

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Wall Street rose after a strong U.S. payrolls report supported upbeat economic outlook. Disappointing wage inflation pushed **Treasury yields** down from multi-week highs, while the **dollar** came under pressure. **Oil** inched up and **gold** prices rose.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26504.34	196.55	0.75	26951.81	21712.53
Nasdaq	8164.00	127.22	1.58	8176.08	6457.13
S&P 500	2945.58	28.06	0.96	2954.13	2443.96
Toronto	16494.43	83.55	0.51	16672.71	13776.88
FTSE	7380.64	29.33	0.40	7528.93	6599.48
Eurofirst	1535.09	6.87	0.45	1541.32	1308.86
Nikkei	22258.73	-48.85	-0.22	22362.92	19241.37
Hang Seng	30081.55	137.37	0.46	30280.12	24896.87

TREASURIES	Yield	Price
10-year	2.5287	7 /32
2-year	2.3391	1 /32
5-year	2.3284	4 /32
30-year	2.9209	14 /32

FOREX	Last	% Chng
Euro/Dollar	1.1198	0.20
Dollar/Yen	111.09	-0.37
Sterling/Dollar	1.3167	1.02
Dollar/CAD	1.3426	-0.34
TR/HKEX RMB	96.18	-0.05

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	61.90	0.09	0.15
Spot gold (NY/oz)	1278.07	7.78	0.61
Copper U.S. (front month/lb)	0.0283	0.0004	1.44
CRB Index Total Return	189.92	-0.12	-0.06

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Newell Brands Inc	16.63	1.98	13.52
Flowservice Corp	51.99	4.43	9.31
Monster Beverage Corp	63.11	5.12	8.83
LOSERS			
Cognizant Technology Solutions	59.25	-7.36	-11.05
Arista Networks Inc	278.41	-32.44	-10.44
Fortinet Inc	85.96	-5.55	-6.06

Coming Up - On Monday



A file photo of the logo of American International Group seen at their offices in New York, September 18, 2008. REUTERS/Eric Thayer

Insurer American International Group Inc plans to announce its first-quarter results, as analysts and investors look for signs of movement toward greater profitability in its general insurance business. The insurer is scheduled to hold a call with analysts on Tuesday to discuss its first-quarter results.

Oil and gas producer **Occidental Petroleum Corp** is expected to report a fall in first-quarter profit, hit by lower prices for its crude. Investors will be looking for any updates on its bid for Anadarko Petroleum Corp.

Tyson Foods Inc is likely to report its second-quarter sales, as the U.S. meat processor continues to face challenges from the U.S. trade disputes with top pork buyers Mexico and China. An outbreak in China of African swine

fever, a fatal hog disease, is helping to lift pork prices.

Federal Reserve Bank of Chicago is expected to release slides and talking points of President **Charles Evans's** presentation on current economic conditions and monetary policy to a closed Bank of Italy seminar in Rome, Italy. Federal Reserve Bank of Philadelphia President **Patrick Harker** is set to speak on the economic outlook before the 37th Annual Monetary and Trade Conference hosted by the Drexel University LeBow College of Business, in Philadelphia.

LIVECHAT - FUND FLOWS

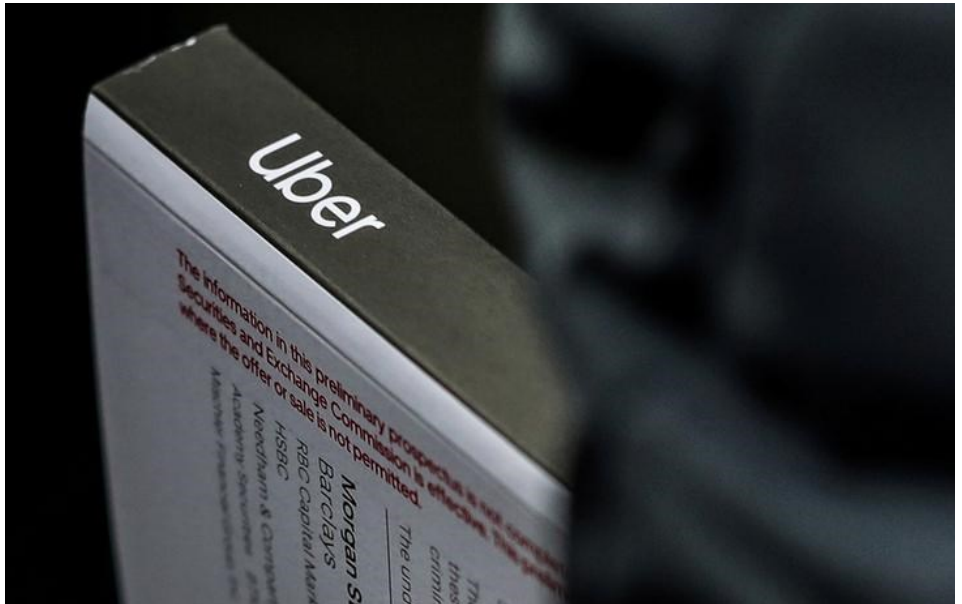
Lipper analysts discuss sectoral churn and indications of where the smart money is headed. (1030 ET/1430 GMT) To join the conversation, [click here](#)

