# Weekly Updates Issue # 665

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## 1. Weekly Markets Changes

**[May 25, 2018]**

| S&P TSX | S&P 500 | Dow Jones | NASDAQ | CAD/USD | Gold | WTI Crude |
|---|---|---|---|---|---|---|
| 16,075.67<br>-86.64 -0.54% | 2,721.33<br>+8.36 +0.31% | 24,753.09<br>+38.00 +0.15% | 7,354.34<br>+79.51 +1.08% | $0.7708<br>-0.56c -0.72% | $1,302.25<br>+9.20 +0.71% | $67.88<br>-3.40 -4.77% |

## 2. U.S. central bank must remain independent, says Fed Chair Powell

**[May 25, 2018]** Federal Reserve Chairman Jerome Powell says the Fed's independence from political pressure is key in enabling the central bank to fight inflation, stabilize the economy, and regulate the financial system.

His remarks Friday come after Kevin Warsh, a former Fed official who President Donald Trump interviewed for the chairman post, said in an interview earlier this month with Politico that Trump did not appear to view the Fed as an independent body. He said Trump was direct about how he thought interest rates should be managed.

Powell warned against taking that independence for granted given its recent success in keeping inflation low.

"We must not forget the lessons of the past, when a lack of central bank independence led to episodes of runaway inflation and subsequent economic contractions," Powell warned.

Following Warsh's comments regarding Trump, members of the Senate Banking Committee quizzed two of Trump's nominees for the Federal Reserve Board, Richard Clarida and Michelle Bowman, about the importance of Fed independence.

Both said yes when asked by Sen. Sherrod Brown, D-Ohio, whether they thought it was important for the Fed to remain free from White House influence. Clarida said that neither Trump nor any other member of his administration had said anything during his interviews that would be compromising to the Fed's independence.

"I had a number of meetings over several months with a number of officials, including the president, and in no meeting, at no time, did I ever have any reason to question the independence of the Federal Reserve," Clarida said then.

The double-digit inflation of the late 1970s is often blamed, in part, on then-Federal Reserve Chairman Arthur Burns, who was reluctant to raise short-term interest rates high enough to choke off inflation for fear of causing massive unemployment.

Burns and other Fed officials were pressured by President Richard Nixon, who was leery of any political blowback from rising unemployment.

Inflation remained high into the early 1980s until Paul Volcker, appointed Fed Chair by President Jimmy Carter, pushed short-term interest rates to nearly 20%. That sparked a sharp recession, but it also reined in inflation.

## 3. U.K. barely grew in Q1 at only 0.1%

**[May 25, 2018]** A day after the Bank of England's governor warned about the damaging consequences of a "disorderly" Brexit, official figures Friday confirmed that the British economy barely grew in the first three months of the year.

The Office for National Statistics said the economy expanded by a quarterly rate of just 0.1% amid weak household spending and business investment. Both have been held by factors directly related to the country's vote to leave the European Union.

Household spending, which rose just 0.2% in the first quarter, has been held back by the inflation stoked by the pound's sharp fall in the aftermath of the Brexit vote, which led to a rise in the cost of imports.

Meanwhile, business investment fell by 0.2%, with executives seemingly cautious amid uncertainty over Britain's future relationship with the EU, its biggest trading partner. With firms' balance sheets healthier than they have been for years and with the global economy—in particular Europe—doing better than expected, business investment should be rising.

For those wishing to blame the low growth on late winter weather, the statistics agency noted that the impact was fairly minimal. It said bad weather

