

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Wall Street ended lower as a deal to raise the debt ceiling headed toward a crucial vote, while unexpectedly strong labor market data triggered concerns the Fed might hike interest rates again in June. **Treasury yields** were down. **Gold** prices firmed as the **dollar** retreated from a two-month high. **Oil** prices slipped on demand concerns.

STOCKS	Close	Chng	% Chng	Yr-high	Yr-low
DJIA	32910.9	-131.88	-0.4	34712.28	28660.94
Nasdaq	12935.29	-82.14	-0.63	13154.29	10265.04
S&P 500	4179.99	-25.53	-0.61	4231.10	3794.33
Toronto	19572.24	-167.46	-0.85	21036.35	17873.18
FTSE	7446.14	-75.93	-1.01	8047.06	7206.82
Eurofirst	1789.64	-19.50	-1.08	1863.26	1678.85
Nikkei	30887.88	-440.28	-1.41	31560.43	25661.89
Hang Seng	18234.27	-361.51	-1.94	22700.85	18369.93

TREASURIES	Yield	Price
10-year	3.6388	15/32
2-year	4.3965	5/32
5-year	3.7512	10/32
30-year	3.8475	30/32

FOREX	Last	% Chng
Euro/Dollar	1.0686	-0.44
Dollar/Yen	139.31	-0.34
Sterling/Dollar	1.2438	0.20
Dollar/CAD	1.3571	-0.19
USD/CNH (Offshore)	7.1183	0.39

COMMODITIES (\$)	Price	Chng	% Chng
Front Month Crude /barrel	67.91	-1.55	-2.23
Spot gold (NY/oz)	1962.56	3.42	0.17
Copper U.S. (front month/lb)	0.0366	0.0000	0.00
CRB Index Total Return	281.07	-1.78	-0.63

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Intel Corp	31.44	1.45	4.83
Edwards Lifesciences Corp	84.17	2.76	3.39
Dexcom Inc	117.26	3.70	3.26
LOSERS			
Advance Auto Parts Inc	72.93	-39.27	-35.00
Hewlett Packard Enterprise Co	14.43	-1.10	-7.06
HP Inc	29.09	-1.84	-5.95

Coming Up

The **Institute for Supply Management** is expected to report a fall in **manufacturing PMI** to 47.0 in May, down from 47.1 in April. Separately, **S&P Global** is expected to release the **final reading of the manufacturing PMI** index for May. Additionally, **ADP National Employment Report** is expected to show private payrolls likely increased by 170,000 jobs in May, after rising 296,000 in April. Also, the Labor Department's **initial claims for state unemployment benefits** is expected to report a rise of 6,000 to 235,000 for the week ended May 27, from 229,000 in the previous week.

Broadcom Inc is expected to report a rise in second-quarter revenue, after markets close, driven by the boom in demand for chips powering AI.

Dollar General Corp is expected to post a higher first-quarter revenue as customers trade down to its lower-

priced essentials. Investors will look out for comments on full-year sales and demand outlook, inventory shrink and cost view.



Dell Technologies Inc is expected to report a drop in first-quarter revenue, for the February-April period as PC sales continue to track historic lows. Investors will eye commentary on the management's efforts to drive sales and comments on the Chinese market, where other major electronics-makers have flagged weakness in their recent quarterly results.

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Challenger layoffs for May	0730	--	66,995
ADP national employment for May	0815	170,000	296,000
Initial jobless claims	0830	235,000	229,000
Jobless claims 4-week average	0830	--	231,750
Continued jobless claims	0830	1.800 mln	1.794 mln
Unit labor costs revised for Q1	0830	6.0%	6.3%
Productivity revised for Q1	0830	-2.5%	-2.7%
S&P Global Manufacturing PMI Final for May	0945	--	48.5
Construction spending mm for Apr	1000	0.2%	0.3%
ISM Manufacturing PMI for May	1000	47.0	47.1
ISM Manufacturing Prices Paid for May	1000	52.0	53.2
ISM Manufacturing Employment Index for May	1000	49.8	50.2
ISM Manufacturing New Orders Index for May	1000	--	45.7

Macy's Inc is expected to post a fall in first-quarter revenue, as consumers move away from non-essential purchases and focus spending on essentials like groceries hurting sales at department stores. Investors will look out for comments on easing cost pressures, promotions, inventory levels and shift in consumer spending.

