

# THE DAY AHEAD

## MARKET RECAP at 4 pm ET

**Stocks** ended down, while the **dollar** strengthened as traders awaited auto tariffs to be announced by President Donald Trump. **Treasury yields**, meanwhile, inched higher as investors weighed potential exemptions to those tariffs. **Oil** prices jumped on reports of a dip in U.S. crude oil inventories. **Gold** eased but remained above the \$3,000 per ounce level.

STOCKS	Close	Chng	% Chng	Yr-high	Yr-low
DJIA	42,454.79	-132.71	-0.31	45,054.36	40,661.77
Nasdaq	17,899.02	-372.84	-2.04	20,118.61	17,238.24
S&P 500	5,712.20	-64.45	-1.12	6,147.43	5,504.65
Toronto	25,161.06	-178.45	-0.70	25,875.61	21,466.60
FTSE	8,689.59	25.79	0.30	8,908.82	8,160.60
Eurofirst	2,183.65	-15.48	-0.70	2,255.80	2,008.73
Nikkei	38,027.29	246.75	0.65	40,288.80	35,987.13
Hang Seng	23,483.32	139.07	0.60	24,874.39	18,671.49

TREASURIES	Yield	Price
10-year	4.3499	-11 /32
2-year	4.0166	-2 /32
5-year	4.0931	-5 /32
30-year	4.6991	-23 /32

FOREX	Last	% Chng
Euro/Dollar	1.0754	-0.34
Dollar/Yen	150.54	0.43
Sterling/Dollar	1.2889	-0.42
Dollar/CAD	1.4276	-0.01
USD/CNH (Offshore)	7.2799	0.22

COMMODITIES (\$)	Price	Chng	% Chng
Front Month Crude /barrel	69.74	0.74	1.07
Spot gold (NY/oz)	3019.50	-0.36	-0.01
Copper U.S. (front month/lb)	5.22	0.0375	0.72
CRB Index Total Return	372.99	0.75	0.20

S&P 500	Price	\$ Chng	% Chng
<b>GAINERS</b>			
General Electric Co	204.88	16.52	8.77
Deere & Co	469.36	9.61	2.09
Capital One Financial Corp	204.50	3.57	1.78
<b>LOSERS</b>			
Electronic Arts Inc	118.69	-23.66	-16.62
Freeport-McMoRan Inc	36.75	-2.34	-5.99
Bio-Techne Corp	74.93	-3.78	-4.80

## Coming Up



Construction workers on the job at a residential project in Encinitas, California, July 30, 2020. REUTERS/Mike Blake

A slew of U.S. economic data is scheduled for the day starting with the Commerce Department's **final**

**estimate of the gross domestic product** that is expected to show the country's economy grew 2.3% in the

## KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Corporate profits preliminary for Q4	0830		-0.4%
GDP final for Q4	0830	2.3%	2.3%
GDP Sales Final for Q4	0830	3.2%	3.2%
GDP consumer spending final for Q4	0830	--	4.2%
GDP deflator final for Q4	0830	2.4%	2.4%
Core PCE prices final for Q4	0830	2.7%	2.7%
PCE prices final for Q4	0830	2.4%	2.4%
PCE excluding Food, Energy & Housing (F) for Q4	0830	--	2.3%
PCE services excluding Energy & Housing (F) for Q4	0830	--	3.5%
Advance goods trade balance for Feb	0830	--	-\$155.57 bln
Wholesale inventories advance for Feb	0830	--	0.8%
Retail inventories ex-auto advance for Feb	0830	--	0.5%
Pending Homes Index for Feb	1000	--	70.6
Pending sales change MM for Feb	1000	1.0%	-4.6%
KC Fed Manufacturing for March	1100	--	-13
KC Fed Composite Index for March	1100	--	-5
Initial Jobless Claims	0830	225,000	223,000
Jobless Claims 4-Week Average	0830	--	227,000
Continued Jobless Claims	0830	1.888 mln	1.892 mln



fourth quarter, unchanged from the previous estimate. Separately, data from the Labor Department is expected to show **initial jobless claims** likely increased by 2,000 to 225,000 for the week ended March 22. **Continued claims for state unemployment benefits** likely edged lower to 1.888 million for the week ended March 15 from 1.892 million in the week before. Meanwhile, the National Association of Realtors is due to release **pending home sales** figures that likely gained 1% in February, after falling 4.6% in January.