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Employment Trends for April	1000	--	111

Coming Up - Week Ahead

Uber Technologies Inc is scheduled to price shares in its eagerly anticipated initial public offering on Thursday. The ride-hailing company, which is valued at as much as \$91.5 billion, is looking to sell up to \$9 billion worth of shares in the IPO. On Friday, Uber is set to begin trading on the New York Stock Exchange. First trade is likely to take place between 11 a.m. and 12 p.m. EST. Also on Wednesday, Uber drivers are expected to strike across U.S. cities against the company's recent 25 percent wage cut. The company is going public with a record of enormous losses, but it is trying to show investors that it can shift from being simply a ride-hailing service to a technology platform for services ranging from delivering groceries and take-away meals to organising freight transportation.



A file photo of an investor walking out of the Uber IPO roadshow with documents in hand at a hotel in Manhattan, New York, April 30. REUTERS/Jeenah Moon

A slew of data is scheduled on the U.S. economic calendar next week. On Friday, the labor department's report will likely show **consumer price index** rose 0.4 percent in April, following a similar gain in March. The Commerce Department on Thursday is expected to show **trade deficit** rose to \$51.1 billion in March, from \$49.4 billion in February. On Thursday, the labor department is expected to report **producer price index** for final demand edged up 0.2 percent in April, after having risen 0.6 percent in March. On the same day, the department is likely to show the **PPI** rose 2.4 percent, in the 12 months through April, after advancing 2.2 percent in the 12 months through March. Another report is likely to show **initial claims** for state unemployment benefits having fallen 10,000 to a seasonally adjusted 220,000 for the week ended May 4. On Tuesday, the U.S. Federal Reserve is likely to report **consumer credit** rose \$17 billion in March, from \$15.19 billion in February. On the same day, the labor department is likely to show **U.S. job openings** rose to 7.230 million in

March, after it fell to 7.087 million in February.

On Wednesday, **Walt Disney Co** is expected to post a drop in its second-quarter profit, as it incurred costs to build its streaming service Disney+. Investors will be looking out for more details on Disney divesting 21 regional sports networks it got as part of its deal to buy Twenty-First Century Fox Inc's film and television assets.

Allergan Plc will probably report its first-quarter results on Tuesday, and investors will focus on sales of Botox, the blockbuster anti-wrinkle injection that currently dominates the market. Investor focus will also be on comments about Allergan's drug pipeline after a key experimental treatment failed a trial earlier this year and its eye drug Restasis faces impending competition. **Mylan NV** is expected to report a fall in its first-quarter earnings on Tuesday due to continued generics price declines in the United States. Investors will look out for details on new launches including

Mylan's generic version for GlaxoSmithKline's lung drug Advair and updates on its review of strategic alternatives.

Federal Reserve Chairman **Jerome Powell** is set to give opening remarks at the Federal Reserve System Community Development Research Conference, in Washington D.C., on Thursday. On Friday, Federal Reserve Bank of Chicago President **Charles Evans** is scheduled to speak on "Renewing the Promise of the Middle Class" at the Conference. Federal Reserve Vice Chair **Randal Quarles** is scheduled to speak on financial regulation at Yale University, Connecticut on Tuesday. Federal Reserve Bank of Atlanta President **Raphael Bostic** is set to speak on the economic outlook and monetary policy at the Louisiana Bankers Association Convention and Exposition on Thursday, in New Orleans, Louisiana. Federal Reserve Bank of Atlanta President **Raphael Bostic** is set to speak on the economic outlook and monetary policy at East Mississippi

Business Development Corporation Bank President's Roundtable on Friday, in Meridian, Mississippi.

Hotel chain **Marriott International Inc** is expected to report higher first-quarter profit and revenue on Friday, helped by strong demand for corporate travel in the United States. Investors will look for comment on the company's full-year financial forecast.

Sprint Corp is expected to report fourth-quarter decline in earnings year-on-year but a marginal rise in revenue on Wednesday. Investors will be keen about Sprint's outlook, details of its deal with T-Mobile US Inc and management discussing business conditions on the earnings call.

