



Capital  
Markets

# Strategy Spotlight

## Spotlight on the Canadian Federal Election

RBC Capital Markets, LLC

Lori Calvasina (Head of Global Equity Strategy Research) (212) 618-7634, [lori.calvasina@rbccm.com](mailto:lori.calvasina@rbccm.com)

Rachel Sidari (Senior Associate) (212) 428-6350, [rachel.sidari@rbccm.com](mailto:rachel.sidari@rbccm.com)

Simon Simoski, CFA (Associate) (212) 618-3312, [simon.simoski@rbccm.com](mailto:simon.simoski@rbccm.com)

INVESTMENT STRATEGY RESEARCH | OCTOBER 2, 2024

Priced at market close, ET, on September 27 2024 (unless otherwise noted).

All values in USD (unless otherwise noted).

For Required Conflicts Disclosures, see page 18.

## Spotlight on the Canadian Federal Election

---

### In a Nutshell

In *Strategy Spotlight*, we dig into hot topics in the equity market. In this edition, we spotlight the Canadian federal election. As part of our quarterly RBC analyst survey, we recently polled RBC's Canadian analysts on their views on the implications of the Canadian federal election for their industry. The three big things you need to know: First, nearly half of our Canadian equity analysts see the election as relevant or highly relevant to their industry, with Utilities and Energy most in focus. Second, views were most bullish for Energy and least bullish for Utilities on the Conservative Majority scenario and the opposite was true for the Liberal Minority / NDP Opposition outcome. Third, taxes generally and the carbon tax in particular, along with immigration, were the issues most in focus.

### Additional Details

**Methodology:** Once a quarter, we poll RBC equity analysts around the globe on a number of issues. This time, we incorporated a question on the potential implications of the Canadian federal election for Canadian equity sectors. Elections have been a hot topic in the investment community this year around the globe, and we have recently seen increasing focus on the contest in Canada, with a federal election to take place by October 2025. In the survey, we asked our Canadian analysts, and those with global coverage that includes companies based in Canada, to assess three things: the relevancy of the Canadian federal election to the industries they cover, the implications of various outcomes for the outlook of their industries, and what specific policies are in focus as they consider their answers. We included Conservative and Liberal majority and minority leadership scenarios, and Conservative, Liberal and NDP official opposition scenarios. For the first two questions, we asked the analysts to select their answer using a quantitative score with a scale of +/-2 at the industry level, and we then averaged their industry scores by sector, an approach that we use often in our survey work which allows us to quantify and compare their views across sectors. The third answer on policy was a free-form write-in required only for those who see the event as relevant to some degree. The survey was conducted the week of September 16th with 30 teams participating. Analysts covering more than one industry were asked to answer the survey for each one separately.

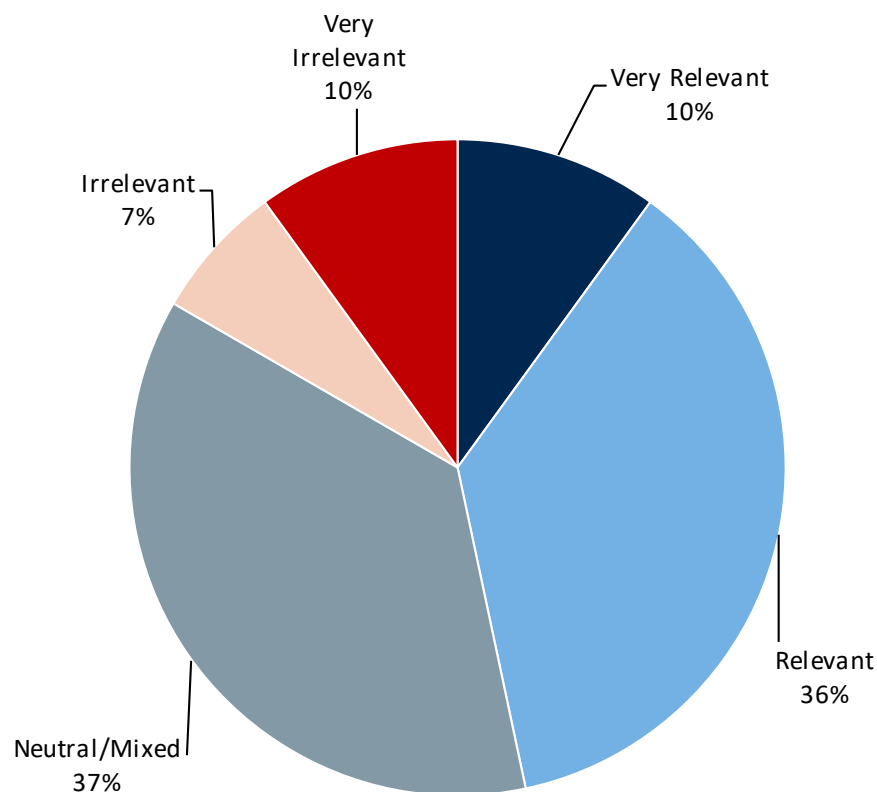
### When we look across all sectors and questions, here's what jumps out:

- Views were somewhat split on relevancy of the event, neutral/mixed was the most popular choice at 37%. Nearly half see the event as relevant (36%) or very relevant (10%), however. The overall relevancy score (an average across all industries) was modest, coming in at 0.3. At the sector level, relevancy scores varied. They were highest for Utilities and Energy, and lowest for Technology. See pages 3-4.
- On the implications of different outcomes for the stocks in their industries, our analysts had the most bullish tilt on the Conservative Majority outcome, and the least bullish tilt on the Liberal Minority / NDP Official Opposition outcome, though it's worth noting these tilts were also modest. Other scenarios had more of a neutral bias. On the Conservative Majority scenario, views were most bullish for the Energy sector and least bullish for the Utilities sector. On the Liberal Minority / NDP Official Opposition scenario, views were most constructive for Utilities and least constructive for Energy. See pages 5-11 for additional details on other sectors.
- In the policy discussion (see pages 12-14 for a rundown by sector), a wide range of issues came up. Taxes generally, the Carbon Tax specifically, and Immigration were the top issues mentioned, though others are also on the radar including a number of specific comments related to Energy policy. As we compiled the results, some of our senior analysts also noted that election uncertainty has the potential to weigh on certain sectors like Energy. They also pointed out that the Conservative agenda in particular hasn't been fully defined, and that implications for sectors have the potential to evolve.

