

Weekly "Focus" and a Smart Cart

The next innovation in grocery shopping has just shown up at my local Sobey's store. No need to stand in line for a cashier when you can weigh and scan your items as you place them into your grocery cart. Then skip any check out lines by tapping your credit card. Still no automatic bagging service but maybe that technology is being developed right now.



After a solid 2021 of stock market returns, the Canadian grocery store chains are off to a slow start this year reflecting the more challenging market conditions. The companies should benefit from higher food inflation and this week it was reported that December food inflation came in at 5.2%, with overall consumer price inflation at a 30 year high (ii).

Company	Return in 2022	Return in 2021	Dividend Yield
Empire* (EMP.A)	-2.3%	+10.8%	1.6%
Loblaw* (L)	-7.6%	+65.0%	1.5%
Metro* (MRU)	-1.2%	+18.5%	1.5%

Source: ThomsonOne, Values as of January 19

This week's "Focus" from our economics team is available in our Resources Tab under Economic and Market Updates. Click on the link <https://nesbittburns.bmo.com/bradley.goldhar/resources>

Have a great weekend and please stay safe,

Brad

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Source: (i) ThomsonOne

(ii) Statistics Canada

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