Federal Reserve Bank of Boston President **Susan Collins** is expected to speak on the economy and monetary policy in a fireside chat sponsored by the Insurance Women's Investment Network, 100 Women in Finance, and Wellington Management, in Boston. Separately, Federal Reserve Bank of Richmond President **Thomas Barkin** is set to deliver the H. Parker Willis Lecture in Political Economy at Washington and Lee University, in Lexington.

The initial public offering (IPO) of Nvidia-backed AI startup **CoreWeave** is expected to price Thursday night, giving investors a preview of its shares ahead of its market debut on Friday. The cloud services provider is targeting a valuation of up to \$32 billion on a fully diluted basis in its U.S. IPO.



A logo is displayed inside a Lululemon outlet retail store at Bicester Village in Oxfordshire, Britain, August 21, 2024. REUTERS/Hollie Adams

**Lululemon Athletica** is expected to report a rise in fourth-quarter revenue, helped by strong demand for its apparel offerings. Investors will look for comments on annual forecasts, discounts, and their impact on margins, new product lines and trends.

**OpenAI** is expected to ask a judicial panel in Charlotte, North Carolina to consolidate high-stakes copyright lawsuits filed by news outlets, authors and others over its AI training into one case in Northern California.

In Latin America, **Mexico's central bank** is expected to announce its **benchmark interest rate decision**.

The Bank of Mexico will likely cut its benchmark interest rate by 50 basis points to 9%, according to a Reuters poll. **Mexico's trade balance data** for February is also on the radar and the country is likely to post a trade deficit of \$1.061 billion, lower than the \$4.558 billion deficit posted in January. Separately, **Brazil's IPCA-15 consumer price index for mid-March** is also due. The index is expected to show a 0.70% rise monthly, following a 1.23% increase in the previous month. Separately, **Argentina's economic activity** is expected to rise 4.7% in January, following a 5.5% expansion in December.

## KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Lululemon Athletica	Q4	AMC	\$5.89	\$5.85	\$5.29	\$3,573.23

\*Includes companies on S&P 500 index. \*\*Estimates may be updated or revised; release times based on company guidance or past practice.

All analysts' estimates are according to LSEG IBES data.

# Market Monitor

**Wall Street** ended sharply lower, dragged down by losses in Nvidia and Tesla as investors awaited information about long-promised U.S. tariffs on automotive imports. Shares of **Tesla** fell 5.58% and **General Motors** ended 3.14% lower. "Markets hate the tariff uncertainty, especially when it pertains to autos. Autos are ground zero for the negative economic impacts of tariffs," said Jamie Cox, managing partner at Harris Financial Group. **Nvidia** fell 5.74%. The **S&P 500** lost 1.12% to end at 5,712.20 points, while the **Nasdaq Composite** dropped 2.04% to 17,899.02. The **Dow Jones Industrial Average** fell 0.31% to 42,454.79.

**Treasury yields** inched higher as investors weighed potential exemptions from Trump's tariffs and Federal Reserve officials signaled a patient approach to interest rate cuts. Uncertainty around levies on U.S. imports gripped markets again, with Trump planning to announce tariffs on the auto industry later in the day. "This psychological churn is, I expect, what we'll see at least until that April 2 date, but probably even beyond, because there's so many moving parts. We have all the macro data and we have all the tariffs uncertainty," said Mark Hackett, chief market strategist at Nationwide. **Benchmark Treasury notes** were down 11/32 to yield 4.3480%. The **30-year bonds** lost 23/32, yielding 4.6991%. **Two-year notes** fell 2/32 to yield 4.0145%. Meanwhile, the Treasury Department sold \$70 billion in **five-year notes** at a high yield of 4.1%. The bid-to-cover ratio was 2.33.

The **U.S. dollar** rose against the **euro** and gained on the **yen** as traders waited on an announcement from U.S. President Donald Trump regarding auto tariffs. Traders are concerned that the trade levies will dent U.S. growth and potentially reignite inflation but are also mulling whether the tariffs will be less onerous than feared.



