

# THE DAY AHEAD

## MARKET RECAP at 4 pm ET

Slowing job growth weighed on equities. Gold plunged, snapping its record breaking rally, after a stronger dollar weighed on the bullion. Treasury Yields ticked up. Oil prices fell on economic recovery fears.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	27438.15	51.17	0.19	29568.57	18213.65
Nasdaq	11010.98	-97.09	-0.87	11121.19	6631.42
S&P 500	3351.26	2.10	0.06	3393.52	2191.86
Toronto	16544.48	-34.62	-0.21	17970.51	11172.73
FTSE	6032.18	5.24	0.09	7689.67	4898.79
Eurofirst	1409.98	3.77	0.27	1691.19	1051.38
Nikkei	22329.94	-88.21	-0.39	24115.95	16358.19
Hang Seng	24531.62	-398.96	-1.60	29174.92	21139.26

TREASURIES	Yield	Price
10-year	0.5640	-9/32
2-year	0.1290	-1/32
5-year	0.2310	-3/32
30-year	1.2311	-24/32

FOREX	Last	% Chng
Euro/Dollar	1.1787	-0.74
Dollar/Yen	105.95	0.39
Sterling/Dollar	1.3060	-0.65
Dollar/CAD	1.3379	0.56
TR/HKEX RMB	91.70	0.12

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	41.51	-0.44	-1.05
Spot gold (NY/oz)	2030.45	-32.74	-1.59
Copper U.S. (front month/lb)	0.0279	-0.0011	-3.87
CRB Index Total Return	155.98	-1.86	-1.18

S&P 500	Price	\$ Chng	% Chng
<b>GAINERS</b>			
Biogen Inc	305.71	28.05	10.10
United Parcel Service Inc	156.90	11.43	7.86
Host Hotels & Resorts Inc	11.50	0.74	6.88
<b>LOSERS</b>			
illumina Inc	355.66	-43.67	-10.94
Fleetcor Technologies Inc	240.41	-22.59	-8.59
Fortinet Inc	131.00	-8.51	-6.10

## Coming Up - On Monday



**Marriott International Inc** is expected to post a second-quarter loss, hurt by extended travel disruptions due to the COVID-19 pandemic. Investors will be on the lookout for Marriott's comments on their recovery, especially as economies gradually reopen.

**Occidental Petroleum Corp** is expected to post a second-quarter loss, compared with a year-ago profit, as the pandemic hurt energy demand and caused a steep fall in oil prices. Analysts will watch out for impairment charges as well as comments on any possible restructuring to whittle down the debt taken on when Occidental bought Anadarko Petroleum for \$38 billion last year.

**Royal Caribbean Cruises Ltd** is expected to swing to a second-quarter loss after the COVID-19 pandemic brought the cruise industry to a grinding halt. Investors will look out for updates on the company's liquidity and

cash burn rate, as cruise operators still remain months away from resuming sailings.

**IAC/Interactive Corp** is expected to post a rise in second-quarter revenue helped by a captive audience for its online dating business and video hosting platform during stay-at-home orders.

**Job Openings and Labor Turnover Survey**, or JOLTS, report is scheduled to be released for June. U.S. job openings rose to 5.397 million in May.

**Mexico's June industrial output** data is on the radar. Mexican industrial output in May was down 1.8% from April and was 30.7% lower year-over-year.

**Federal Reserve Bank** of Chicago President **Charles Evans** gives welcome remarks before virtual event, "Workforce Challenges During Chicago's Recovery" hosted by the Federal Reserve Bank of Chicago.

### LIVECHAT – REUTERS GLOBAL MARKETS FORUM

Reuters Forex Buzz Analyst **Jeremy Boulton** takes questions on G7 currencies and select EM FX pairs. (0700 ET/1100 GMT) To join the conversation, [click here](#)

## KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Employment Trends for Jul	1000	--	49.00
JOLTS job openings for Jun	1000	--	5.397 mln

