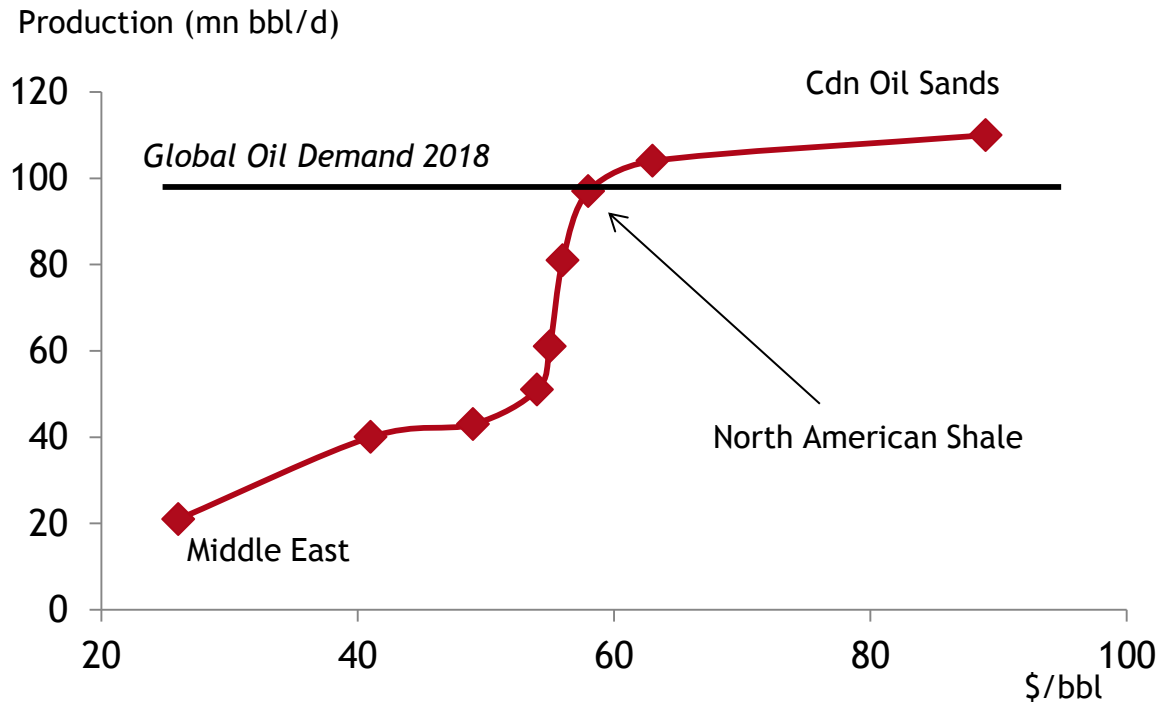
# China's Export Dependence on US Picking Up Again (L), But Canada and Mexico Have More to Lose Than China (R)



