

Canadian Focus List

Quarterly report



Wealth Management
Dominion Securities

June 1, 2023

Portfolio Advisory Group – Equities

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For an overview of the Portfolio, please [click here](#).

All values in Canadian dollars and priced as of May 31, 2023, market close, unless otherwise noted.

For important disclosures and authors' contact information, see [page 10](#).

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Volatile quarter for global equity markets

U.S. bank failures and recession risks weigh on sentiment

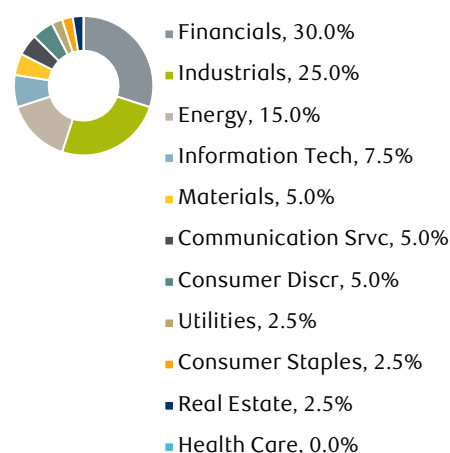
The spring quarter experienced bouts of volatility as concerns surrounding bank failures in the U.S. and the potential for contagion spread to global markets, including Canada. While fears have abated to some degree, the banking sector in Canada has yet to regain the losses incurred during this period. Crude oil was weak over the quarter as recessionary concerns intensified, which impacted the demand outlook for the commodity. This led to a lackluster performance from the Energy sector in Canada. With Financials and Energy making up nearly half of the S&P/TSX Composite Index, we are

encouraged by the index's resilience over the quarter, which validates the importance of diversification.

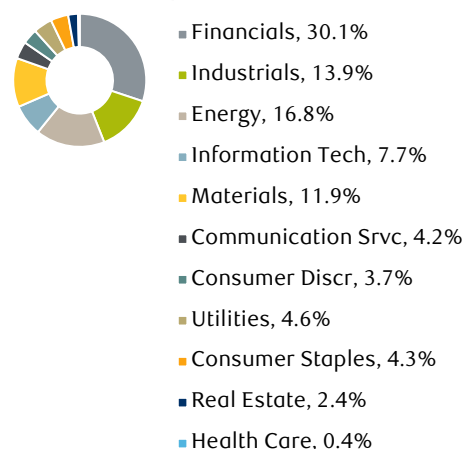
From a valuation perspective, the S&P/TSX Composite continues to trade at a discount to its longer-term average but is well off the deeply discounted levels experienced last fall. Given the notable deceleration in global economic growth over the past year, consensus profit growth expectations for 2023 have been notably trimmed and now appear more achievable, in our view. However, downward revisions to date this year have been largely

Sector weightings: Canadian Focus List vs. the S&P/TSX Composite

Canadian Focus List



S&P/TSX Composite



Source - RBC Wealth Management, FactSet; data as of market close 5/26/23; percentages may not total 100% due to rounding

concentrated in a handful of sectors, which we believe leaves room for a broader reset as the corporate sector confronts an increasingly challenging operating environment—slowing revenue growth, labour cost pressures, and tightening credit conditions that could weigh on margins for some time.

Overall, we continue to see above-average recession risk and therefore maintain a slightly defensive posture. Importantly, we remain satisfied with the quality of the Focus List's constituents, and their ability to withstand economic stress if a recession were to materialize.

The Focus List ended the quarter lower, slightly underperforming the benchmark

Stock selection in Materials drove underperformance

The S&P/TSX Composite ended the quarter down 2.40%, as significant strength in Information Technology was more than offset by the weakness in Financials. The Canadian Focus List ended the quarter down 2.64%; an underperformance of 24 basis points (bps) relative to the benchmark.

The Focus List's underperformance relative to its benchmark was driven by stock selection in the Materials sector, partially offset by its Overweight allocation to Information Technology and Industrials.

