

THE DAY AHEAD

MARKET RECAP at 4 pm ET

S&P 500 and **Nasdaq** hit record highs, and **Treasury yields** rose, buoyed by a stronger-than-expected U.S. employment data and a surprise bounce in Chinese manufacturing. The **dollar** was down as U.S.-China trade optimism reduced its safe-haven demand. **Oil** surged over 3%, while **spot gold** prices were in the red.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	27346.21	299.91	1.11	27398.68	21712.53
Nasdaq	8386.40	94.04	1.13	8339.64	6457.13
S&P 500	3066.91	29.35	0.97	3050.10	2443.96
Toronto	16594.07	110.91	0.67	16947.23	13776.88
FTSE	7302.42	54.04	0.75	7727.49	6599.48
Eurofirst	1565.53	10.18	0.65	1568.38	1308.86
Nikkei	22850.77	-76.27	-0.33	23008.43	19241.37
Hang Seng	27100.76	194.04	0.72	30280.12	24896.87

TREASURIES	Yield	Price
10-year	1.7172	-8 /32
2-year	1.5560	-2 /32
5-year	1.5474	-4 /32
30-year	2.1990	-17 /32

FOREX	Last	% Chng
Euro/Dollar	1.1162	0.11
Dollar/Yen	108.18	0.15
Sterling/Dollar	1.2938	-0.02
Dollar/CAD	1.3139	-0.15
TR/HKEX RMB	91.49	-0.02

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	56.03	1.85	3.41
Spot gold (NY/oz)	1512.68	-0.48	-0.03
Copper U.S. (front month/lb)	0.0265	0.0002	0.87
CRB Index Total Return	190.31	3.58	1.92

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Qorvo Inc	97.22	16.36	20.23
Fortinet Inc	90.13	8.57	10.51
Apache Corp	23.83	2.17	10.02
LOSERS			
Arista Networks Inc	185.32	-59.25	-24.23
Take-Two Interactive Software Inc	116.90	-3.45	-2.87
IDEXX Laboratories Inc	276.87	-8.14	-2.86

Coming Up - On Monday



A file photo of logo of Uber seen on a smartphone screen as a picture of stock exchange graph is displayed on a computer screen in this illustration picture, May 7. REUTERS/Kacper Pempel

Uber Technologies Inc is scheduled to release third-quarter earnings after market close. Analysts expect the ride-hailing and food-delivery company to post an increase in quarterly and annual revenues, but book a continued net loss.

Sprint Corp is expected to report a fall in its second-quarter revenue as it expands its 5G coverage. Investors will be looking at any commentary on forecast and on the on-going legal hurdle to T-Mobile and Sprint's merger.

On the U.S. economic schedule, **factory orders** for September are

likely to have fallen 0.5%, after a 0.1% dip in August. Durable goods data for September is also scheduled for release.

Federal Reserve Bank of San Francisco President **Mary Daly** speaks on the the U.S. economy in a fireside chat hosted by the New York University Stern School of Business.

Prudential Financial Inc is set to report third-quarter earnings after market close. Investors want to know how the U.S.-based insurer is faring in a lower interest rate environment.

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
ISM-New York Index for Oct	0945	--	875.4
ISM New York Business Conditions for Oct	0945	--	42.8
Employment Trends for Oct	1000	--	111.0
Durables ex-defense, R mm for Sep	1000	--	-1.2%
Durable goods, R mm for Sep	1000	--	-1.1%
Factory orders mm for Sep	1000	-0.5%	-0.1%
Durables ex-transport R mm for Sep	1000	--	-0.3%
Nondefense cap ex-air R mm for Sep	1000	--	-0.5%
Factory ex-transport mm for Sep	1000	--	0.0%

Coming Up - Week Ahead

On the U.S. economic tap next week, **trade deficit data** for September due on Tuesday. Deficit is expected to decrease to \$52.5 billion from \$54.9 billion in August. Also due on the same day, Institute for Supply Management's **non-manufacturing PMI** for October; expected to show a reading of 53.4. The **Job Openings and Labor Turnover Survey**, or JOLTS, for September is also due on Tuesday. On Wednesday, **preliminary labor productivity** report for the third quarter is likely to show a 0.9% rise. Due on Thursday, **initial jobless claims** for the week ended Nov. 2 are likely to have decreased to 215,000 from 218,000 in the previous week. On Friday, University of Michigan's **preliminary consumer sentiment index** for November expected to show a reading of 96.0.