Source: BIS, NBS, CIBC



# Shale Marginal Supplier in the Medium Term

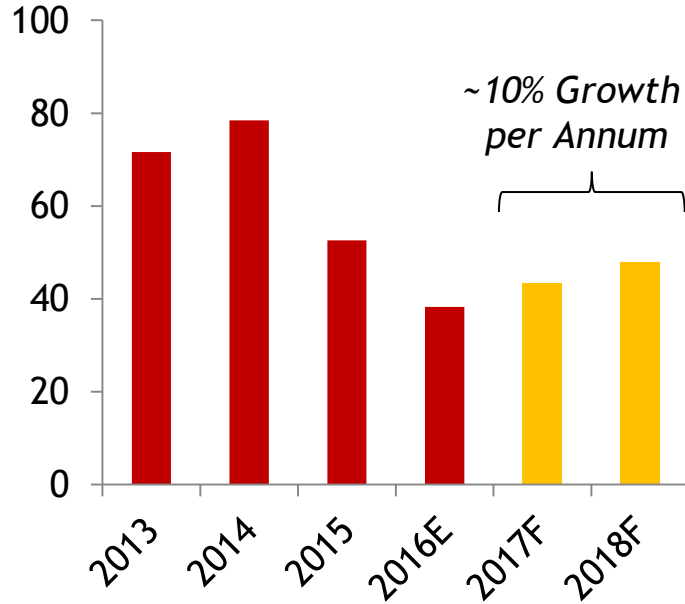


Source: BP, CIBC

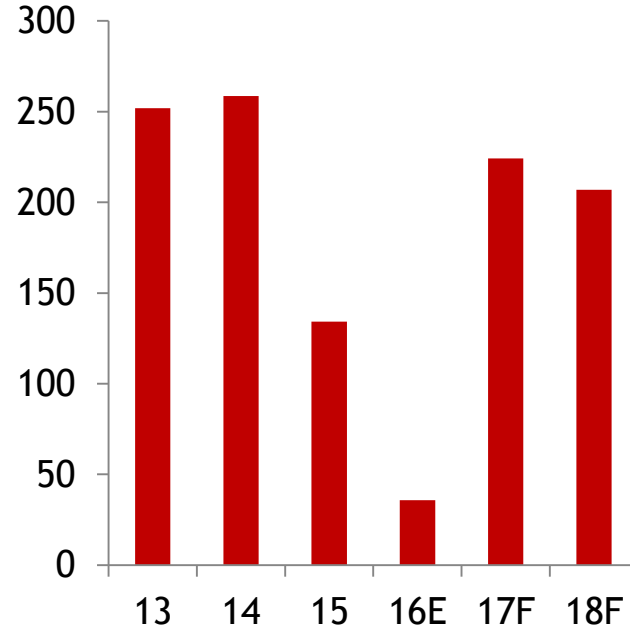


# Energy CapEx Returns (L), While Production Set for Strong '17 & '18 (R)

Oil and Gas Industries:  
Capital Expenditures (C\$ bn)



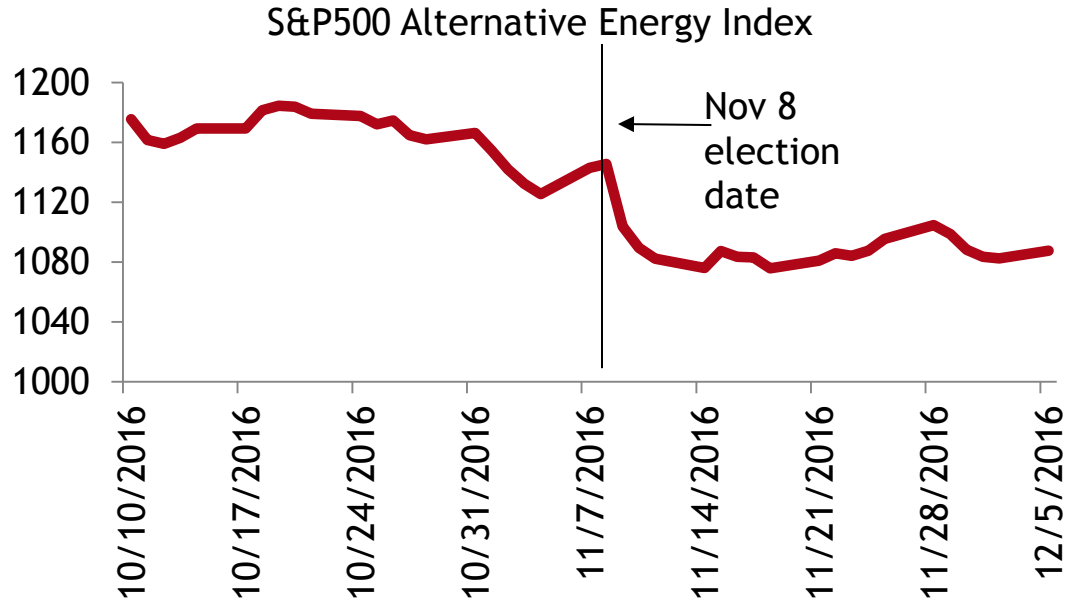
Canadian Crude Prod Growth  
(K bbl/d)



Source: Statistics Canada, CIBC



“It’s freezing and snowing in New York - We Need Global Warming!”  
Donald Trump





- Kill TPP
- Infrastructure
- Deregulation
- Energy
- Keystone
- Personal tax cuts
- Corporate tax cuts
- Cash repatriation
- Building a Wall
- Trade

