

MORNING NEWS CALL

Powered by Reuters

Canada Edition

Friday, February 5, 2021

TOP NEWS

• **U.S. Senate passes budget plan to advance Biden's \$1.9 trillion COVID aid package**

President Joe Biden's drive to enact a \$1.9 trillion coronavirus aid bill gained momentum on Friday as the U.S. Senate narrowly approved a budget blueprint allowing Democrats to push the legislation through Congress in coming weeks with or without Republican support.

• **U.S. employment growth likely rebounded; more government money still needed**

U.S. job growth likely rebounded in January as authorities began easing COVID-19 restrictions on businesses with the ebbing pace of infections, which could offer the strongest signal yet that the worst of the labor market turmoil was behind after the economy shed jobs in December.

• **Chevron makes offer to buy out Noble Midstream**

Chevron said it had offered to buy Noble Midstream Partners in a deal valuing the company at \$1.13 billion, months after the U.S. oil major bought the pipeline operator's sponsor, Noble Energy.

• **Regeneron quarterly profit beats on strong drug sales**

Regeneron Pharmaceuticals said it reported a fourth-quarter profit that beat analysts' estimates, benefiting from a recovery in demand for its flagship eye drug and a jump in sales of its eczema drug.

• **M.A.C brand owner Estee Lauder posts surprise revenue growth**

Estee Lauder reported a surprise rise in second-quarter sales, as the M.A.C brand owner benefited from a strong demand for its premium skin-care products in China.

BEFORE THE BELL

Futures for Canada's main stock index rose, helped by oil prices reaching its highest in a year on economic revival hopes and as producer group OPEC and its allies stuck to the supply tightening policy. **Wall Street futures** were higher as investors' sentiments were boosted by signs of progress on a pandemic-relief package, while also awaiting non-farm payrolls data, which is due for release later during the day. **European stocks** rose on hopes of a faster global economic turnaround, while **Asian equities** ended in the green. The **U.S. dollar** edged lower, while **gold** prices gained. Canada's monthly jobs data is due for release later during the day.

STOCKS TO WATCH

• **Eldorado Gold Corp**: Greece will sign a revised contract with the company on Friday covering the group's mining operations in the north of the country, an energy ministry official said. Eldorado's projects in northern Greece have repeatedly stalled over licensing delays and environmental concerns. Vancouver-based Eldorado has been in talks with the Greek government on a revised investment plan that would secure higher royalties from mining development and new jobs.

FOCUS

One U.S. company's risky effort to build a new mask factory during COVID

Dan Izhaky is betting \$4 million that the pandemic will change what Americans are willing to pay for high quality face masks from his new factory here in this suburb of Los Angeles. Izhaky is president of United Safety Technology, a startup that is poised to open a new N95 mask factory possibly within weeks.

ANALYSTS' RECOMMENDATION

- **BCE Inc:** TD Securities cuts target price to C\$66 from C\$67, stating the company's lower EBITDA and free cash flow guidance for 2021.
- **Canada Goose Holdings Inc:** CIBC raises target price to C\$67 from C\$56, citing the company's robust third-quarter earnings and positive cash flows.
- **Lightspeed POS Inc:** JPMorgan raises target price to C\$94 from C\$74, stating the company's higher revenue in its third quarter helped by improved location additions.
- **Saputo Inc:** National Bank of Canada raises target price to C\$39 from C\$38, noting the company's better-than-expected results in its third quarter and higher sales estimates.

ECONOMIC EVENTS (All timings in U.S. Eastern Time)

0830 (approx.) **Average hourly wages permanent employee yy** for Jan: Prior 5.43%

0830 (approx.) **Employment change** for Jan: Expected -47,500; Prior -62,600

0830 (approx.) **Unemployment rate** for Jan: Expected 8.9%; Prior 8.6%

0830 (approx.) **Full time employment change SA** for Jan: Prior 36,500

0830 (approx.) **Part time employment Change SA** for Jan: Prior -99,000

0830 (approx.) **Participation rate** for Jan: Expected 64.9%; Prior 64.9%

0830 (approx.) **Trade balance** for Dec: Expected -C\$3.00 bln; Prior -C\$3.34 bln

0830 (approx.) **Exports** for Dec: Prior C\$46.76 bln

0830 (approx.) **Imports** for Dec: Prior C\$50.10 bln

1000 **Ivey PMI** for Jan: Prior 53.9

1000 **Ivey PMI SA** for Jan: Prior 46.7

COMPANIES REPORTING RESULTS**February 5:**

No major companies are scheduled to report for the day.

February 8:

PrairieSky Royalty Ltd: Expected Q4 earnings of 5 Canadian cents per share

TFI International Inc: Expected Q4 earnings of C\$1.04 per share

TMX Group Ltd: Expected Q4 earnings of C\$1.45 per share

CORPORATE EVENTS (All timings in U.S. Eastern Time)

1100 **Interfor Corp:** Q4 earnings conference call

EX-DIVIDENDS

There are no major ex-divs for the day.

(All analysts' estimates are according to I/B/E/S Refinitiv data.)

PICTURE OF THE DAY



Disabled dogs in mobility aids run during a daily walk at The Man That Rescues Dogs Foundation in Chonburi, Thailand, January 26. REUTERS/Athit Perawongmetha

The Financial and Risk business of Thomson Reuters is now Refinitiv.

(Compiled by Pranay Prakash and Siddharth Athreya V in Bengaluru)

To subscribe for The Morning Newscall newsletter [click here](#)

For questions or comments about this report, contact:
morning.newscall@thomsonreuters.com

To launch a Co-branded Morning News Call from your firm, contact:
morning.newscall@thomsonreuters.com

© 2021 Refinitiv. All rights reserved.

Refinitiv
3 Times Square, New York, NY 10036

Please visit: [Refinitiv](#) for more information.

[Privacy statement](#)