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# WEALTH *builder*

## SURPRISE!

*By Gordon Pape, Editor and Publisher*

It seems like New Year's Day was yesterday. But July 1 is this coming Saturday, which marks the half-way point of 2023. Where did all those months go?

It's been an unusual year thus far. Central banks have continued to raise rates in the fight against inflation, the yield curve has been inverted for months, and recession fears abound. Stocks staggered in March and then turned around. As of Friday's close, the S&P 500 was ahead 13.25% year-to-date, mainly on the strength of technology stocks. The Dow has posted a modest gain of 1.75%, while the TSX is almost flat for the year.

Amidst all this, there have been some surprises among stocks on our recommended list. Here are three of them.

### **Algonquin Power & Utilities Corp. (TSX, NYSE: AQN)**

Algonquin had been a favourite with income-oriented investors for several years, thanks to its regular dividend

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increases and seemingly dependable cash flow. That all changed last November, when the company released third quarter results that shocked the market. Citing “challenging macroeconomic conditions” the company announced a quarterly loss of \$195.2 million, slashed its earnings forecast for the year, and cut its dividend.

Investors were aghast and analysts raised questions about the cost impact of Algonquin’s planned purchase of Kentucky Power. The share price, which was over \$21 at the start of 2021, fell all the way to \$8.70 in early December 2022. No one wanted anything to do with it.

Surprise! As of the close on June 24, the stock was showing a gain of 20.29% so far this year. It’s still a long way from its all-time high, but investors have shown a willingness to venture back in. The cancellation of the Kentucky Power purchase helped restore some confidence, as it meant Algonquin wasn’t forced to take on more debt during a time of rising rates.

First quarter results showed a 6% increase in revenue over the same period last year. Net earnings attributable to shareholders were up 197% to \$270.1 million (\$0.39 a share). The company has also announced a review of its renewable energy group, which it says the market is undervaluing. It expects to have results in late summer.

Algonquin is a recommendation of The Income Investor newsletter. The shares finished Friday at \$10.61.

**Boardwalk REIT (TSX: BEI.UN)**

It hasn’t been a good year for REITs – it rarely is when interest rates are rising. To June 23, the S&P/TSX Capped REIT index was showing a loss of 6.75% for 2023. But not all REITs have suffered.

Calgary-based Boardwalk REIT has bucked the trend, with a year-to-date gain of 20.33%. The units have gained about \$10 since the end of December while most of the sector has been languishing.

The REIT owns and operates more than 200 multi-family, residential properties with over 33,000 residential units totaling over 29 million net rentable square feet. The company’s portfolio is located in Alberta, Quebec, Saskatchewan, and Ontario.

The share price has been fuelled by a series of positive announcements from the trust. In April, Boardwalk issued an operational update which showed strong same property revenue growth and the highest occupancy rate since 2013, at 98.4%.

A month later, the REIT released first quarter results that were surprisingly strong. Rental revenue was \$130.5 million, up 10.4% from the same period a year ago. Funds from operations (FFO), a key measure of a REIT’s financial performance, was \$39.6 million (\$0.79 a unit), up from \$34.5 million (\$0.68 a unit)

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**Surprise—continued from page 2...**

in the same quarter of 2022. On a per unit basis, that was a gain of 16.2%.

The trust reported a profit of \$221.4 million in the quarter, more than double the year-ago number.

“Higher interest rates and expense inflation continue to provide a challenge for community providers so far in 2023,” said CEO Sam Koliass. “However, rental housing fundamentals remain strong in our core markets, and we are confident that our team’s resident focused approach, commitment to innovation, and peak performance culture will deliver strong organic growth in the quarters and years to come.”

Boardwalk increased its FFO guidance for the year to a range of \$3.30 to \$3.46 per share.

The REIT was recommended in the IWB by contributing editor Ryan Irvine in September 2021 at \$48.79. It closed Friday at \$59.48.

**EQB Inc. (TSX: EQB)**

Banks are another sector that has fared poorly this year. The collapse of several regional US banks made investors skittish and concerns about a recession and loan losses have added to the angst. Even the Big Six Canadian banks, which are as sound as any in the world, have suffered. Royal Bank, the largest, is down 3.91% year-to-date, while TD Bank has lost 11.03%. The S&P/TSX Capped Financials Index has slipped 2.62% so far this year.