## Coming Up - Week Ahead

On Wednesday, the Labor Department is scheduled to report the **consumer price index** (CPI) likely increasing 0.3% in July, after a 0.6% rise in June. In the 12 months through July, the CPI is expected to have climbed 0.8% after gaining 0.6% in June. On Tuesday, **U.S. producer price index** (PPI) for final demand is likely to show a rise of 0.3% in July, after falling 0.2% in June. In the 12 months through July, the PPI likely declined 0.7%, following a 0.8% drop in June. On Thursday, Labor Department is expected to release data on **initial claims for state unemployment benefits** for the week ended Aug. 8. This number fell 249,000 to a seasonally adjusted 1.186 million for the week ended Aug. 1. Also on Thursday, Labor Department report will show that **import prices** likely rising 0.5% in July, after rising 1.4% in June, while export prices are likely to have risen 0.4% in July, after increasing 1.4% in June. Commerce Department data on Friday will show **retail sales** likely rose 1.8% in July after increasing 7.5% in June. On the same day, Federal Reserve data will show **industrial production** likely increased 3% in July after a 5.4% rise in June. **U.S. business inventories** are likely to have fallen 1.2% in June, after dropping 2.3% in May, data from the Commerce Department on Friday is expected to show.

**Cisco Systems Inc** on Wednesday is expected to post a fall in fourth-quarter revenue, hurt by pandemic-induced supply chain constraints and weaker consumer spending for network gears in the quarter.

**Applied Materials Inc** on Thursday is expected to report a rise in its third-quarter revenue. The chip gear maker has expressed optimism about a rebound in supply chain, helping it recoup sales lost due to the pandemic.

**Baidu Inc** on Thursday is expected to post a fall in second-quarter revenue hurt by the spending cuts in advertising as companies keep a lid on costs to tide over the coronavirus-led fall in



A man shops inside a Rite Aid store in New York City, U.S., June 25. REUTERS/Lucas Jackson

revenue. Investors will be looking at comments on demand recovery, particularly in advertising.

**Lyft Inc** on Wednesday is expected to post a fall in second-quarter revenue as people stay indoors to protect themselves against the COVID-19 pandemic that also prompted many states to enforce stay-at-home orders further cutting down on commuting within cities. Investors will be looking at any commentary on demand recovery.

Winterwear maker **Canada Goose Holdings Inc** on Tuesday is expected to post a loss in the first quarter, hurt by weak demand for luxury items. Investors will be on the lookout for comments on current levels of demand, especially at its more-profitable direct-to-consumer channel.

The Canadian Mortgage and Housing Corporation is scheduled to release **housing starts** data on Tuesday. Canadian factory sales data for June is scheduled to be released on Friday. It jumped by a record 10.7% in May from April.

On Tuesday, **Federal Reserve Bank** of San Francisco President **Mary Daly** participates in fireside chat before the Professional Business Women of California Annual Conference. Federal Reserve Bank of Boston President **Eric Rosengren** on Wednesday speaks on the U.S. economy and current economic conditions before the South Shore Chamber of Commerce. On the same day, Federal Reserve Bank of San Francisco President **Mary Daly** participates in fireside chat on the current status of the U.S. economy and the ongoing impacts of COVID-19 before the Economic Club of Las Vegas.

**Brazil's** June **retail sales** data is expected to be out on Tuesday. Retail sales excluding autos and building materials in Brazil climbed 13.9% in May from April. On Thursday, **Mexico** and **Peru's** central bankers are expected to decide the **benchmark interest rates** for their respective countries.

# Market Monitor

The **Nasdaq** closed lower, as data showed a sharp slowdown in U.S. employment growth and investors worried lawmakers would not be able to agree on another fiscal stimulus bill to bolster the economy from a coronavirus-induced recession. **Tech-related stocks**, which have fueled a Wall Street rally since March, fell 1.56% to 1999.45 and helped push the Nasdaq down. With the second-quarter corporate earnings season largely over, about 82% of S&P 500 companies that have reported so far have beaten dramatically lowered estimates, with earnings on average coming in 22.5% above expectations, the highest on record. **T-Mobile US** jumped 6.5% on earnings boost. **Uber** shares fell 5.2% after reporting second quarter earnings. New York-listed **Tencent Music Entertainment** fell 3.3%. **Microsoft** shares dropped 1.8%. The **Dow Jones Industrial Average** rose 0.19%, to 27,438.15, the **S&P 500** rose 0.06%, to 3,351.26 and the **Nasdaq Composite** dropped 0.87%, to 11,010.98. For the week, the S&P 500 rose 2.45%, the Dow added 3.81%, the Nasdaq gained 2.47%.