Lululemon Athletica Inc is expected to report a rise in its first-quarter revenue, as demand for its athleisure clothing bounces back in China while U.S. shoppers also continue to purchase the brand's products. The company's forecasts, comments on U.S. consumer health and China trends, as well as margins and inventories will be on top of investors' minds.

Federal Reserve Bank of Philadelphia President **Patrick Harker** is scheduled to speak on the economic outlook before virtual NABE Monetary Policy and Outlook Webinar.

Boeing Co CEO **Dave Calhoun** is expected to speak to the press at Boeing's 787 production facility in Charleston, South Carolina.

A fairness hearing is set to take place in the lawsuits over JPMorgan **Chase & Co's** ties to the late financier and former client **Jeffrey Epstein**. The



A file photo of a Macy's logo, on the side of a building in down town Los Angeles, California, March 6, 2017. REUTERS/Mike Blake

hearing is before U.S. District Judge Jed Rakoff in Manhattan.

Bank of America Corp CEO **Brian Moynihan** and **Goldman Sachs'** President **John E. Waldron** are scheduled to speak at the Bernstein Strategic Decisions conference in New York.

EV maker **Nikola Corp's** CEO **Michael Lohscheller** is scheduled to hold a fireside chat and a Q&A session for

shareholders to address questions related to its upcoming annual investor meet.

The **S&P Global** is scheduled to release the May reading of **Manufacturing Purchasing Managers' Index** for the South American countries of **Brazil** and **Mexico**. **Brazil's trade balance** data for May is also due. In **Chile**, the **IMACEC economic activity index** for April is expected.

Market Monitor

Stocks fell as a deal to raise the federal debt ceiling headed toward a crucial vote in Congress, while unexpectedly strong labor market data rattled investors who fear the Federal Reserve might hike interest rates again in June. "The bond market liked that there was some fiscal discipline and the equity market liked that it's not going to hurt growth," said Brad Conger, deputy chief investment officer at Hirtle Callaghan & Co in Conshohocken, Pennsylvania. "I don't think we could have asked for a better outcome." But equity valuations are stretched considering interest rates are high, the economy is slowing and inflation needs to decline further, Conger said. "It's going to be a struggle if inflation is not perceived to be ebbing, which is where we are," he said. The **Dow Jones Industrial Average** fell 0.4% to 32,910.9; the **S&P 500** lost 0.60% to 4,180.13; and the **Nasdaq Composite** dropped 0.63% to 12,935.29. For the month, the S&P 500 rose 0.26%, the Dow lost 3.48% and the Nasdaq gained 5.80%.

Treasury yields mostly moved lower on stronger jobs data, amid a key U.S. congressional debt ceiling vote. Jim Barnes, director of fixed income at Bryn Mawr Trust, said one driver was a report showing an unexpected rise in U.S. job openings in April, which pointed to persistent strength in the labor market that could compel the Federal Reserve to raise interest rates again in June. "Today, there was some optimism with the job openings," Barnes said. Cooling inflation in Europe also played a role in trading.

Benchmark 10-year notes were up 16/32, yielding 3.6350%. **Two-year notes** rose 5/32, yielding 4.3923%. **30-year bonds** gained 32/32, with a yield of 3.8430%.

The **dollar** retreated from a more than two-month high after a Federal Reserve official warned any decision by the central bank to hold its



Traders work on the floor of the New York Stock Exchange (NYSE) in New York City, May 30. REUTERS/Brendan McDermid

benchmark overnight interest rate firm at an upcoming meeting would not mean that it is done tightening monetary policy. In remarks, Fed Governor and vice chair nominee Philip Jefferson said that skipping a rate hike would allow the Fed "to see more data before making decisions about the extent of additional policy firming." Federal Reserve Bank of Philadelphia President Patrick Harker also said he is inclined to support a "skip" in interest rate hikes at the central bank's next meeting in June. Those comments let air out of the **dollar index**, which measures the greenback against six major peers and had climbed to 104.63 earlier in the day, its highest since March 16. It was last up 0.09% at 104.26. The **euro** fell to \$1.066 earlier in the session, the lowest since March 20. It was last down 0.42% to \$1.0688

Oil prices were lower, pressured by a stronger U.S. dollar and weak data from top oil importer China that fed

demand fears. "We have weaker-than-expected Chinese data, the debt limit situation, two years of flat spending, and likely another rate hike next month weighing on markets," said Bob Yawger, director of energy futures at Mizuho. **Brent crude futures for August delivery** were down 1.74% to \$72.43 a barrel. **U.S. West Texas Intermediate crude** were down 2.20% to \$67.93 per barrel.

