

MORNING NEWS CALL

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Canada Edition

Monday, May 2, 2022



Earnings Roundup

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TOP NEWS

- **Apple hit with EU antitrust charge over its payment technology**

EU antitrust regulators charged Apple with restricting rivals' access to its NFC chip technology in a move that could result in a hefty fine for the iPhone maker and force it to open its mobile payment system to competitors.

- **U.S. oil trade group opposes bill allowing lawsuits against OPEC**

A top U.S. oil and natural gas trade group has come out against the passage of a bill that would open the OPEC oil production group and countries working with it to lawsuits for collusion on boosting petroleum prices.

- **Google urges court to scrap \$1.6 billion EU antitrust fine**

Alphabet unit Google urged Europe's second-highest court to dismiss a 1.49-billion-euro fine imposed by EU antitrust regulators three years ago for hindering rivals in online search advertising.

- **Amazon to get hearing that could overturn NY union vote, labor board official says**

Amazon.com's objections to a landmark union election at a company warehouse in New York City justify a hearing that could overturn the result, a U.S. National Labor Relations Board (NLRB) official said.

- **Buffett reveals big investments, rails against Wall Street excess at Berkshire meeting**

Warren Buffett on Saturday used the annual meeting of Berkshire Hathaway to reveal major new investments including a bigger stake in Activision Blizzard, while also railing against Wall Street excess and addressing the risks to his conglomerate of inflation and nuclear war.

BEFORE THE BELL

Futures for **Canada's main stock index** inched higher, tracking gains on the **Wall Street**, although weakness in both **gold** and **crude** prices capped further gains. **European stocks** fell as data that signaled a steeper pace of contraction in China's factory activity dampened risk appetite, while the closure of London and most Asian markets for a holiday reduced volumes. Meanwhile, **Japanese shares** ended lower in volatile trade. The **U.S. dollar** advanced, with investors preparing for a busy week of central bank meetings, including a likely Federal Reserve interest rate hike.

ANALYSIS

From boom to glut: Canada's housing plan could backfire on Trudeau

The Canadian government's plan to ease runaway housing prices by rapidly ramping up the pace of home construction risks pushing up construction costs in the near term and could lead to oversupply in the long run, experts said.

ANALYSTS' RECOMMENDATION

- **Baytex Energy Corp:** RBC raises target price to C\$7 from C\$6, stating the company is off to a nice start in 2022 amid ongoing debt reduction and impressive drilling results in its emerging Clearwater oil play.
- **Imperial Oil Ltd:** JPMorgan raises target price to C\$79 from C\$77, after the company announced plans for a substantial issuer bid.
- **NFI Group Inc:** CIBC cuts target price to C\$12 from C\$18, after the company revised its 2022 guidance lower, reflecting the ongoing uncertainty from supply chain disruptions.
- **Pason Systems Inc:** RBC raises target price to C\$23 from C\$22, citing the company's strong Q1 results which highlighted growth in revenue per industry day and EBITDA margins.
- **Spin Master Corp:** CIBC raises target price to C\$62 from C\$55, saying the company offers investors attractive profitability, an intriguing growth driver through digital, and a sterling balance sheet at a compelling valuation.

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

0930 **S&P Global Manufacturing PMI** final for April: Prior 58.9

COMPANIES REPORTING RESULTS**May 2:**

Capital Power Corp: Expected Q1 earnings of 73 Canadian cents per share

Cargojet Inc: Expected Q1 earnings of C\$1.46 per share

Gibson Energy Inc: Expected Q1 earnings of 33 Canadian cents per share

MEG Energy Corp: Expected Q1 earnings of 92 Canadian cents per share

New Gold Inc: Expected Q1 earnings of 2 cents per share

Nutrien Ltd: Expected Q1 earnings of \$2.75 per share

TMX Group Ltd: Expected Q1 earnings of C\$1.73 per share

May 3:

Athabasca Oil Corp: Expected Q1 earnings of 7 Canadian cents per share

B2Gold Corp: Expected Q1 earnings of 5 cents per share

Colliers International Group Inc: Expected Q1 earnings of \$1.22 per share

Frontera Energy Corp: Expected Q1 earnings of 33 cents per share

Iamgold Corp: Expected Q1 earnings of 2 cents per share

International Petroleum Corp: Expected Q1 earnings of 38 cents per share

LifeWorks Inc: Expected Q1 earnings of 18 Canadian cents per share

Lundin Gold Inc: Expected Q1 earnings of 24 cents per share

Restaurant Brands International Inc: Expected Q1 earnings of 63 cents per share

Russel Metals Inc: Expected Q1 earnings of C\$1.24 per share

SSR Mining Inc: Expected Q1 earnings of 29 cents per share

Thomson Reuters Corp: Expected Q1 earnings of 62 cents per share

Waste Connections Inc: Expected Q1 earnings of 83 cents per share

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

0830 **Cargojet Inc:** Q1 earnings conference call

0830 **New Gold Inc:** Q1 earnings conference call

1100 **Capital Power Corp:** Q1 earnings conference call

EX-DIVIDENDS

MTY Food Group Inc: Amount C\$0.21

United Corporations Ltd: Amount C\$0.30

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

PICTURE OF THE DAY



Ottawa municipal and Ontario Provincial Police officers ride motorcycles past demonstrators waving flags during a Motorcycle-borne "Rolling Thunder Ottawa" protest in Ottawa, Ontario, Canada, April 30. REUTERS/Blair Gable

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(Compiled by Sourav Bose and Kumar Satyam in Bengaluru)

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