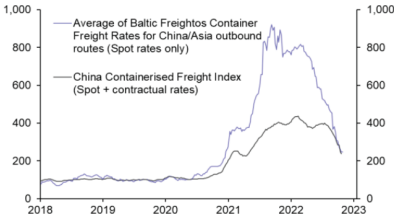


Global Economy – Data Pointing to Further Weakness?

This article is sponsored by National Bank Financial - Wealth Management

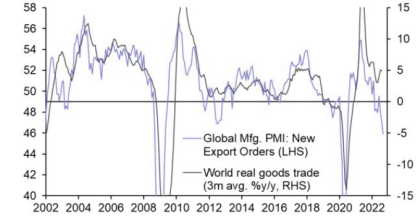
The economic research firm Capital Economics recently highlighted several statistics indicating the increased likelihood of a global recession in 2023.

Chart 4: Container Freight Rates on China Outbound Routes (2018-19 Average = 100)



Source: Capital Economics Global Trade Monitor Oct. 26 2022

Chart 5: Global Manufacturing PMI New Export Orders* and World Real Goods Trade



Source: Capital Economics Global Trade Monitor Oct. 26 2022
*Latest PMI = predicted by flash DM manufacturing PMIs

The chart on the left shows a sharp decrease in the cost to ship goods from China as a precursor to additional weakness for the global economy.

The chart on the right is a measure of global manufacturing activity which has reached levels not seen since the beginning of the pandemic.

Combing this global manufacturing and shipping data with recent Federal Reserve statements indicating they intend to err on the side of increasing interest rates too far in order to bring inflation back to their target level (2%), increases the probability that we will experience a recession in 2023.

Please call to discuss strategies for protecting and growing your wealth during periods of global economic uncertainty.



Blaine Kunz, B.Mgt, CIM®
Senior Wealth Advisor
Portfolio Manager
403-488-4681
blaine.kunz@nbc.ca

Eric Van Enk, BComm, BA (Econ), CFA
Wealth Advisor
Associate Portfolio Manager
403-488-4685
eric.vanenk@nbc.ca

National Bank Financial - Wealth Management (NBFWM) is a division of National Bank Financial Inc. (NBF), as well as a trademark owned by National Bank of Canada (NBC) that is used under license by NBF. NBF is a member of the Investment Industry Regulatory Organization of Canada (IIROC) and the Canadian Investor Protection Fund (CIPF), and is a wholly-owned subsidiary of NBC, a public company listed on the Toronto Stock Exchange (TSX: NA). We have prepared this report to the best of our judgment and professional experience to give you my thoughts on various financial aspects and considerations. The opinions expressed represent solely my informed opinions and may not reflect the views of NBF. The particulars contained herein were obtained from sources we believe to be reliable but are not guaranteed by us and may be incomplete. • Capital Economics has provided us with their written authorization to use their charts noted above in this publication.