

# MORNING NEWS CALL

Powered by Reuters

Canada Edition

Friday, June 21, 2024

## TOP NEWS

### • **Allegations of human rights abuses 'unfounded', Barrick Gold tells UNHRC**

Barrick Gold said in a letter to the United Nations Human Rights Council on Thursday that allegations of human rights violations at its North Mara Gold Mine were "misdirected, unfounded" and "lacked substance".

### • **Amazon mulls \$5 to \$10 monthly price tag for unprofitable Alexa service, AI revamp**

Amazon is planning a major revamp of its decade-old money-losing Alexa service to include a conversational generative AI with two tiers of service and has considered a monthly fee of around \$5 to access the superior version, according to people with direct knowledge of the company's plans.

### • **Boeing nearing deal with supplier Spirit Aero after months of talks, sources say**

Boeing is nearing a deal to buy back Spirit AeroSystems after its former subsidiary made substantial progress in separate talks with Airbus over a transatlantic breakup of the struggling supplier, people familiar with the matter said on Thursday.

### • **Exxon-Hess arbitration panel incomplete, Hess sale to Chevron stalled**

A contract arbitration panel that could block or green-light the \$53 billion sale of Hess Corp to Chevron remains incomplete three months after the case was filed, stalling a decision on whether Exxon Mobil has a right of first refusal over Hess' Guyana operations.

### • **China asks Visa, Mastercard to cut transaction fees, Bloomberg News reports**

China is pushing for Visa and Mastercard to lower their bank card transaction fees in the country to encourage spending by foreign visitors, Bloomberg News reported, citing a person familiar with the matter.

## BEFORE THE BELL

**Canada's main stock index futures** were flat as markets awaited domestic retail sales and producer prices data, scheduled for later in the morning, for more clues on Bank of Canada's monetary policy roadmap. Investors are also anticipating S&P Global's U.S. manufacturing and services sector surveys due later in the day.

Meanwhile, **Wall Street futures** edged lower as megacap tech and chip stocks lost ground. **European shares** were in the red, weighed down by technology and bank stocks. **Japan's Nikkei** ended lower as losses in technology shares outweighed gains in value stocks. The **U.S. dollar** edged higher against a basket of currencies. **Gold** prices rose on U.S. rate cut optimism. **Oil** prices were little changed.

## STOCKS TO WATCH

• **Barrick Gold Corp:** The company said in a letter to the United Nations Human Rights Council on Thursday that allegations of human rights violations at its North Mara Gold Mine were "misdirected, unfounded" and "lacked substance". The UNHRC's special procedures branch had sent a letter to Barrick Gold in April, saying it had received information about allegations of killings, assault, torture, sexual abuse and violence against women and girls, among others, committed by security forces and private security contractors at the North Mara mine in northern Tanzania. UNHRC's letter to Barrick stated that "12 deaths which allegedly occurred during/resulting from operations by security forces assigned to the mine. Of these, six have been allegedly the result of Barrick operations."

## ANALYSIS

### **Struggling truckers dent loan books for Canadian banks**

Canadian truckers are struggling to make payments on their rigs as fuel prices rise and freight rates tumble, forcing banks to declare tens of millions of dollars' worth of bad loans.

**ANALYSTS' RECOMMENDATION**

- **Aurora Cannabis Inc:** ATB Capital Markets cuts target price to C\$11 from C\$12.5, after the company reported fourth-quarter revenue and profit that missed estimates.
- **Empire Company Ltd:** Desjardins raises target price to C\$40 from C\$38, expecting earnings growth recovery in 2025, helped by a gradual improvement in market conditions and consumer behaviour, benefits from cost control measures and margin management and improving profitability at Voila.
- **First Quantum Minerals Ltd:** Morgan Stanley raises target to C\$20.3 from C\$19.8, incorporating revised commodity price and forex forecasts and expecting Cobre Panama restart in second half of 2025.

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

- 0830 **Producer prices mm** for May: Expected 0.5%; Prior 1.5%
- 0830 **Producer prices yy** for May: Prior 1.4%
- 0830 **Raw materials prices mm** for May: Prior 5.5%
- 0830 **Raw materials prices yy** for May: Prior 3.1%
- 0830 **Retail sales mm** for April: Expected 0.7%; Prior -0.2%
- 0830 **Retail sales ex-autos mm** for April: Expected 0.7%; Prior -0.6%

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

- 1100 **Algoma Steel Group Inc:** Q4 earnings conference call
- 1300 **Sandstorm Gold Ltd:** Annual Shareholders Meeting

**EX-DIVIDENDS**

- Parkland Corp:** Amount C\$0.35
- Restaurant Brands International Inc:** Amount \$0.58

*(All analysts' estimates are according to LSEG IBES data)*

## PICTURE OF THE DAY



*Jolie from China, who says she is afraid of the sun, stands near the Colosseum amid a heatwave in Rome, Italy, June 20. REUTERS/Guglielmo Mangiapane*

(Compiled by Indrisha Bose and Nachiket Tekawade in Bengaluru)

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

For questions or comments about this report, contact:  
[morning.newscall@thomsonreuters.com](mailto:morning.newscall@thomsonreuters.com)

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

© 2024 London Stock Exchange Group plc. All rights reserved.

LSEG  
10 Paternoster Square, London, EC4M 7LS, United Kingdom

Please visit: [LSEG](#) for more information

[Privacy statement](#)