Electronic Arts Inc is expected to post a fall in fourth-quarter revenue and profit on Tuesday, as it continues to face intense competition from free-to-play digital games such as "Fortnite" and other popular titles from rivals. Investors will be on the lookout for numbers for its latest battle-royale sensation "Apex Legends" after its hugely successful launch.

McKesson Corp, the largest U.S. drug distributor, is expected to report higher fourth-quarter sales on Wednesday, helped by strength in its medical-surgical distribution unit. Investors will focus on the company's full-year forecasts to gauge how costs tied to opioid-related litigation impacts the company, and falling prices of generic drugs hurt margins.

The **New York Times Co** is expected to report a rise in first-quarter revenue on Wednesday, as the newspaper publisher signed up more digital subscribers, compared to a year earlier.

Refiner **Marathon Petroleum Corp** is expected to post a fall in first-quarter profit on Wednesday, due to higher prices of Canadian crude which could hit its margins. Investors will be looking

for guidance on its plans for its master limited partnerships **MPLX** and **Andeavour Logistics**, which might include a possible combination of the two. Oil and gas producer **Chesapeake Energy Corp** is expected post a decline in first-quarter profit, hit by lower prices for its crude. Investors will be looking at the performance of Texas oil producer **WildHorse**, an acquisition **Chesapeake** completed in February.

Higher sales of millennial-favorite **Kate Spade** and **Coach** handbags are expected to boost parent **Tapestry Inc's** third-quarter revenue. The company should get a bump from higher spending by Chinese customers overseas and in their home turf. Investors will watch for any comments on its China business, a big area of interest for the luxury goods market.

Wendy's Co is expected to report its first-quarter same-store sales growth in the United States on Wednesday, helped by its giant Jr. bacon cheeseburger and Made to Crave hamburger menu lineup. Restaurant traffic numbers will also be in focus. Major U.S. burger chains have so far reported flat or a drop in restaurant traffic this quarter, but same-store sales have risen on the back of higher menu prices.

Albemarle Corp, the world's largest publicly traded lithium producer, is expected to post a slight rise in first-quarter profit on Wednesday. Separately, Lithium producer **Livent Corp** is likely to report a sequential drop in first-quarter profit on Tuesday due to operational issues at its Argentine operational center.

Google is scheduled to host its annual conference for software developers at Shoreline Amphitheatre, Mountain View, California, on Tuesday. The company is expected to unveil details of its latest products at the event.

On Thursday, **Sundeep "Sunny" Madra**, vice-president of **Ford X**, Ford

Mobility's business incubator and accelerator, is scheduled to participate in a chat moderated by Itay Michaeli at Citi's 2019 Car of the Future Symposium in New York. He will speak to investors on the successful applications and services Ford is building for the customers of its increasingly connected fleet of vehicles.

On **Canada's** economic schedule next week, the Canadian **Mortgage and Housing Corp** is expected to show a seasonally adjusted annualized rate of housing starts for April on Wednesday. On Thursday, Statistics Canada is likely to show Canada's **trade deficit** narrowing to C\$2.3 billion in March from C\$2.9 billion in February. On Friday, data will probably show the Canadian economy added 15,000 **jobs** in April, after losing 7,200 jobs in March.

Rail operator **Canadian Pacific Railway Ltd's** annual meeting of shareholders is scheduled on Tuesday at the Royal Canadian Pacific Pavilion, CP's Ogden Head Office in Calgary, Alberta.

The Canadian auto parts maker **Magna International Inc's** annual general meeting is scheduled on Thursday at Markham, Ontario.

Brazil central bank's monetary policy committee is likely to keep its benchmark **interest rate** unchanged at 6.5 percent on Wednesday. On Thursday, Brazil's statistics agency IBGE is likely to report March **retails sales** data. On Friday, the agency will likely report consumer prices as measured by the benchmark IPCA index for April.

Brazil's **BRF SA**, the world's largest chicken exporter, will release its first-quarter earnings on Friday before the markets open. Subsequently, the company's managers will host a conference call with analysts to comment on results.

Market Monitor

Stocks rose in a broad-based rally as stronger-than-expected job growth in April with muted wage gains left investors upbeat about the outlook for the economy and interest rates.

"We continue to have stronger and stronger job growth, and it seems like there's less and less inflation, which is really odd. You typically don't see that, and basically what that signals to the market is that the Fed is on hold," said Jamie Cox, managing partner of Harris Financial Group in Richmond, Virginia. "As long as inflation is below trend, that's good. So if you have the Fed in a box, you have strong labor force gains, that could portend for better earnings in the future for companies," he said.

Amazon.com shares rose 3.2 percent.

