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>> Jon: THANK YOU FOR JOINING  
US.

THE MARKET STORY ACROSS NORTH  
AMERICA A LITTLE DIFFERENT ON  
THIS FRIDAY.

NORTH AMERICAN TRADING IN THE  
UNITED STATES WE ARE SEEING A  
WRAP-UP.

CANADIAN TRADING CONTINUING, OF  
COURSE IT'S BEEN A  
HOLIDAY-SHORTENED WEEK IN THE  
UNITED STATES.

NOW WE HAVE A CLOSE ON WALL  
STREET.

THE S & P 500 BASICALLY FLAT ON  
THE DAY OVERALL.

A VERY THIN VOLUME SESSION.  
THAT IS QUITE COMMON AT THIS  
TIME OF YEAR.

THEY ARE COMING OFF THE  
THANKSGIVING HOLIDAY YESTERDAY.  
THE NASDAQ A LITTLE WEAKER  
OVERALL.

THE TSX CONTINUING TO CHUG ALONG  
ON TRACK FOR A WINNING WEEK.  
UP 60 POINTS ON.

ON AN INTRADAY BASIS WE ARE  
SEEING THE PERFORMANCE ARMEDDED  
MID POINT OF THE SESSION  
OVERALL.

IN TERMS OF SOME OF THE BROADER  
MOVES WITHIN THE MARKET NOTHING  
TOO FANCY.

NO GROUPS THAT ARE SEEING  
SIZEABLE ADVANCES OVERALL.  
WE WILL CONTINUE TO TRACK THOSE.  
WE HAVE BEEN TRACKING THE ENERGY  
TRADE AS WELL.

PRETTY MIXED OVERALL FOR OIL  
PRICES.

WE CAN SHOW YOU THE DIFFERENT  
SECTOR GROUP, ENERGY, MATERIALS  
AND FINANCIALS ARE THE BIG ONES  
IN TORONTO.

MIXED PERFORMANCE THERE.  
THE OIL PRICE WHICH IS PRETTY  
MIXED ON THE DAY.

TRENDING LOWER MOVING INTO THE  
AFTERNOON HOURS OF TRADING.

THE CANADIAN DOLLAR ON AN  
INTRADAY BASIS IS WEAKER AGAINST  
THE U.S. DOLLAR.

TRADING AROUND 74.74 U.S.

>>> A BIG STORY BUSINESSWISE  
TODAY HAS TO DO WITH A SHOPPING  
ON BOTH SIDES OF THE BORDER.  
IT IS BLACK FRIDAY WHICH IS A  
TRADITIONAL KICKOFF OF THE  
HOLIDAY SHOPPING SEASON.  
HOWEVER, YOU'VE HEARD ALL THE  
GLOOMY HEADLINES.

CONSUMERS NAVIGATING THE  
INFLATION REALITIES AND ALSO  
RECESSION WORRIES LOOMING.  
PERSPECTIVE ON ALL OF IT OUR  
GOOD FRIEND KRITI GUPTA THE  
CO-HOST OF "BLOOMBERG MARKETS"  
HAS BEEN DOING RETAIL WATCH LIVE  
FROM A SQUARE IN NEW YORK RIGHT  
WHERE THE HEADQUARTERS OF MACY'S  
IS LOCATED.

I HOPE YOU HAD A GREAT  
THANKSGIVING.

ON THE BLACK FRIDAY FRONT WHAT'S  
IT BEEN LIKE TODAY?

>> Reporter: JON, I HAVE THE  
BEST JOB ON BLOOMBERG.

THE IDEA THAT I AM BOTH SHOPPING  
AND WORKING AT THE SAME TIME  
ALONGSIDE A LOT OF CONSUMERS  
GOING MOO MACY'S TODAY.

THIS IS A VERY EXCITING HOLIDAY  
BECAUSE TO ECHO YOUR POINT ABOUT  
DOOM AND GLOOM IN THE HEADLINES  
THE IDEA OF INFLATION, RECESSION  
REALLY STOPPING A LOT OF PEOPLE  
FROM ACTUALLY SPENDING MONEY.  
THE DIFFERENCE IS HOW THEY ARE  
SPENDING THEIR MONEY.