But one upstart bank is thriving. That’s EQB Inc., formerly known as Equitable Group. Its shares are up 16.34% since the first of the year. The company is riding on the success of its on-line EQ Bank, which Forbes recently named as Canada’s best bank for the third year in a row.

In early May, the company reported record quarterly earnings for the first three months of 2023. Adjusted net income was \$101.7 million (\$2.62 per diluted share). Return on equity was 16.5%, well ahead of the 15%+ guidance.

Customer growth in the quarter was 26% year-over-year to 336,457. EQB has \$8.1 billion in deposits, up 12% from a year ago.

The company increased its quarterly dividend by 6%, to \$0.37 a share (\$1.48 annualized) effective with the June 30 payment. It was the third time in the past year the dividend was increased. It’s now 28% higher than at this point in 2022.

EQB has been on the IWB recommended list since 2008, when former contributing editor Irwin Michael picked it at \$10.52. The stock closed Friday at \$66.

# Questions?

We have answers!

Send your questions to  
[gordonpape@hotmail.com](mailto:gordonpape@hotmail.com)

# BIG 3 GROCERS PROSPER AMIDST SLOW DOWN

**By Adam Mayers, Contributing Editor**

Grocery stores were deemed an essential service during the pandemic, so they were one of the few places you could shop in person. This unusual state of affairs super charged the sales and profits of a traditionally slow growth, low margin business. It also amply rewarded shareholders over the past three years.

Between June 2020, when the lockdowns were on in earnest, and the time of writing Loblaw Co. Ltd., (TSX: L), Empire Co. Ltd., (TSX: EMP), and Metro Inc. (TSX: MRU) have been behaving as anything but their dull, stodgy old selves. Together they account for about 60% of Canadian grocery sales.

Loblaw, Canada's largest grocer, has seen its shares rise 72% in the three years to its current \$116 level. It has also delivered four dividend increases, the latest a 10% hike payable July 1. Its main brands are Loblaw's, No Frills, Provigo, Valu-Mart, Fortino's, and Real Canadian Superstores. It also owns the Shoppers Drug Mart chain.

Metro's shares have gained 25% to the current \$71.91 and it has also raised its dividend four times, the latest a 10% hike in April. Metro operates in Quebec and Ontario, with 71% of its grocery stores in Quebec and the remaining 29% in Ontario. Its main brands are Metro, Metro Plus, Super C, and Food Basics. It also

has 650 drugstores, primarily under the Jean Coutu, Brunet, Metro Pharmacy, and Food Basics Pharmacy banners.

Empire, the laggard, trades at \$35.51 as it works through operational issues. It is up 13%, also with four dividend hikes, the latest a 10.6% increase announced Thursday. It operates through Sobey's and owns the Longo's, Fresh Co., Safeway, IGA, and Farm Boy chains.

The question for investors is whether the pandemic was a one-time energizer or do these companies continue to offer a safe haven and good value as the economy weakens.

On one hand, the shares of all three are modestly lower year-to-date as they consolidate after a strong run. Metro is off the most, down 4.5%, with Loblaw and Empire each down 3%.

With a recession on the horizon, the sector has a new appeal. The companies are a consumer staple and, as inflation rises, they have two advantages. One is that they can pass through price increases, which they are all doing. Another is that as the weekly shop becomes more expensive, they are attracting more customers to their discount banners.

In Loblaw's most recent quarter, revenue grew 6% to nearly \$13 billion and

***Continued on page 5...***

**Grocers—continued from page 4...**

adjusted net income was up 10% to \$418 million. CEO Galen Weston said in a conference call that its No Name brands are on average 25% cheaper than national brands and are performing strongly. About half of its stores are discount banners, generating about 60% of all Loblaws sales. He said more discount outlets will open this year.

Metro also turned in strong quarterly results. Revenue rose 6.6% to \$4.5 billion and net income by 10% to \$218 million, beating expectations. About 24% of Metro's stores are discount banners under Food Basics in Ontario and Super C in Quebec.

Empire operates through Sobeys's with its FreshCo brand bringing in about 10% of sales. It released fourth quarter 2023 earnings last Thursday. Sales were down \$432 million compared to the same quarter in fiscal 2022. But adjusted net earnings of \$184.9 million (\$0.72 per diluted share), were slightly ahead of the previous year.

