MARKET RECAP at 4 pm ET

Wall Street closed higher on hopes of further interest rate cuts, while Intel shares jumped after Nvidia took a stake in the company. **Treasury yields** rose following stronger-than-expected labor market data. The **dollar** strengthened, pressuring **gold** prices as investors weighed the Federal Reserve's policy outlook. **Oil** fell on U.S. economic concerns.

STOCKS	Close	Chng	% Chng	Yr-high	Yr-low
DJIA	46,142.42	124.10	0.27	46,261.95	36,611.78
Nasdaq	22,470.73	209.40	0.94	22,397.50	14,784.03
S&P 500	6,631.96	31.61	0.48	6,626.99	4,835.04
Toronto	29,453.53	131.87	0.45	29,465.14	22,227.74
FTSE	9,228.11	19.74	0.21	9,357.51	7,544.83
Eurofirst	2,203.25	17.92	0.82	2,255.80	1,845.24
Nikkei	45,303.43	513.05	1.15	45,055.38	30,792.74
Hang Seng	26,544.85	-363.54	-1.35	26,936.50	18,671.49

TREASURIES	Yield	Price
10-year	4.1102	-9 /32
2-year	3.5718	-2 /32
5-year	3.6699	-3 /32
30-year	4.7272	-28 /32

FOREX	Last	% Chng
Euro/Dollar	1.1784	-0.24
Dollar/Yen	147.97	0.68
Sterling/Dollar	1.3547	-0.57
Dollar/CAD	1.3790	0.12
USD/CNH (Offshore)	7.1082	0.10

COMMODITIES ($)	Price	Chng	% Chng
Front Month Crude /barrel	63.70	-0.35	-0.55
Spot gold (NY/oz)	3645.78	-13.89	-0.38
Copper U.S. (front month/lb)	4.54	-0.0325	-0.71
CRB Index Total Return	373.49	-2.90	-0.77

S&P 500	Price	$ Chng	% Chng
GAINERS			
Coinbase Global Inc	343.13	22.57	7.04
Applied Materials Inc	189.76	11.63	6.53
KLA Corp	1046.69	56.82	5.74
LOSERS			
Factset Research Systems Inc	301.23	-34.81	-10.36
Darden Restaurants Inc	192.74	-16.05	-7.69
Nucor Corp	134.30	-8.50	-5.95

Coming Up

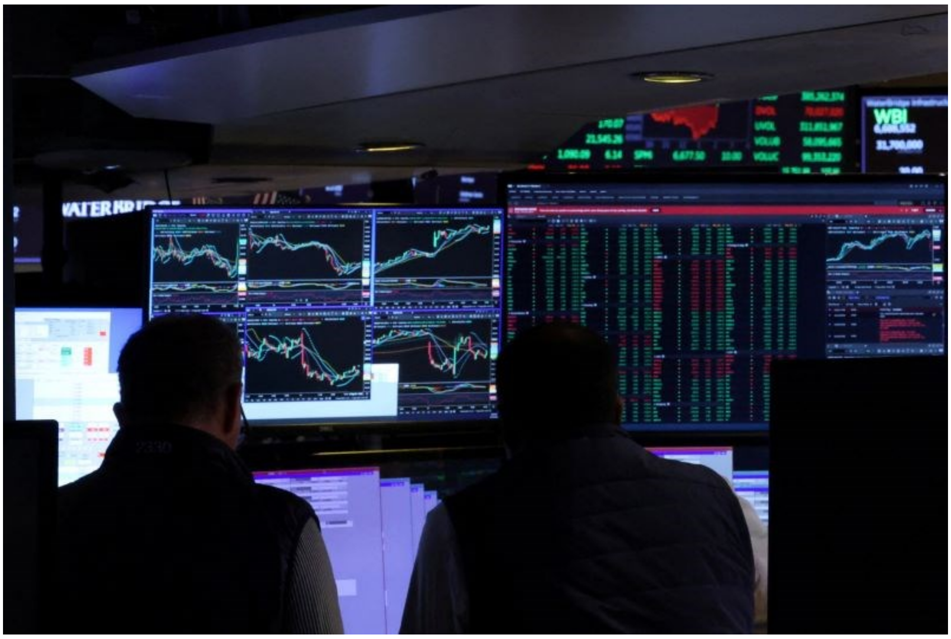
San Francisco Federal Reserve Bank President Mary Daly attends the Federal Reserve Bank of Kansas City's 2025 Jackson Hole economic symposium in Jackson Hole, Wyoming, August 21. REUTERS/Jim Urquhart

Federal Reserve Bank of **San Francisco** President **Mary Daly** is scheduled to participate in a fireside chat on AI implications for workforce development and economic mobility, hosted by the Emerging Tech Economic Research Network in San Francisco.