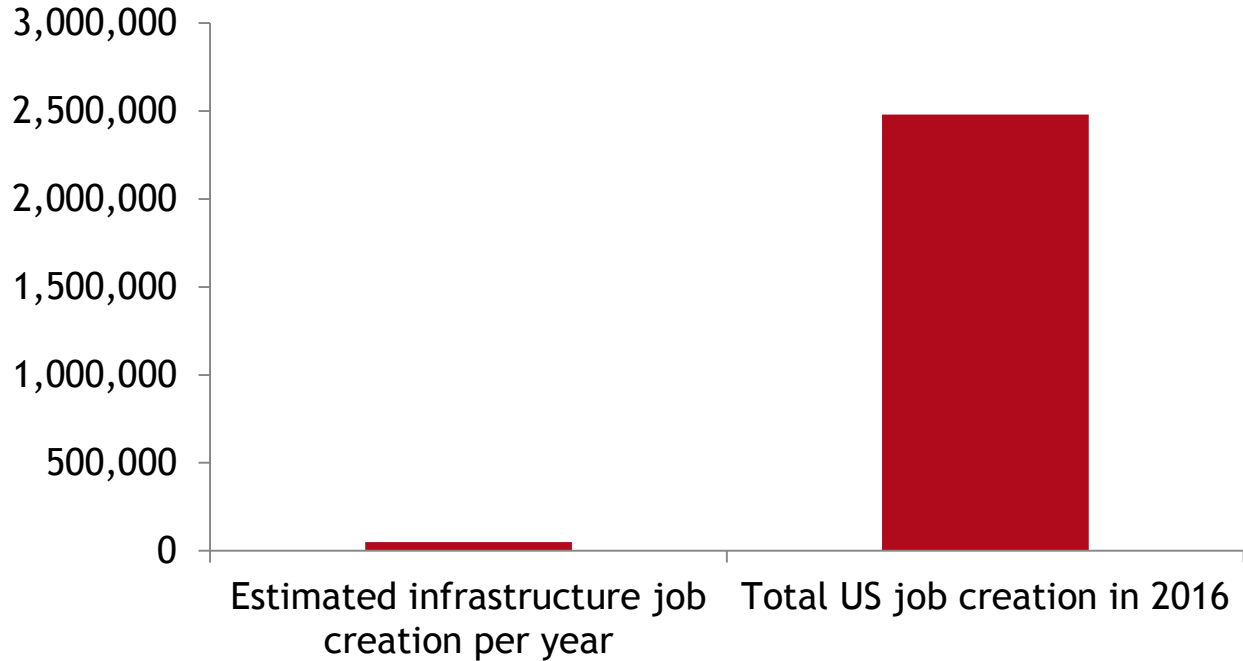
## Easy

## Difficult

✓	■
✓	■
✓	■
✓	■
✓	■
✓	■
✓	■
✓	■
✓	■
■	✓



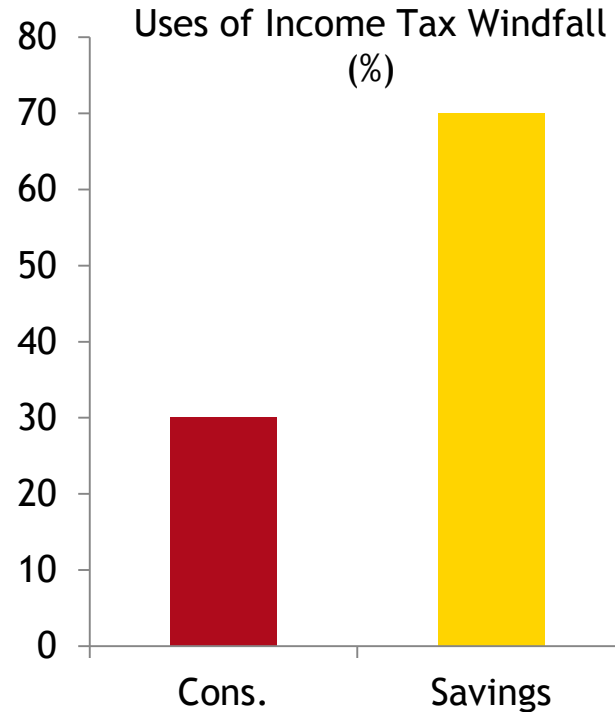
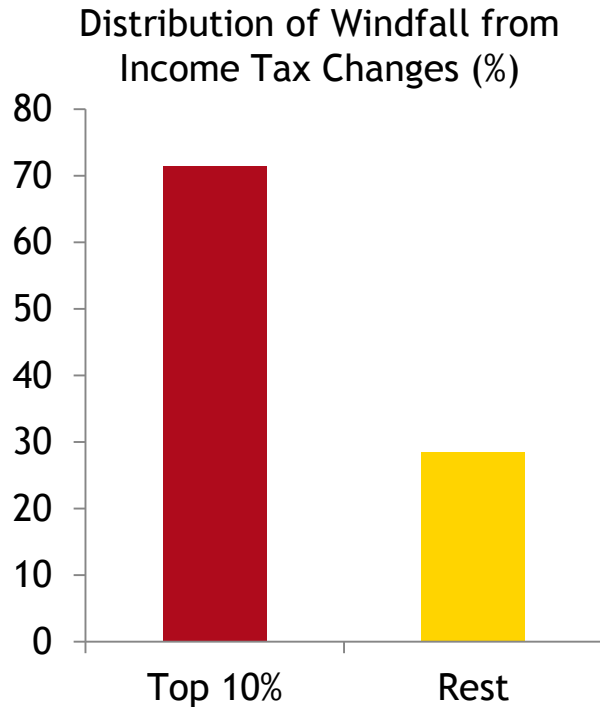
# The Infrastructure “Bonanza”