Gold firmed supported by lower Treasury yields but the dollar's strength, with more interest rate hikes in the offing and optimism about a U.S. debt deal kept bullion on course for its first monthly dip in three. We've had kind of a push-pull effect," amid support from lower yields and pressure from the dollar, said David Meger, director of metals trading, High Ridge Futures. **Spot gold** was up 0.20% at \$1,963.09 per ounce. **U.S. gold futures** were 0.27% higher at \$1,982.40 an ounce. "

Top News

American Airlines raises second-quarter profit outlook on lower fuel costs

American Airlines raised its forecast for second-quarter profit on lower jet fuel costs and high travel demand.

American Airlines Group forecast second-quarter adjusted profit in the range of about \$1.45 to \$1.65 per share, compared with its previous outlook of about \$1.20 to \$1.40 per share. The company expects average fuel price per gallon, including taxes, to be about \$2.55 to \$2.65 in the second quarter, down from its previous estimate of about \$2.65 to \$2.75.

Separately, United Airlines said its Chief Financial Officer Gerry Laderman had announced plans to retire in 2024. To read more, [click here](#)

Elon Musk greeted with flattery and feasts during China trip

Billionaire Elon Musk was showered with praise during a trip to China this week, with people on social media calling him "a pioneer", "Brother Ma" and "a global idol" while the CEO of Tesla, Twitter, SpaceX and other companies also met in person with three government ministers. Since landing in Beijing on Tuesday, Musk

has met with China's foreign, commerce and industry ministers and has dined with Zeng Yuqun, chairman of top battery supplier CATL. Little is known of those conversations. The industry ministry only said Musk and its head exchanged views about development of electric vehicles and connected cars; the commerce ministry announced he discussed Tesla's development in China with its head. But lack of information did not stop an outpouring of enthusiasm for Musk on Chinese social media.

Nvidia rally: Retail investors stay out on growing slowdown worries

The rally in the shares of Nvidia that briefly propelled its market value to the trillion-dollar club saw little participation by retail traders, data showed, the latest sign they were turning cautious due to growing recession fears. Even though the chip designer is one of the top picks for individual traders, Vanda Research analyst Lucas Mantle said it was mainly institutional investors betting on artificial intelligence that led to the biggest three-day percentage gain in more than two decades. Retail buying in Nvidia shares on an average nearly halved to \$27.9 million in May

compared to February, Vanda Research data showed, even as it remained the fourth most-traded stock by individual investors. "There are sound opportunities in money market funds where they get returns for nothing as opposed to a market where it is risky right now," Mantle said.

Exxon, Chevron shareholders soundly reject climate-related petitions

Exxon Mobil and Chevron shareholders overwhelmingly rejected calls for stronger measures to mitigate climate change, dismissing more than a dozen climate-related proposals at their annual meetings. The results supported the two largest U.S. oil producers in resisting pressure from investor groups calling for the pair to follow European rivals in accepting tougher emissions reductions goals. Exxon holders rejected all 12 shareholder proposals, the majority of which dealt with climate-related issues. None received a majority of votes cast that would signal a win, according to early results. Chevron investors also rejected proposals on customers' emissions reduction target, creating a board committee on decarbonization risk, and a report on worker and community impact from facility closures and energy transitions.

Intel shares jump as chipmaker sees second-quarter revenue at upper end of outlook

Shares of Intel rose after the chipmaker's finance chief said that the company is on track to hit the upper end of its second-quarter revenue forecast. "We're going to track at \$12 billion to \$12.5 billion as we close out the second quarter," Intel CFO David Zinsner said at the TD Cowen conference. The company's previous outlook in April was of revenue between \$11.5 billion and \$12.5 billion. Intel will be able to ride the AI wave as its foundry services could provide wafers to customers that have products



Tesla Chief Executive Officer Elon Musk leaves a hotel in Beijing, China, May 31. REUTERS/Tingshu Wang

for the AI market, Zinsner said. Shares of the company ended 6.45% higher at \$31.93

Wells Fargo CEO says there will be losses in office loan portfolio

Wells Fargo's Chief Executive Officer Charlie Scharf said that there will be losses in the office loan space but the lender was proactively managing its portfolio. "We will see losses, no question about it. But in the context of the overall portfolio and the overall size of our loan portfolio with the company, we are not overly concentrated in office (loan space)," Scharf said while speaking to investors at a conference. The bank's outstanding commercial real estate (CRE) loans stood at \$154.7 billion, or 16% of total loans, with \$35.7 billion in office loans at the end of March. Scharf also said that consumer spending and credit quality remain strong but the bank has tightened credit in its card business in areas where the lender was beginning to see early signs of weakness.