Traders work on the floor at the New York Stock Exchange (NYSE) in New York City, March 26. REUTERS/Brendan McDermid

"Everybody's trying to figure out what's going to be done on tariffs," said Steve Englander, head of global G10 FX Research and North America macro strategy at Standard Chartered Bank's NY Branch. "They want to avoid market pressure before there's an announcement. But I think there's also some risk that, when push comes to shove, the announced tariffs will be more hawkish than the market's pricing," he added. The **dollar index** was up 0.37% to 104.57. The **euro** lost 0.36% to \$1.0752. Against the **Japanese yen**, the greenback gained 0.43% to 150.55 yen.

**Oil prices** rose, buoyed by government data showing U.S. crude oil and fuel inventories fell last week and by mounting concerns about tighter global supply following the U.S. threat of tariffs on nations buying Venezuelan crude. U.S. crude oil inventories fell last week as refiners kept ramping up production, while gasoline and distillate stockpiles also dropped, the Energy Information Administration said. Crude inventories fell by 3.3 million barrels to

433.6 million barrels in the week ended March 21, the EIA said, a deeper draw than the 956,000 barrels that analysts had expected in a Reuters poll. **Brent crude futures** were up 1.12% at \$73.84 a barrel. **U.S. West Texas Intermediate crude futures** gained 1.06% to \$69.73 a barrel.

**Gold prices** eased as the dollar and U.S. bond yields climbed, although concerns over the Trump administration's fresh tariffs kept prices above \$3,000 per ounce level. "Gold remains underpinned by haven interest amid ongoing tariff uncertainties and geopolitical risks. Fresh record highs would bode well for attainment of my next upside target at \$3,150," said Peter Grant, vice president and senior metals strategist at Zaner Metals. "If the tariffs are not as serious as people are thinking, we could see a correction (in gold)," said Marex analyst Edward Meir. **Spot gold** was down 0.5% at \$3,018.22 an ounce. **U.S. gold futures** were 0.08% lower at \$3,023.40 an ounce.

# Top News

## Trump likely to use 2019 probe to justify tariffs on auto imports

U.S. President Donald Trump's administration is likely to use a trade investigation completed during his first term in office to justify auto tariffs that he plans to announce on Wednesday, industry experts and former U.S. officials said. The U.S. president has long promised higher duties on imported cars, and the announcement's timing suggests that they would coincide with his separate, April 2 plans for reciprocal tariffs aimed at the countries responsible for the bulk of the U.S. trade deficit. An auto import tariff of 25% - the level floated by Trump in February - would send shockwaves through a global industry that is already reeling from uncertainty caused by Trump's rapid-fire tariff threats and occasional reversals. The U.S. imported \$474 billion worth of automotive products in 2024, including passenger cars worth \$220 billion. Mexico, Japan, South Korea, Canada and Germany, all close U.S. allies, were the biggest suppliers.

## Tesla to launch in Saudi Arabia as Musk and the kingdom mend relations

Tesla will start sales in Saudi Arabia next month, the electric carmaker said on its website, signalling CEO Elon Musk and the kingdom have healed a rift that dates back to the billionaire's short-lived bid in 2018 to take the company private. Tesla sells in other Middle Eastern countries, but not in Saudi Arabia, the Gulf region's largest market, where EVs only account for 1% of total car sales. The brand has had considerable success in neighbouring United Arab Emirates, where most ride-hailing apps offer electric vehicles. Tesla's launch event in Riyadh, scheduled for April 10, will display its EVs and products powered by solar energy, the post said. On April 11, it will open pop-up stores in Riyadh, Jeddah, and Dammam, Tesla said in a later statement, adding it would

announce further details of its plans for Saudi Arabia in the coming weeks, with investment planned for 2025 and beyond.

