

# North American Financial Shifts: Consumer Behavior, ESG, and Small Business

Finance · Answer Key · 14 Questions

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**1. In the US, what is the primary driver behind the downward revision of discretionary cash inflow (DCF) growth expectations for 2026, as reported by Goldman Sachs Research?**

- A) Increased consumer confidence due to low interest rates
- B) Disruptions to oil flow from the Middle East leading to higher energy prices**
- C) A surge in technological investments impacting consumer spending
- D) Government stimulus packages boosting household incomes

**2. According to a CBS News report, what is a significant factor contributing to the resilience of consumer spending in the US, despite increased prices at the pump?**

- A) A decrease in the availability of credit for consumers
- B) Larger tax refunds received by households**
- C) A decline in essential goods prices
- D) Reduced government spending on infrastructure

**3. What is a key trend observed in the Canadian housing market by May 2026, as indicated by reports from CREA and RBC?**

- A) Rapid and widespread price stabilization across all provinces
- B) A significant increase in affordability due to declining mortgage rates
- C) Affordability improvements are becoming smaller and less widespread nationally**
- D) A decrease in first-time homebuyer demand due to high prices

**4. In Mexico, what is a central theme of President Claudia Sheinbaum's 'Plan México' aimed at transforming the country's investment climate?**

- A) Prioritizing foreign direct investment with minimal government oversight
- B) Focusing solely on resource extraction and export-oriented industries
- C) Balancing competitiveness, sovereignty, sustainability, and social inclusion**
- D) Reducing tax incentives for domestic businesses to encourage foreign investment

**5. What is a notable shift in small business financing in the US for 2026, according to a report by ClearValue Lending?**

- A) Banks are easing credit standards while non-banks are tightening them
- B) Both banks and non-bank lenders are offering more favorable rates
- C) Banks are tightening credit standards while non-bank lenders are easing them**
- D) The SBA is significantly reducing its loan guarantee programs

**6. How has the focus of small business owners on challenges shifted in 2026, as per the OnDeck and Ocrolus report?**

A) Inflation has become the top concern, surpassing cash flow

**B) Cash flow has emerged as the top concern for the first time, surpassing inflation**

C) Access to credit has become a less significant concern

D) AI adoption is no longer a major planning strategy

**7. What is a significant concern raised by the Brookings Institution regarding the USMCA review in 2026 and its impact on North America?**

A) A decrease in US exports to Mexico due to new trade barriers

B) The agreement is expected to be easily renewed without any major changes

**C) Potential for significant revisions to the USMCA due to evolving US foreign policy and protectionist approaches**

D) A decline in Mexican exports to the US due to increased manufacturing costs in Mexico

**8. What impact are disruptions in the Strait of Hormuz and the subsequent rise in gasoline prices having on US consumer sentiment in May 2026, according to Surveys of Consumers?**

A) Consumer sentiment has improved due to increased spending on fuel

**B) Sentiment has fallen significantly, with lower-income consumers and those without college degrees being particularly affected**

C) Consumers are showing less concern about inflation and are increasing discretionary spending

D) Year-ahead inflation expectations have decreased substantially

**9. Which sectors are emerging as key growth themes in Canada for 2026, while others remain under pressure, according to Kalkine CA?**

A) Consumer discretionary and housing-sensitive industries are showing strong growth, while energy is under pressure

**B) Energy, financials, infrastructure, and AI-linked technology are key growth themes, while consumer discretionary and housing remain pressured**

C) Technology and healthcare are the primary growth sectors, with minimal impact from energy prices

D) Manufacturing and agriculture are leading growth, while financial services are struggling

**10. What is a key development regarding SBA loan limits scheduled for July 4th, 2026, as reported by Forbes?**

A) The maximum loan limit for SBA 7(a) loans will be reduced to \$1 million

B) The maximum loan limit for SBA 504 loans will be doubled to \$11 million for capital-intensive businesses

**C) The maximum combined guaranteed loan limit for certain capital-intensive borrowers will be doubled to \$10 million**

D) SBA loan processing times will increase significantly

**11. How is the US anti-ESG sentiment manifesting at the state level, according to Freshfields' analysis of the ESG landscape in 2026?**

- A) States are implementing more robust ESG disclosure frameworks and mandates
- B) Legislatures are seeking to restrict the use of ESG in investment decisions**
- C) There is widespread bipartisan support for ESG initiatives across all states
- D) States are increasing funding for clean energy projects driven by ESG principles

**12. What is a notable trend in North American wealth management for 2026, as identified by Capco?**

- A) The era of fragmented tools and siloed advice is ending**
- B) There is a significant decrease in the adoption of digital platforms
- C) Traditional brick-and-mortar financial institutions are expanding their physical presence
- D) Investment in AI-driven wealth management tools is declining

**13. In Canada, what is the primary reason cited for the rise in insolvencies in the first quarter of 2026, reaching the highest rate since 2009?**

- A) A decrease in consumer income
- B) An increase in business investment and expansion
- C) Rising expenses significantly faster than incomes, including fuel, food, and mortgage renewals**
- D) A reduction in government support programs for individuals

**14. What is a key challenge for Mexico's economy in 2026, as highlighted by the Baker Institute?**

- A) A lack of foreign investment due to stable political conditions
- B) Over-reliance on consumer spending with limited export diversification
- C) Structural factors and recent political decisions are expected to sustain the current low growth trend**
- D) An abundance of formal employment opportunities outpacing economic growth