Walt Disney Co is expected to report a rise in its fourth-quarter revenue on Thursday, at a time when the company is set to launch its streaming service, Disney+. Investors will be looking at any commentary on the forecast, given the rising content spend in the media industry.



Mylan NV is expected to post a drop in third-quarter profit on Tuesday, hurt by continued low prices of generic drugs in the United States. Investors will look out for updates on its merger with Pfizer's off-patent drugs unit, and the company's expectations for the rest of

the year. **Allergan Plc**, **Regeneron Pharmaceutical Inc** and **Endo International Plc** are also scheduled to report on Tuesday. **Teva Pharmaceutical Industries Limited**, one of Israel's largest companies, reports third-quarter results on Thursday. It has fallen under hard times of late, with a high debt burden while being embroiled in two U.S. lawsuits over opioids and price-fixing.

Health insurer **Humana Inc** will post third-quarter earnings on Wednesday. Investors will focus on how well it has managed to rein-in medical costs and look out for comments on the company's expectations from the next year.

On Tuesday, Federal Reserve Bank of Richmond President **Tom Barkin** speaks on "The New Environment for Monetary Policy" at the Greater Baltimore Committee Economic Outlook Conference. Also, Federal Reserve Bank of Dallas President **Robert Kaplan** gives remarks and participates in moderated question-and-answer session before the Real Estate Council (TREC) Speaker Series. Separately, Federal Reserve Bank of Minneapolis provides livestream of President **Neel Kashkari's** moderated question-and-answer session before the closed Thrivent Financial Business Development Conference in Minneapolis.

On Wednesday, Chinese internet search giant **Baidu Inc** is likely to report a slump in third-quarter profit but could beat market expectations like it did last quarter on the back of cost cuts. Revenue is estimated to slip.

Coty Inc, the Covergirl beauty products maker, is expected to post a fall in first-quarter revenue and profit, hurt by falling demand for its color

cosmetics brands. Investors will watch out for an update on the company's plan to explore options for its professional beauty and Brazilian units as part of its steps to pare debt and focus on core businesses.

On Thursday, **Ralph Lauren Corp.** is expected report a rise in second-quarter profit boosted by revenue growth overseas and as its investments in marketing pay-off. Investors will likely focus on the pace of the company's growth in China, where there are concerns about consumer spending in the midst a slowing economy.

On Wednesday, Federal Reserve Bank of Chicago President **Charles Evans** participates in a moderated question-and-answer session on the current economic conditions and monetary policy before the C. Peter McColough Series on International Economics. Also, Federal Reserve Bank of New York President **John Williams** participates in a moderated discussion before the Wall Street Journal "Future of the Workforce" event. Separately, Federal Reserve Bank of Philadelphia President **Patrick Harker** speaks on "Rethinking Workforce Investments" before the event, "Business Innovations for the Future of Work," at Drexel University, Bossone Research Enterprise Center.

On Thursday, Federal Reserve Bank of Dallas President **Robert Kaplan** gives remarks and participates in a moderated question-and-answer session before the Dallas Regional Chamber of Commerce Year Ahead Summit. Also, Federal Reserve Bank of Atlanta President **Raphael Bostic** speaks on monetary policy before the Money Marketeters of New York University.

On Friday, Federal Reserve Governor **Lael Brainard** makes closing remarks at the Federal Reserve Bank of San Francisco Research Conference - The Economics of Climate Change.

Canada's **trade balance** data for September is due on Tuesday. The country's trade deficit shrank by almost a third in August to C\$955 million. On Friday, **housing numbers** for October, **building permits** data for September and **employment change** numbers for October are due.

Canada's insurer **Manulife Financial Corp.** will report its third-quarter results after markets close on Wednesday. The company is expected to post a fall

in quarterly profit. Company executives will host a conference call on Thursday at 8:00 a.m. ET to discuss the results. Investors will keep an eye on the company's Asia unit which outperformed its domestic and U.S. businesses in the second quarter of 2019.