Stock selection within Materials drove the greatest relative underperformance in the quarter, specifically a zero-weight allocation to gold producers and an Overweight position in **Nutrien Ltd. (NTR)**. Gold pushed higher as investors looked to protect against a swath of concerns (debt-ceiling negotiations, U.S. bank failures, recessionary risks, etc.) that weighed on sentiment. This translated into strong gold equity performance with healthy double-digit returns for the S&P/TSX Composite's largest gold producers. We acknowledge that gold could remain elevated until investors receive greater clarity on the outlook, which could support gold equities. However, we do not view gold producers as high-quality, long-term investments, and believe that investors who desire gold exposure should do so through the commodity.

Nutrien was amongst the worst-performing holdings in the Portfolio as the company reported a weak Q1 result, while also reducing full-year 2023 earnings guidance. Fertilizer pricing has been declining for months, which has weighed on sentiment for the sector overall. In our view, we would expect fertilizer demand to improve in the fall as agriculture fundamentals remain healthy, while supply-side restrictions persist.

Information Technology was the best-performing sector in the S&P/TSX Composite during the quarter as a potential peak in interest rates arguably sent investors back towards the highly rate-sensitive sector. The Portfolio's Overweight to the sector drove the relative

outperformance, particularly its Overweight position in **Constellation Software Inc. (CSU)**. CSU typically increases the pace of counter-cyclical merger and acquisition activity as periods of stress provide an opportunity to earn returns well above their hurdle rates, and this is what is occurring to a healthy extent in 2023 thus far. We continue to view the company as a core Technology holding given its proven ability to compound capital at above-average rates over the long term.

Shopify Inc. (SHOP) was amongst the top-performing stocks in the Portfolio, adding notably to absolute performance. While the general strength in Technology stocks contributed to Shopify's performance, company-specific factors also supported the move higher. In May, Shopify announced that it will be selling its logistics business, which materially reduces the company's capital investment needs and removes a significant overhang on the Shopify story, in our view. Management's decision to refocus attention on software has been well received by investors and increases our conviction in the company.

In Industrials, a healthy Overweight allocation drove the Portfolio's relative outperformance within the sector.

GFL Environmental Inc. (GFL) added considerably to relative performance, partially offset by weakness in **Bombardier Inc. (BBD.B)**. GFL reported a strong Q1 result as the profitability of its core business improved as pricing pushed higher. The company also increased its asset sales target while reiterating its commitment to its debt reduction goals. BBD.B's lackluster performance was arguably driven by profit-taking following a healthy year-to-date share price increase and Q1 new orders that may have been slightly below investor expectations. Nevertheless, we remain favourable on BBD.B based on our outlook for continued improvement in free cash flow and the prioritization of debt reduction as the company capitalizes on strong demand for its business jets. We believe a reduction in balance sheet leverage will be a key catalyst for the stock to close its considerable valuation discount relative to peers.

The Canadian bank group was rather unimpactful to the Portfolio's relative performance in the quarter. However, the group itself was down significantly on the back of the U.S. bank failures as well as general concern around an anticipated recession. While the U.S. bank failures may have indirect impacts to the Canadian banks (e.g., potentially higher funding costs, capital requirements, regulation), we wholeheartedly believe the Canadian banks are fundamentally different from the U.S. regional banks for a host of reasons (e.g., more diversified funding sources and assets, stricter regulatory requirements). Nevertheless, we remain cautious on the outlook for the bank group given the potential recessionary backdrop as well as a lack of near-term catalysts. In our view, we believe the bank group is most appropriate at this time for income-oriented investors who can look through the valley of a potential recession.

Focus List changes

Adding more defensive growth

The spring 2023 quarter was volatile in many respects, which weighed on performance of both the S&P/TSX Composite and the Canadian Focus List. While we continue to believe the Portfolio is well positioned for a range of possible outcomes, we are making changes this quarter that, in our view, not only maintain a defensive posturing but also improve its growth (at a reasonable price) profile.

We are eliminating our 2.5% position in **Canadian Imperial Bank of Commerce (CM)**. The Canadian bank group faces the idiosyncratic headwinds of elevated consumer leverage and stretched housing affordability. However, CM has the greatest relative exposure to these risks and, as such, the elimination of the position lowers the tail risk of the Portfolio, in our view. We remain cautious on the outlook for the bank group and see few catalysts on the horizon to support a meaningful move higher in bank shares. The removal of CM leaves the Portfolio with a bank allocation below that of the benchmark, the S&P/TSX Composite.

