

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Stocks and Treasury yields gained after the U.S. and China announced a partial trade deal. The **dollar and gold** fell as safe-haven buying eased. **Oil** prices rose more than 2% after Iranian media said a state-owned oil tanker was attacked near Saudi Arabia.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26814.32	217.65	1.20	27398.68	21712.53
Nasdaq	8057.04	106.27	1.34	8339.64	6457.13
S&P 500	2970.01	31.88	1.09	3027.98	2443.96
Toronto	16415.16	-7.52	-0.05	16947.23	13776.88
FTSE	7247.08	60.72	0.84	7727.49	6599.48
Eurofirst	1536.32	29.48	1.96	1554.34	1308.86
Nikkei	21798.87	246.89	1.15	22362.92	19241.37
Hang Seng	26308.44	600.51	2.34	30280.12	24896.87

TREASURIES	Yield	Price
10-year	1.7342	-23 /32
2-year	1.5995	-4 /32
5-year	1.5558	-12 /32
30-year	2.2040	-37 /32

FOREX	Last	% Chng
Euro/Dollar	1.1039	0.32
Dollar/Yen	108.37	0.38
Sterling/Dollar	1.2656	1.74
Dollar/CAD	1.3202	-0.66
TR/HKEX RMB	91.71	0.15

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	54.78	1.23	2.30
Spot gold (NY/oz)	1486.03	-7.97	-0.53
Copper U.S. (front month/lb)	0.0262	0.0001	0.35
CRB Index Total Return	185.66	2.60	1.42

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Fastenal Co	36.34	5.32	17.15
Mosaic Co	20.72	1.38	7.14
Freeport-McMoRan Inc	9.55	0.64	7.13
LOSERS			
Edison International	71.32	-2.87	-3.87
Newmont Goldcorp Corp	37.61	-1.33	-3.42
Marketaxess Holdings Inc	348.19	-10.90	-3.04

Coming Up - On Monday

U.S. bond market is closed for Columbus Day.

LIVECHAT – FX WEEK AHEAD
Reuters FX Buzz Analyst **Jeremy**

Boulton examines what the week could hold for G7 currencies and select EM FX pairs. (0730 ET/1130 GMT on Monday) To join the conversation, [click here](#)

Coming Up - Week Ahead



REUTERS/Eduardo Munoz

Major U.S. banks kick off the earnings season next week and are expected to report their first quarterly earnings per share declines in three years amid falling interest rates. **JPMorgan Chase & Co, Goldman Sachs Group Inc, Citigroup Inc and Wells Fargo & Co** are scheduled to post their third-quarter results on Tuesday. **Bank of America Corp**

reports results on Wednesday, and **Morgan Stanley** on Thursday. On Tuesday, results are also expected from **Bank of New York Mellon Corp**, the world's largest custodian bank.

On the economic front, a Commerce Department report on Wednesday is likely to show **U.S. retail sales** rose 0.3% in September, after a 0.4% gain in August. Another report that day is likely to show **business inventories** rose 0.2% in August. Thursday's report is likely to show U.S. **manufacturing output** fell 0.2% in September after increasing solidly the previous month. Also on Thursday, Commerce Department is likely to report **housing starts** for September decreased to a seasonally adjusted annual rate of 1.320 million units from 1.364 million

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
No major economic events are scheduled.			

KEY RESULTS

No major S&P 500 companies are scheduled to report.

units in the month before. On Wednesday, Federal Reserve will issue the **Beige Book** of economic condition.

Johnson & Johnson is expected to post a drop in third-quarter profit on Tuesday due to increasing competition for its drugs such as rheumatoid arthritis therapy Remicade. Investors will look out for updates on the adoption of its new depression treatment, Spravato, and the status of various lawsuits for products including its talc-related offerings and opioids.

BlackRock Inc is slated to report its third-quarter results on Tuesday. The world's largest asset manager is expected to report a drop in quarterly profit, amidst a slowing economy and equity markets. Investors will keep a close eye on fee rates which fell sharply last quarter and drove an earnings miss, even as the asset manager attracted a torrent of investor money.