**Treasury yields** rose as bond investors speculated whether the dramatic fall in July jobs numbers reported earlier in the day could spur Congress to agree on a second major coronavirus stimulus bill. "The single biggest factor that short-term growth and financial markets are centering on is the potential passage of another stimulus bill in Congress. And I think as the day goes on, we'll see more and more discussion about how today's employment report affects those negotiations," said Guy LeBas, chief fixed income strategist at Janney Montgomery Scott. The **benchmark 10-year notes** fell 9/32, yielding 0.565%. The **two-year notes** fell 1/32, yielding 0.129% and **30-year bonds** were 25/32 lower, with a yield of 1.232%.



The front facade of the New York Stock Exchange is seen in New York City, U.S., June 26. REUTERS/Brendan McDermid

The **U.S. dollar** bounced after U.S. job growth for July surpassed low expectations, while investors kept an eye on ongoing stimulus talks in Washington. The **dollar index** rose in the wake of the report and was last up 0.67% at 93.41. "U.S. labor market report has painted a strong picture of the jobs recovery... However it is clear that the recovery remains fragile and depends significantly on the progress of the virus," said Michael Brown, senior analyst at payments firm Caxton, in London. The **euro** retreated from recent highs, and was last down 0.76% at \$1.1785.

**Oil prices** fell, limiting their weekly gain due to concerns the global recovery could falter from a resurgence of coronavirus cases. **Brent crude** fell 1.04% at \$44.62 a barrel. **U.S. West Texas Intermediate crude** fell 1.05% to \$41.51 a barrel. "The U.S. Congress can't seem to come up with a plan for the next round of stimulus and it's

creating doubt for U.S. economic recovery," said Gary Cunningham, director of market research at Tradition Energy.

**Gold** slumped, snapping its record-breaking rally, after a decent U.S. jobs report boosted the dollar. **Spot gold** fell 1.58% to \$2,030.61 per ounce, after hitting a record high of \$2,072.50. **U.S. gold futures** were down 1.23% at \$2,044.0 an ounce. "The dollar rebounded quite strongly after the jobs report. That clearly caused a sell-off across the board in the metals sector," said David Meger, director of metals trading at High Ridge Futures. "The thought process would be that with the slightly better than expected jobs number, the economy is slowly regaining its footing and, hypothetically, we would then see a lesser need for stimulus."