Source: CIBC



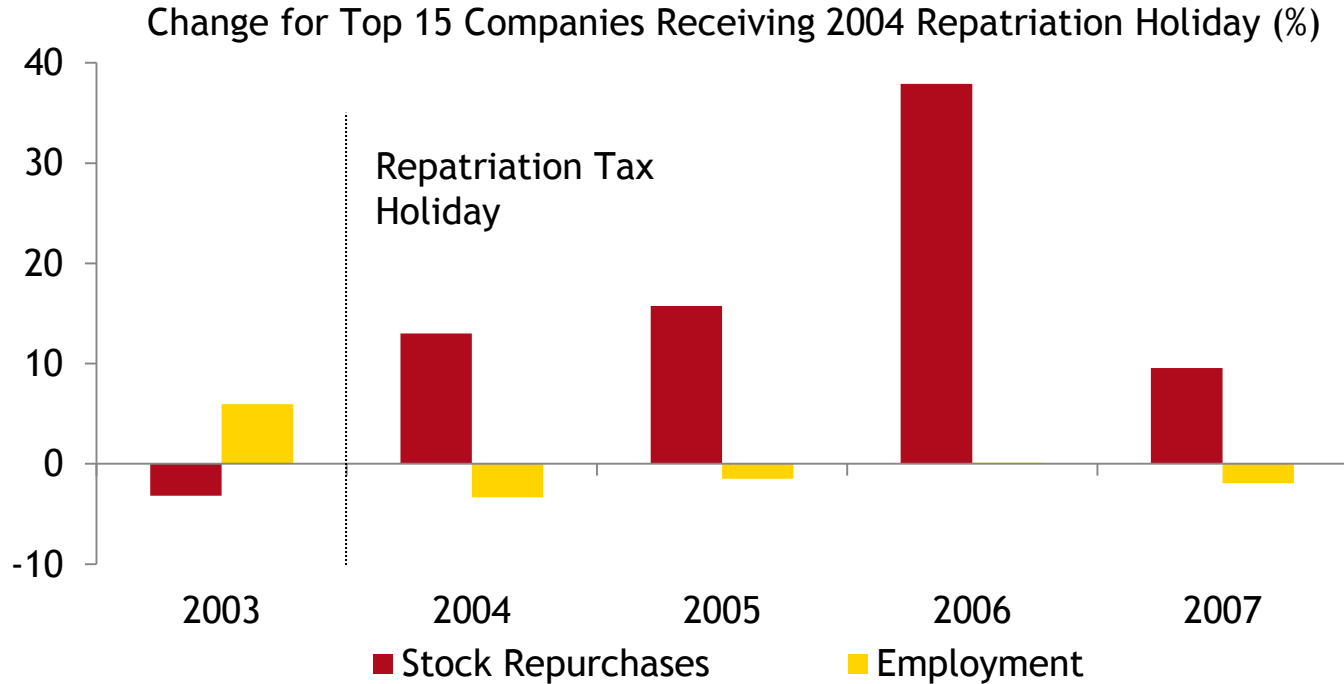
# Windfall from Income Tax Cuts Will Boost Savings... Not Consumption