For the full fiscal year, earnings were down as the company worked through operational issues and funded expansion in Western Canada. Net earnings for the 52-week period to May 1 were \$727.7 million, compared to \$811.3 million a year earlier. Note that the year ago period covered 53 weeks. The company is also recovering from a costly cyberattack that shut down its pharmacy services and hampered self-

checkout machines, gift card use, and the redemption of loyalty points.

In addition to the dividend increase to \$0.1825 quarterly (\$0.73 a year), the company plans to repurchase \$400 million worth of its Class A shares in fiscal 2024.

Kathleen Wong, a partner and research analyst at Veritas Research Corp. in Toronto, likes both Metro and Loblaws. In a recent research note Ms. Wong said she believes Loblaw is best positioned among the Big Three with its high percentage of discount stores. She also noted that in its recent quarter same store sales at Shoppers were up 5% with strong performance from so-called front-of-store sales, such as health and beauty products. She sees the Loblaw's PC Optimum loyalty program with 16 million members continuing to drive traffic to the stores.

Ms. Wong also says Metro has been very effective with its exclusive partnership with UK-based Dunhumby, a data analytics company, targeting weekly specials strategically to drive traffic.

RBC Capital Markets retail analyst Irene Nattel is also high on the two grocers. In a recent research note, she sees Loblaw's offering the right mix of assets for long term growth. Its strong discount presence dominates the sector and its e-grocery investments continue to grow.

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# ADAM MAYERS'S UPDATES

Recommendations are  
colour-coded:  
Green indicates Buy  
Yellow indicates Hold  
Red indicates Sell

## Nvidia NDQ: NVDA

**SELL HALF**

*Originally recommended on May 31/21 (#22121) at \$162.45. Closed Friday at \$422.09. (Adjusted for a 4-to-1 split in July 2021. All figures in US dollars.)*

**Background:** Nvidia is best known for the graphic processor units (GPUs) used in gaming systems, but it is also a leader in the chips used in artificial intelligence (AI) and cloud-based computing. These chips run autonomous robots, self-driving cars, and drones. A growing area is the processors used by crypto-currency miners.

**Performance:** The shares have almost doubled year-to-date and are 165% higher than their 2021 recommended price.

**Recent developments:** AI has become the new gold rush and while many companies will try and hitch their wagon to the theme, Nvidia is the real deal. The shares rose 25% on May 25 and thereafter broke the \$1 trillion valuation mark, after the company released runaway quarterly earnings and forecast a record-breaking year. Executives singled out AI demand as being responsible for Nvidia exceeding its targets, adding they see no signs of demand slowing.

Earnings per share of \$1.09 were 18% higher than forecast. Revenue of \$7.2 billion was 11% higher than the consensus target. But what sent the

shares soaring was a blowout forecast for the second quarter. Nvidia expects revenue to hit \$11 billion or 50% higher than analysts were looking for.

**Dividend:** Nvidia pays a \$0.16 annual payment which yields 0.04% at current prices.

**Discussion & outlook:** The results would seem to confirm that AI and its many applications are the same sort of leap forward that cloud computing has been. Microsoft's bet on the cloud back in 2014 has paid off handsomely. Nvidia's investment in high-end processors gives it a similar sort of advantage.

But as with every gold rush, there will be plenty of dubious claims and false promises ahead. So, even if Nvidia is not among them, buyer beware. With a forward price-to-earnings ratio of 200, the stock has a high level of optimism and a very high level of risk built into its share price.

**Action now:** Sell half of your holdings for a profit of almost 160%. This reduces your risk but allows you to capture any gains that lie ahead.

## CAE TSX, NYSE: CAE

**BUY**

*Originally recommended on March 20/17 (#21712) at C\$19.58, US\$14.69. Closed Friday at C\$28, US\$21.24.*

**Background:** CAE is the world's largest maker of flight simulators used to train civilian and military pilots. Commercial aviation accounts for about 55% of revenue, military is 45%, and healthcare and medical simulation 5%. About 90% of revenues come from outside Canada with a large portion in emerging markets.

**Performance:** CAE's shares fell 16% in 2022 but have rebounded, rising 7.8% year-to-date at recent prices. They are 43% higher than their recommended price.

**Recent developments:** CAE's fortunes rebounded in fiscal 2023. On May 31, CAE reported fourth quarter results with revenue and earnings beating consensus estimates. Revenue rose 32% to \$1.26 billion. That lifted earnings before unusual items by 21% to \$0.35 a share.