On Wednesday, **Netflix Inc** reports third-quarter results. The streaming giant is expected to bounce back from a rare subscriber loss it faced in the United States last quarter. Upcoming streaming services from Walt Disney and Apple have added to worries about Netflix's slowing subscriber growth and rising costs.

UnitedHealth Group Inc is set to report third-quarter earnings on Tuesday. Investors will watch for signs of growth across businesses, as political uncertainty weighs on stocks of health insurers.

A host of Fed speakers will be in focus next week. On Friday, Federal Reserve Board Vice Chair **Richard Clarida** speaks in Boston at CFA Institute Fixed-Income Management Conference 2019 in Boston. Federal Reserve Bank of Dallas President **Robert Kaplan**

REUTERS/Brendan Mc Dermid



A file photo of the logo for Johnson & Johnson at the New York Stock Exchange, September 17.

participates in moderated question-and-answer sessions in Washington and Denver on Friday. Federal Reserve Bank of Kansas City President **Esther George** speaks on the U.S. payments system in Kansas on Tuesday, and on the U.S. economy in Denver on Friday. St Louis Federal Reserve Bank President **James Bullard** gives a presentation on "The Federal Reserve's monetary policy options" in London on Tuesday. Chicago Fed President **Charles Evans** participates in a moderated Q&A session in Peoria on Tuesday. Evans will also give welcome remarks before "FedListens: Monetary Policy's Impact on Workers and Their Communities," in Chicago on Thursday alongside Fed Board Governor **Michelle Bowman**. Federal Reserve Board Gov. **Lael Brainard** speaks in Washington on Tuesday, when San Francisco Fed President Mary Daly speaks in Los Angeles, and Atlanta Fed President **Rafael Bostic** participates in a moderated discussion in Atlanta. On Friday, Federal Reserve Bank of Minneapolis provides livestream of President **Neel Kashkari's** fireside chat before the closed Federal Home Loan Bank of Des Moines Annual Leadership

Summit in Bloomington.

On Friday, credit card issuer **American Express Co** is expected to report higher third-quarter profit, boosted by a rise in consumer spending and higher wages. AmEx has warned of higher costs this year as it spends on rewards programs to attract customers in an increasingly crowded market. However, rising concerns that trade tensions are spilling over to the broader economy could spook AmEx investors.

International Business Machines Corp is expected to report a fall in third-quarter revenue on Wednesday, hurt by subdued demand for its traditional mainframe businesses. Investors will focus on IBM's efforts on the cloud computing front as the company looks to improve margins.

Schlumberger NV is expected to report weaker earnings on Friday, its first quarterly report under Olivier Le Peuch, as the world's largest oilfields service provider struggles with lower spending by its customers. However, investors will likely focus more on Le Peuch's plans for future when it announces third-quarter results.



A file photo of bottles of Coca-Cola at a Carrefour Hypermarket store in Montreuil, near Paris, February 5, 2018. REUTERS/Regis Duvignau

On Friday, beverage maker **Coca-Cola Co** is expected to post a rise in third-quarter revenue on higher demand for its zero-calorie drink Coke Zero Sugar and flavored sparkling waters. Investors will watch out for updates on the company's new energy drink launch in the United States and other new product launches next year.

Omnicom Group Inc is expected to report a fall in third-quarter revenue on Tuesday, faced with a cut in ad spending by clients in its biggest markets. The advertising company also

suffers from the direct targeting models of tech giants like Facebook and Google.

On Friday, **Honeywell International Inc** is expected to report lower revenue for the third-quarter due to the divestiture of its home-security products and transportation-systems businesses last year. The company, which makes everything from aircraft engines to catalysts used in petroleum refining, is benefiting from robust demand for aircraft spare parts amid booming air travel.

Medical device maker **Abbott Laboratories** is expected to post a rise in third-quarter profit on Wednesday, helped by its blood sugar monitors and heart devices. Investors will be looking out for updates on the upcoming FDA approval decision of its revamped Libre 2.0 device and commentary on Abbott's initial growth expectations for 2020.