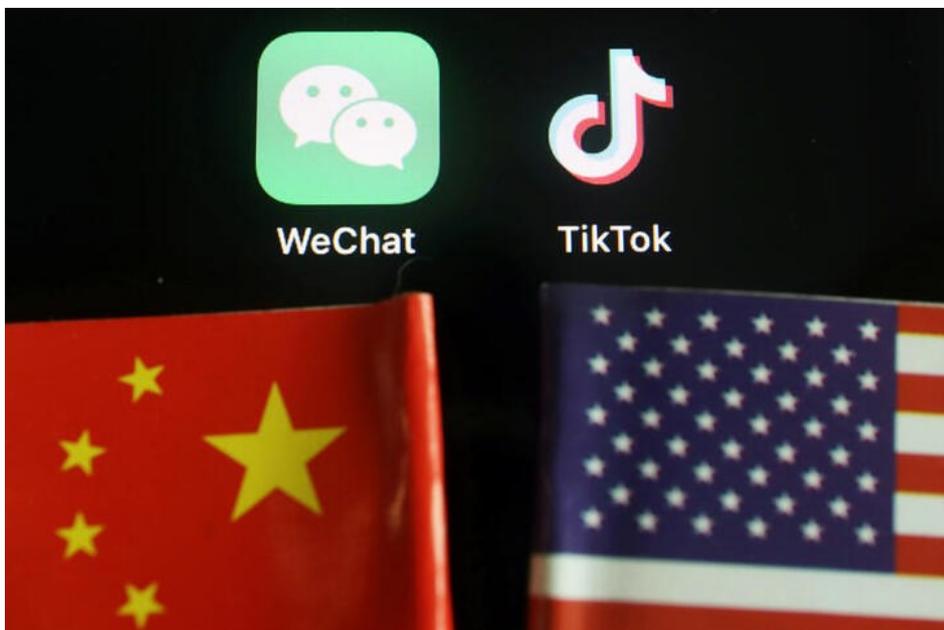
# Top News

**Trump preps bans on WeChat, TikTok, stoking tension with Beijing**

U.S. President Donald Trump has unveiled sweeping bans on U.S. transactions with the Chinese owners of messaging app WeChat and video-sharing app TikTok, escalating a high-stakes confrontation with Beijing over the future of the global tech industry. The executive orders announced Thursday and effective in 45 days come after the Trump administration this week flagged increased effort to purge "untrusted" Chinese apps from U.S. digital networks, calling Tencent Holdings's WeChat and Bytedance's popular TikTok "significant threats." China said the companies comply with U.S. laws and regulations and warned that the United States would have to "bear the consequences" of its action. "The U.S. is using national security as an excuse and using state power to oppress non-American businesses. That's just a hegemonic practice," foreign ministry spokesman Wang Wenbin told a media briefing. "We are shocked by the recent Executive Order, which was issued without any due process," TikTok said, adding that it would "pursue all remedies available to us in order to ensure that the rule of law is not discarded". "We are reviewing the executive order to get a full understanding," a Tencent spokesperson said.

**Pfizer to make Gilead's COVID-19 treatment remdesivir**

Pfizer said it signed a multiyear agreement to make COVID-19 treatment remdesivir for developer Gilead Sciences, which is under pressure to increase tight supplies of the antiviral drug. Gilead is aiming to make enough of the drug by the end of the year to treat more than 2 million COVID-19 patients, and agreed to send nearly all of its remdesivir supply to the United States through September. Gilead said its manufacturing network for the drug had grown to more than 40 companies in



*The messenger app WeChat and short-video app TikTok are seen near China and U.S. flags in this illustration picture taken August 7. REUTERS/Florence Lo*

North America, Europe and Asia to add capacity. Pfizer will provide contract manufacturing services through its McPherson, Kansas, plant, the drugmaker said. It was not immediately clear if Pfizer would supply only for the U.S. market.

**Goldman Sachs cuts quarterly earnings citing legal provisions**

Goldman Sachs lowered its previously stated quarterly earnings as the bank set aside more money to pay for its settlement with the Malaysian government over the multi-billion 1MDB scandal. Goldman lowered its net earnings applicable to common shareholders to \$197 million from \$2.25 billion, in a filing. The revised earnings reflect a larger-than-previously-announced provision for legal and regulatory costs due to a \$3.9-billion settlement the bank reached with the Malaysia government. The bank said it set aside \$2.96 billion in the second quarter for legal and regulatory costs, up from the \$945-million Goldman said it set aside on

July 15 during its second quarter earnings announcement.

**Alzheimer's drug from Biogen to get speedy U.S. review**

The U.S. Food and Drug Administration will conduct an expedited review of an experimental Alzheimer's drug from Biogen and Japan's Eisai, the companies said, the first application in 17 years to be reviewed by the agency for a treatment of the mind-robbing disease. If approved, aducanumab would be the first treatment designed to delay progression of Alzheimer's disease, which is expected to affect 13.9 million Americans or 3.3% of the country's population, by 2060, according to the U.S. Centers for Disease Control and Prevention. The FDA agreed to a priority review with a decision expected by March 7, the companies said, faster than the 10 months typically expected under a standard review. The companies added in a statement that the agency "has stated that, if possible, it plans to act early on this application."



### **Delta wants at least 3,000 flight attendants to take unpaid leave**

Delta Air Lines will need at least 3,000 of its roughly 20,000 flight attendants to take unpaid leave of four to 12 months, or consider other options, to avoid involuntary furloughs, a person with knowledge of the matter said. Delta would need at least 3,000 of its roughly 20,000 flight attendants to take unpaid leave of up to 12 months, among other options outlined in a memo reported earlier by CNBC. A person with direct knowledge of the matter confirmed the contents of the memo to Reuters. A representative for Delta did not immediately respond to a Reuters request for comment.