Newell Brand shares jumped 13.5

percent. **Activision Blizzard** fell 4.8

percent. The **consumer discretionary**

sector rose 1.4 percent to 954.3. The

Dow Jones rose 0.75 percent, to

26,504.34, the **S&P 500** gained 0.96

percent to 2,945.57 and the **Nasdaq**

Composite added 1.58 percent to

8,146, at close. For the week, the S&P

gained 0.19 percent, the Dow slipped

0.15 percent and the Nasdaq gained

0.22 percent.

Treasury yields fell, as government data showed strong jobs growth in April that matched what many traders had expected, while wage gains were muted. "There's been some liquidations going on for the last couple of days based on the perception that this number's going to be a strong data set for the most part," said Tom di Galoma, a managing director at Seaport Global Holdings in New York. "My sense is that buyers are going to be around just because the data wasn't so out of whack and we've gotten back to levels where accounts want to buy the market," he said. **Benchmark notes** were up 6/32 to yield 2.53 percent and **30-year bonds** were up 13/32, yielding 2.92 percent. Short-dated **2-year notes** were up 1/32 to yield 2.33 percent.



A file photo of traders working on the floor at the New York Stock Exchange in New York, April 30. REUTERS/Brendan McDermid

The **dollar** slipped against a basket of currencies as traders focused on the weaker aspects in the April U.S. payrolls report, brushing aside stronger-than-forecast hiring and a drop in the jobless rate to the lowest in more than 49 years. The modest 0.2% monthly pace of wage growth and the drop in the job participation rate prompted some to sell the greenback, analysts said. The dollar also came under pressure when a measure of U.S. services activity from the Institute for Supply Management posted a surprise drop to a 20-month low in April. The **dollar index** was 0.36 percent lower at 97.48, adding to its weekly decline. The **euro** was up 0.19 percent against the **greenback** at \$1.1197, while the **dollar** was 0.37 percent weaker against **yen** at 111.09 yen.

Oil prices inched up as strong U.S. economic data boosted demand sentiment and as production losses in sanctions-hit Iran and Venezuela tightened the market. "If more people are going to work, they're going to have

to drive or take transportation to get there," Phil Streible, senior commodities strategist at RJO Futures in Chicago. "It's a good indication we could expect to see gasoline demand, oil demand picking up into the summer." **Brent crude futures** were up at \$70.80 a barrel, rising 0.07 percent. **U.S. West Texas Intermediate crude futures** were last at \$61.88 a barrel, up 0.11 percent.

Gold prices rose, clawing away from a four-month low hit in the previous session, helped by a pullback in the dollar and as some investors covered their short positions. "We are seeing a short-covering rally after a sell-off during the week. We also saw some good physical demand at price levels below \$1,270," said David Meger, director of metals trading at High Ridge Futures. "The dollar is weak, which is also helping gold," he added. **Spot gold** rose 0.6 percent to \$1,277.97 per ounce. **U.S. gold futures** were 0.64 percent higher at \$1,280.10 an ounce.

Top News

Tesla boosts capital raise to \$2.7 billion, Musk buys more stock

Tesla was set to raise up to \$2.7 billion in a record-setting capital raising for the electric carmaker, as investors scooped up a mix of new stock and convertible notes that will recharge the company's cash-depleted balance sheet. The company said in a filing that it had increased its offer to 3.1 million shares, rising to 3.5 million including a tranche for underwriting banks, from an initially planned 2.7 million, priced at \$243 per share. The filing also showed it would place convertible debt worth \$1.6 billion, up from an initial planned \$1.35 billion. That all pointed to buoyant interest in the offering and shares in the company rose 2.5 percent in morning trading. The coupon for the debt offering, however, was set at 2.0 percent - the top of the indicated range - suggesting the company had ceded ground to investors to borrow so much. Billionaire Musk, whose fortune centers around a 20 percent stake in the \$42-billion company, also doubled his initial commitment for buying shares and will now buy stock worth up to \$25 million, the company said.

FCA sees U.S. pickup trucks hauling profits in rest of 2019

Fiat Chrysler Automobiles (FCA) said that new U.S. pickup truck models would help the automaker achieve its 2019 profit targets and offset a weak performance in the first quarter. Nearly all - 98 percent - of the Italo-American automaker's first-quarter profit was powered by its Ram pickup truck. FCA's U.S. sales were down 3.1 percent in the quarter, but Ram sales were up more than 20 percent and outsold rival General Motor's Chevrolet Silverado. FCA expects new models such as the Jeep Gladiator pickup truck and all-new Ram heavy-duty trucks to help it meet full-year targets. Chief Executive Mike Manley told analysts on a conference call most of the profit improvement would come in the second half of 2019. FCA's North



A file photo of the logo of Tesla seen on a steering wheel of its Model S electric car at its dealership in Seoul, South Korea, July 6, 2017. REUTERS/Kim Hong-Ji

American margin fell to 6.5 percent from 7.4 percent a year earlier, below the first-quarter margins posted by Detroit rivals GM and Ford. The company's first-quarter operating profit fell 29 percent to 1.07 billion euros, below analyst expectations of 1.31 billion euros. FCA stuck to its full-year 2019 adjusted operating profit forecast of more than 6.7 billion euros.