We are reducing our position in **Thomson Reuters Corp. (TRI)** to 2.5% from 5%. Strong consensus earnings growth expectations along with a valuation that is at the higher end of its historical range leave little room for error in a slowing economic environment for TRI shares, in our view. Furthermore, wider adoption of generative artificial intelligence (AI) potentially increases the risk of a heightened competitive dynamic in this space, which we believe could erode TRI's pricing power and impact profitability. While elevated economic uncertainty continues to lengthen sales cycles, management highlighted at the Q1 results announcement that it remains confident in achieving its 2023 guidance. Moreover, in our view, there is a likelihood of an uptick in organic growth through TRI's superior product offering (enhanced through AI) and modest margin expansion via productivity gains. Consequently, we remain constructive on TRI's long-term prospects.

Total return for the spring quarter (3/1/23–5/31/23)

	Total return
Canadian Focus List	-2.64%
S&P/TSX Composite Index	-2.40%
Relative	-24 bps

Note: Past performance is no guarantee of future results and should not be viewed as an indicator of future results.

Source - FactSet

We are initiating a 2.5% position in **Canadian National Railway Co. (CNR)**. In our view, CNR represents a significant long-term growth opportunity, despite near-term recessionary concerns. At its latest investor day, the company cited multiple drivers for growth, including new port capacity being built in both eastern and western Canada, the new Canada to Mexico 3-way interline service, and growth in bulk commodity volumes (including grain). While we acknowledge the Portfolio's rail exposure now totals 7.5%, this is supported by our constructive outlook on the Canadian rail sector, premised on: (1) high barriers to entry; (2) the critically important nature of rail infrastructure; and (3) a duopoly market structure.

We are increasing our position in **Dollarama Inc. (DOL)** to 5% from 2.5%. Through deep value positioning and an offering that skews to everyday household needs, Dollarama has proven to be largely unaffected by the macroeconomic backdrop. The potential tightening of consumer budgets that typically results from a recessionary scenario should support the company's sales volumes through the potential downturn to come, in our view. Furthermore, we have confidence in management's ability to execute on its long-term strategy to deliver unit growth of 4%–5% per annum on average. On a price-to-earnings basis, Dollarama trades at a premium to its longer-term average and relative to its retail peers. However, we view this premium as justified given its demonstrated resilience across business cycles, industry-leading top-line growth profile, healthy gross margins, and strong balance sheet.