## Summary: How Relevant Is the Canadian Federal Election to Your Industry?

- ❑ We asked our Canadian analysts to indicate how relevant the Canadian federal election is for the industries they cover. Generally, they are split.
- ❑ Neutral/mixed was the most popular choice at 37%.
- ❑ Nearly half see the election as relevant (36%) or very relevant (10%), however.
- ❑ A total of 17% don't see the election as relevant, with 7% in the irrelevant camp and 10% in the very irrelevant camp.
- ❑ Across our Canadian coverage, the upcoming election is seen as most relevant for Utilities and Energy, and least relevant for Technology.

Summary of Responses



A higher number is more relevant in the table below

+2 (Very Relevant), +1 (Relevant), 0 (Neutral/Mixed), -1 (Irrelevant), -2 (Very irrelevant)

Canadian Sectors	Average
<b>All industries</b>	<b>0.30</b>
Communication Services	0.50
Consumer Discretionary	-0.33
Consumer Staples	0.00
Energy	1.25
Financials	0.67
Health Care	0.33
Industrials	0.25
Information Technology	-1.33
Materials	0.00
Real Estate	1.00
Utilities	1.50

## Breakdown: How Relevant Is the Canadian Federal Election to Your Industry?

GICS Sector	Very Relevant	Relevant	Neutral/Mixed	Irrelevant	Very Irrelevant
<b>Communication Services</b>		Telecom	Media		
<b>Consumer Discretionary</b>		Consumer Discretionary		Autos & Auto Parts (US, Canada & EU) Powersports and Auto Dealers	
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>	Integrated Oil & Gas E&P	Midstream	Oilfield Services (US & Canada)		
<b>Financials</b>		Banks Life Insurance	Payments, Processors, & Services (US & Canada)		
<b>Health Care</b>		Health Care Services	Health Care Services - Seniors Housing Pharmaceuticals		
<b>Industrials</b>		Industrial Products, E&C	Waste (US & Canada) Airlines & Aerospace Ground Transportation (US & Canada)		
<b>Information Technology</b>			IT Services (US & Canada)		IT Services (Canada) Software
<b>Materials</b>		Base Metals & Bulks (US & Canada) Paper & Forest Products (US & Canada)	Precious Metals (US & Canada)		Fertilizers (US & Canada)
<b>Real Estate</b>		REITs, Real Estate Management & Development			
<b>Utilities</b>	Utilities (Electric, Multi-Utilities, Independent Power)	Renewables			

## Summary: What Are the Implications of Different Election Outcomes for Your Industry?

- ❑ We also asked our Canadian analysts to assess the potential impact to the outlook for their industries under different outcome scenarios.
- ❑ They had the most bullish tilt on the Conservative Majority outcome, and the least bullish tilt on the Liberal Minority / NDP Official Opposition outcome. Other scenarios had more of a neutral bias.
- ❑ On the Conservative Majority scenario, views were most bullish for the Energy sector and least bullish for the Utilities sector.
- ❑ On the Liberal Minority / NDP Official Opposition scenario, views were most constructive for Utilities and least constructive for Energy.

A higher number is more constructive in the table below  
 +2 (Very Bullish), +1 (Bullish), 0 (Neutral), -1 (Bearish), -2 (Very Bearish)

GICS Sector	Conservative Majority	Conservative minority, Liberal official opposition	Conservative minority, NDP official opposition	Liberal Majority	Liberal minority, Conservative official opposition	Liberal minority, NDP official opposition
<b>All Industries</b>	<b>0.27</b>	-	<b>(0.07)</b>	<b>(0.13)</b>	<b>(0.10)</b>	<b>(0.40)</b>
Communication Services	<b>(0.50)</b>	-	-	<b>0.50</b>	-	<b>0.50</b>
Consumer Discretionary	<b>0.33</b>	-	-	<b>0.33</b>	<b>(0.33)</b>	(0.33)
Consumer Staples	-	-	-	-	-	<b>(1.00)</b>
Energy	<b>1.25</b>	-	-	<b>(1.25)</b>	<b>(0.50)</b>	<b>(1.50)</b>
Financials	<b>0.67</b>	-	<b>(0.67)</b>	<b>(0.67)</b>	-	<b>(0.67)</b>
Health Care	<b>0.33</b>	-	-	-	-	(0.33)
Industrials	<b>(0.25)</b>	<b>(0.25)</b>	<b>(0.25)</b>	-	-	(0.25)
Information Technology	-	-	-	-	-	-
Materials	<b>0.75</b>	<b>0.25</b>	<b>0.25</b>	<b>(0.25)</b>	<b>(0.25)</b>	<b>(0.75)</b>
Real Estate	-	-	-	-	-	-
Utilities	<b>(1.00)</b>	-	-	<b>1.00</b>	<b>0.50</b>	<b>1.00</b>