Magna International Inc is expected to report a drop in both third-quarter profit and revenue on Friday, hurt by a recently ended 40-day strike at its largest supplier General Motors, which accounts for about 15% of the company's top line. Investors will also look for comments on 2019 outlook and the impact of the ongoing U.S.-China trade dispute on the Canadian auto

parts maker's input costs.

Brazil's IHS Markit Services PMI and Composite PMI numbers for October are due on Tuesday. The country's **consumer price inflation** data for October is due on Thursday. The benchmark IPCA index of inflation rose 2.89% in the 12 months through September. On a monthly basis, prices fell in September for the first time this year, slipping 0.04%.

Mexico's inflation data for October is due on Thursday. Consumer prices rose 0.26% in September and the core index, which strips out some volatile food and energy prices, rose 0.30%.

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Cimarex Energy	Q3	AMC	\$0.91	\$0.95	\$1.99	\$572.18
Consolidated Edison	Q3	AMC	\$1.57	\$1.58	\$1.57	\$3,545.28
FirstEnergy	Q3	BMO	\$0.73	\$0.73	\$0.80	\$2,893.31
Hartford Financial Services Group	Q3	AMC	\$1.24	\$1.24	\$1.15	\$5,236.57
International Flavors & Fragrances	Q3	AMC	\$1.52	\$1.53	\$1.54	\$1,289.42
Jack Henry & Associates	Q1	AMC	\$1.04	\$1.04	\$1.08	\$420.09
Marriott International	Q3	AMC	\$1.48	\$1.49	\$1.70	\$5,134.50
Mosaic	Q3	AMC	\$0.20	\$0.23	\$0.75	\$2,667.88
Occidental Petroleum	Q3	AMC	\$0.40	\$0.38	\$1.77	\$5,565.66
Pioneer Natural Resources	Q3	AMC	\$1.99	\$1.99	\$2.07	\$1,269.54
Prudential Financial	Q3	AMC	\$3.07	\$3.07	\$3.15	\$14,241.89
Realtyome	Q3	AMC	\$0.33	\$0.33	\$0.34	\$374.86
Sysco	Q1	BMO	\$0.97	\$0.97	\$0.91	\$15,513.97
Under Armour	Q3	06:55	\$0.19	\$0.18	\$0.25	\$1,409.52

*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.

Market Monitor

Stocks rallied to close out the trading week as the **S&P 500** set a closing record for the third time in five days after an upbeat U.S. jobs report and data on Chinese manufacturing lessened concerns about slowing global growth. Job growth slowed less than forecast in October, as a drag from a strike at General Motors was made up for in other areas of the labor market, while job gains in the prior two months were stronger than previously thought. "The market should like it because obviously with the GM strike, manufacturing being affected by that, it is a very nice report" said JJ Kinahan, chief market strategist at TD Ameritrade in Chicago. The **Dow Jones Industrial Average** rose 1.11%, to 27,346.21, the **S&P 500** gained 0.97%, to 3,066.91 and the **Nasdaq Composite** added 1.13%, to 8,386.40. For the week, the **Dow** rose 1.44%, the **S&P 500** gained 1.47% and the **Nasdaq** was up 1.74%

Yields on U.S. government bonds rose after domestic job growth slowed less than expected in October, but then pared some of those gains after the Institute for Supply Management's manufacturing indexes were weaker than forecast. "This is a good report. The Fed's statement that there's no imminent need to ease is well supported by this. (The payrolls data) is a report that gives the Fed comfort that they did the right thing yesterday. Unless there is deterioration in the next few months, they're on hold for a while," said Doug Duncan, chief economist at Fannie Mae. The **benchmark 10-year notes** were down 9/32 to yield 1.72%. The **two-year notes**, a proxy for market expectations of interest rate moves, were down 2/32 to yield 1.56%.