Pattern, one of the biggest Amazon resellers, will go public in New York as the fall IPO window catches heat.

In Latin America, **Mexican private spending** and **aggregate demand** for the second quarter will be on the radar.

Market Monitor



Traders work on the floor at the New York Stock Exchange in New York City, September 17. REUTERS/Brendan McDermid

Wall Street's main indexes posted record-high closes, a day after the U.S. Federal Reserve delivered a quarter-point interest rate cut, while chipmaker Intel rose after Nvidia decided to build a stake in the company. Shares of **Nvidia** rose 3.49%, while **Intel** soared 22.77%. The small-cap **Russell 2000** index rose and touched an intraday record high of 2,466 points for the first time since November. "We are looking for support for economic growth and justification of stretched valuations and the prospect of lower interest rates helps that," said Sam Stovall, chief investment strategist at CFRA Research. The **Dow Jones Industrial Average** climbed 0.27% to 46,142.42, the **S&P 500** gained 0.48% to 6,631.96 and the **Nasdaq Composite** was up 0.94% at 22,470.73.

Treasury yields advanced, after a gauge of the labor market was stronger than anticipated, as investors continued to evaluate the path of monetary policy following the Federal Reserve's statement in the prior session. "The two-year yields are very efficiently priced for a pretty aggressive policy path, like six cuts by the end of next year, and 10-year yields are close to the bottom end of the range at 4%," said Subadra Rajappa, head of U.S. rates strategy at Societe Generale in New York. "In this sort of environment where the economy and the data have been kind of surprising to the upside... in this context, you should expect a bounce back from the lows." **Benchmark 10-year notes** fell 9/32 to yield 4.1102%. **Two-year notes** edged down 2/32, yielding 3.5718%. **30-year bonds** lost 28/32, with a yield of 4.7272%.

The **dollar** rose against most major currencies, a day after the Federal Reserve delivered an expected rate cut but signaled little urgency to lower borrowing costs quickly in the coming months. Powell's words fell short of the "unequivocal dovishness that the markets were expecting," Eric Theoret, FX strategist at Scotiabank said. "I think the balance for the markets was kind of just leaning all to one side and so, it would have taken a lot to break the U.S. dollar even further from here," he said. The **dollar index** rose 0.53% to 97.39. Against the **Japanese yen**, the dollar climbed 0.68% to 147.97 yen. The **euro** fell 0.24% to $1.1784. **Sterling** was down 0.54% at $1.3551.

Oil prices eased as traders remained worried about the U.S. economic outlook a day after the U.S. Federal Reserve cut interest rates for the first time this year. Lower borrowing costs typically boost demand for oil and push prices higher. "They did this now because clearly the economy is slowing down," said Jorge Montepeque, managing director at Onyx Capital Group. "The Federal Reserve is trying to restore growth." Persistent oversupply and soft fuel demand in the U.S., the world's biggest oil consumer, also weighed on the market. **Brent crude futures** lost 0.54% to $67.58 a barrel while **U.S. West Texas Intermediate crude** fell 0.55% to $63.70 per barrel.

Gold prices fell amid profit-taking, after the yellow metal scaled a record peak in the previous session, as markets assessed the Federal Reserve's stance on further interest rate cuts. "There was some confusion around Powell's comment about the rate cut being a risk-management measure, and that uncertainty prompted profit-taking," said Peter Grant, vice president and senior metals strategist at Zaner Metals. "But, I do think (gold's) long-term bullish trend still remains and the setback from yesterday's all-time high is corrective in nature... every time gold makes a new high, it just lends additional credence to the $4,000 objective." **Spot gold** dipped 0.38% to $3,645.88 per ounce and **U.S. gold futures** slipped 1.05% to $3,678.60 an ounce.