had some impact on the economy, particularly in construction and retail, but that its overall effect was limited.
The low growth was one of two main reasons why the Bank of England did not raise its main interest rate by a quarter-point this month to 0.75%, as it had earlier signalled it would. The other was that inflation had come down more sharply than anticipated.
The latest growth figures come a day after Bank of England Governor Mark Carney warned that a “disorderly” Brexit could push the bank into the same sort of exceptional stimulus it unleashed after the country voted to leave the EU two years ago. Then, the bank’s Monetary Policy Committee cut its main rate to a record low of 0.25% and enacted some further stimulus measures to shore up confidence.
Amid signs that the British government’s Brexit negotiations with the EU are making little headway and could in fact be deteriorating, Carney told an audience of economists late Thursday that a “sharper” Brexit may lead policymakers to pursue a similar response.
“For example, if the transition were disorderly, or the end state agreement materially worse than the average potential outcome, then the MPC could once again be confronted by a trade-off between the speed with which it returns inflation to target and the support policy provides to jobs and activity,” he said.
“On this path, the MPC can be expected to set policy to manage any trade-off using the framework it applied following the referendum.”
Though acknowledging that the Brexit vote has already hurt the economy by raising inflation and hindering investment, the bank has operated on the assumption that the transition to a new trading relationship with the EU would be smooth.
That gave it room to raise its main rate in November to 0.5%, its first hike in a decade, even though economic growth has slowed noticeably.
With the British government split over several issues related to Brexit and Prime Minister Theresa May losing a series of votes in Parliament, there’s growing concern that there won’t be a deal by the fall. That means the country could end up crashing out of the EU next year without a deal that would, among other things, see tariffs slapped on British exports.
The aim of the Brexit discussions was to get a political deal by about October to give individual EU parliaments the time to approve the agreement before the official Brexit date of March 29, 2019. After that, Britain would remain in the tariff-free and frictionless European single market and customs union until the end of 2020 to smooth the process—but that transition period depends on a broad agreement being reached.

On Thursday, the cross-party Commons Exiting the European Union Committee said it was "highly unsatisfactory" the government had yet to agree on the post-Brexit trading and customs arrangements and that the country may have to stay in the customs union for years after Brexit.

## 4. Typical U.S. CEO pay is 164 times that of employees: Equilar data analysis

**[May 25, 2018]** Chief executives at the biggest public companies in the U.S. got an 8.5% raise last year, bringing the median pay package for CEOs to US$11.7 million (all figures are in U.S. dollars). Across the S&P 500, compensation for CEOs is often hundreds of times higher than typical workers.

The pay increase matches the bump that CEOs received in 2016, according to salary, stock and other compensation data analyzed by Equilar for The Associated Press.

For the first time, the government required companies to show in their annual proxy statements just how much more bosses make than the typical employee. The typical CEO made 164 times the median pay of their employees, according to Equilar's analysis.

Because the government gave companies wide leeway in how they calculated the median pay of their workers, and because some industries rely heavily on part-time workers, the CEO-to-worker pay ratios are imperfect and make comparisons difficult. Despite pushback, Congress forced companies to publish the data as a way to shine a spotlight on income inequality.

A debate has already ensued about the significance of this newly released data. "High pay ratios send a dispiriting message to the workforce," said Liz Shuler, secretary-treasurer of the AFL-CIO, which has been calculating its own tally of CEO-to-worker pay ratios for years. "Companies are asking their workers to do more with less, at the same [time] that CEO pay is on the rise."

Detractors among business groups, academics and compensation consultants say the ratio can give a false impression. For example, some companies exclude some of their lower-paid foreign workers, which regulations allow. And companies with large part-time workforces will show much greater disparity between the CEO's pay and median pay.

At Yum Brands, CEO Greg Creed's pay of $12.3 million was 1,358 times higher than the company median of $9,111. The employee who earned that amount, on an annualized basis, was a part-time employee at a Taco Bell restaurant.

Even at United Rentals, where the median pay was $77,127 last year, it would take a worker earning that amount 166 years to match the $12.8 million in compensation that CEO Michael Kneeland made last year.

So far, shareholders seem OK with the pay packages for CEOs. At both Yum Brands and United Rentals, more than 95% of shareholders approved their CEOs' pay for last year. Likely buoying that support was the 31.1% return for Yum Brands stock and the 62.8% rise for United Rentals.

Across the S&P 500, such votes on executive compensation passed with similar approval ratings in 2016 and 2017, at 95%, according to the data compiled by Equilar. The boards of directors who set CEO pay, meanwhile, say they are tying more of their executives' compensation to how the company is performing, and they need to pay the going rate to keep talented executives.

## Top 5 CEOs

The highest-paid CEO in Equilar's analysis was Hock Tan of Broadcom, who made $103.2 million. The vast majority of Tan's compensation came in the form of a stock grant, valued at $98.3 million. He'll receive the shares if the stock hits certain performance targets over the next four years. The company said in a filing with regulators that the figure looks substantial, but the amount Tan earns will "only be exceptional if our (stock returns relative to other companies) is exceptional."