The **dollar** dropped after data showed a mixed view on the economy, and as



A trader works on the floor at the New York Stock Exchange (NYSE) in New York, U.S., October 30. REUTERS/Brendan McDermid

optimism that the United States and China will reach a deal to end their trade war reduced safe-haven demand for the greenback. The dollar initially gained after U.S. jobs growth slowed less than expected in October, while wages gained and hiring in the prior two months was stronger than previously estimated. The **dollar index** was at 97.20 down 0.16% on the day. It earlier rose to 97.45 on the jobs data. The **euro** rose 0.14% against **dollar** to \$1.1166.

Oil prices rose over 3% on signs of progress in U.S.-China trade talks and stronger-than-expected economic data in both countries, including U.S. employment and Chinese manufacturing activity numbers. "The market has been driven lower this week on fears of slowing demand growth because of uncertainty regarding U.S.-China trade relations and a sizeable expected build in crude stocks," said Gene McGillian, vice president of market research at

Tradition Energy in Stamford, Connecticut. "I think today's action is a reversal of that, and you're probably also seeing some weekend covering." The **Brent crude** was up 3.32% at \$61.60 a barrel. The **U.S. crude** rose 3.47% to \$56.06 a barrel.

Spot gold prices fell as better-than-expected U.S. jobs numbers and strong factory data from China bolstered sentiment for riskier assets. "For now, gold is under pressure with the positive economic news. ... It will be struggling for some direction," said Mitsubishi analyst Jonathan Butler. "From here, it's difficult to see what the major upside factors would be for gold other than some geopolitical events, with the U.S. Federal Reserve pretty set on keeping rates on hold for now." **Spot gold** dipped 0.05% to \$1,512.40 per ounce. **U.S. gold futures** were up 0.05% at \$1,515.50 per ounce.

Top News

U.S. October job growth beats expectations despite GM strike

U.S. job growth slowed less than expected in October as the drag from a strike at General Motors was offset by gains elsewhere and hiring in the prior two months was stronger than previously estimated, offering some assurance that consumers would continue to support the slowing economy. While the Labor Department's closely watched monthly employment report showed the unemployment rate picking up from near a 50-year low of 3.5% last month, that was because of an influx into the labor force in a sign of confidence in jobs markets. Nonfarm payrolls increased by 128,000 jobs last month, with manufacturing shedding 36,000 positions - the most since October 2009, the government's survey of establishments showed. The one-tenth of a percentage point rise in the unemployment rate to 3.6% last month also reflected 325,000 people streaming into the labor force.

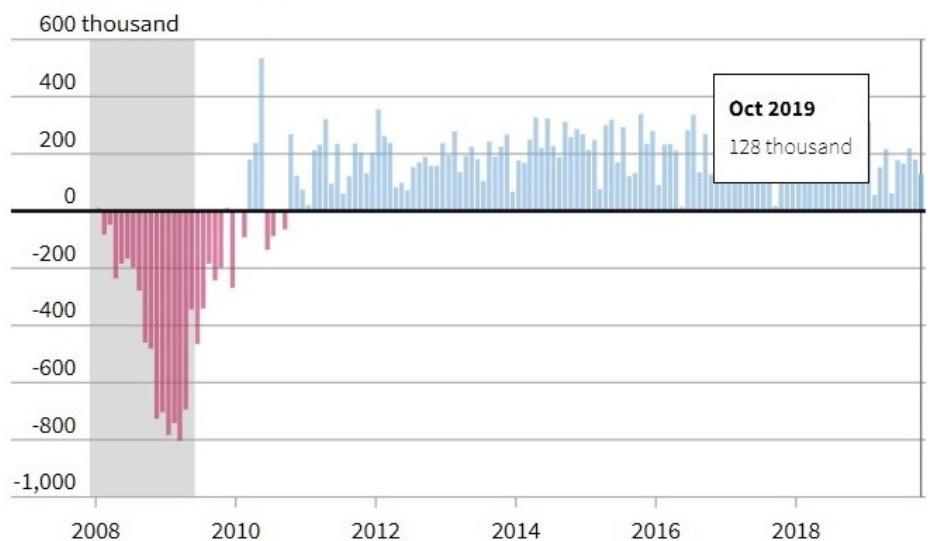
Google taps fitness tracker market with \$2.1 billion bid for Fitbit