### **FAA employees report industry pressure, question agency safety push -survey**

Federal Aviation Administration (FAA) safety employees reported facing "strong" external pressure from industry and raised alarms the agency does not always prioritize air safety, according to an independent survey seen by Reuters. The survey report gives ammunition to critics who argue in the aftermath of two fatal Boeing 737 MAX crashes that the FAA has not done enough to insulate employees from industry pressure. The survey quoted one anonymous employee as saying that the message was, "Don't rock the boat with Boeing." The report found employees believe aviation safety leaders "painted 'too rosy of a picture'" after the 737 MAX crashes "and did not acknowledge the needed

changes to FAA safety-related policies and processes." The survey, turned over to Congress, found that many aviation safety employees believe that "senior leaders are overly concerned with achieving the business-oriented outcomes of industry stakeholders and are not held accountable for safety-related decisions."

### **Trading firm Virtu's quarterly profit tops views as volumes surge**

Trading firm Virtu Financial reported better-than-expected second-quarter earnings, fueled by a surge in trading by retail investors as markets rose from lows hit earlier during the coronavirus pandemic. New York-based Virtu earned \$335.3 million, or \$1.58 per share, in the quarter, compared with a loss of \$55.5 million, or 27 cents per share, a year earlier, following the company's \$1 billion acquisition of brokerage ITG Inc. Stripping out one-time items, Virtu earned \$1.73 per share, 13 cents above analysts' estimates, on average, according to IBES data from Refinitiv. Total revenues rose 141.5% to \$905.9 million.

### **Tired of Zoom calls? Company offers at-home hologram machines**

Looking for a new way to communicate during the pandemic? A Los Angeles company has created phone booth-sized machines to beam live holograms into your living room. The device made by PORTL Inc lets users talk in real time with a life-sized hologram of another person. The machines also can be equipped with technology to enable interaction with recorded holograms of historical figures or relatives who have passed away. Each PORTL device is seven feet (2.1m) tall, five feet (1.5m) wide and two feet (0.6m) deep, and can be plugged into a standard wall outlet. Anyone with a camera and a white background can send a hologram to the machine in what Chief Executive David Nussbaum calls "holoportation."

### **U.S. judge ends decades-old movie theater rules governing Hollywood**

A federal judge granted the U.S. government's request to immediately end the Paramount Decrees, a set of antitrust rules from the late 1940s and early 1950s that ended Hollywood's monopoly on producing, distributing and exhibiting movies. U.S. District Judge Analisa Torres in Manhattan said the Department of Justice "offered a reasonable and persuasive explanation" for why terminating the consent decrees would "serve the public interest in free and unfettered competition." The Justice Department said the decrees were no longer needed after multiplexes, broadcast and cable TV, DVDs and the internet changed how people watch movies, and because studios no longer dominated movie theater ownership. Three chains - AMC Entertainment, Cinemark and Regal - control about half of the 41,000 U.S. movie screens.

### **Chevron ordered to inspect propane kettles at Gorgon LNG plant in Australia**

Chevron was ordered to inspect the propane heat exchangers on two of the three trains at its Gorgon liquefied natural gas (LNG) plant in Australia following safety concerns raised by a trade union. Western Australia's industrial safety regulator said the inspection orders were for trains one and three and had to happen before August 21. It was not immediately clear whether Chevron would have to shut down trains 1 and 3 at the 15.6 million tonnes a year plant, one of the world's largest LNG projects, to conduct the inspection and any necessary repairs. "We are evaluating, based on the learning that we've got, how to best address trains 1 and 3," Chevron Vice President Jay Johnson told analysts on an earnings call on July 31.



Lyra Conley hugs Caesar McCool, a therapy llama nicknamed the "No Drama Llama" at site of ongoing protests against police violence and racial inequality, in Portland, Oregon, U.S., August 6. REUTERS/Nathan Howard

## Insight and Analysis

### **Facebook's dilemma: How to police claims about unproven COVID-19 vaccines**

Since the World Health Organization declared the novel coronavirus an international health emergency in January, Facebook has removed more than 7 million pieces of content with false claims about the virus that could pose an immediate health risk to people who believe them. But in most instances, Facebook does not remove misinformation about the new COVID-19 vaccines that are still under development, according to the company's vaccine policy lead Jason Hirsch, on the grounds that such claims do not meet its imminent harm threshold. Hirsch told Reuters the

company is "grappling" with the dilemma of how to police claims about new vaccines that are as yet unproven.