Portfolio positions

Symbol	Company name	Weight	Price 5/26/23	52-wk range	EPS (calendar year)			P/E		Div. yield	Market cap (B)
					2022A	2023E	2024E	2023E	2024E		
Communication Services											
T	TELUS Corporation	5.00%	\$26.34	32 - 26	\$1.19	\$1.04	\$1.26	25.4x	20.9x	5.5%	\$37.88
Consumer Discretionary											
DOL	Dollarama	5.00%	\$83.74	86 - 69	\$2.71	\$3.11	\$3.56	26.9x	23.5x	0.3%	\$24.44
Consumer Staples											
ATD.B	Alimentation Couche-Tard Class B	2.50%	\$67.39	68 - 50	\$3.72	\$3.84	\$4.09	17.6x	16.5x	0.8%	\$68.88
Energy											
CNQ	Canadian Natural Resources	5.00%	\$75.82	88 - 59	\$11.19	\$7.48	\$8.86	10.1x	8.6x	4.7%	\$83.60
PPL	Pembina Pipeline	2.50%	\$41.91	54 - 41	\$5.12	\$2.72	\$2.93	15.4x	14.3x	6.4%	\$23.06
SU	Suncor Energy	2.50%	\$38.86	54 - 36	\$8.44	\$5.63	\$6.17	6.9x	6.3x	5.4%	\$50.89
TRP	TC Energy	5.00%	\$54.11	74 - 51	\$4.30	\$4.29	\$4.17	12.6x	13.0x	6.9%	\$54.11
Financials											
BMO	Bank of Montreal	5.00%	\$114.74	139 - 112	\$13.13	\$12.75	\$13.37	9.0x	8.6x	5.1%	\$81.83
BN	Brookfield Corporation	5.00%	\$42.87	56 - 39	\$3.60	\$3.21	\$3.66	13.4x	11.7x	0.9%	\$70.21
EFN	Element Fleet Management	2.50%	\$20.15	21 - 13	\$1.10	\$1.26	\$1.43	16.0x	14.1x	2.0%	\$7.71
IFC	Intact Financial	5.00%	\$202.59	210 - 172	\$11.88	\$13.04	\$13.87	15.5x	14.6x	2.2%	\$35.51
NA	National Bank of Canada	2.50%	\$100.10	105 - 82	\$9.65	\$9.90	\$9.91	10.1x	10.1x	3.9%	\$33.71
RY	Royal Bank of Canada	5.00%	\$123.08	140 - 117	\$11.22	NA	NA	NA	NA	4.4%	\$170.54
TD	Toronto-Dominion Bank	5.00%	\$78.26	97 - 76	\$8.36	\$8.38	\$8.62	9.3x	9.1x	4.8%	\$142.57
Industrials											
BBD.B	Bombardier Inc. Class B	2.50%	\$56.08	74 - 18	\$0.99	\$4.49	\$5.70	12.5x	9.8x	0.0%	\$4.86
CNR	Canadian National Railway	2.50%	\$155.16	175 - 137	\$7.46	\$7.92	\$8.75	19.6x	17.7x	2.0%	\$102.78
CP	Canadian Pacific Kansas City	5.00%	\$104.92	112 - 86	\$3.77	\$4.31	\$5.11	24.3x	20.5x	0.7%	\$97.69
GFL	GFL Environmental	2.50%	\$49.85	52 - 32	\$0.49	\$0.76	\$1.23	NM	40.5x	0.1%	\$17.81
TRI	Thomson Reuters	2.50%	\$169.14	181 - 122	\$3.43	\$4.49	\$5.05	37.6x	33.5x	1.6%	\$79.81
TIH	Toromont Industries	5.00%	\$107.15	115 - 93	\$5.47	\$5.61	\$5.68	19.1x	18.9x	1.6%	\$8.81
WCN	Waste Connections	2.50%	\$188.48	197 - 148	\$5.14	\$5.75	\$6.49	32.8x	29.1x	0.7%	\$48.54
WSP	WSP Global	2.50%	\$173.36	182 - 134	\$5.75	\$6.53	\$7.47	26.5x	23.2x	0.9%	\$21.58
Information Technology											
CSU	Constellation Software	5.00%	\$2,688.93	2783 - 1748	\$60.09	\$80.70	\$98.83	33.3x	27.2x	0.2%	\$56.98
SHOP	Shopify Class A	2.50%	\$80.69	88 - 33	\$0.05	\$0.44	\$0.73	NM	NM	0.0%	\$96.78
Materials											
CCL.B	CCL Industries Class B	2.50%	\$65.61	72 - 56	\$3.48	\$3.74	\$3.93	17.5x	16.7x	1.6%	\$10.84
NTR	Nutrien	2.50%	\$76.11	133 - 76	\$17.74	\$9.24	\$8.51	8.2x	8.9x	3.8%	\$38.04
Real Estate											
FCR.U^^	First Capital REIT	2.50%	\$14.91	19 - 14	\$1.03	\$0.99	\$1.06	15.1x	14.1x	5.8%	\$3.18
Utilities											
BIP.U^	Brookfield Infrastructure Partners	2.50%	\$49.38	57 - 41	\$2.94	\$3.56	\$4.01	13.9x	12.3x	4.2%	\$22.63

Source - FactSet

^ Funds from operations (FFO) instead of earnings per share (EPS)

^^ Adjusted funds from operations (AFFO) instead of earnings per share (EPS)

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Canadian Imperial Bank of Commerce

(TSX: CM; \$57.54)

We are removing the 2.5% position in Canadian Imperial Bank of Commerce

- Housing and household debt a headwind.** The Canadian bank group faces the idiosyncratic headwinds of elevated consumer leverage and stretched housing affordability. However, CM has the greatest relative exposure to these risks and, as such, the elimination of the position lowers the tail risk of the Portfolio, in our view.
- Still early in the credit cycle.** A combination of elevated Canadian consumer exposure (as noted above) and a recession that is more likely than not in the coming quarters suggests to us that CM should face more consumer credit risk than peers. This, in our view, has the potential to drive CM’s credit provisions notably higher from current levels, pressuring earnings growth this year and next.
- Below-benchmark allocation to banks warranted.** In our view, CM shares are capturing some of the housing and consumer debt-related concerns in its current valuation. That said, we remain cautious on the outlook for the bank group and see few catalysts on the horizon to support a meaningful move higher in bank shares. The removal of CM leaves the Portfolio with a bank allocation below that of the benchmark, the S&P/TSX Composite Index.