Google will buy Fitbit for \$2.1 billion, as the biggest Web search company looks to take on Apple and Samsung in the crowded market for fitness trackers and smart watches. Google said that it sees an opportunity to introduce its own wearable devices and invest more in digital health. The purchase will also bring a rich trove of health data gathered by millions of Fitbit's devices. Fitbit said that its users' health and wellness data would not be used for Google ads. Google said in a blog post that it would give Fitbit users the choice to review, move or delete their data. Fitbit has been offered \$7.35 per share in cash, the company said, a premium of about 19% to the stock's closing price. Fitbit's shares closed 15.21% higher at \$7.12.

U.S. Employment

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](#)

Exxon, Chevron earnings fall on lower oil and gas prices

Exxon Mobil and Chevron posted sharply lower quarterly results despite increases in oil and gas production as lower energy prices soured earnings for most oil majors. The two U.S. oil majors credited higher production in the top U.S. shale field for similar 3% volume increases, while warning that sizeable cost overruns at a giant oil field in Kazakhstan, where both are partners, would affect future earnings. Exxon's profit was nearly halved to \$3.17 billion, or 75 cents per share, beating analysts' recently reduced estimate of 67 cents a share, according to Refinitiv IBES. The results included a favorable tax impact of 7 cents a share. Operating profits in each of Exxon's major businesses fell compared with the same period a year ago. Chevron's earnings fell 36% to

\$2.58 billion, or \$1.36 per share, in the quarter. Excluding items, the company said it earned \$1.55 per share, exceeding the \$1.45 expected by analysts.

Apple asks U.S. to waive tariffs on Chinese-made watches, iPhone parts, AirPods

Apple asked the Trump administration to waive tariffs on Chinese-made Apple Watches, iPhone components and other consumer products, according to company filings with the U.S. Trade Representative's Office. The company on Thursday sought tariff exclusions from 11 products, including HomePod speakers, iMac computers, parts for use in repairing iPhones, iPhone smart battery cases, AirPods and others. The public has until Nov. 14 to submit comments on the requests. Apple told the U.S. Trade Representative's Office

the products were consumer electronic devices and "not strategically important or related to 'Made in China 2025' or other Chinese industrial programs." The exclusions seek relief from 15% tariffs that took effect on Sept. 1. Separately, Apple TV+, the iPhone maker's entry into the crowded streaming TV market, debuts on Friday as the first "all-original" subscription video service, according to Apple Chief Executive Tim Cook. To read more, [click here](#)

Alibaba beats quarterly revenue estimates

China's Alibaba reported a better-than-expected 40% rise in second-quarter revenue, powered by strong growth in its e-commerce and cloud computing businesses. Total revenue rose to 119.02 billion yuan in the second quarter ended Sept. 30 from 85.15 billion yuan a year earlier. Analysts were expecting revenue of 116.8 billion yuan, according to IBES data from Refinitiv. Sales from the company's e-commerce business rose about 40% to 101.22 billion yuan, while its cloud computing business posted a 64% jump in revenue to 9.29 billion yuan. The company's net income attributable to ordinary shareholders rose to 72.54 billion yuan from 20.03 billion yuan a year earlier, due to a one-time gain related to its stake in Ant Financial. Excluding items, Alibaba earned 13.10 yuan per American Depository Share. Analysts were expecting 10.65 yuan per ADS, according to IBES data from Refinitiv.

Three flight attendant unions voice alarm after 737 MAX hearings

Unions representing flight attendants at the three U.S. airlines that operate Boeing's 737 MAX said they are more reluctant to support the grounded jet's return after congressional hearings this week on its development. Southwest Airlines and United Airlines flight attendant union leaders joined colleagues' demands for an active role in regulators' and airlines' decisions to

let the 737 MAX fly again after two fatal crashes in Indonesia and Ethiopia. The two unions spoke after news that the head of American Airlines' flight attendants union had sent Boeing Chief Executive Dennis Muilenburg a letter saying that the Washington hearings raised questions about 737 MAX supervision and oversight.