### **'Bull everything' rally leaves investors wondering what to own**

With assets of all stripes rallying and the S&P 500 Index approaching fresh records, investors are facing a dilemma: stay in or get out. Surging U.S. stocks, Treasuries and gold prices have come to the brink of simultaneously notching record highs for the first time in history, while rallies in once beaten-down assets like oil, financial stocks and the euro have accelerated. The S&P 500 is up 50% from its late March lows.

### **COLUMN-Refining margins mired between OPEC+ and recession:**

#### **Kemp**

Global crude exporters and refiners are locked in a stand-off, as OPEC+ tries to drain excess crude stocks and lift prices and refiners face falling fuel consumption and shrinking margins. These drops are most evident in the market for middle distillates (gasoil, diesel and jet fuel) which have been hit hard by the twin impact of lockdowns and economic recession. While Brent prices have recovered most of their losses since the outbreak of the volume war between Russia and Saudi Arabia in March, refining margins for mid-distillates are just half their pre-lockdown level.



# CANADA

## Coming Up - On Monday

Canadian fertilizer maker **Nutrien Ltd** is expected to report a fall in its second quarterly profit, likely hit by lower corn demand and potash prices. Investors will look out for commentary on potash shipments and on industry environment as the company lowered its global shipment forecast last quarter.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
<b>GAINERS</b>			
Ritchie Bros. Auctioneers Inc	74.64	9.54	14.65
CCL Industries Inc	48.88	3.61	7.97
Brookfield Business Partners LP	39.07	1.96	5.28
Norbord Inc	43.61	1.96	4.71
SNC-Lavalin Group Inc	23.95	0.97	4.22
<b>LOSERS</b>			
Cominar REIT	7.00	-1.02	-12.72
Bausch Health Companies Inc	24.11	-2.72	-10.14
Cascades Inc	14.64	-1.30	-8.16
First Quantum Minerals Ltd	11.89	-1.03	-7.97
SSR Mining Inc	29.52	-2.23	-7.02

## MARKET MONITOR



REUTERS/Mark Blinch

The **Toronto Stock Exchange's S&P/TSX composite index** ended 0.21% lower at 16,544.48. The **energy sector** rose 1.18% to 82.23. The **financials sector** rose 0.93% to 266.51. **Ritchie Bros. Auctioneers** shares surged 14.65% on upbeat earnings.

The **U.S. dollar** was 0.56% higher against the **Canadian dollar** at C\$1.3379.

## Top News

### Canada adds more jobs than expected in July; most were part-time positions

Canada added 418,500 jobs in July, though the vast majority were part-time positions, and the unemployment rate fell to 10.9% as the economy continued to reopen from COVID-19 closures, Statistics Canada said. Analysts in a Reuters poll had predicted a gain of 400,000 jobs and an unemployment rate of 11%, after record job gains in June as businesses across the country reopened. Employment in the goods-producing sector grew by 70,600 jobs, while the services sector grew by 347,900 positions. Part-time employment rose by 345,300 compared to 73,200 new full-time positions. StatsCan also broke out employment numbers for minority population groups for the first time in July. It found that the unemployment rate was significantly higher for South Asian, Arab and Black Canadians than the average. "We know that the best decisions are based on the most

inclusive data, and our government will continue to monitor and track how this situation is impacting Canadians from all walks of life," the government said in a statement. While the gains were better than expected, almost 2.2 million Canadians were jobless in July, around twice as many as in February.

### Canada's Ivey PMI rises to 2-year high as purchasing activity accelerates

Canadian purchasing activity expanded at its strongest pace in more than two years in July, Ivey Purchasing Managers Index (PMI) data showed, providing additional evidence that Canada's economy is recovering from the coronavirus crisis. The seasonally adjusted PMI rose to 68.5 from 58.2 in June. That was its highest level since April 2018 and surpassed analysts' expectations for 57.5. "It is consistent with what we have seen in other indicators that have started to rebound from the pandemic lows," said Josh Nye, a senior economist at Royal Bank

of Canada. The unadjusted PMI rose to 65.2 from 62.9 in June.