## X to report first annual ad revenue growth since Musk's takeover, data shows

Elon Musk-owned social media platform X is poised for the company's first year of advertising revenue growth since its acquisition by the billionaire in 2022, data from research firm Emarketer showed. Brands are returning to X at a time when Musk's influence has grown in the Trump administration, with the Tesla CEO's key role in the U.S. Department of Government Efficiency. In 2025, X's U.S. ad revenue is expected to grow 17.5% to \$1.31 billion, while global ad sales are estimated to rise 16.5% to \$2.26 billion, according to Emarketer. "Some of this year's growth is also being driven by fear. Many advertisers may view spending on X as a cost of doing business in order to mitigate potential legal or financial repercussions," said Jasmine Enberg,

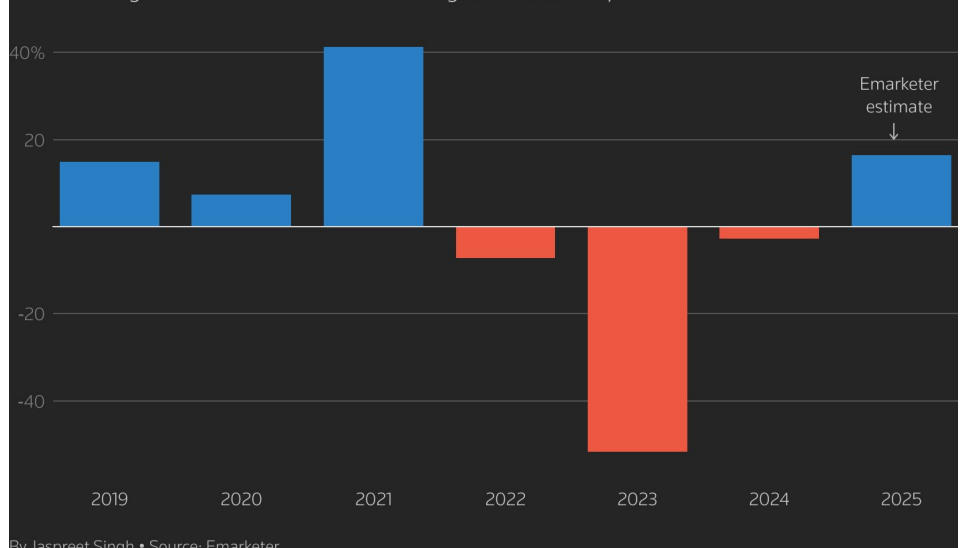
principal analyst at Emarketer. Enberg said X has managed to attract small- and medium-sized businesses, which the company has historically struggled with. Emarketer's data showed that even with the projected spending increase, X's ad business is still smaller than it was when Musk acquired the company for \$44 billion in late 2022.

## Dollar Tree offloads struggling Family Dollar chain for \$1 billion

Dollar Tree said that a group of private-equity investors would acquire its Family Dollar business for about \$1 billion, bringing an end to its nearly year-long search for potential buyers for the troubled discount-store chain. The 66-year-old business, which Dollar Tree bought in 2015 for about \$9 billion, has been grappling with competition from big-box retailers such as Walmart and online retailers, including Amazon, Shein and Temu. Dollar Tree said it expected a roughly \$20 million per month impact from President Donald Trump's fresh tariffs on Canada, China and Mexico imposed in March. Excluding sales from the

### X on track to report ad revenue growth in 2025

Data shows global ad sales are estimated to grow 16.5% this year



Click on the chart for a detailed and interactive graphic

Family Dollar banner, the company posted net sales of \$5 billion for the quarter ended February 1, a marginal rise from \$4.96 billion reported a year ago. Dollar Tree expects 2025 net sales from continuing operations to be between \$18.5 billion and \$19.1 billion.

## **GameStop's crypto pivot boosts shares of one-time retail investor favorite**

GameStop shares were back in action as the company's move to hoard bitcoin brought retail investors back to their favorite meme stock. The video game retailer's shares rose after it said it would invest in bitcoin at a time when its primary brick-and-mortar business is struggling to draw customers. "The company clearly understands its shareholder base," said Michael Pachter, managing director at Wedbush. "They (investors) want GameStop to take their money and invest in things like bitcoin, and the company is accommodating their wishes." There was some chatter on social media about the company's interest in bitcoin after GameStop CEO Ryan Cohen shared a picture with Strategy chairman Michael Saylor on social media platform X last month. Shares of GameStop ended 11.75% up at \$28.39.