Union Pacific Corp reports third-quarter results on Thursday. Investors will be looking for a rebound in the railroad's important intermodal business as well as commentary about progress on USMCA. **Kansas City Southern**, which gets one-third of its revenue from Mexico, is expected to report third-quarter results on Friday. East Coast railroad operator **CSX Corp** reports third-quarter earnings on Wednesday.

On Friday, Cessna business jet maker **Textron Inc** is expected to report higher profit and revenue for the third quarter, as it benefits from steady demand for its corporate aircraft in the United States, its biggest market. Analysts are concerned that U.S. bizjet activity is likely to slow amid a challenging economic backdrop that could hurt Textron's orders in the coming quarters.

Canada's inflation data is scheduled to release on Wednesday.

Market Monitor

Stocks ended more than 1% higher, but below their session highs, after the announcement of a partial trade deal between the United States and China. **Industrials** were up 1.97% to 647.75 ahead of the third-quarter earnings season set to begin next week. Also, shares of **Apple** rose 2.66%. The **Dow Jones Industrial Average** rose 1.2%, to 26,814.32, the S&P 500 gained 1.09%, to 2,970.01 and the **Nasdaq Composite** added 1.34%, to 8,057.04. For the week, the S&P 500 rose 0.6%, the Dow gained 0.9%, the Nasdaq climbed 0.9%.

The Federal Reserve's preferred measure of the **yield curve** uninverted for the first time since mid-July, as progress in U.S.-China trade talks boosted the U.S. economic outlook. The spread between three-month and 10-year Treasury yields widened by the most since May 6 and moved into positive territory. It had been inverted since late May save for two intraday pops in mid-July. "We've had chunky sell-offs here driven by hopes for better news in the discussions with China," said Michael Cloherty, head of U.S. rates strategy at RBC Capital Markets. The **two-year notes** were down 4/32 to yield 1.60% and the benchmark **10-year notes** fell 23/32 to yield 1.73%. The **30-year bonds** were down 1-4/32 to yield 2.20%.

The **dollar** dropped to a three-month low as safe-haven buying eased and risk sentiment improved after a partial trade deal was announced by the U.S. and China, as well as increased chances of an orderly British exit from



Click on the chart for a full-size image

the European Union. The **dollar index** was down 0.43% at 98.27, after earlier declining to a 3-1/2-month low of 98.197. Against the **Japanese yen**, the **dollar** gained 0.38% to 108.37 yen. **Sterling** surged 1.75% to \$1.27.

Oil prices rose more than 2% after Iranian media said a state-owned oil tanker was attacked in the Red Sea near Saudi Arabia, while optimism surrounding the U.S.-China trade war lifted sentiment. "We estimate that the tanker event is worth about \$1/bbl of risk premium that could easily be erased within a couple of sessions if no blame is assessed and no follow up incidents develop," Jim Ritterbusch, president of oil trading advisory firm

Ritterbusch and Associates, said in a note. **Brent crude futures** rose 2.52% to \$60.59 a barrel. **West Texas Intermediate crude futures** were up 2.3% at \$54.78 a barrel.

Gold fell as easing concerns about the U.S.-China trade conflict and Britain's exit from the European Union renewed appetite for riskier assets. "I don't see a massive sell-off in gold on the back of a trade deal if there is one. It would actually be positive in (the) long term," said Fawad Razaqzada, market analyst with Forex.com. **Spot gold** fell 0.54% to \$1,485.96 per ounce. **U.S. gold futures** were down 0.79% at \$1,489.10 per ounce.