### Auto supplier Magna's sales beat as virus-hit vehicle production rebounds

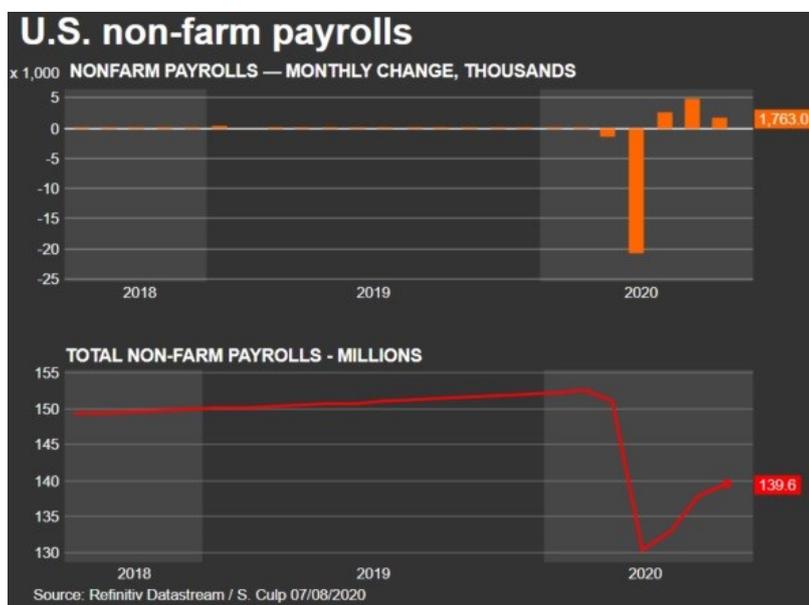
Auto parts maker Magna International reported better-than-expected quarterly revenue and forecast full-year sales above estimates, as vehicle production in North America showed signs of a recovery from the COVID-19 pandemic. The company said it lost about \$5.5 billion in sales during the second quarter, as its customers shut production amid government-enforced lockdowns. Light-vehicle production in North America, Magna's biggest market, tumbled 70% in the period. Magna had pulled its full-year financial outlook in March, and now expects 2020 sales between \$30 billion and \$32 billion, above analysts' estimate of \$30.2 billion, according to IBES data from Refinitiv. However, the sales target is still down between 19% and 24% compared with a year earlier.

# WEALTH NEWS

## ECONOMIC DATA

### Slowing U.S. job growth, rising COVID-19 raise doubts on the recovery's strength

U.S. employment growth slowed considerably in July, underscoring an urgent need for additional government aid as a resurgence of COVID-19 infections threatens to snuff out the nascent economic recovery. Nonfarm payrolls increased by 1.763 million jobs last month after a record rise of 4.791 million in June. Excluding government employment which was artificially boosted by a seasonal quirk related to local and state government education, and temporary hiring for the 2020 Census, payrolls rose 1.462 million, stepping down from 4.737 million in June. The unemployment rate fell to 10.2% from 11.1% in June. Average hourly earnings increased 0.2% in July after a drop of 1.3% in June. The workweek shortened to an average of 34.5 hours from 34.6 hours.



## CORONAVIRUS AID NEGOTIATIONS

### A 'disappointing' meeting: No deal in U.S. coronavirus talks

Congressional Democrats offered to reduce a proposed coronavirus aid package by \$1 trillion if Republicans would add a trillion to their counter-offer, but President Donald Trump's negotiators turned them down as more talks ended without a deal.

## EARNINGS OUTLOOK

### U.S. earnings recovery may be faster than in previous crises

U.S. companies' profit growth forecasts for the next five years are still intact, according to Refinitiv data, suggesting that the impact inflicted on companies by the coronavirus pandemic is likely to be more fleeting than that in previous crises.

## CANADA EYES RETALIATORY TARIFFS

### Canada to impose retaliatory tariffs on U.S. goods, hopes for resolution

Canada will slap retaliatory tariffs on C\$3.6 billion worth of U.S. aluminum products after the United States said it would impose punitive measures on Canadian aluminum imports, a senior official said.

## ROSENGREN ON FED LOANS

### More businesses will tap Fed loan program if economy worsens, Rosengren says

A key Federal Reserve official told a congressional watchdog that participation in a \$600 billion loan program meant to carry small and medium-sized firms through the coronavirus crisis would expand rapidly if the pandemic or economy worsened.