STIMULUS CHEQUES VERSUS ACTUAL  
CREDIT CARDS.

PEOPLE ARE STILL LIKE I SAID  
SWIPING THOSE CREDIT CARDS IT  
LOOKS LIKE.

>> Jon: IN TERMS OF WHAT THE  
COMPANY LEADERS ARE SAYING RIGHT  
NOW WE GOT THROUGH EARNINGS  
SEASON.

A LOT OF THESE RETAILERS WERE  
HANDLING ALL SORTS OF ISSUES  
LIKE WORKING THROUGH HIGH LEVELS  
OF INVENTORY.

DO WE HAVE A GENERAL SENSE AS TO  
WHETHER OR NOT WE WILL SEE A  
SITUATION WHERE THERE ARE  
WINNERS AND LOSERS IN HOLIDAY

THIS SEASON?

>> Reporter: THERE IS DEFINITELY WINNERS. WE WILL SEE IF THERE IS LOSERS. THE WINNERS WILL BE THE HIGHER INCOME CLIENTELE. MACE SIS A GREAT POSTER CHILD FOR THAT CONVERSATION. THE IDEA THAT IF YOU ARE A WEALTHIER CONSUMER THEN YOU OF COURSE HAVE A LITTLE BIT OF CUSHION TO ABSORB SOME PRICE HIKES.

ON THE RETAIL FRONT THE WAY THAT TRANSLATES IS A VERY FINE BALANCING ACT.

THE IDEA OF SIMPLY SHAVING DOWN THOSE INVENTORIES.

THERE IS A 33% YEAR OVER YEAR INVENTORY INCREASE ACROSS RETAIL REGARDLESS OF STORE FRONT.

AT THE SAME TIME CONSUMERS HAVE TO STILL BE ATTRACTED TO SOME OF THE DEALS.

THE WAY LIKE THE MACY'S FOR EXAMPLE IS HANDLING IT EXTREMELY HIGH MARKDOWNS BUT AT THE SAME TIME PRICE HIKES AS WELL SOMETHING THAT THE HIGHER INCOME CLIENTELE CAN ABSORB BUT THEN THEY ARE TRYING TO GET RID OF THE INVENTORY.

WE WILL SEE IF THEY ARE SUCCESSFUL TO BOTH PERFORM WELL ON THE BALANCE SHEET BUT ALSO PERFORM WELL ON THE STOCK MARKET FRONT.

>> Jon: OUT OF CURIOSITY JUST LOOKING AT ALL THOSE PEOPLE AROUND YOU RIGHT NOW ARE YOU HEARING ANY EXAMPLES OF DEALS THAT HAVE REALLY ATTRACTED THE ATTENTION OF THE AVERAGE CONSUMER TODAY?

>> Reporter: A LOT OF FOCUS ON ELECTION. SOME PEOPLE CLAIM GETTING A LAPTOP FOR, SAY, \$200 FOR EXAMPLE.

THE IDEA THAT A LOT OF THESE MACHINERY OR COMPUTERS OR LAPTOPS OR IPHONES REALLY EXPENSE NIF 2021.

DRIVEN BY SIMPLY THE CHIP

SHORTAGE SOME OF THAT HAS EASED.  
PEOPLE ARE SEEING THE CONSUMER  
ELECTRONICS SPACE HAS A LOT OF  
DEALS.

THAT'S BEEN THE FOCUS.

PERSONALLY JON FOR ME I WAS  
MESMERIZED BY THE FRAGRANCES AND  
JULIE.

MAYBE THAT'S ME BEING A GIRLY  
GIRL.

>> Jon: WE WILL LET YOU GET  
BACK TO IT FROM HAROLD SQUARE IN  
NEW YORK ON THIS BLACK FRIDAY.  
CANADA HAS EMBRACED BLACK FRIDAY  
OVER THE PAST DECADES SINCE MANY  
CANADIAN RETAILERS DON'T  
NECESSARILY WANT TO MISS OUT ON  
THE SALES OPPORTUNITIES SOME OF  
THOSE U.S. PLAYERS.

PERSPECTIVE ON THE RETAIL STORE  
FROM INDUSTRY CONSULTANT BRUCE  
WINDER.