## Industry Views: Conservative Majority

GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>			Media	Telecom	
<b>Consumer Discretionary</b>		Consumer Discretionary	Autos & Auto Parts (US, Canada & EU) Powersports and Auto Dealers		
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>	Midstream	Oilfield Services (US & Canada) Integrated Oil & Gas E&P			
<b>Financials</b>		Banks Life Insurance	Payments, Processors, & Services (US & Canada)		
<b>Health Care</b>		Health Care Services	Health Care Services - Seniors Housing Pharmaceuticals		
<b>Industrials</b>			Waste (US & Canada) Airlines & Aerospace Ground Transportation (US & Canada)	Industrial Products, E&C	
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>		Paper & Forest Products (US & Canada) Base Metals & Bulks (US & Canada) Precious Metals (US & Canada)	Fertilizers (US & Canada)		
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>				Utilities (Electric, Multi-Utilities, Independent Power) Renewables	

## Industry Views: Conservative Minority, Liberal Official Opposition

GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>			Media Telecom		
<b>Consumer Discretionary</b>			Autos & Auto Parts (US, Canada & EU) Consumer Discretionary Powersports and Auto Dealers		
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>			Midstream Integrated Oil & Gas E&P Oilfield Services (US & Canada)		
<b>Financials</b>			Banks Life Insurance Payments, Processors, & Services (US & Canada)		
<b>Health Care</b>			Health Care Services - Seniors Housing Pharmaceuticals Health Care Services		
<b>Industrials</b>			Ground Transportation (US & Canada) Waste (US & Canada) Airlines & Aerospace	Industrial Products, E&C	
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>		Paper & Forest Products (US & Canada)	Base Metals & Bulks (US & Canada) Precious Metals (US & Canada) Fertilizers (US & Canada)		
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>			Utilities (Electric, Multi-Utilities, Independent Power) Renewables		

## Industry Views: Conservative Minority, NDP Official Opposition

GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>			Media Telecom		
<b>Consumer Discretionary</b>			Autos & Auto Parts (US, Canada & EU) Consumer Discretionary Powersports and Auto Dealers		
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>			Midstream Integrated Oil & Gas E&P Oilfield Services (US & Canada)		
<b>Financials</b>			Payments, Processors, & Services (US & Canada)	Banks Life Insurance	
<b>Health Care</b>			Health Care Services - Seniors Housing Pharmaceuticals Health Care Services		
<b>Industrials</b>			Ground Transportation (US & Canada) Waste (US & Canada) Airlines & Aerospace	Industrial Products, E&C	
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>		Paper & Forest Products (US & Canada)	Base Metals & Bulks (US & Canada) Precious Metals (US & Canada) Fertilizers (US & Canada)		
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>			Utilities (Electric, Multi-Utilities, Independent Power) Renewables		



## Industry Views: Liberal Majority

GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>		Telecom	Media		
<b>Consumer Discretionary</b>		Consumer Discretionary	Powersports and Auto Dealers Autos & Auto Parts (US, Canada & EU)		
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>			Oilfield Services (US & Canada)	Midstream	Integrated Oil & Gas E&P
<b>Financials</b>			Payments, Processors, & Services (US & Canada)	Banks Life Insurance	
<b>Health Care</b>			Health Care Services - Seniors Housing Pharmaceuticals Health Care Services		
<b>Industrials</b>			Waste (US & Canada) Airlines & Aerospace Ground Transportation (US & Canada) Industrial Products, E&C		
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>			Base Metals & Bulks (US & Canada) Precious Metals (US & Canada) Fertilizers (US & Canada)	Paper & Forest Products (US & Canada)	
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>		Utilities (Electric, Multi-Utilities, Independent Power) Renewables			