## **EXCLUSIVE-Italy pursues payment from Meta, X and LinkedIn in landmark tax case**

Italy has handed tax demands to Meta, X and LinkedIn in an unprecedented VAT claim against the U.S. tech giants that could have repercussions across the European Union, four sources with direct knowledge of the matter said. While it has been reported that Facebook and Instagram parent company Meta and Elon Musk's social network X were under investigation for alleged tax fraud, it had not been disclosed that Microsoft's LinkedIn unit was also caught up in Italy's pilot VAT case for the tech sector in Europe. Italy is claiming 961 million from Meta, 12.5 million euros from X and around 140 million euros from LinkedIn. These figures refer to the entire period under investigation, from 2015-2016 to 2021-

2022, depending on the case, but the tax assessment notice now served only covers the years for which claims are set to expire, namely 2015 and 2016.

## **Microsoft pulls back from more data center leases in US and Europe, analysts say**

Microsoft has abandoned data center projects set to use 2 gigawatts of electricity in the U.S. and Europe in the last six months due to an oversupply relative to its current demand forecast, TD Cowen analysts said. The tech giant's backtracking includes deferrals and cancellations of existing data center leases in both regions in the past month, the analysts led by Michael Elias said in a note. TD Cowen's supply chain checks indicate that Microsoft's pullback has led to Alphabet's Google stepping in to backfill the capacity in international markets, while Meta Platforms does the same in the U.S. Microsoft said, while it may "strategically pace or adjust our infrastructure in some areas, we will continue to grow strongly in all regions". It added its plans to spend \$80 billion on AI infrastructure this fiscal year are on track.

## **EXCLUSIVE-ADM cuts jobs in grain trading division, sources say**

Archer-Daniels-Midland is making a fresh wave of job cuts this week at its largest unit, the grain trading and oilseed processing division, according to three sources briefed on the matter. ADM said in a statement it was critical to ensure its cost structure allows the firm to remain globally competitive. "The actions the company is taking are part of the targeted workforce reduction and cost saving actions we announced earlier this year," it said. The statement did not mention any specific locations, divisions or targets. The new wave of cuts began at ADM's Swiss office, which is its European headquarters, one source said, speaking on condition of anonymity. The cuts would be disruptive to ADM's agricultural services and oilseeds business, said another source, as employees, including experienced traders, worried over who might be targeted next.

## **Starboard revives proxy fight with CEO Smith's nomination to Autodesk board**

Starboard Value nominated three directors including its chief executive and founder, Jeff Smith, to Autodesk's board, rekindling its proxy battle with the engineering and design software maker over margin concerns. The nominees include Geoff Ribar, former CFO of Cadence Design Systems, and Christie Simons, a senior partner at Deloitte & Touche. Ribar also serves on the board of Acacia Research, a company backed by Starboard, while Simons joined memory chipmaker Micron's board earlier this month. "Board change is necessary at Autodesk," Starboard said last week. Starboard has argued that Autodesk spends more than its software peers and has underperformed the market. "For investors, this represents a potential value-creation moment where the nomination could trigger accelerated cost management, enhanced accountability, increased focus on AI and cloud technologies, and more disciplined capital allocation," said Michael Ashley Schulman, chief investment officer at Running Point Capital.

## **Phillips 66 proposes new board members amid battle with activist investor Elliott**

Phillips 66 said it has nominated four executives to stand for election as directors at its upcoming annual shareholders' meeting as the proxy fight with activist Elliott Investment Management intensifies. The nominations include John E. Lowe and Robert W. Pease, who are currently serving as directors. Phillips also named Nigel Hearne and Howard I. Ungerleider in place of Gary K. Adams and Denise L. Ramos, who will retire from the board. Phillips' board currently has 14 members but will shrink to 12 after the company's annual meeting in May. The company also said its CEO Mark Lashier was paid \$22.6 million in 2024, up 16.4% from 2023. Elliott Investment Management did not immediately respond to a request for comment.