Top News

Nvidia takes $5 billion stake in Intel, offers chip tech in new lifeline to struggling chipmaker

Nvidia said it would invest $5 billion in Intel, throwing its heft behind the struggling chipmaker just weeks after the White House engineered an extraordinary deal for the federal government to take a massive stake in the company. The stake will instantly make Nvidia one of Intel's largest shareholders, giving it roughly 4% of the company after the deal is completed. This new pact includes a plan for Intel and Nvidia to jointly develop PC and data center chips but will not involve Intel's foundry business making computing chips for Nvidia. Nvidia CEO Jensen Huang said his company was continuing to evaluate Intel's foundry technology and had been working with the rival for nearly a year. The foundry business will, however, supply the central processors and advanced packaging for the joint products. Shares of Intel climbed 22.77% to $30.57, while Nvidia rose 3.49% to $176.24.

Nvidia and Intel logos are seen in this illustration taken September 18. REUTERS/Dado Ruvic

From Skechers to Foot Locker: Tariff chaos spurs record-high footwear, apparel deals

U.S. President Donald Trump's trade war is helping to push U.S. clothing and footwear acquisitions to all-time highs this year, with some companies merging to help offset tariff costs while others go private to weather the next 3-1/2 years of his presidency outside of the public market, dealmakers say. Popular sneaker company Skechers announced a $9.42 billion deal in early May to go private days after it pulled its annual earnings forecasts and sent a letter, along with 75 other footwear companies, telling Trump the tariffs were an "existential threat" to the industry. Foot Locker in May accelerated its $2.4 billion sale to Dick's Sporting Goods. While both deals were in the works for months, bankers and analysts said Trump's tariffs are creating both chaos and opportunity for retailers and brands for some tie-ups. It has driven dealmaking in the U.S. footwear and apparel sectors to roughly $21 billion in deals announced year-to-date.

Live Nation, Ticketmaster joined with ticket brokers to exploit fans, US says

The U.S. Federal Trade Commission and seven states accused Live Nation and its ticketing arm Ticketmaster of costing fans millions of dollars by tacitly allowing ticket brokers to scoop concert tickets and sell them to fans at a significant markup, the agency said. Ticketmaster, which controls 80% of primary ticketing for major concert venues, ignored brokers' violations of ticket purchasing limits set by artists, allowing Ticketmaster to reap $3.7 billion in resale fees between 2019 and 2024, the FTC alleged. Those actions along with Ticketmaster's failure to disclose the full price of tickets, upfront violated consumer protection law, the agency said. Colorado, Florida, Illinois, Nebraska, Tennessee, Utah and Virginia are jointly filing the lawsuit in California.

Cybersecurity firm Netskope notches $8.8 billion valuation as shares jump in Nasdaq debut

Cybersecurity firm Netskope commanded an $8.79 billion valuation as its shares jumped in their Nasdaq debut, adding to a string of successful tech IPOs this year. The California-based company's shares opened at $23 apiece, well above the $19 offer price. Netskope raised $908.2 million in its IPO by selling 47.8 million shares at the top end of its bumped-up range of $17 to $19 apiece. "AI is kind of right in our wheelhouse ..securing it, enabling companies to say yes to leveraging it, by putting guardrails around it," Netskope CEO Sanjay Beri told Reuters in an interview. Beri added that they want more people to know about Netskope, and becoming a public company helps achieve that goal. He also noted that the IPO had a very high demand, being oversubscribed 20 times. Corporates are ramping up enterprise security spending given the rise of AI-driven cybersecurity threats, creating strong demand for Netskope's offerings.

US Justice Department says Bank of America Securities resolves criminal investigation

The U.S. Justice Department said that Bank of America Securities resolved a criminal investigation involving two former employees, who had allegedly placed phony "spoof" trades to try to influence the U.S. Treasuries market. Spoofing involves placing orders traders intend to cancel, hoping to create a false sense of market activity that moves prices in a direction they favor, and induce transactions that other traders would otherwise not make. "As part of the resolution, the Justice Department has declined to prosecute BoAS, and BoAS will disgorge approximately $1.96 million and contribute approximately $3.6 million to a victim compensation fund it will establish and administer," the department said.