The second-highest paid CEO was Leslie Moonves of CBS. He made $68.4 million, including a $20 million bonus. CBS stock fell in 2017, but the company's board highlighted how CBS is producing more premium content where it has an ownership stake, among other accomplishments.

Number three was W. Nicholas Howley at TransDigm, which designs and produces aircraft components. He earned $61 million, including $51.2 million of payments from the company on stock options he holds, as if they had earned dividends. Howley, a Transdigm co-founder, left his position as CEO last month and became executive chairman.

Jeffrey Bewkes of Time Warner was the fourth-highest paid CEO at $49 million. Time Warner rejiggered its compensation formulas for executives following its deal to be acquired by AT&T, which was announced in 2016 but is still awaiting government approval. Bewkes received restricted stock valued at $32 million.

Number five was TripAdvisor's Stephen Kaufer, at $43.2 million. He received grants of options and restricted stock valued at $42.1 million, and the company said it does not expect to give him another stock grant as long-term incentive compensation until 2021.

## CEOs make how much more?

This is the first year that companies had to report the median pay for their employees. Median is the midpoint of the pay scale. Across the S&P 500, the median compensation last year was $70,244, according to Equilar. That’s higher than the average pay for all U.S. workers, at $47,792, because the S&P 500 is full of big, multinational companies. Last year’s median pay for the U.S. is not yet available.

Companies in the pharmaceutical, technology and energy sectors were on the high end of the S&P 500 for worker pay. At Facebook, for example, the median compensation was $240,430. On the lower end were retailers and fast-food restaurant chains, which tend to have more part-time workers.

Coming into this year, many companies had big concerns about the reaction to their CEO-to-worker pay ratios, particularly among their own employees. But after publishing the numbers, the backlash wasn’t that big, said Melissa Burek, a partner at Compensation Advisory Partners.

“I have clients in the Midwest, where they’re the largest employer in town, and I would have thought those would get more attention,” said Daniel Laddin, another partner at Compensation Advisory Partners. “But no one seems to be getting too upset about it.”

All the leeway companies had in calculating their ratios helped many to avoid being an outlier, on either the high end of the low end, said Kelly Malafis, also a partner at Compensation Advisory Partners.

The real value in these ratios may come years from now, as investors and workers track how the ratios change over time, said Ethan Rouen, an assistant professor at Harvard Business School who studies income inequality.

It may not make much sense to compare Yum Brands’ ratio with Facebook’s, but is each company’s ratio rising or falling through the years? In particular, will the figures get better or worse when the next economic downturn hits, whenever that may be?

“I think five years down the road,” he said, “this measure will be more useful than it is right now.”

## 5. Walmart and Target are spending like crazy to stop Amazon

**[May 25, 2018]** They're raising minimum wages to retain and attract workers. Stores are being remodeled to encourage customers to add a few extra items to their baskets each time they visit — and convince them to return. All three have lowered their prices.

The companies are optimizing stores and warehouses for speedy curbside pickups and grocery deliveries. Walmart is plowing cash into updating its website.
They're also going on a buying spree.
Target bought grocery startup Shipt for $550 million last year, and Walmart bought e-commerce platform Jet.com for $3 billion in 2016.
On Wednesday, Kroger said it was scooping up meal-kit company Home Chef in a deal worth up to $700 million.
Last week, the grocery chain paid $250 million for a stake in British online supermarket Ocado to help manage automated warehouses and leverage its digital technology in the United States.
Growing pains
The moves signal how far brick-and-mortar grocers and retailers today are reaching beyond their stores to fight off Amazon and adapt to online shopping.
"They are relying on acquisitions, which are proving to be very expensive, in order to catch up quickly or risk completely being outrun," said Tom Gehani, director of client strategy and research at consulting firm Gartner L2.
Renovations, raises, supply chain optimizations, and acquisitions and demonstrate the high costs of slogging ahead with a long-term plan — one often at odds with Wall Street's impatience
Spending a ton of cash to ramp up digital operations, while slashing prices, has cut into profit margins at Walmart, Target and Kroger.
"Managing margins for an online business is very difficult," said Cowen analyst Oliver Chen. "It's a journey."
Walmart is down 16% this year and Kroger has lost 10%. Target is up 9%, but shares fell sharply after it missed profit expectations.
Playing the long game
Despite Wall Street's hesitancy about the companies' near-term prospects, Walmart, Target and Kroger are plowing ahead, determined to stem the tide of fleeing customers by adapting to the digital age and changing consumer habits.
For example, Target CEO Brian Cornell said last year that the company would embark on a three-year, $7 billion effort to reposition it for the future. The strategy includes opening smaller stores in urban markets and rolling out more private label brands.
"We're investing in our business with a long-term view of years and decades, not months and quarters," he said.
Walmart is also rapidly searching for new growth opportunities.
The company admitted that Jet has failed to resonate with shoppers in the middle of the country, but it has acquired niche brands such as Bonobos,