Top News

U.S., China strike partial trade deal on ag purchases, currency

The United States and China agreed to the first phase of a trade deal covering agricultural purchases, currency and some aspects of intellectual property protections, and averting a threatened tariff hike, but President Donald Trump said more needed to be negotiated. The preliminary, partial deal was the biggest step toward resolving a 15-month tariff war between the world's two largest economies that has roiled financial markets, disrupted manufacturing and has slowed global growth. Trump told reporters at the White House that the two sides are very close to ending the trade war and it will take up to five weeks to get the deal written. He spoke after talks with Chinese Vice Premier Liu He. U.S. Treasury Secretary Steven Mnuchin told reporters Trump had agreed not to proceed with a hike in tariffs to 30% from 25% on about \$250 billion in Chinese goods that was supposed to have gone into effect on Tuesday. But Trade Representative Robert Lighthizer said Trump had not made a decision about tariffs that were subject to go into effect in December.

GM appeals directly to employees as strike losses mount, riling UAW

General Motors took the unusual step of appealing directly to its unionized employees in a blog post that laid out its latest offer aimed at ending a month-long strike, drawing an angry response from the union that the automaker was trying to "starve ... workers off the picket lines." While emphasizing GM's commitment to the collective bargaining process, the letter, signed by Gerald Johnson, executive vice-president for global manufacturing, circumvents United Auto Workers (UAW) leadership and points to frustration at a lack of progress on ending a conflict that has already cost

REUTERS/Hyungwon Kang



A file photo of the People's Republic of China flag and the U.S. Stars and Stripes flying along Pennsylvania Avenue near the U.S. Capitol in Washington, January 18, 2011.

the company more than \$1 billion. As part of its revised offer, GM boosted the amount it plans to invest in the United States to about \$9 billion from its previous offer of \$7 billion, a source familiar with the offer said. Of the new total, \$7.7 billion would be invested directly in GM plants, with the rest going to joint ventures including a potential battery plant near the Lordstown, Ohio, factory that has been idled, the source said. The company said the offer also includes increased compensation through wages and one-time payments, preserving industry-leading healthcare benefits without increasing workers' costs, enhanced profit sharing with unlimited upside and a higher ratification bonus than the \$8,000 previously offered.

FAA must ramp up staffing to oversee airplane certification after 737 MAX -panel

The U.S. Federal Aviation Administration had insufficient personnel to oversee the certification of

new Boeing airplanes and should make significant reforms in how it approves new airplanes, an international aviation panel said. The panel also faulted assumptions made by the airplane manufacturer in designing the 737 MAX. Reuters reported on a draft copy of the Joint Authorities Technical Review (JATR) findings and recommendations earlier that called for sweeping changes in how the FAA evaluates and certifies new airplanes. The report also said the FAA did not closely evaluate a key safety system known as MCAS involved in two fatal crashes of the MAX in five months that killed 346 people and prompted the plane's grounding in March.

British regulator reviews JPMorgan metals trading amid U.S. probe – sources

Britain's financial services regulator is examining allegations of precious metals market manipulation by JPMorgan Chase & Co traders following criminal charges by U.S.

authorities, according to two people familiar with the matter. The UK Financial Conduct Authority (FCA) is one of the various authorities that JPMorgan has previously said were investigating its metals trading, according to one of the people, who declined to be named due to the sensitivity of the matter. The watchdog has requested documents and other information from JPMorgan, the source said. The second person familiar with the matter is London-based metals trader Andrew Maguire, who has long complained about alleged metals market manipulation on both sides of the Atlantic. He told Reuters he met FCA officials in August, along with British lawmaker Jeremy Lefroy, to discuss possible metals market manipulation in London. He said he was told by the officials that they were looking into JPMorgan's metal trading, and that they had contacted the DOJ and CFTC to learn more.

Uber to buy Chile's Cornershop in bid to deliver your groceries

Uber said it would buy a majority stake in online grocery provider Cornershop as the ride-hailing giant moves to expand its fast-growing delivery service into the grocery store market. Santiago-based Cornershop operates in Mexico, Chile, Canada and Peru, but Chief Executive Oskar Hjertnsson said the deal would allow it to deliver groceries "in many more countries around the world." No valuation was disclosed for the deal. Uber said it expected to close the deal in early 2020, "subject to regulatory approval."