White House will look 'very carefully' at Peugeot, Fiat Chrysler deal - Kudlow

U.S. President Donald Trump's administration will look very closely at the planned merger between Fiat Chrysler and Peugeot owner PSA, White House economic adviser Larry Kudlow said. "We will obviously look at it very, very carefully," Kudlow said on Bloomberg. "The president has not commented on the deal. ... We're not afraid of doing business with international companies, Lord knows." When asked about the 12.2% equity stake and 19.5% voting stake China's Dongfeng Motors holds in PSA, Kudlow said: "With respect to the Chinese story, we obviously are alert and on guard." Meanwhile, the merger is unlikely to provide a quick fix to their problems in China, as both companies have long struggled to find the right products at the right price for the world's top car market, analysts say. To read more, [click here](#)

AbbVie 2019 revenue forecast tops Wall Street estimates while it eyes future Botox sales

AbbVie forecast 2019 revenue above Wall Street estimates and expressed confidence in future sales of blockbuster wrinkle treatment Botox, which it will acquire with its \$63 billion purchase of Allergan Plc. AbbVie said it now expects 2019 revenue to grow about 2.5% on an operational basis, implying the drugmaker will exceed the average estimate of \$33.16 billion analysts have forecast for the year. AbbVie raised the low end of its 2019 adjusted profit forecast range by 8 cents a share to \$8.90, while

maintaining the top end at \$8.92. Excluding items, AbbVie earned \$2.33 per in the quarter, edging past analyst average estimate by 3 cents. Total revenue rose nearly 3% to \$8.48 billion, exceeding estimates of \$8.38 billion.

Amazon's bid to acquire stake in Indian retailer faces antitrust hurdle-sources

India's antitrust body has sought more information from Amazon.com about its planned acquisition of a stake in India's Future Retail, sources with knowledge of the matter told Reuters, which could potentially delay the deal. In a notice to Amazon last month, the Competition Commission of India (CCI) said "in certain overlapping segments and areas of operation of the parties, the combined market share exceeds the threshold specified in the combination regulations", one of the sources told Reuters. The CCI also queried the procedure Amazon adopted to seek approval. Amazon had notified the CCI through a so-called Form I, instead of a Form II that is more onerous and is required when parties assess the combined entity will exceed a pre-defined market share threshold.

U.S. solar firms see growth in fire-stricken California

Solar companies expect a run of California wildfires that triggered power outages across vast swathes of the state will fuel demand for panels and battery storage systems from homeowners seeking to avoid blackouts, company executives said. "Demand is quite high for solar right now," SunPower Chief Executive Tom Werner said in an interview. "The first step towards taking control of your energy is to generate solar energy and then the next step is to get a battery." Tesla CEO Elon Musk announced a \$1,000 discount earlier this week via Twitter, while Sunrun spokesman Shane Levy said the San Francisco-based installer has been offering a similar promotion for the last month.



Birds fly as people commute near India's Presidential Palace on a smoggy day in New Delhi, India, November 1. REUTERS/Anushree Fadnavis

Insight and Analysis

GRAPHIC-Not just the MAX: planemakers face slump in demand for wide-body jets

Orders for long-distance wide-body jets are on track to fall this year by the most since the throes of the 2008 financial crisis, fuelling concerns that the drop will eat into future cash flow at Boeing and its rival Airbus. Boeing said last month it would cut production of its bigger 787 Dreamliners in late 2020 due to a drought of orders from China, the world's second largest market by passenger air traffic. This means over \$1 billion less in annual cash flow starting in 2021, analysts estimate, and if demand remains weak, Boeing could be forced to further cut the production.

Procter & Gamble, rivals take refills into beauty aisle

Under pressure to reduce environmental waste from single-use containers, major consumer companies including Procter & Gamble, Unilever and The Body Shop are rolling out more products in refillable form. P&G, with roughly \$68 billion in annual revenue, said it has invested millions in creating and testing refills for detergents over the years and is now trying to push in to mainstream beauty and body care refills – which are virtually unheard of.