Walmart is raising wages for pharmacists, opticians in healthcare push

Walmart is raising wages for thousands of U.S. pharmacists and opticians, the retailer said on Wednesday, part of its broader plan to expand primary care services across the country. The Bentonville, Arkansas-based chain said about 3,700 pharmacists would get a bump in pay starting on Wednesday,

bringing their total annual average pay to more than \$140,000, excluding bonuses and incentives. More than 4,000 opticians will also receive fatter paychecks, with their average hourly pay rising to more than \$22.50 with this investment, Walmart executives wrote in a blog post. The company declined to provide details on their wage rates last year or how it will select the employees for the hikes. Salary rates vary based on location and role, so not all pharmacists and opticians will earn the average annual or hourly salary, Walmart spokesperson Nick DeMoss said. Separately, Walmart investors voted against all 9 shareholder-led proposals during the retail giant's annual meeting, a preliminary tally by the company showed. To read more, [click here](#)

Ford CEO says EV cost parity may not come until after 2030

Electric vehicles may not reach cost parity with internal combustion engine vehicles until after 2030, Ford CEO Jim Farley said. Speaking at an investor conference, Farley said EVs will continue to be more expensive than their ICE counterparts until the second and third generation vehicles go into production after 2025. Between 2030 and 2035, he added, much of the EV cost savings will come from "dramatically lower labor content" because the vehicles will be simpler to build with fewer parts, and will be fitted with smaller batteries that use cheaper materials. He also predicted lower distribution costs from selling EVs online, as well as higher revenue from new software-driven digital services. Farley said Ford's software services business now has 600,000 subscribers, triple the number of a year ago. As the company expands its ability to harvest data from vehicles and drivers, offering insurance could be "a natural for Ford," he said.

HP Enterprise shares fall as dull forecast fuels fears of slowing demand

Shares of Hewlett Packard Enterprise slumped as its lackluster revenue forecast fanned worries of a slowdown in cloud spending this year. Brokerages expect economic uncertainty to weigh on demand for HPE's server and storage systems and led six analysts to cut their price target. Their median view fell to \$17, which is about 10% higher than the last closing price of \$15.52. Hewlett Packard Enterprise on Tuesday projected third-quarter revenue to be between \$6.7 billion and \$7.2 billion, below estimates of \$7.24 billion and missed sales expectations for the second quarter. Some analysts said the AI boom could help the company, after it signaled that rising customer inquiries about the tech were expected to turn into orders over the coming months. Shares of the company ended 7.06% to \$14.43.

Michael Kors owner Capri cuts revenue forecast as US demand wavers

Michael Kors parent Capri Holdings cut its annual sales forecast as demand for its handbags and shoes weakens in the United States, sending its shares down. Revenue from the company's biggest brand, Michael Kors, fell nearly 11% to \$910 million, while Asia sales rose marginally during the fourth quarter following a rebound in China demand. The company lowered its annual revenue outlook to \$5.7 billion from its earlier outlook of about \$5.8 billion. The company's revenue of \$1.34 billion beat estimates, even as sales in the Americas segment declined across Capri's three brands during the reported quarter. Adjusted earnings came in at 97 cents per share, higher than 94 cents that analysts had expected. Shares of the company fell 11.36% to \$35.09.



Ukrainian service members of the 55th Separate Artillery Brigade fire a Caesar self-propelled howitzer towards Russian troops, amid Russia's attack on Ukraine, near the town of Avdiivka in Donetsk region, Ukraine, May 31. REUTERS/Viacheslav Ratynskiy

Insight and Analysis

COLUMN-US banks tighten lending standards to small business and consumers: Kemp

U.S. domestic banks reported a widespread tightening of lending standards by the end of the first quarter of 2023 - even before the full impact of the regional banking crisis had been felt. Stricter lending criteria are likely to slow the flow of credit to small businesses and households – amplifying the impact of interest rate increases by the Federal Reserve over the last year. The net percentage of banks tightening standards for commercial and industrial loans to small businesses with annual sales below \$50 million hit +47% at the end of the first quarter.