Dish bleeds more pay-TV subscribers, Sling TV disappoints

Dish Network fell short of estimates for quarterly profit, as the U.S. satellite TV service provider lost more pay-TV subscribers than expected and posted anemic growth in its streaming service Sling TV. Sling subscriber additions of 7,000 for the first quarter was well below the 91,000 subscribers it added last year. Dish's pay-TV business, which includes both satellite TV and Sling TV, lost 259,000 subscribers on a net basis during the first quarter, compared with the 94,000 it lost a year earlier. Analysts on average had expected Dish to lose 242,000 subscribers, according to research firm FactSet. Net income attributable to the company fell to \$340 million, or 65 cents per share, in the first quarter ended March 31, from \$368 million, or 70 cents per share, a year earlier. Analysts on average had expected the

company to report a profit of 66 cents per share. Revenue fell about 8 percent to \$3.19 billion, in line with estimates.

CEO of Buffett-owned Brooks Running moves production out of China, cites tariff threat

The chief executive of Brooks Running, part of Warren Buffett's Berkshire Hathaway, said his company will shed much of its presence in China by moving running shoe production to Vietnam, a result of the trade dispute between China and the United States. Jim Weber, who has run Brooks since 2001, said in an interview that Brooks made the decision in January, when U.S. President Donald Trump was threatening to boost tariffs on the shoes to 45 percent from 20 percent. Weber said the tariff threat weighed "massively" because Brooks cannot simply raise prices on its shoes, which typically retail for \$100 to \$160 a pair, and though trade tensions have cooled, the company could not wait for a resolution. "We're going to pull most of our production out of China," he said. "We've had to make a long-term decision on this picture. It's disruptive, but the reality. So we'll be predominantly in Vietnam by the end of the year."



Newell Brands sees Toys 'R' Us woes ending

U.S. consumer products maker Newell Brands beat first-quarter estimates and said the bankruptcy of its retail partner Toys 'R' Us would not have anymore impact on its business. "Coming out of the first quarter, the headwinds stemming from the (Toys 'R' Us) bankruptcy subsides and we expect baby to return to growth," Chief Financial Officer Christopher Peterson said on a post-earnings call with analysts. The company expects second-quarter profit in the range of 34 cents to 38 cents per share, below analysts' estimates of 47 cents. The efforts seem to have paid off with company earning 14 cents per share in the first quarter on an adjusted basis, well above estimates of 6 cents. Overall, the company's net sales fell 5.5 percent to \$1.71 billion, but came ahead of estimates of \$1.69 billion.



GM recalls 368,000 larger duty trucks for fire risks

General Motors said it is recalling 368,000 medium- and heavy-duty diesel trucks equipped with engine-block heaters for fire risks after 19 reports of fires. The recall covers some 2019 Chevrolet Silverado 4500, 5500 and 6500 trucks, 2017-2019 Chevrolet Silverado and GMC Sierra 2500 and 3500 trucks equipped with Duramax 6.6-liter diesel engines and an optional engine-block heater, including 324,000 U.S. vehicles. The engine block heater cord or the terminals may short circuit and fail, GM said. There are no reports of injuries, accidents or fatalities tied to

the recall, GM spokesman Dan Flores said. GM said the remedy for the issue was still under development, and told dealers on April 25 the company was working with the supplier "to obtain the required parts as quickly as possible."

Marriott says Sorenson to remain CEO while being treated for pancreatic cancer

Hotel chain Marriott International said Chief Executive Officer Arne Sorenson was diagnosed with stage 2 pancreatic cancer, but will continue in his role while being treated. Sorenson will start treatment, beginning with chemotherapy next week, and surgery is expected by the end of 2019, the company said. The cancer was discovered early and does not appear to have spread, Sorenson said in message to employees.

Noble's Q2 output forecast misses after bigger-than-expected loss

Noble Energy reported a bigger-than-expected quarterly loss on lower oil and gas prices and forecast second-quarter production below analysts' estimates. Noble, which operates in the DJ basin in Colorado, Permian's Delaware basin and Texas' Eagle Ford in the United States, said realized prices fell 13 percent to \$53.46 per barrel of crude and condensate from its onshore operations in the United States, its largest. Adding to its woes, Noble also forecast current-quarter sales volumes of 332,000 barrels of oil equivalent per day (boepd) to 347,000 boepd, missing the consensus estimate of 348,430 boepd. Noble's first quarter sales volumes of 337,000 boepd beat analysts' estimates by nearly 2 percent, mainly driven by better-than-expected gas production. Adjusted net loss was \$44 million, or 9 cents per share, in the quarter ended March 31, compared with a profit of \$172 million, or 35 cents per share, a year earlier. Analysts on average had expected the company to

report a loss of 6 cents per share. Revenue fell 18 percent to \$1.05 billion.

