For the week ending February 16, 2018

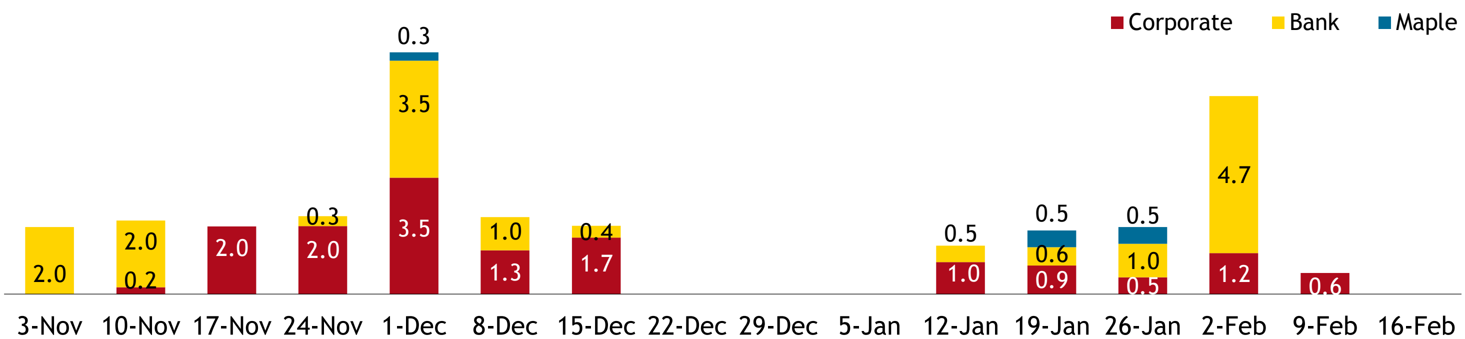
Corporate & Bank Market Overview

- It was an incredibly quiet week from a transaction volume perspective, with no transactions being priced
  - For context, this week last year saw four corporate transactions for an aggregate $1.85 billion in supply
- Market volatility and widened spreads from late last week coupled with a holiday-shortened week resulted in issuers being hesitant to access the market
  - Canadian investors remain engaged and have capital to deploy
  - Currently, aggregate corporate issuance is 35% lower than this time in 2017
- Looking forward, an increase in corporate issuance is expected through the later weeks of February
  - Credit spreads have tightened after last week's abrupt widening, evidenced by the CDX IG index
  - Credit spreads remain in the context of multi-year lows
- Bank issuance is currently up 81% in 2018 year-to-date

New Corporate & Bank Issuance

- There was no corporate or bank issuance this week.

Weekly Corporate & Bank New Issue Volume *($ Billion)*



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Summary of New Issue Activity

C$ billion	Week Ended	YTD 2018	YTD 2017	YoY Change	Total 2017
Corporate, Bank & Maple					
Corporate	-	$4.1	$6.4	(35%)	$58.0
Bank	-	$7.0	$3.9	81%	$42.4
Maple *(ex-SSAs)*	-	$1.0	$1.0	-	$15.7
Total *(Corp, Bank & Maple)*	**-**	**$12.1**	**$11.3**	**8%**	**$116.1**
Government					
Total	**$4.8**	**$14.2**	**$13.3**	**7%**	**$106.6**

Canadian Domestic Corporate & Non-Bank Financial Debt New Issue Volume

C$ billion	Week Ended	YTD 2018	YTD 2017	YoY Change	Total 2017
By Rating Class					
Investment Grade	-	$3.9	$6.4	(39%)	$54.4
High Yield	-	$0.2	-	-	$2.6
Unrated	-	-	-	-	$1.0
By Sector					
Auto & Equipment Finance	-	$1.4	$1.4	4%	$11.1
Infrastructure	-	$0.5	$0.4	35%	$7.6
Oil & Gas	-	-	-	-	$3.2
Power & Utilities	-	-	$1.7	-	$14.9
Real Estate	-	$1.7	$0.7	165%	$3.6
Retail & Consumer Products	-	$0.3	-	-	$3.9
Cable, Telecom & Media	-	-	$0.3	-	$3.6
Non-Bank Financial	-	-	$1.6	-	$7.2
Other	-	$0.2	$0.5	(56%)	$2.9

International Market Transactions

- There were no international market transactions this week.