Texas battery rush: Oil state's power woes fuel energy storage boom

BlackRock, Korea's SK, Switzerland's UBS and other companies are chasing an investment boom in battery storage plants in Texas, lured by the prospect of earning double-digit returns from the power grid problems plaguing the state, according to project owners, developers and suppliers. Projects coming online are generating returns of around 20%, compared with single digit returns for solar and wind projects, according to Rhett Bennett, CEO of Black Mountain Energy Storage, one of the top developers in the state. "Resolving grid issues with utility-scale energy storage is probably the hottest thing out there," he said.

POLL-US home prices to fall less than expected despite high borrowing costs

U.S. home prices will decline less than previously expected this year before stagnating in 2024, despite widespread expectations interest rates will remain higher for longer, according to property analysts. Even though the Fed has embarked on its most aggressive tightening cycle in four decades, average home prices have fallen just over 5% from their recent peaks, barely a dent compared to the 45% rise during the COVID-19 pandemic. Home prices, which resumed their rise in March after eight months of declines, will fall 2.8% this calendar year on average, a poll of 30 property analysts showed.

CANADA

Market Monitor

Canada's main stock index ended lower, with the energy stocks leading the declines, while data showing an unexpected rebound in quarterly economic growth sparked fresh fears of the Bank of Canada resuming monetary tightening. "The run of sturdy data undoubtedly raises the odds that the Bank of Canada needs to go back to the well of rate hikes," Douglas Porter, chief economist at BMO Capital Markets wrote in a note. "However, given the uncertain backdrop and the possibility that inflation took a big step

down in May, the BoC could opt to remain patient for a bit longer."

The **Toronto Stock Exchange's S&P/TSX composite index** was down 0.85% to 19,572.24

Energy sector fell 2.02% to 218.10 after weak data from top oil importer China raised demand outlook fears for crude oil.

The **U.S. dollar** fell 0.19% against the **Canadian dollar** to C\$1.3571

COMING UP

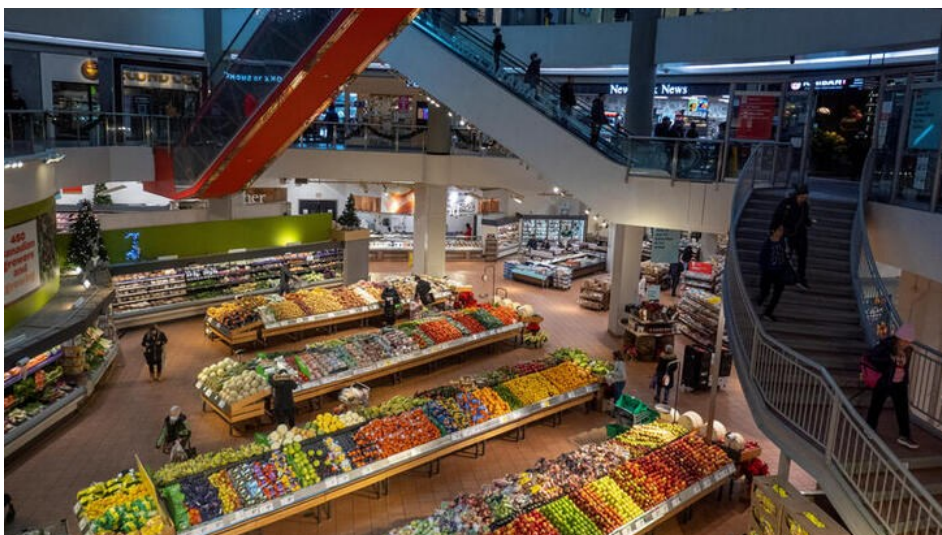
The **S&P Global's Manufacturing Purchasing Managers' Index** for May is due.