CAE ended the quarter with a record order backlog of \$10.8 billion, up 13% from a year earlier.

**Discussion & outlook:** CAE gets most of its revenue from recurring contracts and continues to benefit as more normal travel habits resume. That is leading to more orders for its flight simulators, where it has roughly 70% of

the global market for military and civilian applications.

CAE used the pandemic to strengthen its leading position in commercial aviation, making nine acquisitions in 18 months. It continues to expand its line of medical training services, where it offers mannequins to train paramedics, nurses, and medical students.

In a recent research report, RBC Capital Markets analyst James McGarragle offered three longer term energizers. The first is secular tailwinds including recovery in passenger travel. Favourable pilot demographics is second, with higher demand for training as younger pilots enter the industry. A third is higher military spending by NATO members, driven by Russia's invasion of Ukraine.

He believes that since CAE operates the world's largest civil aviation training network, its dominance acts as a significant barrier to entry for new competitors.

**Dividend:** CAE suspended its \$0.11 a share quarterly dividend in March 2020 as the pandemic shut down global travel.

**Action now:** Buy.

## Canadian Solar Inc. NDQ: CSIQ

**BUY**

*Originally recommended on March 14/2020 (IWB #22011) at \$16.80. Closed Friday at \$36.94. (All figures in US dollars.)*

**Background:** Canadian Solar is based in Guelph, Ont. and is one of the world's largest manufacturers of solar panels. It has evolved from a low-cost manufacturer into one that adds value all along the chain including battery storage and solar power plants.

**Performance:** Canadian Solar's shares tend to be volatile, but they are 120% higher than their recommended price at the start of the pandemic. They are up 25% year-to-date with a strong outlook and a recently completed listing in Shanghai acting as catalysts.

**Recent developments:** Canadian's Solar latest quarter beat estimates. Revenue rose 36% year-over-year to \$1.7 billion. Net income was \$84 million (\$1.19 per diluted share) versus \$6.6 million (\$0.11 per share) a year ago.

On June 9, Canadian Solar completed a \$845 million initial public offering on the Shanghai Stock Exchange's Sci-Tech Innovation Board. Canadian Solar owns about 62% of CSI Solar Co. and the cash raised is earmarked for investment in China.

On June 15, Canadian Solar announced a \$250 million investment in a solar panel facility in Mesquite, Texas which will create 1,500 jobs and begin production at the end of this year. It will allow Canadian Solar to access US government subsidies for solar energy and is its first US manufacturing facility.

**Action now:** Buy.

### *Grocers—continued from page 5...*

Ms. Nattel sees the high cost of eating out and weak economy benefiting all grocers and Metro's focus on cost containment coupled with the integration of the Jean Coutu pharmacy chain adding more benefit. Metro bought Jean Coutu in 2018.

All three of these companies are on the IWB recommended list and are buys. Each offers different strengths, but all provide safety, income, and long-term growth.

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# GORDON PAPE'S STOCK UPDATES

Recommendations are  
colour-coded:  
Green indicates Buy  
Yellow indicates Hold  
Red indicates Sell

## Telus TSX: T, NYSE: TU

*Originally recommended on Nov. 13/06 (#2640) at C\$6.86.*

*(Adjusted for March 2020 split). Closed Friday at C\$25.35, US\$19.22.*

**HOLD**

**Background:** Telus Corp. is Canada's second largest wireless telecom company after Rogers Communications Inc. Its core business includes internet and mobile phone service through the Telus and Koodo brands. It recently spun off Telus International, which provides IT and customer service. It is using that as a model to grow its healthcare and agriculture businesses with an eye to spinning them off as well.

**Performance:** The stock was trading at around \$29 in late April but has been in a decline since. Telecom stocks are interest sensitive, so the recent rate increases have been a headwind. The company is also investing heavily in new projects.

**Recent developments:** Telus is getting into a new business – with Jolt, an Australian company that builds stations for charging electric vehicles. Last week the company announced it will work with Jolt to

build up to 5,000 charging stations across Canada. The program is scheduled to begin later this year and will include Telus public Wi-Fi capability. Jolt app users will be able to access 7 kWh of free charging per day which equals 40-50 kilometers of range.