Trump cheers comedian Jimmy Kimmel's suspension for on-air Charlie Kirk remarks

U.S. President Donald Trump celebrated the suspension of talk-show host Jimmy Kimmel from the airwaves, inflaming a debate over whether Trump and Republicans are infringing free speech as they sought to punish some critics of murdered right-wing activist Charlie Kirk. The broadcaster ABC announced on Wednesday that it was yanking "Jimmy Kimmel Live" indefinitely. Kimmel's suspension was condemned as capitulation to unconstitutional government pressure by writers, performers, former U.S. President Barack Obama and other prominent Democrats. Kimmel's suspension came after two major owners of local TV stations had said they would stop broadcasting his celebrity-filled late-night show, and the nation's top communications regulator threatened to investigate Kimmel's commentary about Kirk. Hours before Kimmel's suspension, Brendan Carr, the Trump-appointed chairman of the Federal Communications Commission, urged local broadcasters to stop airing the show. Obama, who was succeeded by Trump in 2017, said media companies must not capitulate to government coercion or censorship.

Amazon violated online shopper protection law, judge rules ahead of Prime signup trial

Amazon violated consumer protection law by gathering Prime subscribers' billing information before disclosing the service's terms, a judge ruled on Wednesday, handing the U.S. Federal Trade Commission a partial win. The ruling by U.S. District Judge John Chun in the case accusing Amazon of deceptive practices to generate Prime subscriptions puts the company at a disadvantage at trial, though a company spokesperson said it had done nothing wrong. The FTC is poised to argue that the online retailer signed up tens of millions of customers for Prime without their consent, and thwarted tens of millions of cancellation bids through complex cancellation methods. The agency says those actions violated the Restore Online Shoppers Confidence Act (ROSCA). The judge also ruled that two Amazon executives were liable for any violations the FTC proves at trial, while barring Amazon from arguing that ROSCA did not apply to Prime signups.

Olive Garden parent Darden misses quarterly profit estimates as costs rise

Olive Garden parent Darden Restaurants missed first-quarter profit estimates, hurt by higher input and marketing costs amid rising economic uncertainty. The company raised its annual sales growth forecast to 7.5% to 8.5%, but the midpoint of the range came in largely below analysts' average estimate of 8.3%. The company's quarterly total operating costs and expenses rose 8.8% to $2.71 billion. Darden posted adjusted profit of $1.97 per share for the quarter ended August 24, missing estimates of $2 per share. Its first-quarter sales of $3.04 billion were in line with Wall Street estimates. Separately, Cracker Barrel shares fell, after social media backlash around the restaurant chain's short-lived decision to change its decades-old logo hit customer traffic and prompted it to scrap store remodel plans. Shares of the company ended 7.64% lower at $45.80. To read more, **click here**

DuPont revises 2025 net sales forecast to reflect Qnity spin-off

Industrial materials maker DuPont forecast 2025 net sales of about $6.87 billion, recasting its prior outlook to reflect the planned spin-off of its electronics unit and the divestiture of its Aramids business. The revised figure excludes results from Qnity Electronics, which will be separated on November 1, and the Aramids unit, which will be treated as discontinued operations beginning the third quarter. DuPont also lowered its third-quarter adjusted profit forecast to $1.06 per share, from an earlier forecast of $1.15 per share, on Aramids business sale. The company said it will provide an update of its full-year adjusted profit forecast, as part of its third quarter earnings call as it finalizes its capital structure.

Small US defense stocks soar on rush for next-gen battlefield tech

Smaller U.S. defense firms have emerged as standout performers on Wall Street this year, fueled by surging demand for low-cost, next-generation military tech tailored for modern warfare and the Pentagon's pivot toward agile and adaptable combat systems. Wars in Ukraine and Gaza have spurred a rise in military spending across the globe, lifting defense stocks and drawing investors to smaller firms specializing in AI-powered drones and unmanned vehicles that are cheap, easily deployable and help cut dependence on ground troops. "The winners in this new market will be those companies leaning into the change and investing in low-cost, upgradable, and software-enabled weapon systems," said Jon Siegmann, managing director covering the aerospace and defense industry at Stifel.