Police officers walk as they hold their shields during a protest against a law being debated that would increase quotas for industrial fishing companies, in Valparaiso, Chile, March 25. REUTERS/Pablo Sanhueza

## Insight and Analysis

### **Wall Street job cuts loom as market turmoil stalls deals**

U.S. investment banks are poised to cut more jobs if economic uncertainty continues to weigh on dealmaking in the months ahead, according to analysts and recruiters. U.S. President Donald Trump's threats to impose tariffs on trading partners have roiled markets, weighed on capital markets activity and raised the risk of an economic slowdown. The turmoil has taken some of the shine off Wall Street expectations that deals would pick up this year under a business-friendly administration.

### **Trump turbulence stalls large pharma and biotech deals, bankers say**

Large deals involving pharmaceutical and biotech companies are stalling as executives grapple with mercurial White House economic policies that have roiled markets and set off a global trade war, according to four top healthcare investment bankers. The excitement late last year over U.S. President Donald Trump's election victory and prospects for a subsequent flurry of mergers and acquisition deals have quickly faded, they say.

### **COLUMN-Rosy US earnings vista doesn't match gloomy growth outlook: McGeever**

U.S. economic growth is set to slow this year, perhaps significantly, but no one seems to have told Wall Street. While equity prices and valuations have tailed off recently, analysts are still expecting record-high profits. In some ways, this is how it should work. Shifts in the economic, political, regulatory or financial environment that affect corporate profitability should be reflected in the stock market well before analysts adjust their longer-term outlooks.

# CANADA

## Market Monitor

Canada's main stock index fell, dragged down by losses in the technology sector, while markets also grappled with uncertainty surrounding new U.S. tariffs set to take effect next week.

Toronto Stock Exchange's **S&P/TSX composite index** ended 0.7% down at

25,161.06.

**Information technology shares** ended 3.24% down at 270.47.

The **U.S. dollar** edged 0.01% higher against the **Canadian dollar** at C\$1.4279.

### COMING UP

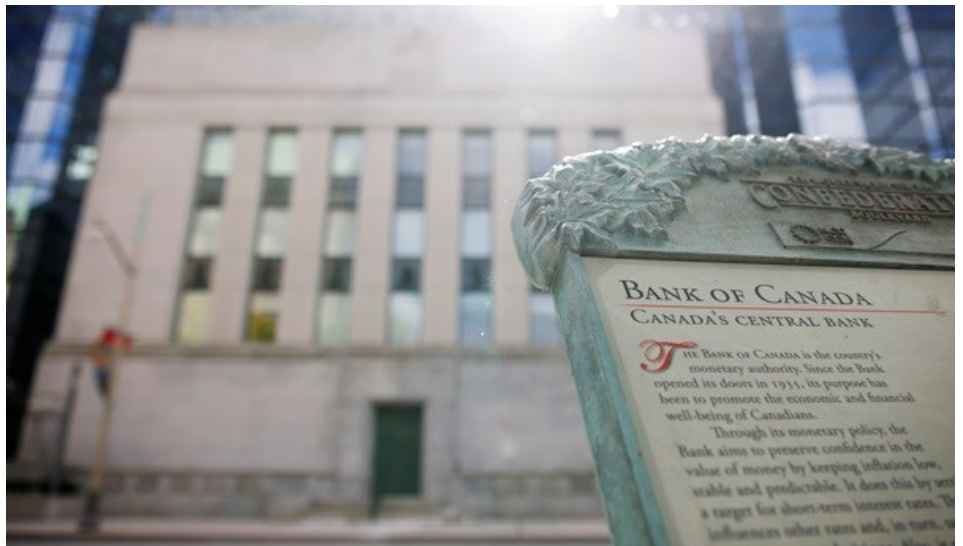
**Royal Bank of Canada** is expected to host its first investor day in seven years. The event comes amid challenges due to an uncertain economy caused by the trade war between Canada and the United States and a year after RBC closed the acquisition of HSBC's domestic unit for \$10 billion, its largest deal till date.