Wells Fargo expects to refund monthly service fees to some customers

Wells Fargo said it expects to refund some servicing fees to customers who may have been confused about how to avoid monthly charges. The San Francisco-based bank said in a securities filing it was reviewing past disclosures to consumers about minimum debit card activity requirements to waive certain monthly fees. In the same filing the company also raised the high end of potential losses in excess of the company's accrual to \$3.1 billion, up from \$2.7 billion at the end of last year.

PG&E unable to strike deal over renewable power contracts -court documents

PG&E was unable to reach a deal with NextEra Energy and other companies with which it has billions of dollars in power contracts in a jurisdictional dispute over the bankrupt utility's ability to walk away from or amend those agreements, according to court documents. The matter will now be decided by the judge overseeing PG&E's bankruptcy "in the coming weeks," according to the documents filed in U.S. Bankruptcy Court. At issue is whether the bankruptcy court or the Federal Energy Regulatory Commission has jurisdiction over the power purchase contracts, which are worth up to \$42 billion. "PG&E recognizes its important role in supporting the state's commitment to clean energy initiatives and remains committed to continuing to help California achieve its bold clean energy goals," the company said in an emailed statement.





Teams compete in the 29th annual dhow sailing race, known as The Gaffal, near Sir Bu Nuayr Island, UAE May 3. REUTERS/Satish Kumar

Insight and Analysis

A few choice words could lead to better central bank forecasts

Central bankers didn't see the Great Recession coming and they could miss the next downturn too, but new research out of the United States points to a possible way to make their predictions a little more accurate. Economists and investors are increasingly training computers to read central bank reports to better understand policymaking or to make bets in financial markets. A group of researchers at George Washington University has created an index for British economic growth based on the words used in a key section of the Bank of England's quarterly inflation reports. They found that over the last two decades, the index was a pretty good predictor of how quickly the British economy would grow in the

quarter after the release of each report.

Fed 'insurance' rate cut not likely soon as economy hums along

Federal Reserve Chairman Jerome Powell was criticized by analysts and investors this week when he seemed to set aside concerns about weak U.S. inflation, repeatedly describing its recent decline as temporary and dimming market expectations of an interest rate cut. But in a series of statements and speeches since last fall, Powell, Fed Vice Chairman Richard Clarida and others have been consistent: The idea of preemptive "insurance" rate moves in either direction appear off the table for now, absent some unexpected event that raises new risks or shocks the economy into a higher or lower gear.

POLL-Canadian yield discount set to crimp gains for the loonie

The Canadian dollar is set to strengthen over the coming year, helped by higher oil prices, but the currency's gains will be held back by the greater interest rate offered to holders of U.S. dollars, a Reuters poll showed. The loonie, which has fallen 3 percent since February, is losing its usual tight link to the performance of stocks on Wall Street as investors pay more attention to domestic economic headwinds than signs of improved prospects for the U.S. economy. But the poll of nearly 40 currency analysts taken April 29-May 2 expects the loonie will strengthen to 1.30 per U.S. dollar in 12 months, or 76.92 U.S. cents, from about 1.3475 on Thursday.



CANADA

MARKET MONITOR

Canada's main stock index ended higher, with the **Toronto Stock Exchange's S&P/TSX composite index** gaining 0.51 percent to 16,494.43.

The **materials sector** rose 1.26 percent to 228.06 and the **financials sector** gained 0.35 percent to 310.55.

Pretium Resources shares jumped 13.66 percent after reporting upbeat quarterly profit. **Eldorado Gold** fell 17.81 percent after the company posted disappointing quarterly results.

The **U.S. dollar** fell 0.34 percent against its **Canadian counterpart** to C\$1.3426.

Coming Up - On Monday

Bank of Canada Governor **Stephen Poloz** will make a keynote address on "Economic Flexibility, Housing and the Future of Mortgages" at Canadian Credit Union Association and the Winnipeg Chamber of Commerce in Winnipeg.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Pretium Resources Inc	10.86	1.34	14.02
Baytex Energy Corp	2.79	0.31	12.50
CannTrust Holdings Inc	8.10	0.52	6.86
LOSERS			
Eldorado Gold Corp	4.56	-1.00	-17.99
Enerflex Ltd	16.50	-1.13	-6.41
Martinrea International Inc	12.17	-0.77	-5.95

Top News

Pipeline company TransCanada changes name to TC Energy

TransCanada said it has changed its name to TC Energy, to reflect the expansion of its business beyond Canada to the United States and Mexico. The company reported a first quarter profit, beating analysts' estimates as it earned more by phasing into service the Columbia Gas pipeline and one of its Columbia Gulf growth projects in the United States, as well as moving more volumes on Keystone. TC Energy said earnings from its U.S. natural gas pipelines rose 22 percent to C\$792 million. Comparable earnings rose to C\$987 million, or C\$1.07 per share, from C\$864 million, or 98 Canadian cents per share, a year earlier.