## Industry Views: Liberal Minority, Conservative Official Opposition

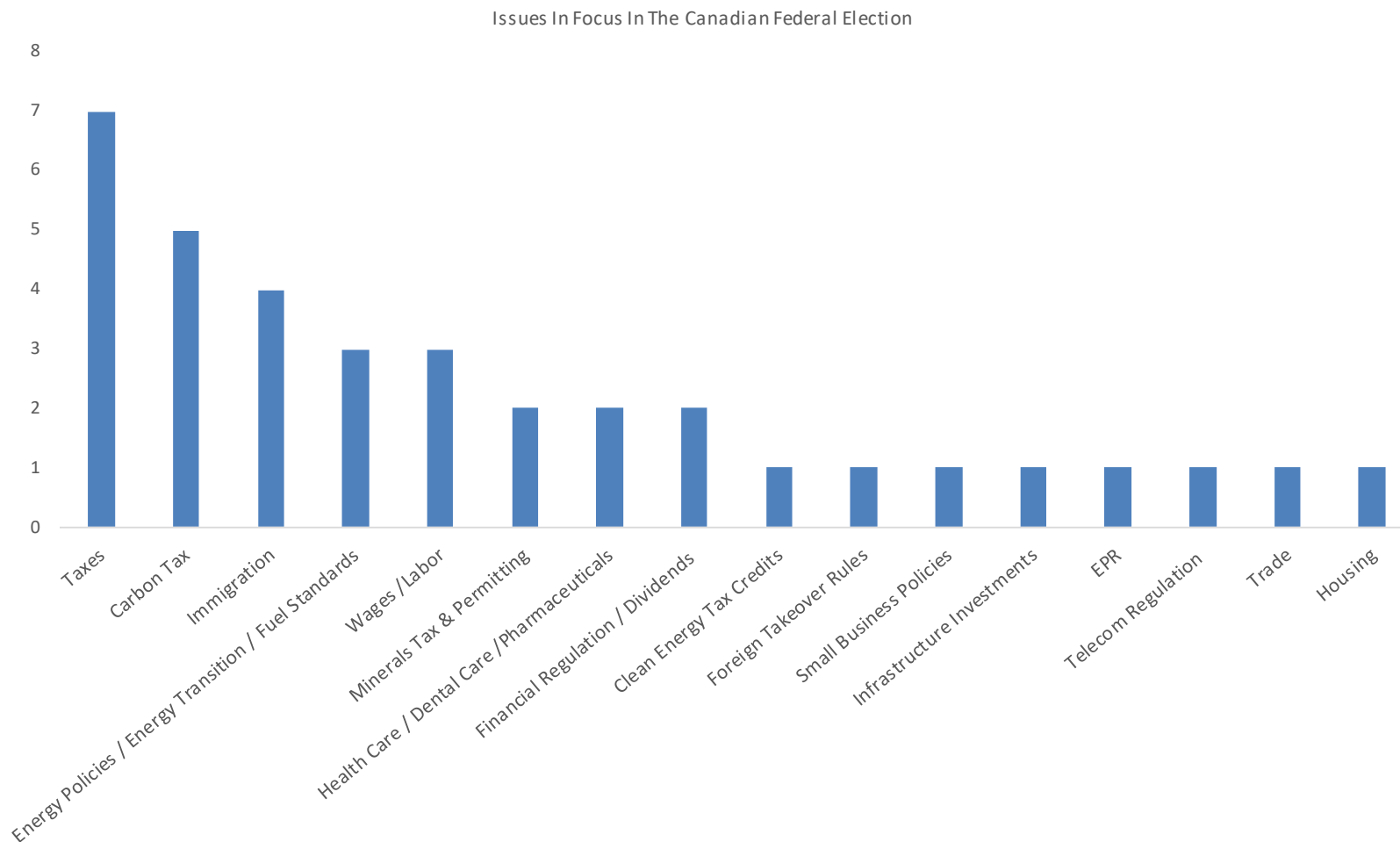
GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>			Media Telecom		
<b>Consumer Discretionary</b>			Autos & Auto Parts (US, Canada & EU) Powersports and Auto Dealers	Consumer Discretionary	
<b>Consumer Staples</b>			Consumer Staples		
<b>Energy</b>			Midstream Oilfield Services (US & Canada)	Integrated Oil & Gas E&P	
<b>Financials</b>			Banks Life Insurance Payments, Processors, & Services (US & Canada)		
<b>Health Care</b>			Health Care Services - Seniors Housing Pharmaceuticals Health Care Services		
<b>Industrials</b>			Waste (US & Canada) Airlines & Aerospace Ground Transportation (US & Canada) Industrial Products, E&C		
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>			Base Metals & Bulks (US & Canada) Precious Metals (US & Canada) Fertilizers (US & Canada)	Paper & Forest Products (US & Canada)	
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>			Utilities (Electric, Multi-Utilities, Independent Power)	Renewables	

## Industry Views: Liberal Minority, NDP Official Opposition

GICS Sector	Very Bullish	Bullish	Neutral/Mixed/Not Relevant	Bearish	Very Bearish
<b>Communication Services</b>		Telecom	Media		
<b>Consumer Discretionary</b>			Autos & Auto Parts (US, Canada & EU) Powersports and Auto Dealers	Consumer Discretionary	
<b>Consumer Staples</b>				Consumer Staples	
<b>Energy</b>			Oilfield Services (US & Canada)		Midstream Integrated Oil & Gas E&P
<b>Financials</b>			Payments, Processors, & Services (US & Canada)	Banks Life Insurance	
<b>Health Care</b>			Health Care Services - Seniors Housing Pharmaceuticals	Health Care Services	
<b>Industrials</b>			Waste (US & Canada) Airlines & Aerospace Industrial Products, E&C	Ground Transportation (US & Canada)	
<b>Information Technology</b>			IT Services (US & Canada) IT Services Software		
<b>Materials</b>			Fertilizers (US & Canada)	Paper & Forest Products (US & Canada) Base Metals & Bulks (US & Canada) Precious Metals (US & Canada)	
<b>Real Estate</b>			REITs, Real Estate Management & Development		
<b>Utilities</b>		Utilities (Electric, Multi-Utilities, Independent Power) Renewables			

## Canadian Federal Election Topics Mentioned in Survey Responses

- We also asked our analysts to specify which policies are in focus for their industry and why/how they would impact their outlook. We asked them to focus on policies articulated by the party leaders in recent months. If those were not available, they could also consider legacy stances from each.
- Taxes generally, the Carbon Tax specifically, and Immigration were the top issues mentioned, though others are also on the radar including a number of specific comments related to Energy policy. It's worth noting that a wide range of issues did come up, however.