Biden campaign asks Facebook, Twitter and Google to take down Trump ad

U.S. Democratic presidential candidate Joe Biden's campaign sent letters over the last week to Facebook, Twitter and Alphabet's Google, asking them to take down a social media ad from President Donald Trump, which the Biden campaign said contained false claims. But the three companies said

that the ad, which alleges that the former vice president promised Ukraine \$1 billion if the country fired a prosecutor investigating a company linked to his son Hunter, did not violate their site rules. The Biden campaign's letters, seen by Reuters, said it was putting the companies "on notice about the absolute falsity of these claims." In a letter responding to the Biden campaign, Facebook said that politicians are not allowed to share a previously debunked viral hoax in ads, but their direct speech was ineligible for fact-checking. YouTube and Twitter told Reuters that the ad did not violate their policies. Separately, Portugal's Secretary of State for Finance raised concerns about Facebook's digital currency Libra, stating that it should not circulate until the risks it could pose for the financial system are addressed. To read more, [click here](#)

WeWork to close its WeGrow elementary school in New York next year

WeWork said it will shut down its WeGrow private school in New York City after the current school year, as the company focuses on its main office-sharing business. The company is cutting back, including laying off some employees and closing or selling entities that are not essential to its core operations as it seeks to avoid running out of cash. WeWork said in a statement it will continue to operate WeGrow through the 2019/2020 school year, and that "WeWork and the families of WeGrow students are engaging in discussions with interested parties regarding plans for WeGrow for the following school year."

IAC proposes to spin off ownership stake in Match

IAC/InterActiveCorp said it intends to spin off its ownership stake in Tinder-owner Match Group resulting in the full separation of the two companies. The two entities, "New Match" and "New IAC", post the separation will function as two independent public companies.

The proposal, which will be tax-free for shareholders, comes months after IAC first announced its intention to distribute its stake in Match group to its shareholders. As of Thursday, IAC owned a 80.5% stake in Match, which also owns other dating services such as Hinge, Harmonica and OkCupid. The company said that "New Match" will be responsible for some liabilities and certain real estate assets of IAC, adding that discussions concerning a possible deal may be terminated at any time by Match or IAC.

Ford's China sales decline again despite new models

Ford Motor's July-to-September vehicle sales in China fell 30%, as the U.S. automaker continued to lose ground in a prolonged sales decline in its second biggest market. The automaker delivered 131,060 vehicles in China in the third quarter, Ford said in a statement. Ford's sales in China fell 35.8% in the first quarter and by 21.7% in the second quarter. In the third quarter, sales of the automaker's mass-market Ford brand fell 37.7%, while its luxury division Lincoln saw sales drop by 24.1%. It delivered around 421,000 vehicles in the first nine months of the year, according to Reuters calculations.

SoftBank-backed Vir Biotechnology's shares tumble in market debut

Shares of SoftBank-backed Vir Biotechnology fell in one of the worst market debuts in recent months, adding to the gloom in the IPO market after WeWork's failed attempt to list its stock. Vir's disastrous IPO deals another blow to Japan's SoftBank, which is still smarting from the botched initial public offering of WeWork last month following increased investor skepticism regarding the office-sharing startup's path to profitability. SoftBank's \$100-billion Vision Fund owns 19.8% of Vir after the offering, a slight decrease from its pre-IPO stake of 21.2%. Shares of the company ended 29.2% lower at \$14.02..



A woman stands in front of an apartment building which was damaged by a rocket fired from Syria, in Nusaybin, Turkey, October 10. REUTERS/Sertac Kayar

Insight and Analysis

Rising old used car prices help push poor Americans over the edge

For America's working poor, an often essential ingredient for getting and keeping a job – having a car – has rarely been more costly, and millions of people are finding it impossible to keep up with payments despite prolonged economic growth and low unemployment. More than 7 million Americans are already 90 or more days behind on their car loans, according to the New York Federal Reserve, and serious delinquency rates among borrowers with the lowest credit scores have by far seen the fastest acceleration.