TSE's S&P/TSX composite	Price	C\$ Chng	% Chng
GAINERS			
Centerra Gold Inc	8.18	0.73	9.80
Osisko Mining Inc	3.24	0.15	4.85
Sandstorm Gold Ltd	7.27	0.32	4.60
Denison Mines Corp	1.45	0.06	4.32
OceanaGold Corp	2.95	0.12	4.24
LOSERS			
Ero Copper Corp	22.47	-2.23	-9.03
Eldorado Gold Corp	12.82	-1.15	-8.23
Tilray Brands Inc	2.25	-0.20	-8.16
CAE Inc	27.76	-2.15	-7.19
Ivanhoe Mines Ltd	9.94	-0.65	-6.14

Top News

Canada's Q1 growth outperforms, increases odds for rate hike

Canada's economy expanded faster than expected in the first quarter and likely accelerated further in April, data showed, increasing the odds for another interest rate hike by the central bank. The economy expanded at an annualized rate of 3.1% in the first three months of the year, Statistics Canada said, exceeding both analysts' and the central bank's expectations. Real GDP was unchanged in March from February, better than a forecasted 0.1% decline, and likely rose 0.2% in April, the agency said. The growth figures are the latest data illustrating the economy's resilience despite a series of interest rate increases. April inflation, released earlier this month, accelerated for the first time in 10 months to 4.4%. "Both GDP and inflation are now outperforming the (central) bank's expectations, further raising the case for another interest rate hike as soon as next week," said Stephen Brown, deputy chief North



A file photo of people shopping at a grocery store in Toronto, November 22, 2022. REUTERS/Carlos Osorio

American economist at Capital Economics. The next policy announcement is due on June 7. Money markets are pricing in a 40% chance of a hike up from 28% before the data, and fully expect an increase of 25 basis points by September.

National Bank of Canada misses profit estimates as bad loans provisions rise

National Bank of Canada missed analysts' earnings estimates, hurt by higher costs and money set aside for bad loans amid a meltdown in the U.S.

banking sector and souring economy. National Bank, like its peers, has also set aside rainy-day funds, signaling fears that the economy is set for challenging times that could see more Canadians defaulting on their loans. "Our defensive posture with strong capital and liquidity positions and prudent levels of allowances for credit losses will continue to support profitable growth and help us navigate the uncertainty that may lie ahead," bank CEO Laurent Ferreira said. The bank was still one of the better performers, analysts said, owing to the strength of its domestic retail banking segment and driven by comparatively low credit-loss provisions. Net income from its personal and commercial banking segment rose 14%, helped by an increase in net interest income driven by growth in loans and higher deposits.

Franklin Templeton to buy Putnam Investments from Great-West Lifeco for \$925 million

Franklin Resources, a global investment management firm that operates as Franklin Templeton, plans to acquire asset manager Putnam Investments from Great-West LifeCo in a nearly \$925 million deal. The deal, expected to close in the fourth quarter of this year, is part of a partnership with Power Corporation of Canada, the parent company of subsidiaries including Great-West and IGM

Financial. The acquisition will beef up Franklin's retirement and insurance products amid fierce competition among investment managers. Franklin will pay \$825 million in stock at deal close, while \$100 million in cash will be paid 180 days later. The deal, consisting primarily of equity, will see Great-West become a long-term strategic shareholder in Franklin Resources with a nearly 6.2% stake, according to the investment management firm.



Equinor delays Bay du Nord Canada oil project up to 3 years over rising costs

Norway's Equinor said that it will postpone its Bay du Nord Canadian offshore oil project for up to three years, due to rising costs. The decision sets back one of Canada's biggest oil projects in years, and one which has the rare support of Prime Minister Justin Trudeau's government. Ottawa backed Bay du Nord saying that it

would produce relatively low emissions. "Bay du Nord is an important project for Equinor. Within the context of the changing market with increased cost, we will now look at the project again to see if we can do further optimizations to our concept and strategies," said Trond Bokn, Equinor's senior vice president, Project Development, in a statement.

Canada to set up cyber security certification for defence contractors - minister

Canada will work with the United States to draft a cyber security certification framework for defence contractors that will be identical for both countries as incidents of malicious hacking increase, the defence minister said. Russian President Vladimir "Putin's war on Ukraine has reminded all of us that the cyber domain is crucial to our national security," Canadian Defence Minister Anita Anand said at CANSEC, an annual defence trade show in Ottawa. "Here at home, malicious cyber activities have targeted defence contractors and subcontractors across Canada, leaving classified information vulnerable," she said. Without certification, which should be in place by the end of next year, Canadian suppliers risk being excluded from future international defence procurement opportunities, the defence ministry said in a statement.