## Thoughts on Issues in Focus by Sector & Industry from RBC Analysts

Sector	Analyst Commentary/Implications
<b>Communication Services</b>	A Conservative majority would likely usher in a more conservative immigration policy (including foreign/temporary workers and students), which would moderate overall market expansion for both wireless and Internet, translating to potentially lower revenue growth for the telecom operators. We see little change to current Canadian telecom regulatory policy in a Conservative or Liberal majority or minority government. <i>(Telecom)</i>
<b>Consumer Discretionary</b>	All policies that ultimately impact consumer discretionary income and size of population (e.g., taxation, immigration, minimum wages) could have an impact on consumers' ability to spend and on demand trends. From a business policy perspective, similar issues would prevail, with industry-specific issues including inter-provincial trade, supply management systems, pharmaceuticals, non-tariff trade barriers, as well as over-riding approaches to competition, taxation, etc. <i>(Consumer Discretionary)</i>
	Autos is too global for Canada to have a meaningful impact. <i>(Autos &amp; Auto Parts, US, Canada &amp; EU)</i>
	We don't believe the election will have a meaningful impact on Powersports stocks/fundamentals. With that said, we noted that outcomes involving Conservatives in power would be at least a directional positive, the magnitude of which is uncertain but likely minimal. Essentially, it boils down to business-friendly policies; many Powersports customers are affluent small business owners who buy "toys" when their industry/business is doing well, so Conservatives would be perceived (and could actually be) a modest positive. <i>(Powersports and Auto Dealers)</i>
<b>Consumer Staples</b>	All policies that ultimately impact consumer discretionary income and size of population (e.g., taxation, immigration, minimum wages) could have an impact on consumers' ability to spend and on demand trends. From a business policy perspective, similar issues would prevail, with industry-specific issues including inter-provincial trade, supply management systems, pharmaceuticals, non-tariff trade barriers, as well as over-riding approaches to competition, taxation, etc. <i>(Consumer Staples)</i>
<b>Energy</b>	Energy policy (mostly for volumes versus price), carbon pricing, fuel standards, corporate tax rates and tax rules, support for energy transition investments. <i>(Midstream)</i>
	A Liberal or NDP majority or minority government could seek to intensify GHG emissions reduction initiatives, including the imposition of emissions caps on certain sectors, including oil & gas. <i>(Integrated Oil &amp; Gas and E&amp;P)</i>
<b>Financials</b>	Under the Liberal government, the Canadian banks and lifecos were impacted by several measures targeted at these companies (Canada Recovery Dividend, a 1.5% surtax, and the elimination of the availability of dividend-received deduction for Canadian taxable corporate dividends). We believe that under a Liberal or NDP majority government, similar measures may again be taken on the Canadian banks and lifecos. <i>(Banks, Life Insurance)</i>

*Note: Additional comments were not required and do not appear for all analysts. Source: RBC Equity Strategy, RBC Capital Markets*

## Thoughts on Issues in Focus by Sector & Industry from RBC Analysts

Sector	Analyst Commentary/Implications
<b>Health Care</b>	1) The Federal govt. has launched CDCP (Canadian Dental Care Plan), which was a demand of the NDP in exchange for support to the Liberals. As such, any incremental leverage with the NDP could see incremental programs. This program is expected to have a neutral to positive impact on the CDN dental industry over time but has resulted in some headwinds during the program's implementation. There remains risk of lower pricing in these programs that are currently at market prices, as govt. becomes a larger player in the industry. 2) Changes in tax rates especially the capital gains tax could impact the economics of independent dentists/clinics while selling their practice to a large consolidator. 3) Changes to private players' ability to conduct incremental medical diagnostic procedures. <i>(Health Care Services)</i>
<b>Industrials</b>	Not particularly relevant, except perhaps to the extent a Federal party emerges that supports a Federal framework for EPR. <i>(Waste, US &amp; Canada)</i>  At the margin we would view a Liberal minority, NDP official opposition, as a minor negative for the rail sector, reflecting the potential for more labour-friendly policies, which could be a negative during union negotiations. <i>(Ground Transportation, US &amp; Canada)</i>  Parties that have shown a propensity to invest considerable sums in physical infrastructure would be viewed favorably (Liberal > NDP > Conservatives, against this backdrop). <i>(Industrial Products, E&amp;C)</i>
<b>Materials</b>	Critical minerals tax and permitting policy. Foreign takeover rules. <i>(Base Metals &amp; Bulks, US &amp; Canada)</i>  We think Conservatives could be potentially more forceful on the housing file (positive for Canadian wood products demand at the margin) and resolving the softwood lumber dispute between Canada and the US. <i>(Paper &amp; Forest Products, US &amp; Canada)</i>  Ultimately, the election is not significantly relevant for the broader industry. We do see some minor implications for Canadian-focused miners with domestic production, specifically the possibility of streamlining regulatory processes for mining companies in Canada, potentially simplifying the permitting process. <i>(Precious Metals, US &amp; Canada)</i>
<b>Real Estate</b>	We see the election as relevant, but view potential outcomes as "mixed." While Conservative pro-business/lower tax policies could be positive for the broader economy, a Conservative win could have a modestly negative impact on Canadian apartment REITs in light of the party's indications to reduce immigration levels (i.e., potential softening of demand). <i>(REITs, Real Estate Management &amp; Development)</i>
<b>Utilities</b>	The industrial carbon tax (not the consumer carbon tax) and the clean energy-related federal investment tax credits are important for the utilities to deliver climate change-related objectives, including turning off coal generation and promoting clean energy projects (including CCS, hydrogen production). Status quo under a Liberal government would include the carbon taxes going to \$170/tonne by 2030; however, it's unclear how the Conservatives would decide on this tax and the investment tax credits. Separately, a Conservative government is likely to be more friendly to the energy sector in Canada, which could have a positive knock-on impact on certain Alberta-based utilities' businesses. <i>(Utilities [Electric, Multi-Utilities, Independent Power])</i>  The Conservatives are against the Carbon Tax and are generally viewed as being more favourable to oil and gas, and less favourable to renewables. The Conservatives have not taken an official stance on the Federal Canadian Investment Tax Credit (30% capex subsidy for renewables), but it would send a negative message to the renewables sector if it were cancelled under a Conservative government. That being said, renewable deployment in Canada (except for Alberta) is driven provincially through RFPs, so it shouldn't matter if Federal subsidies are in place or not. <i>(Renewables)</i>

*Note: Additional comments were not required and do not appear for all analysts. Source: RBC Equity Strategy, RBC Capital Markets*