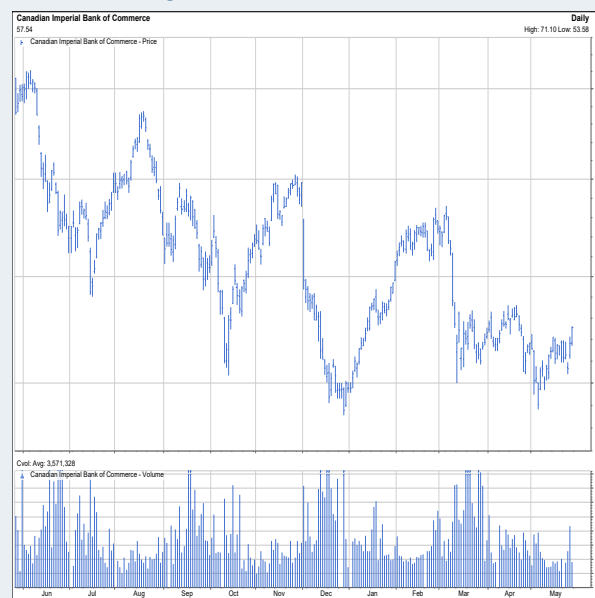
Risks

Risks include, but are not limited to, the health of the economy, deterioration in the capital markets, impacts from off-balance sheet commitments, tax rates, an unexpected acquisition, weakening retail credit quality, and loss of market share.

Company description

Canadian Imperial Bank of Commerce is Canada’s fifth-largest bank as measured by loans, assets, and market capitalization. The company conducts business within banking and wealth management services, and operates through multiple segments including: Canadian Personal and Small Business Banking, Canadian Commercial Banking and Wealth Management, U.S. Commercial Banking and Wealth Management, Capital Markets, Corporate, and other.

1-year pricing chart



Source - FactSet; data through 5/26/23

Canadian National Railway Company

(TSX: CNR; \$155.16)

We are adding a 2.5% position in Canadian National Railway

- Significant long-term growth opportunity.** At Canadian National Railway’s latest investor day, management highlighted growth opportunities of 800,000–900,000 carloads annually by 2026 (equivalent to a 5%+ compound annual growth rate in volumes). The company cited multiple drivers for this growth projection, including new port capacity being built in both eastern and western Canada, which should benefit intermodal volumes. Moreover, management thinks the new Canada to Mexico 3-way interline service and growth in bulk commodity volumes (including grain) should be incremental drivers of top-line growth.
- Improved operations support efficiency gains.** CNR has improved its operating metrics through enhanced on-time performance and higher network fluidity, which has increased capacity and improved margins at no additional capital cost. While the notable improvement in operating ratio that we saw last year is unlikely to continue, we think there is potential for further margin improvement.
- Favourable view on rail sector.** Our constructive outlook on the Canadian rail sector is premised on: (1) high barriers to entry; (2) the critically important nature of rail infrastructure; and (3) a duopoly market.