Starved for income? Hungry investors hunt dividend ETFs

Rock-bottom interest rates may be great for lots of people - but not for savers. With a brand-new quarter-point rate cut from the Federal Reserve and ten-year government bonds yielding 1.84%, there is almost nowhere for them to go. That is why dividend exchange-traded funds have been grabbing investor attention. Novice investors might assume that all dividend-oriented funds are similar. Not so. In fact the differences from one fund to the next can be “enormous,” said Dave Nadig, managing director of independent news site ETF.com.



CANADA

Market Monitor

Canada's main stock index touched a one-month high, boosted by energy shares, as upbeat U.S. jobs numbers and strong manufacturing data out of China eased worries of a global economic slowdown.

The **Toronto Stock Exchange's S&P/TSX Composite index** ended up 0.67% at 16,594.07.

The **energy sector** climbed 3.11%.



COMING UP ON MONDAY

No major events are scheduled.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Kinaxis Inc	95.77	11.66	13.86
Bombardier Inc	1.81	0.15	9.04
Baytex Energy Corp	1.59	0.12	8.16
MEG Energy Corp	5.45	0.39	7.71
LOSERS			
Sleep Country Canada Holdings Inc	19.06	-2.89	-13.17
Pretium Resources Inc	12.47	-0.80	-6.03
Detour Gold Corp	21.14	-0.73	-3.34
Barrick Gold Corp	22.35	-0.53	-2.32

Top News

Canadian factory activity expands at fastest pace in eight months

Canadian manufacturing activity expanded in October as new orders climbed, which could temper concern at the Bank of Canada about the potential for global trade conflicts to derail the domestic economy. The IHS Markit Canada Manufacturing Purchasing Managers' index (PMI), a measure of manufacturing business conditions, rose to a seasonally adjusted 51.2 in October, its highest level since February, from 51.0 in September. "October's survey data indicates a change of fortunes for the sector, with output growth hitting an eight-month high in response to improving order books," said Tim Moore, economics associate director at IHS Markit. The new orders index rose to the highest level since February, at 51.8 from 50.7 in September. The measure of output also rose to 51.1 from 50.2, but was softer than the long-run average for the survey.

Keystone operator TC Energy beats profit estimates on pipeline strength

TC Energy reported a better-than-expected quarterly profit, buoyed by higher volumes of crude and natural gas the pipeline operator transported. Earnings from the company's oil-transporting liquids segment surged more than 55% to C\$491 million in the third quarter. On an adjusted basis, the company earned C\$1.04 per share, beating the average analyst estimate of 98 Canadian cents per share. Net income attributable to shareholders fell to C\$739 million, compared with C\$928 million, a year earlier. TC Energy said the earnings were hit by combined after-tax losses of C\$266 million from the sale of Ontario natural gas-fired power plants and certain Columbia Midstream assets. Revenue also fell marginally to C\$3.13 billion. Separately, Cleanup crews in Walsh County, North Dakota, are working toward plugging the Keystone pipeline after a more than 9,000-barrel oil leak this week, a state official said. To read more, [click here](#)

Imperial Oil's quarterly profit falls on lower refining margin, higher costs

Imperial Oil reported a 43% fall in quarterly profit, as higher Canadian crude prices dented refining margins and expenses rose. The company said refinery throughput averaged 363,000 barrels per day (bpd) in the third quarter, compared with 388,000 bpd a year earlier. Earnings from downstream unit fell nearly 56% to C\$221 million in the quarter. Narrower Canadian crude price differentials have also made it less economic for producers to ship their crude by rail. Imperial said crude-by-rail shipments averaged 52,000 bpd in the quarter, compared to 64,000 bpd in the previous quarter. The company said net income fell to C\$424 million, or 56 Canadian cents per share, in the third quarter, from C\$749 million, or 94 Canadian cents, a year earlier. The company's gross production averaged 407,000 barrels of oil equivalent per day (boepd), up from 393,000 boepd in the year-prior quarter.



WEALTH NEWS

TRADE NEGOTIATIONS

U.S.-China trade deal in sight after progress in high-level talks

U.S.-China trade talks are progressing well and the United States aims to sign an initial deal this month, top Trump administration officials said, offering reassurance to global markets after nearly 16 months of tit-for-tat tariffs. Beijing's state-media Xinhua News Agency said the world's two largest economies had reached "consensus on principles" during a serious and constructive telephone call between their main trade negotiators. U.S. and Chinese negotiators had made "enormous progress" toward finalizing a "phase one" agreement, although the deal was not yet 100% complete, White House economic adviser Larry Kudlow told reporters. It said discussions would continue at the deputy level.