## Appendix

### RBC Analyst List by Survey Industry

Sector	RBC Industry	Regions	Research Analysts
<b>Communication Services</b>			
	Media	Canada	McReynolds, Drew
	Telecom	Canada	McReynolds, Drew
<b>Consumer Discretionary</b>			
	Autos & Auto Parts	US, Canada & EU	Narayan, Tom
	Consumer Discretionary	Canada	Nattel, Irene
	Powersports and Auto Dealers	Canada	Khan, Sabahat
<b>Consumer Staples</b>			
	Consumer Staples	Canada	Nattel, Irene
<b>Energy</b>			
	E&P	Canada	Pardy, Greg & Harvey, Michael
	Integrated Oil & Gas	Canada	Pardy, Greg
	Midstream	Canada	Kwan, Robert
	Oilfield Services	US & Canada	Mackey, Keith
<b>Financials</b>			
	Banks	Canada	Mihelic, Darko
	Life Insurance	Canada	Mihelic, Darko
	Payments, Processors, & Services	US & Canada	Perlin, Dan
<b>Health Care</b>			
	Health Care Services	Canada	Miehm, Douglas
	Health Care Services - Seniors Housing	Canada	Bir, Pammi
	Pharmaceuticals	Canada	Miehm, Douglas

Note: Industry names/groupings are specific to RBC and not based on GICS. Source: RBC Equity Strategy

## Appendix

### RBC Analyst List by Survey Industry

Sector	RBC Industry	Regions	Research Analysts
<b>Industrials</b>			
	Airlines & Aerospace	Canada	McGarragle, James
	Ground Transportation	US & Canada	Spracklin, Walter
	Industrial Products, E&C	Canada	Khan, Sabahat
	Waste	US & Canada	Khan, Sabahat
<b>Information Technology</b>			
	IT Services	Canada	Trieber, Paul
	IT Services	US & Canada	Perlin, Dan
	Software	Canada	Trieber, Paul
<b>Materials</b>			
	Base Metals & Bulks	US & Canada	Crittenden, Sam
	Fertilizers	US & Canada	Wong, Andrew
	Paper & Forest Products	US & Canada	McKellar, Matthew
	Precious Metals	US & Canada	Wolfson, Josh & Lam, Wayne & Siperco, Michael
<b>Real Estate</b>			
	REITs, Real Estate Management & Development	Canada	Bir, Pammi & Shan, Jimmy
<b>Utilities</b>			
	Renewables	Canada	Ng, Nelson
	Utilities (Electric, Multi-Utilities, Independent Power)	Canada	Choy, Maurice

Note: Industry names/groupings are specific to RBC and not based on GICS. Source: RBC Equity Strategy

## Contributing Authors

---

### **RBC Dominion Securities Inc.**

<b>Pammi Bir (Head of Global Real Estate Research)</b>	<b>(416) 842-7805</b>	<a href="mailto:pammi.bir@rbccm.com">pammi.bir@rbccm.com</a>
<b>Maurice Choy (Analyst)</b>	<b>(604) 257-7632</b>	<a href="mailto:maurice.choy@rbccm.com">maurice.choy@rbccm.com</a>
<b>Sam Crittenden (Analyst)</b>	<b>(416) 842-7886</b>	<a href="mailto:sam.crittenden@rbccm.com">sam.crittenden@rbccm.com</a>
<b>Michael Harvey (Analyst)</b>	<b>(403) 299-6998</b>	<a href="mailto:michael.harvey@rbccm.com">michael.harvey@rbccm.com</a>
<b>Sabahat Khan (Analyst)</b>	<b>(416) 842-7880</b>	<a href="mailto:sabahat.khan@rbccm.com">sabahat.khan@rbccm.com</a>
<b>Robert Kwan (Head of Global Power, Utilities &amp; Infrastructure Research)</b>	<b>(604) 257-7611</b>	<a href="mailto:robert.kwan@rbccm.com">robert.kwan@rbccm.com</a>
<b>Wayne Lam (Analyst)</b>	<b>(416) 842-7840</b>	<a href="mailto:wayne.lam@rbccm.com">wayne.lam@rbccm.com</a>
<b>Keith Mackey (Analyst)</b>	<b>(403) 299-6958</b>	<a href="mailto:keith.mackey@rbccm.com">keith.mackey@rbccm.com</a>
<b>James McGarragle (Analyst)</b>	<b>(416) 842-7862</b>	<a href="mailto:james.mcgarragle@rbccm.com">james.mcgarragle@rbccm.com</a>
<b>Matthew McKellar (Analyst)</b>	<b>(403) 476-9042</b>	<a href="mailto:matthew.mckellar@rbccm.com">matthew.mckellar@rbccm.com</a>
<b>Drew McReynolds (Analyst)</b>	<b>(416) 842-3805</b>	<a href="mailto:drew.mcreynolds@rbccm.com">drew.mcreynolds@rbccm.com</a>
<b>Douglas Miehme (Analyst)</b>	<b>(416) 842-7823</b>	<a href="mailto:douglas.miehme@rbccm.com">douglas.miehme@rbccm.com</a>
<b>Darko Mihelic (Analyst)</b>	<b>(416) 842-4128</b>	<a href="mailto:darko.mihelic@rbccm.com">darko.mihelic@rbccm.com</a>
<b>Irene Nattel (Analyst)</b>	<b>(514) 878-7262</b>	<a href="mailto:irene.nattel@rbccm.com">irene.nattel@rbccm.com</a>
<b>Tom Narayan (Analyst)</b>	<b>(212) 428-2364</b>	<a href="mailto:tom.narayan@rbccm.com">tom.narayan@rbccm.com</a>
<b>Nelson Ng (Analyst)</b>	<b>(604) 257-7617</b>	<a href="mailto:nelson.ng@rbccm.com">nelson.ng@rbccm.com</a>
<b>Greg Pardy (Head of Global Energy Research)</b>	<b>(416) 842-7848</b>	<a href="mailto:greg.pardy@rbccm.com">greg.pardy@rbccm.com</a>
<b>Daniel R. Perlin (Analyst)</b>	<b>(410) 625-6130</b>	<a href="mailto:daniel.perlin@rbccm.com">daniel.perlin@rbccm.com</a>
<b>Jimmy Shan (Analyst)</b>	<b>(416) 842-6272</b>	<a href="mailto:jimmy.shan@rbccm.com">jimmy.shan@rbccm.com</a>
<b>Michael Siperco (Analyst)</b>	<b>(416) 842-3804</b>	<a href="mailto:michael.siperco@rbccm.com">michael.siperco@rbccm.com</a>
<b>Walter Spracklin (Co-Head of Global Industrials Research)</b>	<b>(416) 842-7877</b>	<a href="mailto:walter.spracklin@rbccm.com">walter.spracklin@rbccm.com</a>
<b>Paul Treiber (Analyst)</b>	<b>(416) 842-7811</b>	<a href="mailto:paul.treiber@rbccm.com">paul.treiber@rbccm.com</a>
<b>Josh Wolfson (Head of Global Metals &amp; Mining Research)</b>	<b>(416) 842-9893</b>	<a href="mailto:josh.wolfson@rbccm.com">josh.wolfson@rbccm.com</a>
<b>Andrew D. Wong (Analyst)</b>	<b>(416) 842-7830</b>	<a href="mailto:andrew.d.wong@rbccm.com">andrew.d.wong@rbccm.com</a>