IN TERMS OF WHAT KRITI TALKED  
ABOUT IT SOUNDS LIKE PEOPLE ARE  
STILL INTERESTED IN GETTING  
DEALS.

IS THIS IDEA THAT THE SLOWING  
ECONOMY AND INFLATION CONCERNS  
OVERBLOWN?

WHAT ARE YOU SEEING FROM YOUR  
CHANNEL CHECKS TODAY?

>> Reporter: I WENT OUT THIS  
MORNING TO BEST BUY AND WALMART.  
INTERESTING THE BEST BUY  
DEFERRED THEIR START TIME FROM  
6:00 a.m. TO 8:00 a.m. BUT  
THERE WASN'T ANY LINE-UP AT  
7:00.

I WENT TO WALMART AT 6:00 a.m.  
WHEN THEY OPENED AND THERE WERE  
SIX PEOPLE LINED UP.

IT WAS PRETTY EMPTY RIGHT NOW.

AT LEAST THE CHECKS I HAVE MADE  
PEOPLE STILL BE LOOKING FOR  
DEALS BUT IT'S NOT ABOUT THE  
BLACK FRIDAY MORNING ANYMORE.  
IT'S MORE ABOUT SEVERAL WEEKS OF  
DEALS THAT ARE SUSTAINED FROM  
RETAILERS.

I THINK IT WILL BE A VERY  
PROMOTIONAL HOLIDAY.

PEOPLE WILL CHERRY PICK FOR THE  
BIG DEALS BUT THEY WILL PROBABLY  
WATCH THEIR MONEY ON SPENDING

ANYTHING AT REGULAR PRICE.

>> Jon: WE TALKED ABOUT THE STORIES OF WINNERS VERSUS LOSERS.

THERE IS ALWAYS A LITTLE BIT OF THAT EVERY HOLIDAY SHOPPING SEASON BUT SHE MADE A POINT OF HIGHLIGHTING SOME LUXURY PLAYERS MAYBE BEING IN A PLACE OF LUXURY IN THE SENSE THAT IF THERE ARE CONSUMERS WHO FEEL A LITTLE LESS CASH-STRAPPED MAYBE THEY ARE GOING TO SPEND AS THEY MIGHT TYPICALLY DO SO AT SOME OF THOSE.

HAVE YOU SEEN EVIDENCE OF THAT?

>> Reporter: I HAVE HEARD SOME EVIDENCE OF THAT.

IF YOU LOOK AT THE CONSUMER MARKET YOU HAVE THREE MAJOR SEGMENTS TO SIMPLIFY IT YOU HAVE THE LUXURY FOLKS, MID FOLKS AND THE FOLKS WHO ARE INCOME CHALLENGED AND THE LUXURY FOLKS HAVEN'T HAD THE SAME IMPACT WITH INFLATION.

IT DOESN'T FEEL THE SAME WAY BECAUSE THEIR DISPOSABLE INCOME. THEY WILL KEEP SHOPPING.

IT'S THE FOLKS AT THE MIDDLE AND THE LOWER INCOME END OF THE INCOME SPECTRUM THAT WILL REALLY WATCH THEIR MONEY.

>> Jon: WHAT STRATEGIES WORK IN AN ENVIRONMENT LIKE THAT WHERE ALL OF US REALIZE THAT THERE IS A PERIOD WHERE BEING CAUTIOUS WITH YOUR CASH IS PROBABLY THE PRUDENT COURSE OF ACTION.

WHAT DO YOU THINK WORK?

WHAT KIND OF STRATEGIES WORK?

>> Reporter: IF YOU ARE A RETAILER YOU WANT TO MAKE SURE THAT YOU HAVE SOME PRETTY STARK PRICING ON YOUR PROMOTIONAL ITEMS.

YOU ALSO MAYBE WANT TO LOOK AT PAY DO NOT PAY.

OFFER PEOPLE EXTENDED PAYMENT TERMS SO THEY DON'T HAVE TO PAY FOR SIX MONTHS OR SOMETHING LIKE THAT, THAT WILL HELP WITH THE CASH FLOW.

JUST TRY TO PLAY UP THE VALUE  
SIDE OF IT.