Source: Department of the Treasury Internal Revenue Service, CIBC



# Cash Repatriation - Positive for Valuations... Not So Much for Employment



Source: US Senate Staff Report, CIBC

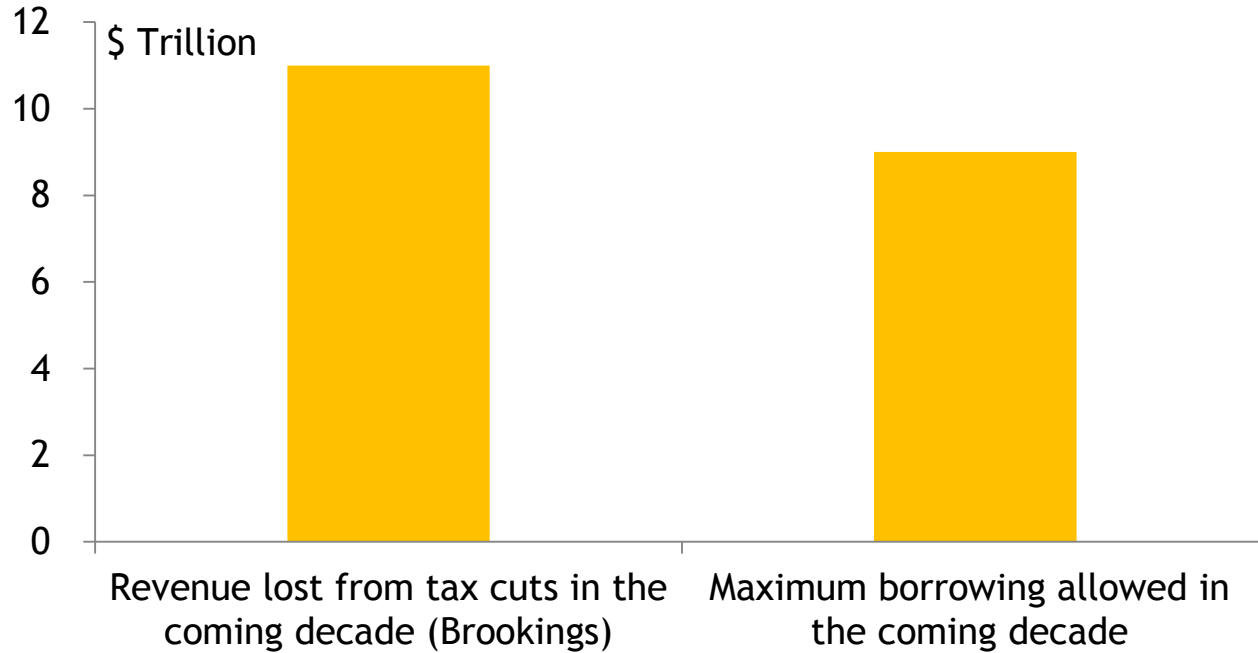


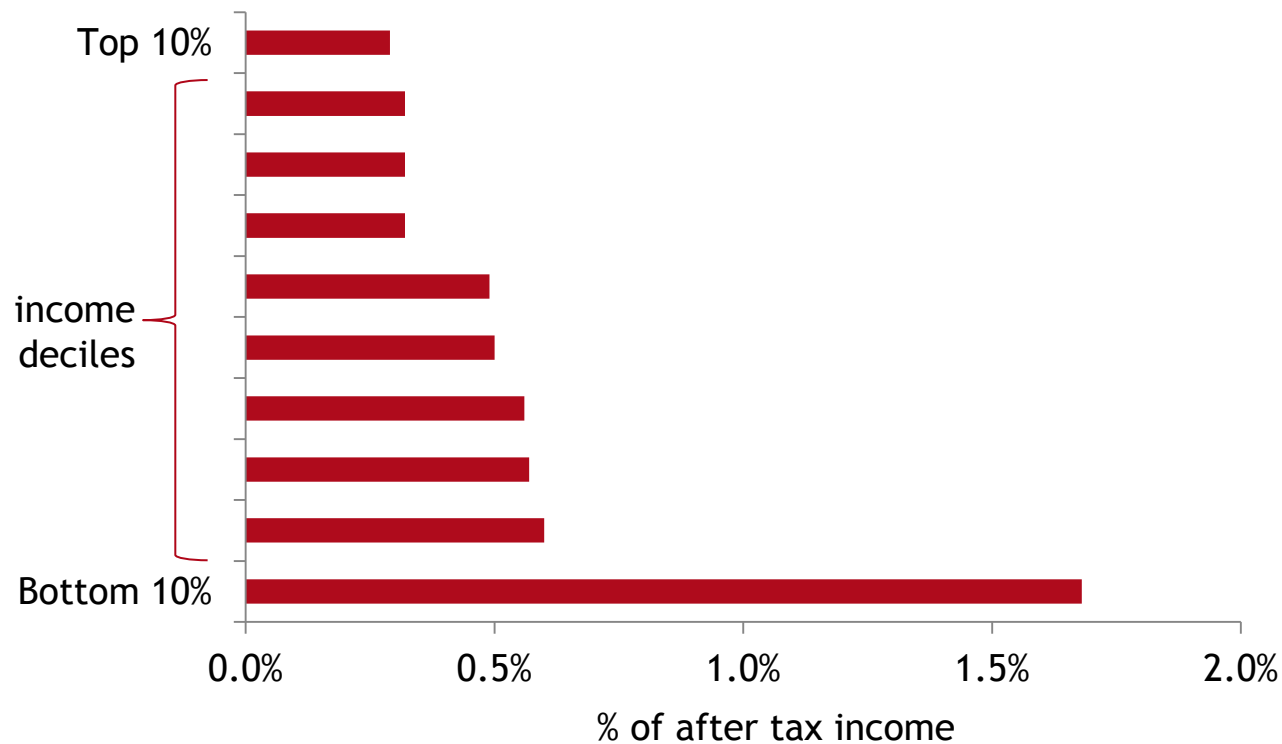


# Trump Is Not Reagan



# He Simply Can't Pay For It

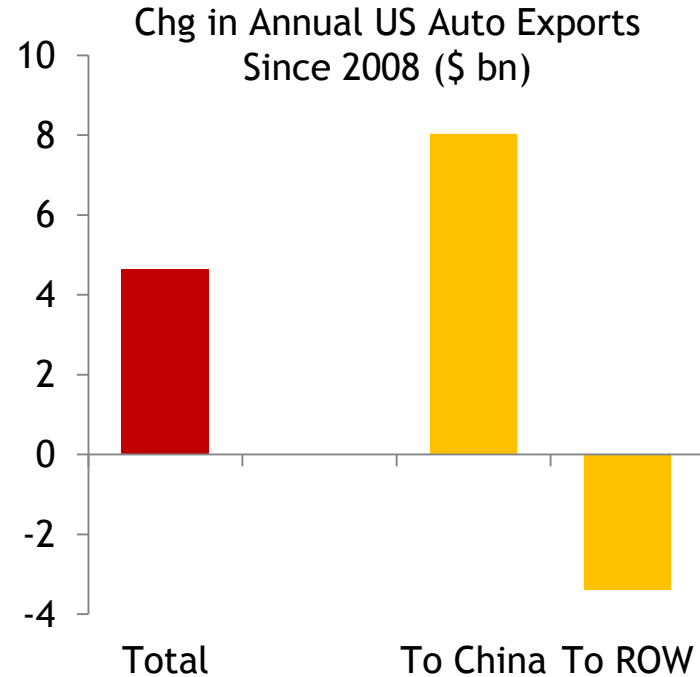
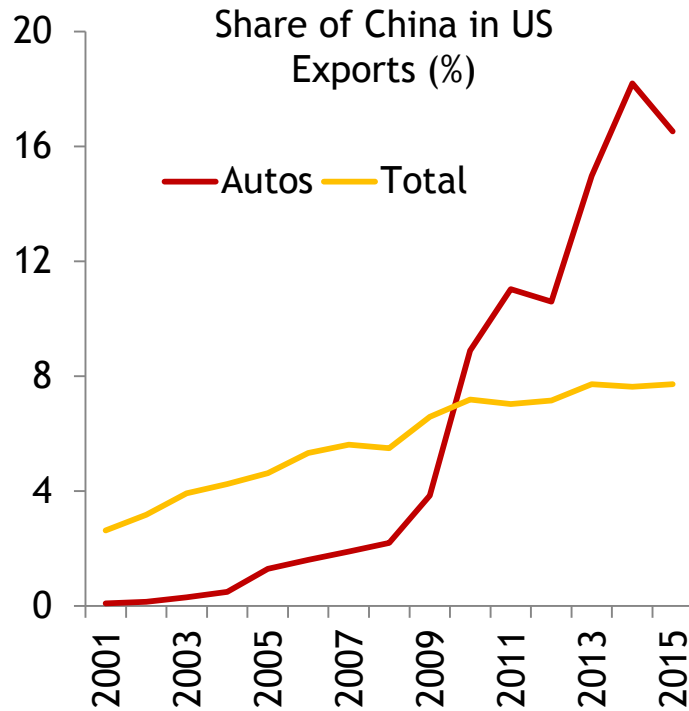