Recent CIBC-Led Transactions

H&R Real Estate Investment Trust	Fair Hydro Trust	BMW Canada Inc.	Dollarama Inc.	H&R Real Estate Investment Trust	Lloyds Banking Group plc	Toyota Credit Canada
US$125,000,000 Senior Unsecured Debentures	**C$500,000,000** Senior Notes	**C$500,000,000** Floating and Fixed Rate Unsecured Notes	**C$300,000,000** Floating Rate Senior Unsecured Notes	**C$250,000,000** Senior Unsecured Debentures	**C$500,000,000** Senior Unsecured Notes	**C$600,000,000** Senior Notes
CIBC acted as Joint Bookrunner	*CIBC acted as Joint Lead and Joint Bookrunner*	*CIBC acted as Joint Bookrunner*	*CIBC acted as Joint Bookrunner*	*CIBC acted as Joint Bookrunner*	*CIBC acted as Joint Bookrunner*	*CIBC acted as Joint Bookrunner*
February 2018	*February 2018*	*January 2018*	*January 2018*	*January 2018*	*January 2018*	*January 2018*

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Commentary / Flows / Economics

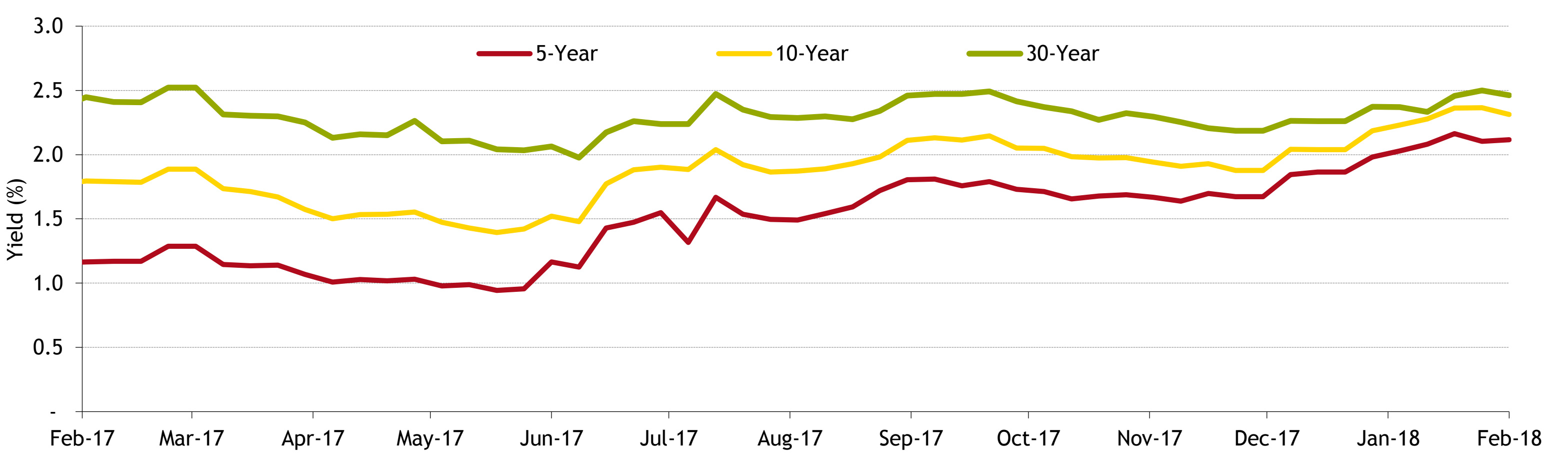
- Equities rallied throughout the week; currently, the S&P 500 only needs to climb an additional ~5% before returning to its post-crash high
  - While concerns about inflation, deficits, and higher yields may have contributed to eroding sentiment last week, continued softness in treasuries and strong CPI data were shrugged off by investors looking to add risk
- Caution and reluctance lurched into other asset classes, with investors withdrawing the second largest weekly amount ever from high yield bond funds
- With a general lack of data to drive Canadian markets, price action was heavily influenced by U.S. themes
- The commodity complex increased over the week after markets stabilized

Market Data

	Week Ended	Change WoW	YTD Change	52-week High	52-week Low	CIBC est. Q4 2018	Swap rate	Change WoW
BoC overnight target	1.25%					1.50%		
2-year GoC benchmark	1.82%	4 bps	14 bps	1.86%	0.66%	2.05%	2.18%	2 bps
3-year GoC benchmark	1.95%	9 bps	22 bps	1.97%	0.72%	-	2.32%	1 bps
5-year GoC benchmark	2.12%	5 bps	26 bps	2.16%	0.91%	-	2.46%	(0) bps
10-year GoC benchmark	2.32%	(3) bps	28 bps	2.37%	1.39%	2.35%	2.66%	(6) bps
30-year GoC benchmark	2.46%	(4) bps	20 bps	2.52%	1.96%	2.70%	2.79%	(9) bps
10-Year UST benchmark	2.87%	2 bps	47 bps	2.91%	2.04%	2.90%	2.89%	3 bps

	Week Ended	Change WoW	YTD Change	52-week High	52-week Low
CDX IG Index	52.2	(8.2)	3.2	70.5	45.1
DJIA	25,239	4.33%	2.10%	26,617	20,380
S&P 500	2,735	4.42%	2.31%	2,873	2,322
S&P/TSX Composite Index	15,430	2.51%	(4.81%)	16,421	14,786
USD/CAD	$1.2551	($0.0038)	($0.0020)	$1.3793	$1.2062
EUR/CAD	$1.5588	$0.0177	$0.0517	$1.5649	$1.3804

Historical Government of Canada Curve Yields *(Last Twelve Months)*



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