Canadian court rules federal carbon-pricing plan constitutional

A Canadian court ruled that a federal carbon-pricing plan does not violate the constitution, marking a victory for Prime Minister Justin Trudeau on one of his trademark policies ahead of the

October national election. In a 3-2 decision, the Saskatchewan Court of Appeal rejected a challenge from the conservative provincial government, which argued the tax could not be imposed by Ottawa. Saskatchewan's premier, Scott Moe, said he would appeal the decision. "Though I am disappointed with today's ruling, our fight will continue on behalf of Saskatchewan people – who oppose the ineffective, job-killing Trudeau carbon tax," Moe said on Twitter.

Hudbay Minerals settles board battle with shareholder Waterton

Hudbay Minerals said it had agreed with Waterton Global, its second largest shareholder, to seek election of a slate of 11 board members that includes nominees proposed by both parties. The agreement settles a proxy contest with the private equity firm, which nominated five directors to the Canadian miner's board, two of whom the company accepted before one dropped out. The 11 directors include Chair Alan Hibben and current director

Igor Gonzales, whom Waterton had sought to replace, and Waterton nominees Peter Kukielski and Daniel Muniz Quintanilla. The rest, including Chief Executive Alan Hair and David Smith, a Waterton nominee whom Hubday had already accepted, had not been in dispute.

Kudlow: White House to work on USMCA enforcement amid Democrats' request

The White House will work on stronger enforcement mechanisms for its replacement NAFTA trade deal in response to requests from House Democrats, U.S. President Donald Trump's economic adviser Larry Kudlow told reporters. The Trump administration is pushing Congress to pass the new United States-Mexico-Canada Agreement (USMCA), which would replace the 25-year-old North American Free Trade Agreement. Democrats, who control the House of Representatives, have said the trade agreement must address concerns over enforcement.



WEALTH NEWS

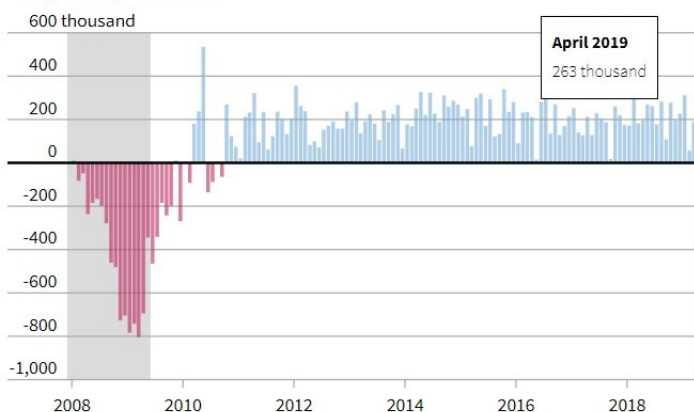
JOBS GROWTH SURGE

U.S. job growth surges; unemployment rate drops to 3.6 percent

U.S. job growth surged in April and the unemployment rate dropped to the lowest in nearly half a century, pointing to sustained strength in economic activity even as last year's massive stimulus from Republican tax cuts and spending increases fades. The Labor Department's monthly employment report showed the greater-than-expected 263,000 new jobs created last month were spread across most industry sectors, and the unemployment rate was just 3.6 percent, the lowest since December 1969. Aside from April's surge in nonfarm payrolls, the economy created 16,000 more jobs in February and March than previously reported. Average hourly earnings rose six cents, or 0.2 percent in April after rising by the same margin in March. Also, A survey from the Institute for Supply Management (ISM) showed a measure of services industry activity dropped to a 20-month low in April.

NONFARM PAYROLLS

Change from previous month



Source: Thomson Reuters Datastream

By Matthew Weber | REUTERS GRAPHICS

Click on the chart for a detailed and interactive graphic

WEAK INFLATION WORRIES FED OFFICIALS

Some U.S. Fed officials are more worried by weak inflation

Two Federal Reserve policymakers said they were increasingly worried about weak inflation, an indication that some U.S. central bankers see a growing case for a future interest rate cut even as others push for continued patience.