I THINK THAT WILL BE WHAT  
CONSUMERS NEED TO AT LEAST BUY  
SOMETHING.

IT WILL BE A REAL TOUGH YEAR.  
THE OTHER ISSUE AS YOUR  
ASSOCIATE MENTIONED IS  
INVENTORY.

THERE IS CERTAINLY RETAILERS  
THAT ARE MOTIVATED TO OFTEN  
SHARP DISCOUNTS TO MOVE THROUGH  
SOME INVENTORY.

>> Jon: BLACK FRIDAY IN CANADA  
WAS FOR A LONG TIME NOT A THING  
BUT IT HAS BEEN -- BECOME A  
THING IN PART BECAUSE OF THAT  
NEED TO STAY COMPETITIVE.  
YOU DON'T WANT PEOPLE CROSSING  
THE BORDER AND GOING TO BUY SOME  
STUFF FOR THE HOLIDAY SHOPPING  
TAKEN FROM A U.S. RETAILER WHEN  
THERE IS AN OPPORTUNITY TO GRAB  
THAT HERE AT HOME.

ARE THERE ANY STRATEGIES FOR THE  
HOME GROWN CANADIAN RETAILERS  
THAT ARE WORTH WATCHING CLOSELY  
THIS HOLIDAY AS WELL?

>> Reporter: I THINK THEY CAN  
PLAY UP THE CANADIAN PIECE IN  
EVERYTHING.  
IT WILL REALLY COME DOWN TO  
VALUE.

LUCKILY FOR THEM THE CANADIAN  
DOLLAR IS IN A PRETTY WEAK  
POSITION RIGHT NOW.

YOU ARE NOT GOING TO SEE AS MANY  
PEOPLE CROSS THE BORDER.  
HAVING SAID THAT THE CANADIAN  
RETAILERS HAVE TO EARN EVERY  
DOLLAR THEY GET WHICH MEANS THEY  
WILL HAVE TO OFFER GREAT VALUE.  
THIS SEASON IT'S ABOUT VALUE  
ESPECIALLY IF YOU WANT TO TARGET  
THE MID PRICE CONSUMER AND THE  
LOW PRICE CONSUMER.

>> Jon: AT THE END OF THE DAY  
MOVING INTO THE EARLY PART OF  
2023 WE ALREADY MENTIONED AT  
LEAST FOR THE U.S. SALES PICTURE  
THAT THERE IS A BELIEF I BELIEVE  
IT WAS STANDARD & POOR'S  
BELIEVES THAT WE WILL SEE THE  
FIRST DOWN SALES NUMBER FOR THE

HOLIDAY SEASON OVERALL IN THE UNITED STATES.

I BELIEVE 2009.

DOES IT SURPRISE TO YOU HEAR THAT KIND OF STAT?

>> Reporter: NOT REALLY, NO.

IF IT'S GOING TO BE THE YEAR

THIS IS THE YEAR WHERE WE WILL SEE.

THE ONE THING THAT IS HELPING RETAIL SALES DOLLARS IS INFLATION.

EVEN IF UNITS ARE DOWN IN TERMS OF WHAT CONSUMERS BUY THE DOLLARS WILL BE UP.

I THINK THEY ARE PRETTY BANG ON.

IT WILL BE UP A LITTLE OR FLAT OR DOWN.

IT WILL BE A REAL TOUGH SEASON.

>> Jon: FOR THOSE WHO NEED

SOME PERSPECTIVE ON WHAT

ULTIMATELY REALLY DRIVES THE

BUSINESS PERFORMANCE WHAT ARE

THE KEY THINGS FOR THESE

RETAILERS TO -- WE CALL IT BLACK FRIDAY HISTORICALLY BECAUSE THIS

IS THE TIME OF YEAR WHERE THEY

CAN FOR THE FIRST TIME ACTUALLY

MOVE INTO PROFITABILITY FOR THE YEAR.

YOU'VE TALKED ABOUT THESE BIG DISCOUNTS.

I WOULD IMAGINE THAT PRESSURE IS

PROFIT MARGINS -- YOU ARE NOT AN

EQUITY ANALYST BUT JUST WHAT

WILL DETERMINE WHICH RETAIL