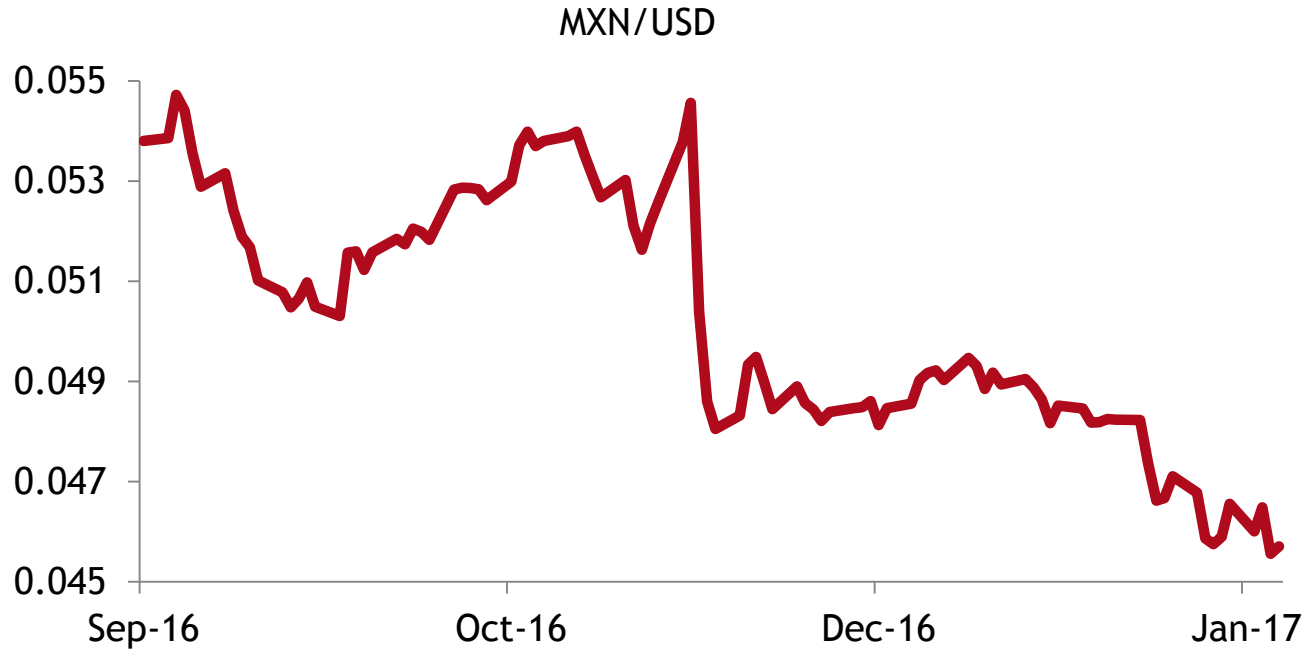
Source: CEA, CIBC



# US Auto Exports At Risk From Trade War With China



# The Mexican Peso is Down by 15% Already

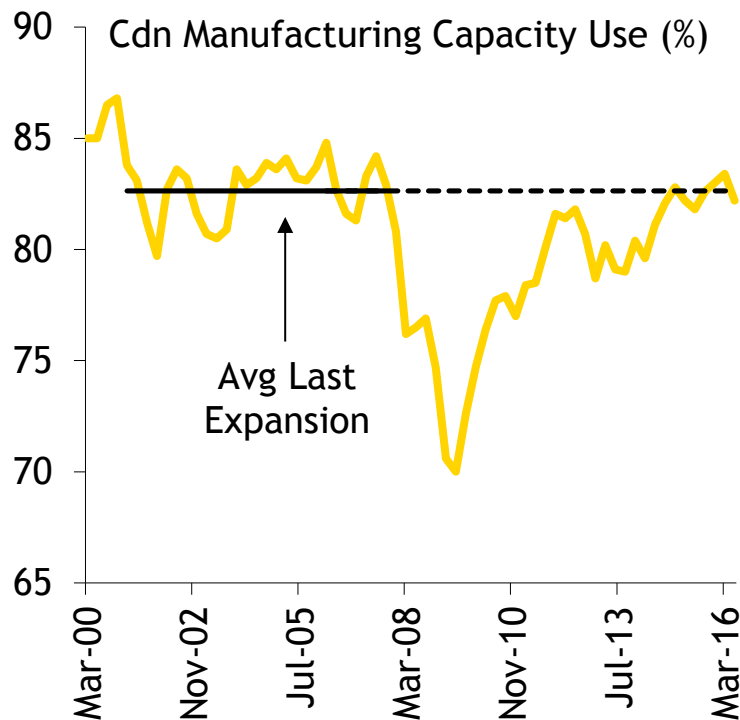
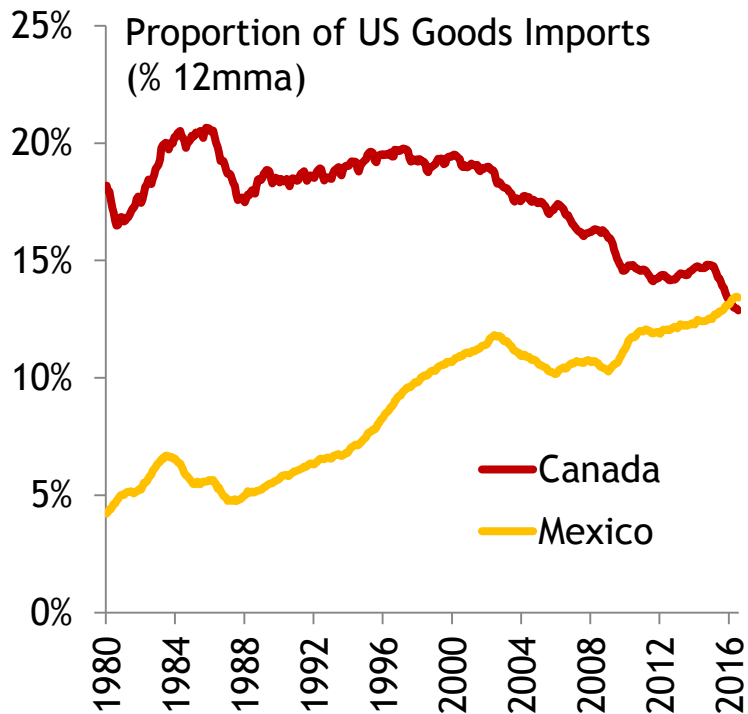