TSE's S&P/TSX composite	Price	C\$ Chng	% Chng
<b>GAINERS</b>			
Birchcliff Energy Ltd	6.25	0.43	7.30
Badger Infrastructure Solutions Ltd	39.91	1.30	3.37
Aecon Group Inc	25.90	0.62	2.45
<b>LOSERS</b>			
B2Gold Corp	3.22	-0.25	-7.20
Hudbay Minerals Inc	11.78	-0.36	-2.97
IAMGOLD Corp	7.97	-0.23	-2.80

## Top News

### Bank of Canada gave less weight to downward risks to inflation - minutes

The Bank of Canada saw less evidence of downward pressure on inflation even as it decided to cut rates by 25 basis points on March 12, according to minutes of the deliberations. The bank trimmed its key policy rate for the seventh time in a row to 2.75% as a way to help Canadians deal with the uncertainty posed by U.S. tariffs, the minutes said. "Governing Council members were generally assigning less weight to downside risks to inflation," the minutes said, noting strong growth at the start of 2025. "There was general agreement that the new data had shifted the balance, with somewhat less risk of lower inflation outcomes. They agreed that, in the absence of tariff threats and elevated uncertainty, the decision would probably have been to maintain the policy interest rate at 3%." Members of the rate-setting council agreed that it was too early to see the impact of



General view of the Bank of Canada building on Parliament Hill in Ottawa, Ontario, September 17. REUTERS/Blair Gable

tariffs on economic activity, but that the shift in sentiment was likely to translate into a "considerable" slowing in domestic demand going forward. They noted the extent and speed of the pass-through to consumer prices was

uncertain and will require careful tracking.

**Canada steel, aluminum plants lay off workers due to US tariffs**  
 Hundreds of Canadian workers, many

in the steel and aluminum sectors, have been laid off as a result of U.S. President Donald Trump's tariffs, according to a major union and companies. Economists warned this was only the beginning as the impact of tariffs is expected to broaden the longer they are in place. Uncertainty surrounding Trump's policies has cast a chill over Canada's economy and labour market. Marty Warren, national director of the United Steelworkers - the largest private-sector union in North America, with more than 225,000 members in Canada - said he has heard from members that about 200 of them are already out of a job. Affected companies include Canada Metal Processing Group, which issued a February 24 press release announcing a workforce reduction of 140 employees due in part to "the threat of incoming tariffs from the United States on steel and steel derivatives." Those threatened tariffs are now in place. The workforce reduction is a combination of permanent layoffs, temporary layoffs, work share and retirements, a company spokesperson told Reuters, adding the company is also freezing hiring for new or vacant positions.

### **RBC investors weigh growth plans as US trade feud worsens**

When Royal Bank of Canada convenes its first investor day in seven years on Thursday, shareholders will focus on growth, as trade tensions worsen with its key U.S. market. The United States accounts for 26% of RBC's revenue, and CEO Dave McKay has often called it the bank's second home market. "Where does Royal Bank grow?" asked Kevin Burkett, portfolio manager at Victoria, BC-based Burkett Asset Management. "If the tariff rhetoric coming from the U.S. is making that more complicated, how will they deliver for investors in terms of that growth?" RBC, the largest lender in Canada and among the top 10 in North America, has focused on its southern neighbor in recent years, beefing up its U.S. capital market and wealth management businesses. It also injected more than \$3 billion to save its U.S. subsidiary City National, a California-based lender

that caters to Hollywood clientele. McKay has also sought to make RBC "simpler, faster and more innovative" by adding scale, reducing complexity and investing in talent, according to memos to employees seen by Reuters.

### **Nutrien sees no major impact from Black Sea deal**

Nutrien said it doesn't think the proposed Black Sea shipping deal between Ukraine, Russia and the U.S. will significantly affect the North American or global fertilizer market this year. "We do not expect the announced agreements will have a material impact on global supplies of fertilizers or grains in 2025," said Nutrien spokesperson Shawn Churchill in a statement to Reuters. "Russian fertilizer exports have largely adapted to the restrictions that were in place and are already operating near full capacity." Nutrien, the world's top potash producer, believes there is little potential for increased exports from Russia and Ukraine in the short term. The three-country Black Sea deal has an unclear future. Russia has listed conditions required for it to comply with it, including lifting some restrictions on Russian banks, and much commercial traffic has already been occurring despite the military conflict.