## Required Disclosures

---

### Conflicts Disclosures

The analyst(s) responsible for preparing this research report received compensation that is based upon various factors, including total revenues of the member companies of RBC Capital Markets and its affiliates, a portion of which are or have been generated by investment banking activities of the member companies of RBC Capital Markets and its affiliates.

With regard to the MAR investment recommendation requirements in relation to relevant securities, a member company of Royal Bank of Canada, together with its affiliates, may have a net long or short financial interest in excess of 0.5% of the total issued share capital of the entities mentioned in the investment recommendation. Information relating to this is available upon request from your RBC investment advisor or institutional salesperson.

### Distribution of Ratings

For the purpose of ratings distributions, regulatory rules require member firms to assign ratings to one of three rating categories - Buy, Hold/Neutral, or Sell - regardless of a firm's own rating categories. Although RBC Capital Markets' ratings of Outperform (O), Sector Perform (SP), and Underperform (U) most closely correspond to Buy, Hold/Neutral and Sell, respectively, the meanings are not the same because our ratings are determined on a relative basis.

Distribution of ratings				
RBC Capital Markets, Equity Research				
As of 30-Sep-2024				
Rating	Count	Percent	Investment Banking	
			Serv./Past 12 Mos.	
			Count	Percent
BUY [Outperform]	858	57.39	290	33.80
HOLD [Sector Perform]	599	40.07	153	25.54
SELL [Underperform]	38	2.54	3	7.89

### Conflicts Policy

RBC Capital Markets Policy for Managing Conflicts of Interest in Relation to Investment Research is available from us on request. To access our current policy, clients should refer to <https://www.rbccm.com/global/file-414164.pdf> or send a request to RBC CM Research Publishing, P.O. Box 50, 200 Bay Street, Royal Bank Plaza, 29th Floor, South Tower, Toronto, Ontario M5J 2W7. We reserve the right to amend or supplement this policy at any time.

## Required Disclosures

---

### **Dissemination of research**

RBC Capital Markets endeavors to make all reasonable efforts to provide research content simultaneously to all eligible clients, having regard to local time zones in overseas jurisdictions. RBC Capital Markets provides eligible clients with access to Research Reports on the Firm's proprietary INSIGHT website, via email and via third-party vendors. Please contact your investment advisor or institutional salesperson for more information regarding RBC Capital Markets' research.

For a list of all recommendations on the company that were disseminated during the prior 12-month period, please click on the following link: <https://rbcnew.bluematrix.com/sellside/MAR.action>

The 12 month history of Quick Takes can be viewed at <https://www.rbcinsightresearch.com/>.

### **Analyst Certification**

All of the views expressed in this report accurately reflect the personal views of the responsible analyst(s) about any and all of the subject securities or issuers. No part of the compensation of the responsible analyst(s) named herein is, or will be, directly or indirectly, related to the specific recommendations or views expressed by the responsible analyst(s) in this report.

### **Third-party disclaimers**

The Global Industry Classification Standard ("GICS") was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's Financial Services LLC ("S&P") and is licensed for use by RBC. Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

RBC Capital Markets disclaims all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any statements made to the media or via social media that are in turn quoted in this report, or otherwise reproduced graphically for informational purposes.