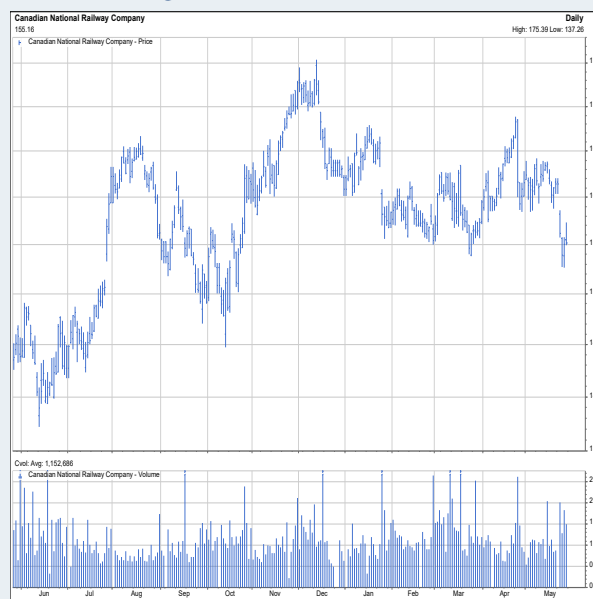
Risks

Risks include, but are not limited to, the impact on volumes and pricing from a slowdown in economic growth; persistent oil price weakness impairing crude-by-rail economics; severe weather impacting crop quality and network efficiency; and unfavourable currency fluctuations impacting cross-border freight flows.

Company description

Canadian National Railway transports roughly \$250 billion worth of goods per year over a network of approximately 20,000 route miles of track spanning Canada and mid-America, connecting three coasts: the Atlantic, the Pacific, and the Gulf of Mexico. From a geographic standpoint, 15% of revenues are derived from U.S. domestic traffic, 34% from trans-border traffic, 17% from Canadian domestic traffic, and 34% from overseas traffic.

1-year pricing chart



Source - FactSet; data through 5/26/23

Dollarama Inc.

(TSX: DOL; \$83.74)

We are increasing the position in Dollarama to 5.0% from 2.5%

- Resilient across business cycles.** Through deep value positioning and an offering that skews to everyday household needs, Dollarama has proven to be largely unaffected by the macroeconomic backdrop. The potential tightening of consumer budgets that typically results from a recessionary scenario should support the company's sales volumes through the potential downturn to come, in our view.
- Canadian unit growth story is not over.** Given Dollarama's strong track record of operational excellence, we have confidence in management's ability to execute on its long-term strategy to deliver unit growth of 4%–5% per annum on average. Dollarama targets a Canadian store count of 2,000 by 2031 from 1,400 today, providing a long runway for growth.
- International unit growth story in its early days.** Dollarama's 50.1% interest in Dollarcity provides the company with an additional avenue for unit growth, which we believe is underappreciated by investors. Dollarcity currently has 440 stores in Latin America, with a target of 850 locations by 2029.
- Valuation.** On a price-to-earnings basis, Dollarama trades at a premium to its longer-term average and relative to its retail peers. However, we view this premium as justified given its demonstrated resilience across business cycles, industry-leading top-line growth profile, healthy gross margins, and strong balance sheet.

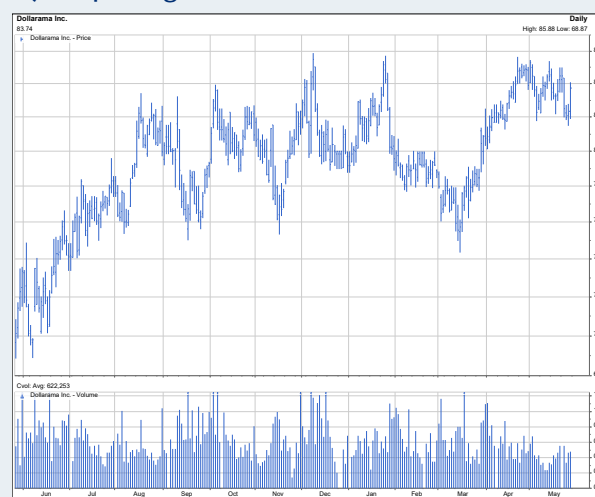
Risks

Risks include, but are not limited to, increased competition, minimum wage rate increases, and gross margin pressure, potentially driven by sharp increases in product cost inflation or a steep decline in the value of the Canadian dollar.

Company description

Dollarama is Canada's largest fixed-price-point retailer, with more than 1,400 stores across the country. All stores are corporate-owned and each offers a broad assortment of everyday consumer products, general merchandise, and seasonal items. Dollarama also owns a 50.1% interest in Dollarcity, a growing Latin American value retailer with 440 stores. Dollarcity offers a broad assortment of consumable products, general merchandise, and seasonal items at select, fixed price points.