### **Carney promises C\$2 billion fund to boost Canadian auto industry**

Canadian Prime Minister Mark Carney said if the ruling Liberals won an April 28 election, his government would create a C\$2 billion fund to boost the auto sector's competitiveness. Carney, speaking to a televised press conference in Windsor, Ontario, also said his government would work with industry to build more car parts in Canada and limit the number of parts that cross the border with the United States during production. The North American auto industry is highly integrated but now finds itself threatened by tariffs that U.S. President Donald Trump is promising to impose. Carney, noting the auto sector supported 125,000 jobs directly and almost another 500,000 jobs in related industries, said the new fund would protect workers affected by tariffs. "It will fortify the entire Canadian auto supply chain, from raw materials to finished vehicles ...we will build an all-in Canada network for auto manufacturing components," he said. Separately, China does not share Canadian values when it comes to trade and Canada needs to be very careful about boosting bilateral commercial ties, Prime Minister Mark Carney said. To read more, [click here](#)



*The Royal Bank of Canada (RBC) logo is seen outside of a branch in Ottawa, Ontario, February 14, 2019. REUTERS/Chris Wattie*

# WEALTH NEWS

## ECONOMIC DATA

### Front-loading ahead of tariffs boosts US durable goods orders

Orders for long-lasting U.S. manufactured goods unexpectedly rose in February as businesses rushed to avoid potential price increases from tariffs, likely boosting capital expenditure in the first quarter. Orders for durable goods, items ranging from toasters to aircraft meant to last three years or more, increased 0.9% after advancing by an upwardly revised 3.3% in January, the Commerce Department's Census Bureau said. Economists polled by Reuters had forecast durable goods orders would fall 1.0%. Non-defense capital goods orders excluding aircraft, a closely watched proxy for business spending plans, dropped 0.3% after an upwardly revised 0.9% surge in January. Economists had forecast these so-called core capital goods orders would gain 0.2% after a previously reported 0.8% jump in January. Shipments of core capital goods rebounded 0.9%, the most in a year, after falling 0.2% in January. Non-defense capital goods orders declined 1.5% after accelerating 12.8% in January.



*Durable goods are seen on sale in a store in Los Angeles, California, March 24, 2017. REUTERS/Lucy Nicholson*

## MONETARY POLICY

### Fed should stay put for extended period amid policy uncertainty, Kashkari says

Minneapolis Federal Reserve Bank President Neel Kashkari said he's uncertain about the effect of President Donald Trump's tariffs on the U.S. economy, with the possibility that they could push up prices arguing for higher interest rates, and the chance that they could slow economic growth calling for reducing borrowing costs.

## WALL STREET BONUSES

### Wall Street bonuses jump 32% as total surges to record, NY comptroller

Wall Street banker bonuses rose 31.5% to an average \$244,700 last year as dealmaking rebounded, but the boom times may wane as economic uncertainty rises, New York State Comptroller Thomas DiNapoli said.

## S&P 500 OUTLOOK

### Barclays joins Goldman, RBC in cutting S&P 500's 2025 target on tariff uncertainty

Barclays became the latest brokerage after Goldman Sachs and RBC Capital Markets to slash its year-end target for the benchmark S&P 500 index, due to uncertainty arising from U.S. President Donald Trump's tariff policies.

## CFO OPTIMISM

### CFO optimism dropped as Trump tariff plans unfolded, survey says

Optimism among company chief financial officers dropped in the first quarter as tariff risks and uncertainty began to cloud an outlook among business executives that had been buoyed by President Donald Trump's election victory, according to a survey by two Federal Reserve banks and Duke University.

## STABLECOIN

### Fidelity Investments tests dollar-pegged stablecoin

U.S. asset manager Fidelity Investments is exploring whether to launch its own stablecoin, in the latest sign of mainstream investors looking to cash in on a revival of interest in cryptocurrencies.

## SILICON VALLEY AND GOVERNMENT POLICY

### VC firm Eclipse taps former Trump trade advisor to lead policy

Venture capital firm Eclipse has hired former Trump administration trade advisor Thomas Storch as its first head of policy and government affairs, the latest Silicon Valley firm seeking to build a larger presence in Washington and establish a line of communication with the administration on policymaking.



A resident uses a smartphone to record a wildfire in Yeongyang, South Korea, March 26. REUTERS/Kim Hong-Ji

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*The Day Ahead - North America is compiled by Nachiket Tekawade and Ananya Roy in Bengaluru.*

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