## Disclaimer

---

RBC Capital Markets is the business name used by certain branches and subsidiaries of the Royal Bank of Canada, including RBC Dominion Securities Inc., RBC Capital Markets, LLC, RBC Europe Limited, RBC Capital Markets (Europe) GmbH, Royal Bank of Canada, Hong Kong Branch, Royal Bank of Canada, Singapore Branch and Royal Bank of Canada, Sydney Branch. The information contained in this report has been compiled by RBC Capital Markets from sources believed to be reliable, but no representation or warranty, express or implied, is made by Royal Bank of Canada, RBC Capital Markets, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates contained in this report constitute RBC Capital Markets' judgement as of the date of this report, are subject to change without notice and are provided in good faith but without legal responsibility. Nothing in this report constitutes legal, accounting or tax advice or individually tailored investment advice. This material is prepared for general circulation to clients and has been prepared without regard to the individual financial circumstances and objectives of persons who receive it. The investments or services contained in this report may not be suitable for you and it is recommended that you consult an independent investment advisor if you are in doubt about the suitability of such investments or services. This report is not an offer to sell or a solicitation of an offer to buy any securities. Past performance is not a guide to future performance, future returns are not guaranteed, and a loss of original capital may occur. RBC Capital Markets research analyst compensation is based in part on the overall profitability of RBC Capital Markets, which includes profits attributable to investment banking revenues. Every province in Canada, state in the U.S., and most countries throughout the world have their own laws regulating the types of securities and other investment products which may be offered to their residents, as well as the process for doing so. As a result, the securities discussed in this report may not be eligible for sale in some jurisdictions. RBC Capital Markets may be restricted from publishing research reports, from time to time, due to regulatory restrictions and/ or internal compliance policies. If this is the case, the latest published research reports available to clients may not reflect recent material changes in the applicable industry and/or applicable subject companies. RBC Capital Markets research reports are current only as of the date set forth on the research reports. This report is not, and under no circumstances should be construed as, a solicitation to act as securities broker or dealer in any jurisdiction by any person or company that is not legally permitted to carry on the business of a securities broker or dealer in that jurisdiction. To the full extent permitted by law neither RBC Capital Markets nor any of its affiliates, nor any other person, accepts any liability whatsoever for any direct, indirect or consequential loss arising from, or in connection with, any use of this report or the information contained herein. No matter contained in this document may be reproduced or copied by any means without the prior written consent of RBC Capital Markets in each instance.

### Additional information is available on request.

**To U.S. Residents:** This publication has been approved by RBC Capital Markets, LLC (member FINRA, NYSE, SIPC), which is a U.S. registered broker-dealer and which accepts responsibility for this report and its dissemination in the United States. Any U.S. recipient of this report that is not a registered broker-dealer or a bank acting in a broker or dealer capacity and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report, should contact and place orders with RBC Capital Markets, LLC.

**To Canadian Residents:** This publication has been approved by RBC Dominion Securities Inc. (member CIRO). Any Canadian recipient of this report that is not a Designated Institution in Ontario, an Accredited Investor in British Columbia or Alberta or a Sophisticated Purchaser in Quebec (or similar permitted purchaser in any other province) and that wishes further information regarding, or to effect any transaction in, any of the securities discussed in this report should contact and place orders with RBC Dominion Securities Inc., which, without in any way limiting the foregoing, accepts responsibility for this report and its dissemination in Canada.

**To U.K. Residents:** This publication has been approved by RBC Europe Limited ('RBCEL') which is authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority ('FCA') and the Prudential Regulation Authority, in connection with its distribution in the United Kingdom. This material is not for general distribution in the United Kingdom to retail clients, as defined under the rules of the FCA. RBCEL accepts responsibility for this report and its dissemination in the United Kingdom.

**To EEA Residents:** This material is distributed in the EU by either RBCEL on an authorised cross-border basis, or by RBC Capital Markets (Europe) GmbH (RBC EG) which is authorised and regulated in Germany by the Bundesanstalt für Finanzdienstleistungsaufsicht (German Federal Financial Supervisory Authority) (BaFin).

**To Persons Receiving This Advice in Australia:** This material has been distributed in Australia by Royal Bank of Canada, Sydney Branch (ABN 86 076 940 880, AFSL No. 246521). This material has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, any recipient should, before acting on this material, consider the appropriateness of this material having regard to their objectives, financial situation and needs. If this material relates to the acquisition or possible acquisition of a particular financial product, a recipient in Australia should obtain any relevant disclosure document prepared in respect of that product and consider that document before making any decision about whether to acquire the product. This research report is not for retail investors as defined in section 761G of the Corporations Act.

**To persons receiving this from Royal Bank of Canada, Hong Kong Branch:** This document is distributed in Hong Kong by Royal Bank of Canada, Hong Kong Branch which is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission. This document is not for distribution in Hong Kong, to investors who are not "professional investors", as defined in the Securities and Futures Ordinance (Cap. 571 of Hong Kong) and any rules made under that Ordinance. This document has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient. Past performance is not indicative of future performance. WARNING: The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Investors are advised to exercise caution in relation to the investment. If you are in doubt about any of the contents of this document, you should obtain independent professional advice.

**To persons receiving this from Royal Bank of Canada, Singapore Branch:** This publication is distributed in Singapore by the Royal Bank of Canada, Singapore Branch, a registered entity licensed by the Monetary Authority of Singapore. This publication is not for distribution in Singapore, to investors who are not "accredited investors" and "institutional investors", as defined in the Securities and Futures Act 2001 of Singapore. This publication has been prepared for general circulation and does not take into account the objectives, financial situation, or needs of any recipient. You are advised to seek independent advice from a financial adviser before purchasing any product. If you do not obtain independent advice, you should consider whether the product is suitable for you. Past performance is not indicative of future performance. If you have any questions related to this publication, please contact the Royal Bank of Canada, Singapore Branch.

**To Japanese Residents:** Unless otherwise exempted by Japanese law, this publication is distributed in Japan by or through RBC Capital Markets (Japan) Ltd. which is a Financial Instruments Firm registered with the Kanto Local Financial Bureau (Registered number 203) and a member of the Japan Securities Dealers Association ("JSDA") and the Financial Futures Association of Japan ("FFAJ").

® Registered trademark of Royal Bank of Canada. RBC Capital Markets is a trademark of Royal Bank of Canada. Used under license.

Copyright © RBC Capital Markets, LLC 2024 - Member SIPC

Copyright © RBC Dominion Securities Inc. 2024 - Member Canadian Investor Protection Fund

Copyright © RBC Europe Limited 2024

Copyright © Royal Bank of Canada 2024

All rights reserved