TRUMP FIRM ON TRADE PRACTICES

Trump 'firm' on China structural demands, tariffs part of enforcement -Pence

U.S. Vice President Mike Pence said that President Donald Trump would "stand firm" on his demands for structural changes to China's trade practices, and removal of U.S. tariffs on Chinese goods would be a part of a mechanism to enforce any deal with Beijing.

WALL STREET WEEK AHEAD

Record-breaking rally leaving energy stocks behind

The stock market surge since the start of the year that has sent the benchmark S&P 500 index up to new record highs is leaving behind one sector that typically outperforms in an expanding economy: energy.

RUSSIA TO CUT CRUDE OUTPUT

Russia to cut oil output by about 10 percent in coming days as exports suffer - sources

Russia is cutting oil output by as much as 10 percent for several days amid disruptions due to contamination of crude in a major pipeline to Europe and at a key port for exports, industry sources said.

U.S.- JAPAN TRADE DEAL

U.S.-Japan trade deal seen by late May, White House adviser says

The United States may finalize a trade agreement with Japan by month's end, White House adviser Larry Kudlow said, following U.S. President Donald Trump's recent on-on-one meeting with Japanese Prime Minister Shinzo Abe.

ICAHN DISCLOSES U.S. PROBE

Icahn discloses U.S. probe into sale of Manitowoc shares - filing

Federal prosecutors in Manhattan asked billionaire investor Carl Icahn's company for information about trades in crane maker Manitowoc, Icahn Enterprises disclosed in a regulatory filing on Thursday, in its first acknowledgement of such a probe.

ON THE RADAR

Events	ET	Poll	Prior
Tuesday: JOLTS job openings for Mar	1000	7.230 mln	7.087 mln
Consumer credit for Mar	1500	17 bln	15.19 bln
Wednesday: TR IPSOS PCSI for May	1100	--	60.71
Thursday: International trade for Mar	0830	-\$51.8 bln	-\$49.4 bln
Goods trade balance (R) for Mar	0830	--	-71.45 bln
Initial jobless claims	0830	220,000	230,000
PPI final demand yy for Apr	0830	2.4 pct	2.2 pct
PPI final demand mm for Apr	0830	0.2 pct	0.6 pct
PPI exfood/energy yy for Apr	0830	2.5 pct	2.4 pct
PPI exfood/energy mm for Apr	0830	0.2 pct	0.3 pct
Wholesale inventory, R mm for Mar	1000	0.0 pct	0 pct
Wholesale sales mm for Mar	1000	0.2 pct	0.3 pct
Friday: Core CPI mm, SA for Apr	0830	0.2 pct	0.1 pct
Core CPI yy, NSA for Apr	0830	2.1 pct	2 pct
CPI Index, NSA for Apr	0830	255.828	254.202
Core CPI Index, SA for Apr	0830	--	261.37
CPI mm, SA for Apr	0830	0.4 pct	0.4 pct
CPI yy, NSA for Apr	0830	2.1 pct	1.9 pct
Real weekly earnings mm for Apr	0830	0.2 pct	0 pct
CPI mm NSA for Apr	0830	--	0.56 pct
CPI Index SA for Apr	0830	--	254.15
Cleveland fed CPI for Apr	1100	--	0.3 pct
Federal budget for Apr	1400	-\$154 bln	-\$147 bln

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Affiliated Managers Group	Q1	BMO	\$3.27	\$3.26	\$3.92	\$542.30
American International Group	Q1	AMC	\$1.07	\$1.06	\$1.04	\$12,282.02
Assurant	Q1	AMC	\$2.16	\$2.13	\$2.00	\$2,321.62
Everest Re Group Ltd	Q1	AMC	\$6.14	\$5.91	\$5.34	\$1,864.75
FMC	Q1	AMC	\$1.62	\$1.62	\$1.84	\$1,192.81
International Flavors & Fragrances	Q1	AMC	\$1.51	\$1.52	\$1.69	\$1,282.35
KLA-Tencor	Q3	NTS	\$1.67	\$1.67	\$2.02	\$1,078.97
Mosaic Co	Q1	AMC	\$0.25	\$0.24	\$0.20	\$1,854.44
Occidental Petroleum	Q1	AMC	\$0.75	\$0.73	\$0.92	\$4,015.97
Pioneer Natural Resources Co	Q1	AMC	\$1.64	\$1.57	\$1.66	\$1,144.98
Sysco	Q3	BMO	\$0.70	\$0.70	\$0.67	\$14,771.61
Tyson Foods	Q2	BMO	\$1.14	\$1.14	\$1.27	\$10,288.13

*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.



T-72B tanks fire during military exercises at the firing ground Koktal in Almaty Region, Kazakhstan May 3. REUTERS/Pavel Mikheyev

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