1-year pricing chart



Source - FactSet; data through 5/26/23

Thomson Reuters Corporation

(TSX: TRI; \$169.14)

We are decreasing the position in Thomson Reuters to 2.5% from 5.0%

- Valuation multiple at higher end of historical range.** Earnings per share have enjoyed a strong compound annual growth rate of more than 25% over the last three years. Meanwhile, RBC Capital Markets expects an annual earnings growth rate of more than 18% over the next three years. Given consensus expectations for strong earnings growth, the stock currently trades at the higher end of its historical valuation range, which we believe leaves little room for error in a slowing economic environment.
- Risk of heightened competition from new entrants in generative AI.** Westlaw (which is a set of tools for performing legal research) represents Thomson Reuters' largest artificial intelligence (AI) investment to date and has been a key growth driver. The company expects to maintain its lead in this space through more than US\$100 million in annual investments in ongoing AI initiatives. However, wider adoption of generative AI also increases the risk of a heightened competitive dynamic in this space, which we believe could erode TRI's pricing power and impact profitability.
- No meaningful deterioration in operating environment thus far.** While elevated economic uncertainty continues to lengthen sales cycles, management highlighted at the Q1 results announcement that it remains confident in achieving its 2023 guidance. Moreover, in our view, there is a likelihood of an uptick in organic growth through TRI's superior product offering (enhanced through AI) and modest margin expansion via productivity gains. Consequently, we remain constructive on TRI's long-term prospects and believe a 2.5% position is appropriate.

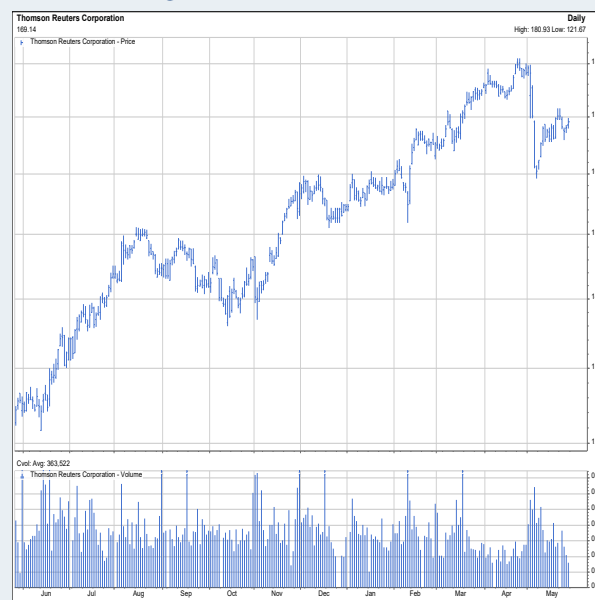
Risks

Risks include, but are not limited to, a reduction in the number of customers due to macroeconomic headwinds; inability to further reduce operating costs leading to margin deterioration; and heightened competition from new entrants in generative AI.

Company description

Thomson Reuters is an information publisher and software provider serving professionals in several business segments including Legal Professionals, Corporates, and Tax Professionals.

1-year pricing chart



Source - FactSet; data through 5/26/23

Methodology

The Canadian Focus List is produced by RBC Capital Markets and RBC Wealth Management's Portfolio Advisory Group. The List was launched in the mid-1980s and has a long-term track record of strong performance versus the S&P/TSX. The Canadian Focus List serves as a core Canadian equity portfolio and may be suitable for investors with a moderate risk tolerance in relation to an equity market investment.

Investment Process

The Portfolio is diversified across a minimum of 20 stocks with representation from each of the major sectors of the Canadian market.

On a quarterly basis, a top-down analysis incorporating RBC Capital Markets' outlook for the economy, the markets, and various economic sectors is brought to bear on the sector composition of a diversified portfolio of securities.

A "three-discipline" (3D) approach combining fundamental analysis of the firm's equity analysts with RBC Capital Markets' proprietary technical and quantitative disciplines screens stocks for inclusion on the List.

On a quarterly basis, all stocks that prescreen well under the 3D process are considered for inclusion. Furthermore, the Committee considers each stock in relation to: strength of management, the robustness of its business model, and its potential to pay and grow dividends.