“Our partnership with Jolt is just the latest demonstration of Telus partnering with innovators who share our values, and investing in a healthier, more sustainable future,” said Telus COO Tony Geheran. “We are already 90% of the way to achieving our goal of using 100% renewable energy by 2025 due to our investments in Power Purchase Agreements, and this collaboration is another significant step forward benefitting Canadians and our environment.”

**Action now:** Hold.

## Richelieu Hardware TSX: RCH, OTC: RHUHF

**HOLD**

*Originally recommended on April 24/17 (#21717) at C\$30.53, US\$21.29. Closed Friday at C\$40.65, US\$30.82.*

**Background:** This Montreal-based company is an importer, distributor, and manufacturer of specialty hardware products. Its products are targeted to an extensive customer base of kitchen and bathroom cabinet, storage and closet, home furnishing and office furniture manufacturers, residential and commercial woodworkers, door and window, and hardware retailers including renovation superstores.

Richelieu offers customers a broad mix of high-end products sourced from manufacturers worldwide. Its product selection consists of over 130,000 different items targeted to a base of more than 110,000 customers who are served by 109 centres in North America – 50 distribution centres in Canada, 59 in the United States. There are three manufacturing plants in Canada: Cedan Industries Inc., which specializes in the manufacturing of a wide variety of veneer sheets and edgebanding products, Menuiserie des Pins Ltée., which manufactures components for the window and door industry and a broad selection of decorative mouldings, and USIMM/ UNIGRAV, which manufactures a variety of veneer sheets and edge banding products, a broad selection of decorative moldings and components for the window

and door industry as well as custom products, including a 3D scanning centre.

**Performance:** The stock hit a 52-week high of \$45.87 in early May but has retreated since.

**Recent developments:** Results for the first quarter of fiscal 2023 (to Feb. 28) showed a 4.8% increase in sales over last year, to \$403 million. However, net earnings were down 25.4%, to \$22.6 million. The company said this was mainly due to the increase in the amortization of rights-of-use assets related to business acquisitions and expansion projects, mainly in the United States, as well as interest on its line of credit. Net earnings per diluted share was \$0.40, compared to \$0.53 for the same quarter of 2022.

**Dividend:** The quarterly dividend is \$0.15 a share (\$0.60 a year), for a yield of 1.4%.

**Outlook:** The company continues to grow by acquisition, with four purchases in Canada and one in the US after quarter-end. That bodes well for the future but right now the company is experiencing a profit squeeze.

**Action now:** Hold.



# GORDON PAPE'S ETF UPDATES

Recommendations are  
colour-coded:  
Green indicates Buy  
Yellow indicates Hold  
Red indicates Sell

## CI First Asset Morningstar Canada Value Index ETF TSX: FXM

**HOLD**

*Originally recommended on March 15/21 (#22111) at \$18.66. Closed Friday at \$19.72.*

**Background:** This fund invests in stocks of the largest and most liquid Canadian public issuers based upon proprietary research by Morningstar. It is designed to provide diversified exposure to stocks which are considered as “good value” based on characteristics like low price to earnings and low price to cash flow ratios.

**Performance:** The fund lost only 1.52% in 2022, an excellent result in a terrible market. It is up 2.2% so far this year and has gained 5.7% since it was recommended. Since inception, the ETF has averaged a gain of 8.8% annually.

**Key metrics:** The fund was launched in February 2012 and has \$350 million in assets under management. The MER is 0.66%. The company rates the fund risk as medium to high.

**Portfolio:** The portfolio composition is a little surprising for a value fund. It's heavily weighted to two sectors that are

highly cyclical: basic materials (19.92%) and energy (19.02%). Financials (17.14%), utilities (13.94%), and consumer services (13.32%) are the only other sectors in double-digit territory.

This is a more-or-less equal weighted fund, with only one stock at more than 4% of the total: Torex Gold Resources. Other top positions are Capital Power, Parex Resources, and EQB Inc.

**Distributions:** Payments are made quarterly and are normally in the range of \$0.10-\$0.13 per unit. The trailing 12-month total payout was \$0.4282 for a yield of 2.2% at the current price.

**Comment:** This fund is well positioned to take advantage of current market conditions but if there is a recession the managers will have to be quick to shift the asset mix away from mining and energy.