For a few dollars more: global funds take on FX risk

Some European and Japanese bond investors are taking on more currency risk by buying dollar debt without protecting themselves against potentially devastating exchange rate swings as they seek ways to compensate for sub-zero yields at home. A fund manager in Germany can buy 10-year U.S. Treasuries that offer minimal credit risk at yields of up to 1.6%, more than 2 percentage points more than for German Bunds. But that juicier yield is available only if she eschews expensive currency hedging that could wipe out that whole premium at current prices.

Wall St Week Ahead-Bruised U.S. banks expected to report third quarter earnings decline

U.S. banks are expected to kick off the earnings season on a sour note next week due to falling interest rates, which may have pressured net interest margins enough to cause the sector's first year-over-year earnings per share decline in three years. While strength in mortgage banking and cheap valuations could provide support to the S&P 500 bank index, its performance depends on what reassurance executives provide on credit conditions, the outlook for loan growth and their ability to reduce deposit costs during their conference calls.



CANADA

Market Monitor

Canada's main stock index edged lower.

The **Toronto Stock Exchange's S&P/TSX composite index** was down 0.05%, at 16,415.16.

The **energy sector** climbed 1.86% to 127.29 on the back of higher oil prices, lifted by a report of an attack on an Iranian oil tanker.



The **U.S. dollar** dipped 0.68% against its **Canadian counterpart** at C\$1.3200.

COMING UP - ON TUESDAY

No major events are scheduled.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Tourmaline Oil Corp	12.33	1.61	15.02
Turquoise Hill Resources Ltd	0.63	0.05	8.62
Bausch Health Companies Inc	27.25	1.63	6.36
First Quantum Minerals Ltd	10.19	0.55	5.71
Lundin Mining Corp	6.82	0.36	5.57
LOSERS			
Hexo Corp	3.35	-0.41	-10.90
SSR Mining Inc	18.95	-1.93	-9.24
MTY Food Group Inc	57.75	-5.50	-8.70
Eldorado Gold Corp	9.75	-0.66	-6.34
First Majestic Silver Corp	12.18	-0.80	-6.16

Top News



A file photo of a "Help wanted" sign in the window of a bakery in Ottawa, Ontario, November 2, 2017. REUTERS/Chris Wattie

Canada gains more jobs than expected in September, unemployment rate drops to 5.5%

The Canadian economy added a stronger-than-expected 53,700 net jobs in September, with all the gains coming in full-time work and largely driven by the services sector, Statistics Canada

data showed, reducing analysts' expectations for a central bank rate cut this month. The national unemployment rate fell to a near-record low of 5.5%, from 5.7% in August, while wages for permanent employees rose 4.3% year-over-year.

SNC Lavalin sees power revenues tripling over next 10 years: exec

SNC-Lavalin Group sees revenues from its power businesses tripling over the next 10 years, fueled by appetite from North American utilities to digitize and modernize their grid networks, a company executive told Reuters. The opportunity in power comes as SNC is in the middle of a broader restructuring to turn its finances around after the company withdrew its 2019 forecast, announced plans to exit fixed price contracts and 15 countries and explore options for its resources business. SNC does not break out a specific figure for its power businesses, which the executive said generated about C\$2 billion to C\$3 billion annually, over the last five years. Alain Brière, SNC-Lavalin's vice president and general manager of intelligent networks & cybersecurity, added the power businesses represent about 10% to 12% of the company's revenue.

WEALTH NEWS

OIL TANKER ATTACKED

Iranian oil tanker hit off Saudi coast, may have been missiles - Iran media reports

An Iranian-owned oil tanker was struck, probably by missiles, in the Red Sea off Saudi Arabia's coast, Iranian media said, an incident that if confirmed will stoke tension in a region rattled by attacks on tankers and oil sites since May. The Sabiti was hit in the morning about 60 miles (96 km) from the Saudi port of Jeddah, Iranian media reported. The National Iranian Tanker Company (NITC) said the ship was damaged but now heading to the Gulf, denying reports it was set ablaze. The incident, which has yet to be independently confirmed, is the latest involving oil tankers in the Red Sea and Gulf area.