The foundation of our process is to try to find good businesses trading at reasonable valuations. Within the context of this, we focus on businesses with high returns on invested capital (in other words, every dollar the company puts into the business generates a significant return for the business), strong balance sheets, high cash generation, non-nebulous accounting, credible management teams that have demonstrated track records of success, and the willingness to return some capital to shareholders through share buybacks and dividends. Further, when possible, we try to find businesses that are at a positive inflection point in their evolution, which would be marked by things such as a gradual expansion of margins, a transition to positive free cash flow, or the roll-off of a significant capex cycle.

Against this, we overlay the 3D process, which helps us to filter out much of the noise generated by the day-to-day fluctuations of the market. We believe that an approach such as this will be rewarded over time. However, from time to time, the market will choose to focus its attention and goodwill on those businesses that lack many of the attributes that we look for and thus we expect to experience quarters in which we significantly underperform. Rather than view this as an opportunity to chase what is working, we view this as an opportunity to look for the types of businesses outlined above and, perhaps, capitalize on opportunities that the market has chosen to ignore in favour of short-term performance.

NOTE: Past performance is no guarantee of future results and should not be viewed as an indicator of future results.

Disclosures and disclaimers

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For the purpose of ratings distributions, regulatory rules require member firms to assign ratings to one of three

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Distribution of ratings – RBC Capital Markets Equity Research

As of March 31, 2023

Rating	Count	Percent	Investment Banking Services Provided During Past 12 Months	
			Count	Percent
Buy [Outperform]	824	56.05	236	28.64
Hold [Sector Perform]	591	40.20	132	22.34
Sell [Underperform]	55	3.74	4	7.27

Explanation of RBC Capital Markets Equity Rating System

An analyst’s “sector” is the universe of companies for which the analyst provides research coverage. Accordingly, the rating assigned to a particular stock represents solely the analyst’s view of how that stock will perform over the next 12 months relative to the analyst’s sector average.

Ratings:

Outperform (O): Expected to materially outperform sector average over 12 months. **Sector Perform (SP):** Returns expected to be in line with sector average over 12 months.

Underperform (U): Returns expected to be materially below sector average over 12 months. **Restricted (R):** RBC policy precludes certain types of communications, including an investment recommendation, when RBC is acting as an advisor in certain merger or other strategic transactions and in certain other circumstances. **Not Rated (NR):** The rating, price targets and estimates have been removed due to applicable legal, regulatory or policy constraints which may include when RBC Capital Markets is acting in an advisory capacity involving the company.

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Bank of Montreal (BMO; Outperform; \$114.74)

Bombardier Inc. (BBD.B; Outperform; \$56.08)

Brookfield Corp. (BN; Outperform; \$42.87)

Brookfield Infrastructure Partners L.P. (BIP.U; Outperform; \$49.38)
 Canadian Imperial Bank of Commerce (CM; Sector Perform; \$57.54)
 Canadian National Railway Company (CNR; Outperform; \$155.16)
 Canadian Natural Resources Ltd. (CNQ; Outperform; \$75.82)
 Canadian Pacific Kansas City Limited (CP; Outperform; \$104.92)
 CCL Industries Inc. (CCL.B; Outperform; \$65.61)
 Constellation Software Inc. (CSU; Outperform; \$2,688.93)
 Dollarama Inc. (DOL; Outperform; \$83.74)
 Element Fleet Management Corp. (EFN; Outperform; \$20.15)
 First Capital REIT (FCR.U; Outperform; \$14.91)
 GFL Environmental Inc. (GFL; Outperform; \$49.85)
 Intact Financial Corp. (IFC; Outperform; \$202.59)
 National Bank of Canada (NA; Sector Perform; \$100.10)
 Nutrien Ltd. (NTR; Outperform; \$76.11)
 Pembina Pipeline Corp. (PPL; Outperform; \$41.91)
 Shopify Inc. (SHOP; Outperform; \$80.69)
 Suncor Energy Inc. (SU; Outperform; \$38.86)
 TC Energy Corp. (TRP; Outperform; \$54.11)
 TELUS Corp. (T; Outperform; \$26.34)
 Thomson Reuters Corp. (TRI; Outperform; \$169.14)
 Toromont Industries Ltd. (TIH; Outperform; \$107.15)
 Toronto-Dominion Bank (TD; Outperform; \$78.26)
 Waste Connections Inc. (WCN; Outperform; \$188.48)
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