

MORNING NEWS CALL

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Canada Edition

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Earnings Roundup

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TOP NEWS

• **BofA's profit falls on shrinking interest income**

Bank of America's profit fell in the second quarter as its income from interest on loans shrank and it set aside more money to cover potential credit losses.

• **Miner Barrick's second-quarter gold, copper output rises sequentially**

Canadian miner Barrick Gold said its gold production rose sequentially in the second quarter, helped by increased production at Turquoise Ridge in Nevada and expansion at the Porgera mine in Papua New Guinea.

• **UnitedHealth expects bigger hit to annual profit from hack costs**

UnitedHealth raised its estimates for a hit to earnings this year from a February hack at its tech unit, as it rolls out loans to healthcare providers and records higher expenses from notifying affected customers.

• **Google deal for 'hot market' cyber firm Wiz would bolster cloud security**

If Alphabet's Google is successful in its effort to buy cloud security company Wiz, it would bolster its cloud security offerings for large organisations, a hotspot for hackers, and help it take on cloud rivals Amazon.com and Microsoft, experts said.

• **Trump VP pick supports Big Tech antitrust crackdown**

Former U.S. President Donald Trump's vice presidential pick J.D. Vance has openly praised the work of Federal Trade Commission Chair Lina Khan, a sign that the agency's broad approach to antitrust enforcement could enjoy some level of support from a second Trump administration.

BEFORE THE BELL

Canada's main stock index futures were flat, as gains in **gold** were offset by falling **crude** prices, while markets awaited the domestic inflation data for more clues on the next move by the Bank of Canada. **Wall Street futures** were also trading in a narrow range after a rally in the main U.S. indexes during the previous session, with investors awaiting retail sales numbers and a slew of corporate earnings. Losses in metal miners and grim earnings from luxury retailer Hugo Boss weighed on **European shares**. In Asian equity markets, Japan returned from a public holiday and the **Nikkei** ended higher, while **Chinese stocks** finished higher, led by tech shares. Meanwhile, the **U.S. dollar** inched away from five-week lows as comments from Fed Chair Jerome Powell bolstered the case for a September rate cut.

STOCKS TO WATCH

Barrick Gold Corp: The Canadian miner said its gold production rose sequentially in the second quarter, helped by increased production at Turquoise Ridge in Nevada and expansion at the Porgera mine in Papua New Guinea. The company's total preliminary output was 948,000 ounces of gold for the quarter ended June 30, up from 940,000 ounces in the first quarter. Barrick said it expects all-in sustaining costs (AISC) per ounce of gold, an industry metric that reflects total expenses, to rise about 1% to 3% from the previous quarter's \$1,474 per ounce, but expects a drop in the second half of 2024 as production ramps up.

GRAPHIC

G7 government debt: the next market hot spot?

Huge debt piles among the world's biggest economies are starting to unnerve financial markets again, as elections cloud the fiscal outlook. A debt crisis is not the base case, but investors are alert to the risk of looser purse strings sparking market stress.

ANALYSTS' RECOMMENDATION

• **Corus Entertainment Inc:** TD Cowen cuts target price to C\$0.05 from C\$0.35 after the company announced weak third-quarter results.

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

0815 **Housing starts, annualized** for June: Expected 255,000; Prior 264,500

0830 **CPI inflation mm** for June: Expected 0.0%; Prior 0.6%

0830 **CPI inflation yy** for June: Expected 2.8%; Prior 2.9%

0830 **CPI BoC core yy** for June: Prior 1.8%

0830 **CPI BoC core mm** for June: Prior 0.6%

0830 **CPI mm SA** for June: Prior 0.3%

0830 **CPI yy SA** for June: Prior 2.88%

0830 **CPI NSA** for June: Prior 161.5

0830 **Core CPI mm SA** for June: Prior 0.3%

0830 **CPI median** for June: Prior 2.8%

0830 **CPI trim** for June: Prior 2.9%

0830 **CPI common** for June: Prior 2.4%

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

0830 **Prairiesky Royalty Ltd:** Q2 earnings conference call

EX-DIVIDENDS

Sandstorm Gold Ltd: Amount C\$0.02

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

PICTURE OF THE DAY



*Shi'ite Muslims gather ahead of Ashura, the holiest day on the Shi'ite Muslim calendar, in Najaf, Iraq, July 15.
REUTERS/Alaa al-Marjani*

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