Modcloth. Walmart paid $16 billion last month for India's Flipkart, its largest deal ever.

Kroger hopes the Ocado deal "will allow [it] to react to how the customer may want to change their shopping habits over time in a big way," chief financial officer John Schlotman said at a conference last week. Many Kroger customers have defected to Whole Foods after Amazon lowered prices at Whole Foods.

Pick up or delivery?

All three companies hope to use their massive network of physical stores to their advantage in their battle against Amazon. They are all focusing efforts on so-called click-and-collect, where shoppers order items off their computers or phones and then drive to pick them up outside stores.

Walmart believes that its 4,760 US stores within 10 miles of 90% of Americans will allow the retailer to transition its real estate into shopping centers that can easily fulfill online orders, too.

It will have 2,100 pickup locations by the end of the year. Target plans to have 1,000 pickup spots by the end of 2018 for clothes, home appliances and groceries. And Kroger said in March that it has more than 1,000 collection sites. Expanding pickup can help these companies keep down expensive shipping costs.

"They need to use their core assets to drive relevance and connection with shoppers," said Laura Kennedy, vice president of retail insights at Kantar Consulting. "Whether you are an apparel retailer, Walmart, or Kroger, Amazon has changed shoppers' perception of convenience and speed."

For customers who don't want to pick up items at stores, the companies are ramping up their effort to deliver items quickly from stores to customers' doors — despite the limited profitability shipping goods to your home.

Walmart will have grocery delivery available at around 800 stores by the end of the year, and Target will have same-day delivery for its stuff at close to all of its 1,822 US locations by then.

Investing in groceries is crucial for Walmart and Kroger to stay ahead, but they're fighting to keep control of an already low-margin business. "Amazon has caused them to chase the wrong end of the profit spectrum," Gehani said.

Walmart and Target have shown they're capable of making the shift to digital. Walmart's online sales grew 33% and Target's jumped 28% last quarter from a year prior. Store upgrades are also helping: Same-store sales grew 2.1% at Walmart and 3% at Target last quarter.

## 6. Dodd-Frank rollback to change rules on stress tests, mortgage loan data

**[May 23, 2018]** President Donald Trump indicated Wednesday that he's eager to sign a bill that would dismantle a chunk of the rules framework for banks, installed to prevent recurrence of the 2008 financial crisis that brought millions of lost jobs and foreclosed homes.

The House voted 258-159 on Tuesday to approve legislation rolling back the Dodd-Frank law, notching a legislative win for Trump, who made gutting the landmark law a campaign promise.

The Republican-led legislation, pushed by Wall Street banks as well as regional banks and smaller institutions, garnered 33 votes from House Democrats. Similarly, the bill splintered Democrats into two camps when the Senate voted 67-31 to approve it in March.

"Big legislation will be signed by me shortly," Trump tweeted Wednesday. "Big changes to DODD FRANK."

The bill raises the threshold at which banks are deemed so big and plugged into the financial grid that if one were to fail it would cause major havoc. Those banks are subject to stricter capital and planning requirements. Backers of the legislation are intent on loosening the restraints on them, asserting that would boost lending and the economy.

The legislation is aimed at especially helping small and medium-sized banks, including community banks and credit unions. But critics argue that the likelihood of future taxpayer bailouts will be greater once it becomes law. They point to increases in banks' lending and profits since Dodd-Frank's enactment in 2010 as debunking the assertion that excessive regulation of the banking industry is stifling growth.

The Dodd-Frank act, named after its co-authors, Democratic Sen. Christopher Dodd of Connecticut and Democratic Rep. Barney Frank of Massachusetts, boosted government oversight of banks.