The U.S. dollar banknote featuring American founding father Benjamin Franklin and a China's yuan banknote featuring late Chinese chairman Mao Zedong seen among U.S. and Chinese flags in this illustration picture taken May 20.

RATE CUTS ON PAUSE

After year-long bumpy ride, Fed appears to make soft landing

After a year-long struggle with bond markets, the Trump administration, and each other, Federal Reserve policymakers found their way to a compromise with a rate cut that even the White House said had put monetary policy in a much better place.

HEALTHCARE COST

Democrat Warren: Medicare for All would not raise U.S. middle-class taxes

Democratic U.S. presidential candidate Elizabeth Warren proposed a \$20.5 trillion Medicare for All plan that she said would not require raising middle-class taxes "one penny."

QUARTERLY EARNINGS

AIG's profit misses estimates on life unit review, catastrophe losses

American International Group missed analysts' estimates for third-quarter profit due to weakness in the insurer's life and retirement unit and a difficult period for catastrophe losses.

WALL STREET WEEK AHEAD

Travel, leisure company reports set to give view of economy, consumer

A wide swath of the U.S. travel and leisure industry is set to provide insight next week on the state of the economy, including trends in consumer spending, fallout from U.S.-China trade tensions and any damaging impact from the stronger U.S. dollar.

SECURITY PROBE

U.S. opens national security investigation into TikTok -sources

The U.S. government has launched a national security review of TikTok owner Beijing ByteDance's \$1 billion acquisition of U.S. social media app Musical.ly, according to two people familiar with the matter.

ARAMCO'S VALUATION GOAL

Aramco meets investors in last-minute bid to hit \$2 trillion IPO target - sources

Saudi Aramco officials and advisers are holding last-minute meetings with investors in an attempt to achieve as close to a \$2 trillion valuation as possible ahead of an expected listing launch on Sunday, according to three sources.

ON THE RADAR

Events	ET	Poll	Prior
Tue: International trade for Sep	0830	-\$52.5 bln	-\$54.9 bln
Goods trade balance (R) for Sep	0830	--	-\$70.39 bln
Markit Composite Final PMI for Oct	0945	--	51.2
Markit Services PMI Final for Oct	0945	--	51.0
ISM N-Manufacturing PMI for Oct	1000	53.4	52.6
ISM N-Manufacturing Business Activity for Oct	1000	55.0	55.2
ISM N-Manufacturing Employment Index for Oct	1000	--	50.4
ISM N-Manufacturing New Orders Index for Oct	1000	--	53.7
ISM N-Manufacturing Price Paid Index for Oct	1000	--	60.0
JOLTS job openings for Sep	1000	--	7.051 mln
 Wed: Labor costs preliminary for Q3	0830	2.2%	2.6%
Productivity preliminary for Q3	0830	0.9%	2.3%
 Thu: Initial jobless claims	0830	215,000	218,000
Jobless claims 4-week average	0830	--	214,750
Continued jobless claims	0830	--	1.690 mln
Consumer credit for Sep	1500	\$15.10 bln	\$17.90 bln
 Fri: U Mich Sentiment Preliminary for Nov	1000	96	95.5
U Mich Conditions Preliminary for Nov	1000	112.5	113.2
U Mich Expectations Preliminary for Nov	1000	84.8	84.2
U Mich 1 year inflation preliminary for Nov	1000	--	2.5%
U Mich 5-year inflation preliminary for Nov	1000	--	2.3%
Wholesale inventory, R mm for Sep	1000	-0.3%	-0.3%
Wholesale sales mm for Sep	1000	--	0.0%



The votes of the members are displayed on an electronic tote board as the U.S. House of Representatives cast their votes on a resolution that sets up the next steps in the impeachment inquiry of U.S. President Donald Trump on Capitol Hill in Washington, U.S., October 31. REUTERS/Tom Brenner

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