Britain's Queen Camilla, King Charles, U.S. President Donald Trump and first lady Melania Trump pose for a family photo at the State Banquet during U.S. President Donald Trump's state visit, at Windsor Castle, in Windsor, Britain, September 17. REUTERS/Phil Noble/Pool

Insight and Analysis

Kennedy is rewriting US vaccine policy — fast and on his terms

U.S. Health Secretary Robert F Kennedy Jr. is accelerating efforts to remake the nation's vaccine policies, pushing past the objections of government scientists and lawmakers, as well as mounting calls for his removal. In a matter of weeks, Kennedy has restricted eligibility for COVID-19 shots, prompted the ouster of the country's top public health official, amplified federal support for states' vaccine exemptions, dismantled the process for reviewing vaccine recommendations, and expanded a national vaccine advisory board with experts who share his opposition to COVID shots. The most consequential change so far may come within days.

Automakers have resisted raising car prices because of tariffs. That might not last.

Automakers have been absorbing billions in added expenses since U.S. President Donald Trump's tariffs took effect in April, sparing American car shoppers from sticker shock. So far. Car prices were supposed to have bolted higher by now, auto executives and analysts predicted. But that has not happened, mirroring some other industries where companies have decided to eat added expenses rather than passing them on to consumers. The average manufacturer's suggested retail price, or MSRP, on new vehicles in the U.S. rose less than 1% from mid-March to mid-August, according to car-shopping site Edmunds.

Fed's rate cut comes with caveats, leaving investors lukewarm

Investors look set to face a volatile few months ahead after the Federal Reserve resumed interest rate cuts and opened the door to further easing but tempered its message with warnings of sticky inflation, sowing doubt over the pace of future policy adjustments. Some investors are now less certain that a shift to lower borrowing costs will materialize, potentially dampening optimism that stocks and bonds would get a strong lift from easier policy. "We've had a rather cautious, not necessarily fully defensive... view here for a while," which was "reinforced" by the Fed's message, said Larry Hatheway, global investment strategist at the Franklin Templeton Institute.

CANADA

Market Monitor

Canada's main stock index rose, supported by tech shares and material stocks, a day after the Bank of Canada and the U.S. Federal Reserve cut rates by a quarter-point and left the door open for further reduction.

Toronto's **S&P/TSX composite index** gained 0.45% to 29,453.53.

Material stocks were up 0.31% at 607.06 and **technology** shares climbed 1.67% to 339.48.

"Markets continue to ride the positive momentum after central banks showed that they are willing to respond to some economic softness and also cooling in the labor market," said Angelo Kourkafas, senior investment strategist at Edward Jones.

The **greenback** traded 0.14% higher against the **Loonie** at C$1.3792 .

REUTERS/Mark Blinch

COMING UP

Retail sales for July are expected to show a 0.8% monthly decline, following a 1.5% increase in June. **Sales, excluding automobiles**, are anticipated to fall 0.7% after rising 1.9% in the previous month.

TSE's S&P/TSX composite	Price	C$ Chng	% Chng
GAINERS			
Capital Power Corp	65.10	3.77	6.15
BlackBerry Ltd	5.79	0.26	4.70
NovaGold Resources Inc	10.02	0.31	3.19
Shopify Inc	209.74	6.17	3.03
LOSERS			
Ivanhoe Mines Ltd	12.71	-0.88	-6.48
Endeavour Silver Corp	8.54	-0.44	-4.90
Thomson Reuters Corp	221.70	-11.20	-4.81
Orla Mining Ltd	15.26	-0.50	-3.17

Top News

Carney seeks to warm up Canada-Mexico ties in face of US tariff threat

Canadian Prime Minister Mark Carney arrives in Mexico City for a two-day mission designed to improve recently strained ties and seek a common front in crucial trade talks with the United States. Carney is due to meet President Claudia Sheinbaum for what he said would be comprehensive talks on matters such as business ties, security and health. "This is a very important relationship for Canada," he told reporters in Ottawa on Tuesday. Carney's trip will be the first bilateral visit by a Canadian prime minister to Mexico in eight years. Carney and Sheinbaum are due to hold a working lunch on Thursday and sign a comprehensive strategic partnership as well as boost security ties. Canada, Mexico and the United States renewed a continental free trade treaty in 2018 but talk of solidarity frayed as U.S. President Donald Trump imposed tariffs. Bilateral relations soured last year after senior Canadian politicians


REUTERS/Ints Kalnins

suggested they would be better off negotiating a solo trade deal with the Trump administration. Canadian efforts to strike a new economic and defense relationship with Washington have stalled, underlining the need for closer ties with Mexico. The U.S.-Mexico-Canada free trade deal is to be reviewed next year and Carney says this is now Canada's priority.