A picture shows the Iranian-owned Sabiti oil tanker sailing in Red Sea. National Iranian Oil Tanker Company via West Asia News Agency via REUTERS

FED'S FUNDING OPERATIONS

Fed launches Treasury bill buys in bid for 'ample' reserves

The Federal Reserve said that it will start buying about \$60 billion per month in Treasury bills to ensure "ample reserves" in the banking system, but emphasized the new program does not mark a change in monetary policy.

ECONOMIC DATA

U.S. import prices rise modestly, non-oil prices drop

U.S. import prices rose modestly in September and were lower for goods excluding oil, suggesting that imported inflation could remain subdued.

GABON COMPLIES WITH OPEC

OPEC in compliance push before Dec meeting; Gabon says will adhere

Gabon has told OPEC it will comply fully with its pledge to cut oil output under a 2019 supply deal between the exporter group and rivals such as Russia, in the latest sign of an OPEC push to improve compliance before its next meeting in December.

ROSENGREN SPEAKS

Fed's Rosengren urges patience on rates, with eye on consumer

The Federal Reserve should be patient in assessing whether to cut interest rates and the strength of the U.S. consumer will be key, Boston Federal Reserve Bank President Eric Rosengren said.

IMF ON DOLLAR

Non-U.S. banks still vulnerable to dollar funding shocks, IMF warns

Despite measures introduced following the 2007-2009 financial crisis to strengthen the global banking system, non-U.S. banks remain vulnerable to a disruption in the U.S. dollar funding market, the International Monetary Fund warned.

REGULATION IN DIGITAL ASSETS

Digital assets subject to money-laundering, disclosure laws -U.S. regulators

Three U.S. financial regulators issued a warning to firms with registered digital assets that they have an obligation to follow securities laws prohibiting money laundering and requiring disclosure of suspicious activity.



ON THE RADAR

Events	ET	Poll	Prior
Tue: NY Fed Manufacturing for Oct	0830	1.00	2.00
Wed: Retail sales ex-autos mm for Sep	0830	0.2%	0.0%
Retail sales mm for Sep	0830	0.3%	0.4%
Retail ex gas/autos for Sep	0830	--	0.1%
Retail control for Sep	0830	0.3%	0.3%
Retail sales yoy for Sep	0830	--	4.14%
Business inventories mm for Aug	1000	0.2%	0.4%
Retail inventories ex-auto rev for Aug	1000	--	0.0%
NAHB Housing Market Index for Oct	1000	68	68
Thu: Building permits: number for Sep	0830	1.360 mln	1.425 mln
Build permits: change mm for Sep	0830	--	8.2%
Housing starts number for Sep	0830	1.320 mln	1.364 mln
House starts mm: change for Sep	0830	--	12.3%
Initial jobless claims	0830	215,000	210,000
Jobless claims 4-week average	0830	--	213,750
Continued jobless claims	0830	--	1.684 mln
Philly Fed Business Index for Oct	0830	8.0	12.0
Philly Fed 6M Index for Oct	0830	--	20.80
Philly Fed Capex Index for Oct	0830	--	25.90
Philly Fed Employment for Oct	0830	--	15.80
Philly Fed Prices Paid for Oct	0830	--	33.00
Philly Fed New Orders for Oct	0830	--	24.80
Industrial production mm for Sep	0915	-0.1 %	0.6 %
Capacity utilization SA for Sep	0915	77.7 %	77.9 %
Manufacturing output mm for Sep	0915	-0.2 %	0.5 %
Industrial production yoy for Sep	0915	--	0.36 %
Fri: Leading index change mm for Sep	1000	0.1 %	-0.3%



A Mexican one-year-old baby, who is awaiting her turn to seek asylum in the U.S. with her mother, is seen in front of the gates to the Gateway International Bridge in Matamoros, Mexico, October 10. REUTERS/Veronica G. Cardenas

The Financial and Risk business of Thomson Reuters is now Refinitiv.

The Day Ahead - North America is compiled by Pathikrit Bandyopadhyay and Swathi Nair in Bengaluru.

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

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