## U.S. LISTED CHINESE FIRMS ON THE RADAR

### Trump advisers urge delisting of U.S.-listed Chinese firms that fail to meet audit standards

Trump administration officials have urged the president to delist Chinese companies that trade on U.S. exchanges and fail to meet U.S. auditing requirements by January 2022, Securities and Exchange Commission and Treasury officials said on Thursday.

## EARNINGS REPORT

### U.S. Postal Service chief warns of 'dire' finances, adopts manager hiring freeze

The head of the U.S. Postal Service said the agency faces a "dire" financial position even as it posted a slightly narrower third-quarter loss as package demand soared during the coronavirus pandemic.

## ON THE RADAR

Events	ET	Poll	Prior
<b>Tue:</b> NFIB Business Optimism Index for Jul	0600	--	100.6
PPI final demand yy for Jul	0830	-0.7%	-0.8%
PPI final demand mm for Jul	0830	0.3%	-0.2%
PPI exfood/energy yy for Jul	0830	0.0%	0.1%
PPI exfood/energy mm for Jul	0830	0.1%	-0.3%
PPI ex food/energy/transport yy for Jul	0830	--	-0.1%
PPI ex food/energy/transport mm for Jul	0830	--	0.3%
<b>Wed:</b> Core CPI mm, SA for Jul	0830	0.2%	0.2%
Core CPI yy, NSA for Jul	0830	1.2%	1.2%
CPI Index, NSA for Jul	0830	258.510	257.797
Core CPI Index, SA for Jul	0830	--	266.07
CPI mm, SA for Jul	0830	0.3%	0.6%
CPI yy, NSA for Jul	0830	0.8%	0.6%
Real weekly earnings mm for Jul	0830	--	-2.3%
CPI mm NSA for Jul	0830	--	0.55%
CPI Index SA for Jul	0830	--	257.21
Cleveland fed CPI for Jul	1100	--	0.1%
Federal Budget for Jul	1400		-\$864.00 bln
<b>Thu:</b> Import prices mm for Jul	0830	0.5%	1.4%
Export prices mm for Jul	0830	0.4%	1.4%
Import prices yy for Jul	0830	--	-3.8%
<b>Fri:</b> Labor costs preliminary for Q2	0830	5.5%	5.1%
Productivity preliminary for Q2	0830	1.5%	-0.9%
Retail sales ex-autos mm for Jul	0830	1.6%	7.3%
Retail sales mm for Jul	0830	1.8%	7.5%
Retail ex gas/autos for Jul	0830	--	6.7%
Retail control for Jul	0830	1.0%	5.6%
Retail sales YoY for Jul	0830	--	1.1%
Industrial production mm for Jul	0915	3.0%	5.4%
Capacity utilization SA for Jul	0915	70.2%	68.6%
Manufacturing output mm for Jul	0915	3.0%	7.2%
Industrial production YoY for Jul	0915	--	-10.82%
Business inventories mm for Jun	1000	-1.2%	-2.3%
Retail inventories ex-auto rev for Jun	1000	--	-0.8%
U Mich Sentiment Preliminary for Aug	1000	72.0	72.5
U Mich Conditions Preliminary for Aug	1000	81.0	82.8
U Mich Expectations Preliminary for Aug	1000	--	65.9

## KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Marriott International	Q2	BMO	-\$0.47	-\$0.42	\$1.56	\$1,676.91
Occidental Petroleum	Q2	AMC	-\$1.67	-\$1.68	\$0.97	\$3,876.44
PPL	Q2	BMO	\$0.55	\$0.55	\$0.58	\$1,891.55
Royal Caribbean Cruises Ltd	Q2	BMO	-\$4.83	-\$4.82	\$2.54	\$43.50
Simon Property Group	Q2	AMC	\$0.91	\$0.98	\$1.60	\$1,144.39

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

/B/E/S EPS and revenue estimates, and StarMine Smart Estimates, provided by Refinitiv.

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The Day Ahead - North America is compiled by Nachiket Tekawade and Yoganand KN in Bengaluru.

For questions or comments about this report, email us at: [TheDay.Ahead@thomsonreuters.com](mailto:TheDay.Ahead@thomsonreuters.com).

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