WEALTH NEWS

DEBT CEILING DEAL

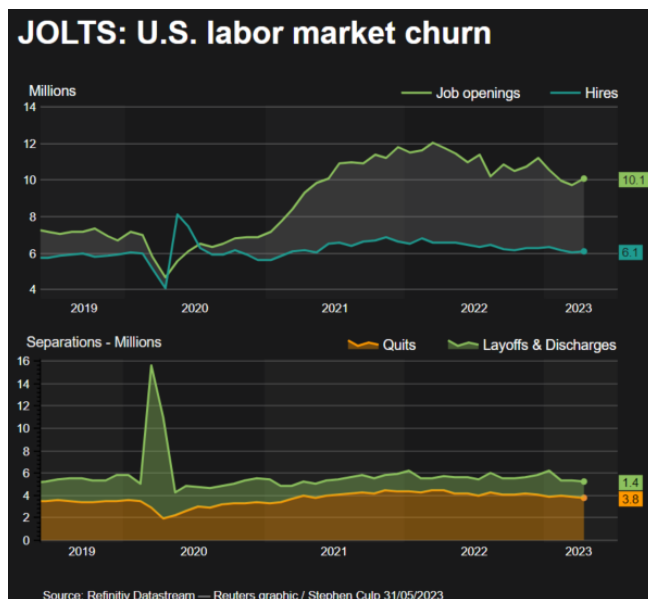
US debt ceiling bill set for tight vote in House on Wednesday

The U.S. House of Representatives is due to vote on a bill to lift the government's \$31.4 trillion debt ceiling, a critical step to avoid a destabilizing default that could come early next week without congressional action.

ECONOMY

US labor market remains resilient as job openings climb, layoffs drop

U.S. job openings unexpectedly rose in April and data for the prior month was revised higher, pointing to persistent strength in the labor market that could compel the Federal Reserve to raise interest rates again in June. The Job Openings and Labor Turnover Survey from the Labor Department also showed layoffs declining significantly last month. There were 1.8 job openings for every unemployed person in April, up from 1.7 in March, and well above the 1.0-1.2 range that is considered consistent with a jobs market that is not generating too much inflation. The report added to data this month, including consumer spending, in suggesting that the economy regained speed at the start of the second quarter. Job openings, a measure of labor demand, increased by 358,000 to 10.1 million on the last day of April. The increase in job vacancies was led by retail trade, where there were an additional 209,000 openings.



BANK DEPOSITS

US bank saw record deposit declines in Q1 as profits remained steady: FDIC

U.S. banks saw total deposits decline by a record 2.5% in the first quarter of 2023, and industry-wide profits were relatively flat after taking into account the effects of two large bank failures, the Federal Deposit Insurance Corporation said.

FEDERAL RESERVE BEIGEBOOK

US economy little changed in recent weeks; outlook 'deteriorated': Fed survey

U.S. economic activity was little changed overall in recent weeks, and with growth in hiring and in prices slowing, the outlook appeared to worsen, a Federal Reserve report showed.

US-CHINA TUSSLE

US seeks to curb investment in Chinese chips, AI and quantum computing

New rules under consideration would restrict the flow of U.S. investments and know-how into Chinese companies working on advanced semiconductors, artificial intelligence and quantum computing, a U.S. Treasury official said.

REUTERS NEWSMAKER

Bank of America says healthy consumers will buoy retail unit in 2nd qtr

Bank of America expects good performance for its retail business in the second quarter, buoyed by resilient consumer demand, its a senior executive said.

RATE HIKE EXPECTATIONS

BlackRock's CEO expects more rate hikes as inflation persists

BlackRock Chief Executive Laurence Fink said that inflation remained sticky and the Federal Reserve may need to hike interest rates further to contain price pressures.

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Broadcom	Q2	AMC	\$10.12	\$10.08	\$9.07	\$8,707.65
Cooper Companies	Q2	16:15	\$3.03	\$3.03	\$3.24	\$865.82
Dollar General	Q1	BMO	\$2.36	\$2.38	\$2.41	\$9,462.92
Hormel Foods	Q2	BMO	\$0.39	\$0.40	\$0.48	\$3,051.92

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

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

The Day Ahead - North America is compiled by Jerin Tom Joshy and Nachiket Tekawade 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](#)

© 2023 Refinitiv. All rights reserved.

*Refinitiv
28 Liberty Street, New York, NY 10005*

Please visit: [Refinitiv](#) for more information.

[Privacy statement](#)