U.S. banks' net income climbed to $56 billion in the January-March quarter, a 27.5% increase from a year earlier, as profits were revved up by the corporate tax cuts enacted late last year, the Federal Deposit Insurance Corp. reported Tuesday.

"This is not a bill that benefits consumers. It is a big-bank bonanza," Rep. Al Green, D-Texas, said in debate on the House floor before the vote.

The bill makes a fivefold increase, to $250 billion, in the level of assets at which banks are deemed to pose a potential threat if they fail. The change would ease regulations and oversight on more than two dozen financial

institutions, including BB&T Corp., SunTrust Banks, Fifth Third Bancorp and American Express.

Eventually, the exempted banks will no longer have to undergo an annual stress test conducted by the Federal Reserve. The test assesses whether a bank has a big enough capital buffer to survive an economic shock and keep on lending. The banks also will be excused from submitting plans called "living wills" that spell out how a bank would sell off assets or be liquidated in the event of failure so it wouldn't create chaos in the financial system.

Rep. Jeb Hensarling, the Texas Republican who heads the House Financial Services Committee, said Main Street banks "have been suffering for years under the weight" of the Dodd-Frank regulations. "Help is on the way," Hensarling declared. "Today is an important day in the history of economic opportunity in America."

Republican lawmakers, with Hensarling at the forefront, have been chafing at Dodd-Frank's restrictions in the eight years since its enactment by President Barack Obama and Democrats in Congress, and finally prevailed with Tuesday's vote.

The win on the banking bill adds to Trump's marquee business-friendly legislative achievement, the sweeping tax bill enacted late last year that deeply cut taxes for corporations and wealthy individuals and offered more modest reductions for most ordinary Americans.

Supporters of the bill say Dodd-Frank was too blunt an instrument in response to the financial crisis, hurting smaller lenders that played no role in the debacle. They provide more than half of small business loans and over 80% of agricultural loans.

The legislation also exempts certain banks and credit unions from requirements to report some mortgage loan data. The exempted data includes the age of a loan applicant, credit score, total loan costs and interest rate. Critics say that would make it easier for banks to discriminate against minorities seeking home mortgages and go undetected.

In response to the Equifax breach that exposed personal information for more than 145 million Americans, the bill requires free credit freezes for all consumers affected by data breaches. Currently most states allow the credit reporting companies to charge consumers a fee for freezing their credit.

Backers of the legislation note that the Federal Reserve still will have the authority to apply tougher standards for banks with $100 billion to $250 billion in assets.

A sole Republican, Walter Jones of North Carolina, voted against the bill Tuesday.

## 7. What's weighing on the loonie

**[May 22, 2018]** The rise in oil prices hasn't lifted the loonie, as typically expected. A big part of the reason lies stateside.

"The usual positive correlation between oil prices and the exchange rate has not been as strong of late, reflecting both uncertainty around Canadian pipeline capacity (and investment) and the expected increase in U.S. production (and investment)," says TD senior economist James Marple in a weekly economics report. He adds that NAFTA uncertainty weighs on the loonie.

Similarly, in a monthly foreign exchange report, CIBC says that, instead of focusing on oil's lift to the nominal trade balance, markets are focused on the trade hazards associated with drifting NAFTA talks, and a merely temporary exemption from U.S. tariffs on steel and aluminum.

"Although exports picked up late in Q1, a record monthly goods trade deficit reminded loonie-watchers that current trade-related [foreign exchange] flows are a burden on the Canadian currency," says CIBC.

Moving beyond U.S. comparisons, however, reveals the loonie's strong performance relative to other currencies—attributable to commodity prices in general, which could also ultimately improve Canada's trade balance.

For example, taking the U.S. dollar out of the picture, "the Canadian dollar has left other currencies in the dust," says BMO senior economist Sal Guatieri, in a weekly financial digest. "Excluding the big dollar, the trade-weighted loonie is up about 6% from two-year lows in mid-March." The positive performance is thanks to oil prices, but also to the prices of other Canadian commodities, which have risen an average of 5% according to the Bank of Canada's index.

In turn, "It's only a matter of time before rising resource prices hack away at Canada's record trade deficit," says Guatieri. Trade balance improvement will likely come at the expense of the U.S., he says, given disparate currency moves.

For example, the loonie's trade-weighted value, excluding the U.S. dollar, is above its long-run mean, which suggests some overvaluation, "a view reinforced by the worsening trade shortfall with China, Mexico and Germany," says Guatieri.