Canada turns back more asylum-seekers to US despite third-country deportation risk

Canada's government is sending more asylum-seekers hoping to file claims in Canada back to the U.S. under a bilateral pact, even as the U.S. says it may deport them to third countries. Some of the people Canada is turning back should be eligible to file refugee claims in Canada, lawyers say, under exemptions to the Safe Third Country Agreement. The agreement broadly requires asylum-seekers at the Canada -U.S. border to be sent back to the first of the two countries they entered but allows some people - for example those with close family in Canada or stateless persons - to file claims. Canada turned back 3,282 people under the agreement in the first eight months of 2025, up from 2,481 in the first eight months of 2024, according to data from the Canada Border Services Agency. It turned back 789 people in July, the highest month of 2025 so far and the highest single month in at least a decade. The agreement was expanded in 2023. A Canada Border Services Agency spokesperson declined to say why the number of asylum-seekers turned back is rising.

WEALTH NEWS

LABOR MARKET

US weekly jobless claims reverse prior surge, labor market still softening

The number of Americans filing new applications for unemployment benefits fell last week, reversing the prior week's jump, but the labor market has softened as both the demand for and supply of workers have diminished. Initial claims for state unemployment benefits decreased 33,000 to a seasonally adjusted 231,000 for the week ended September 13. Claims in the prior week had jumped to 264,000, a level last seen in October 2021. Economists polled by Reuters had forecast 240,000 claims for the latest week. Unadjusted claims dropped 10,384 to 194,478 last week. These drops more than offset notable increases in New York, South Carolina and Massachusetts. Payrolls increased by only 22,000 jobs in August, with employment gains averaging 29,000 positions per month over the last three months.

Click on the chart for a detailed and interactive graphic

DISSENT VOTE

Miran's Fed dissent makes a splash, fails to sway the outcome

If President Donald Trump hoped that putting a close ally at the Federal Reserve would grab headlines, White House economic adviser Stephen Miran's dissent and way-below consensus interest rate projection on Wednesday delivered.

COLUMN

Heightened uncertainties feed Fed inconsistencies: McGeever

The Federal Reserve cut interest rates on Wednesday for the first time in nine months, arguing the move is necessary to counter increasing risks to the labor market. The rationale is sound enough. There's only one problem - it seems to clash with many of the U.S. central bank's revised economic projections.

REGULATION

SEC paves way for crypto spot ETFs with new listing rules

The Securities and Exchange Commission voted on Wednesday to approve proposed rule changes by three national securities exchanges, enabling them to adopt generic listing standards for new cryptocurrency and other spot commodity exchange-traded products.

ACQUISITION

Roche to acquire liver drug developer 89bio for up to $3.5 billion

Roche has agreed to buy U.S. biotech firm 89bio for up to $3.5 billion, joining a race to offer new liver disease treatments that complement an intense push in the area of weight-loss drugs.

STABLECOINS

DBS, Franklin Templeton, Ripple team up on tokenised money market fund trading

DBS Group has partnered with U.S. asset manager Franklin Templeton and blockchain firm Ripple to offer accredited and institutional investors trading and lending services using tokenised money market funds and Ripple's U.S. dollar stablecoin.

STAKE

Japan's SMFG considers raising stake in Jefferies to about 20%, Bloomberg News reports

Japan's Sumitomo Mitsui Financial Group Inc is considering increasing its stake in U.S. investment bank Jefferies to about 20%, Bloomberg News reported.

A service member of a mobile air defence unit of the 3rd Separate Assault Brigade stands next to a M2 Browning machine gun during a combat shift on the front line, amid Russia's attack on Ukraine, in Kharkiv region, Ukraine, September 15. REUTERS/Stringer

The Day Ahead - North America is compiled by Anjana J Nair and Ashitha Salus in Bengaluru.

For questions or comments about this report, email us at: ***TheDay.Ahead@thomsonreuters.com.***

To subscribe for The Day Ahead newsletter ***click here***

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

Please visit: ***LSEG*** *for more information*

Privacy statement