Source: Bloomberg, CIBC



# Mexico Has Also Gained Market Share (L)

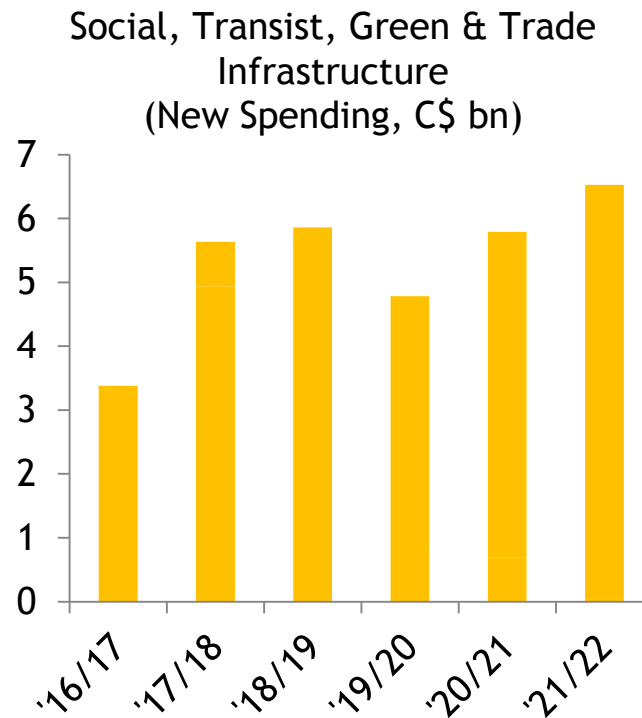
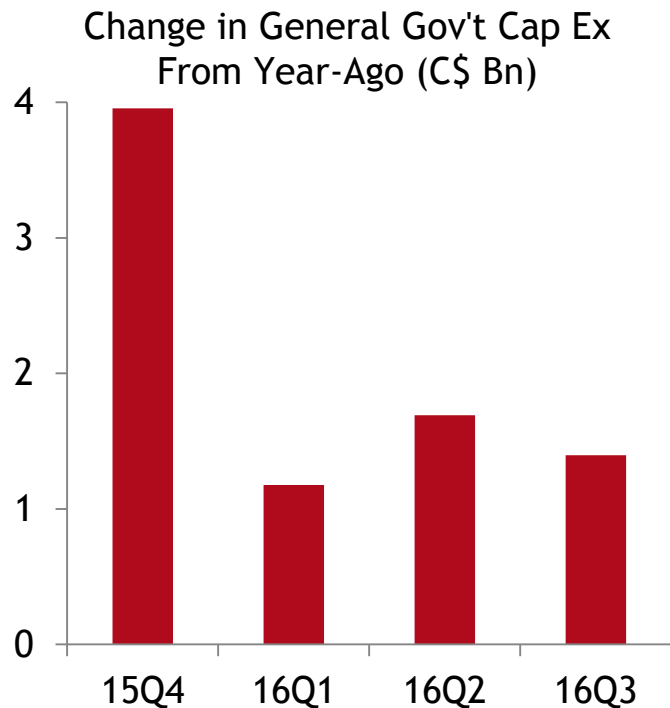
# Cdn Plants Near Full Capacity; Investment Needed to Lift Exports(R)



Source: BEA, Statistics Canada, CIBC



# Government CapEx Tracking Slow Pace (L), Despite Commitments for Significant New Infrastructure Dollars (R)



Source: Statistics Canada, CIBC



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