In contrast, the loonie's value against the U.S. dollar (about US$0.78) is roughly in line with StatsCan's estimate of the exchange rate that equalizes the average price of goods in the two countries, suggesting the loonie will have a mostly neutral impact on trade between the two countries.

Regardless, "Canada's largely balanced trade position with the U.S. should improve this year on the back of higher resource prices and stronger U.S. demand, courtesy of a ballooning U.S. budget deficit," says Guatieri.
On the downside, this expected improvement in Canada's trade balance with the U.S. likely won't help seal a NAFTA deal, so Canada should act quickly in those negotiations.
Says Guatieri: "China doesn't have a balanced-trade leg to stand on in current negotiations with the U.S., but Canada does—for now. It would be wise to make hay while the sun still shines."

### Loonie outlook

Also affecting the loonie are aggressive expectations for rate hikes this year. "That leaves room for a weaker Canadian dollar if, as we expect, Governor Poloz moves more cautiously," says CIBC.
The bank expects the U.S. dollar to lose ground against other major currencies, so isn't calling for loonie depreciation beyond $1.32 this year (the bank's currency outlook for Q3). For example, the euro should rise against the U.S. dollar as the European Central Bank potentially starts to unwind quantitative easing. And, as CIBC chief economist Avery Shenfeld explains in a weekly economics report, the loonie is highly correlated with the euro.
Though a firmer euro will keep the loonie from depreciating much against the U.S. dollar, that lack of depreciation also has negative economic consequences.
Says Shenfeld: The country seems to need a weaker loonie "to overcome its lack of success in attracting companies to expand on this side of the border in the face of [U.S.] trade, tax and regulatory policies."

## 8. Why financial sector will be strong this year

**[May 22, 2018]** The outlook for banks and insurance companies is bright this year, says equities expert Stephen Carlin.
Banks, in particular, will continue to deliver positive earnings growth, says Carlin, managing director and head of equities at CIBC Asset Management, which offers funds such as the CIBC Canadian Equity Fund.
As of late April, "valuations for the banks were trading at 11 times earnings," he said. "But when you look back at history, they're not overpriced right now. When we look at the dividend profile, coupled with the earnings growth prospects and an attractive valuation, we see the Canadian banks as generating solid double-digit returns for investors this year."

One insurance company he likes is Manulife, which reported in early May that its Q1 2018 net income attributed to shareholders rose 1.63% to $1.372 billion, or $0.67 per share.

Even while the financial sector "has taken a bit of a pause or a breather on some concerns related to rising interest rates and a higher level of volatility in the stock market, […] we think those issues are largely noise," says Carlin. For insurance companies, he says "there's room for expansion in the ROE, [or] return on equity profile, for the businesses over the next 12 months."

One boon for insurers is an "improving macro environment" contributing to earnings and business growth.

Canada's real GDP grew 0.4% in February while inflation started the year at 1.3% in January and rose to 2.3% by March. The unemployment rate in April stayed at 5.8% for the third month in a row. Since the start of the year, when the BoC raised the policy interest rate 0.25% to 1.25%, it's stood pat.

Carlin acknowledges the TSX has seen its share of volatility this year (as of May 17, the S&P/TSX Composite Index was down 0.41% year to date) but that hasn't dampened his view on financials overall.

He likes the outlook for both Manulife and Sun Life, and has "emphasis" on both names in the portfolio.

### Banks' exposure to real estate

Carlin says it's worth monitoring banks' real estate exposure. However, he doesn't think the risk is as serious as some investors believe.

The key thing to consider in relation to the housing market is employment, which is "very strong," he says. "[When] folks have jobs; folks can service their mortgages."

Carlin also looks at credit trends when assessing banks' weaknesses. "Consumer credit trends continue to remain strong, and so there are no early warning signs […]. We read heavily that the consumer has a higher debt profile, [but] consumers are still servicing their debt in a satisfactory fashion."

The latest figure for the household debt ratio shows Canadians hold $1.70 in debt for every dollar of disposable income. But, over the coming years, that ratio is expected to stabilize, BoC senior deputy governor Carolyn Wilkins told a parliamentary committee in April. She explained that people's debt buildup has included asset purchases such as houses, which also points to higher net worth.

## Have a nice and fruitful week!

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