**Action now:** Hold.

# Harvest Tech Achievers Growth and Income ETF TSX: HTA

**HOLD**

*Originally recommended on Aug. 18/20 (#22030) at \$12.20. Closed Friday at \$14.95.*

**Background:** The fund invests in an equally weighted portfolio of 20 large cap tech companies such as Apple, Cisco, Meta, and Adobe. The ETF is designed to provide a consistent and competitive monthly income with an opportunity for growth. The managers write covered call options to generate income.

**Performance:** After a rough year in 2022 (down 32%), the fund has been on a steady upward trend so far this year. As of the end of May, it was ahead 30.65% since Jan. 1. Despite the big drop last year, the fund has produced an average annual gain of almost 14% since inception.

**Key metrics:** The fund was launched in April 2015. The original units are Canadian dollar hedged but there are also unhedged units (HTA.B) and US dollar units (HTA.U). The fund has \$511 million in assets under management. The management fee is 0.85%. That's

on the high side for ETFs, but this is an actively managed fund.

**Portfolio:** The largest holdings right now are chip maker Nvidia Corp. (6.3%), Advanced Micro Devices (6.2%), Broadloom (5.9%), ServiceNow (5.5%), and Keysight Technologies (5.2%). Also in the portfolio are Alphabet, Meta, Apple, and Microsoft.

**Distributions:** Payments are made monthly and have been steady at \$0.10 per unit so far this year. If that continues, investors will receive \$1.20 in distributions this year for a yield of 8% at the current price.

**Risk:** We rate it as high. Tech stocks have rebounded strongly this year but are looking pricy at current levels.

**Action now:** Hold. The yield looks great but could be wiped out by capital losses if a recession hits.

# iShares Core S&P US Total Market ETF

**HOLD**

**TSX: XUU** Originally recommended on March 2/15 (#21509) at \$20.42. Closed Friday at \$42.52.

**Background:** This ETF tracks the entire US market, including small, medium, and large cap stocks. It comes in both a hedged version (XUH) and an unhedged version (XUU). We have recommended XUU.

**Performance:** The fund took a dip in March but has been on an upward trend since. It's ahead 10.75% year-to-date (to June 21), which is almost the same as its five-year average annual compound rate of return. That's an impressive result when you consider that the fund lost over 13% last year. We have a capital gain of 108% since our original recommendation.

**Key metrics:** The fund was launched in February 2015 and has \$2.3 billion in assets under management. The MER is a very low 0.08% so almost all your money is working for you.

**Portfolio:** This is a fund of funds. It invests in four US ETFs, the largest of which are the iShares Core S&P 500 (48.55% of total assets) and the iShares Core S&P Total US Stock (44.57%). The rest of the portfolio consists of small positions in small-

and mid- cap ETFs and a limited amount of cash.

In sector terms, the fund has a 26.89% exposure to information technology, which has rebounded strongly this year after its 2022 slump. Other large positions are healthcare (13.18%), financials (12.75%), and consumer discretionary (10.77%).

**Distributions:** Payments are made quarterly, and the amounts vary considerably. The latest was \$0.106 per unit, which was paid last week. Over the past 12 months, distributions have totaled about \$0.57 per unit, for a trailing yield of 1.3% at the current price. This is not a fund to own if you need steady cash flow.

**Outlook:** This is an all-stock ETF so returns will reflect what is happening in the US equity markets, which have trended higher for much of this year. Long-term, this is a core holding for anyone who wants exposure to the broad US market.

**Action now:** Hold.



## YOUR VIEW: THE BULLS HAVE IT!

If our latest straw poll turns out to be accurate, look for stocks to rise between now and year end.

We asked our social media followers what they expect from the markets between now and Dec. 31. There were four options, as follows.

- Down from this point.
- Flat.
- Up 1-5%.
- Up more than 5%.

The largest vote (35.6%) was for a modest stock market increase of 1-5%. But there were also a significant number of bulls who expect a second half gain of more than 5% (19.2% of total responses). Together, that's

almost 55% who see the markets rising between now and year-end, despite concerns about more interest rate increases, the inverted yield curve, and a possible recession.

Just over 19% expect a stagnant second half, with the major indexes ending 2023 about where they are now. And 26.9% are looking for stocks to fall in the next six months.

On balance, the bulls beat out the bears, but the margin was small.

This was an on-line poll, so it should not be seen as necessarily representing the views of the entirety of investors. But it tells us that many people are optimistic despite the wall of worry in front of us. – G.P.