

# THE DAY AHEAD

## MARKET RECAP at 4 pm ET

**Major indexes** ended modestly higher as upbeat comments from Fed chairman Jerome Powell and the announcement of a Chinese economic stimulus package offset weak U.S. jobs data. **Treasury yields** were lower. The **dollar** edged lower against a basket of major currencies. **Oil** prices rose, and **gold** eased.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26797.46	69.31	0.26	27398.68	21712.53
Nasdaq	8103.07	-13.75	-0.17	8339.64	6457.13
S&P 500	2978.72	2.72	0.09	3027.98	2443.96
Toronto	16535.33	-39.48	-0.24	16672.71	13776.88
FTSE	7282.34	11.17	0.15	7727.49	6599.48
Eurofirst	1522.54	4.22	0.28	1554.34	1308.86
Nikkei	21199.57	113.63	0.54	22362.92	19241.37
Hang Seng	26690.76	175.23	0.66	30280.12	24896.87

TREASURIES	Yield	Price
10-year	1.5517	4/32
2-year	1.5322	1/32
5-year	1.4230	2/32
30-year	2.0169	28/32

FOREX	Last	% Chng
Euro/Dollar	1.1025	-0.07
Dollar/Yen	106.92	0.00
Sterling/Dollar	1.2294	-0.28
Dollar/CAD	1.3179	-0.36
TR/HKEX RMB	91.32	0.02

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	56.57	0.27	0.48
Spot gold (NY/oz)	1505.10	-14.00	-0.92
Copper U.S. (front month/lb)	0.0262	-0.0001	-0.55
CRB Index Total Return	181.73	0.30	0.17

S&P 500	Price	\$ Chng	% Chng
<b>GAINERS</b>			
Symantec Corp	24.52	1.05	4.47
Perrigo Company PLC	49.95	1.79	3.72
Alexion Pharmaceuticals Inc	103.84	3.56	3.55
<b>LOSERS</b>			
Advanced Micro Devices Inc	30.56	-0.94	-2.98
Monster Beverage Corp	57.17	-1.60	-2.72
WEC Energy Group Inc	93.11	-2.22	-2.33

## Coming Up - On Monday

**Wells Fargo & Co** Chief Financial Officer **John Shrewsberry** will give remarks at the **Barclays Global Financial Services Conference**.

Investors and analysts will be listening closely for any updates on how the changing interest rate environment will impact the bank's bottom line.

**Citigroup Inc** Chief Financial Officer **Mark Mason** will also give remarks at the conference. Investors and analysts will be listening closely for any forecasts for markets revenue during a volatile quarter.

**U.S. consumer credit** is expected to rise \$16.00 billion in July after rising \$14.60 billion in the month before.

Some eight months after Brazil's second catastrophic accident in four

years, **mining executives** and **regulators** are scheduled to gather for a **conference** in Belo Horizonte and expected to discuss the industry's way forward. Speakers on the first day will include Vale CEO **Eduardo Bartolomeo**, Mines and Energy Minister **Bento Albuquerque** and **Kelvin Dushnisky**, CEO of AngloGold Ashanti.

**Mexico's inflation** data for August is on the schedule. Consumer prices rose 0.38 percent in July.

**LIVECHAT-FX WEEK AHEAD**  
FX Buzz Analyst **Jeremy Boulton** analyses G7 and selected EM currencies. (0730 ET/1130 GMT). To join the conversation, [click here](#)

## KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Employment Trends for Aug	1000	--	111
Consumer credit for Jul	1500	\$16.00 bln	\$14.60 bln

## KEY RESULTS

No major S&P 500 companies are scheduled to report

# Coming Up - Week Ahead



On the U.S. economic tap, **producer prices** for final demand in August, due on Wednesday, are likely to have increased 0.1%, after a 0.2% rise in July. In the 12 months through August, they are expected to have increased 1.8% after advancing by the same margin in July. On Thursday, the seasonally adjusted **consumer price index (CPI)** for August is likely to show a 0.1% rise, after increasing 0.3% in July. The **core CPI** is likely to have risen 0.2% in August. Also, on Thursday, the **initial jobless claims** report is expected to show an increase to a seasonally adjusted 217,000 for the week ended Sept. 7, after rising 217,000 in the week ended Aug. 31. On Friday, **retail sales** report for August is expected to show a 0.2% increase, following a 0.7% rise in the month before. **University of Michigan's preliminary consumer sentiment index** for September, also expected on Friday, will likely show a reading of 90.7. The **Job Openings and Labor Turnover Survey**, or JOLTS, data for July is due on Tuesday.

**Apple Inc** is expected to unveil its sub-

scription TV service and new iPhone models at the Steve Jobs Theater at its Cupertino, California headquarters on Tuesday. In an invite to the event, Apple teased a five-colored version of its logo, implying launch of more colors for its new iPhone models.

On Thursday, **Kroger Co** is scheduled to release second-quarter results. The company is expected to report growth in quarterly sales, as the supermarket chain's investments in technology and modernizing stores are attracting more shoppers. Comments on Kroger's gun policies will be keenly watched. The company earlier this month said it has begun asking customers to stop openly carrying firearms in stores, echoing Walmart's decision to discontinue sales of ammunition for handguns and some assault-style rifles in the United States.

On Thursday, **Broadcom Inc** is expected to post a rise in third-quarter revenue, even as many chipmakers are hit by a broad industry slowdown. Investors will be looking for the company's forecast and any commentary on Huawei ban and U.S.-China trade war.

On Tuesday, **GameStop Corp** is expected to report a fall in second-quarter revenue due to slowing video game sales at its stores as consumers increasingly shift to downloading games. The retailer is also struggling with weak gaming console sales as buyers wait for the new models of Sony's PS4 and Microsoft's Xbox, expected to be

launched next year. Investors will be looking out for updates on its capital allocation plans and any progress on a turnaround of its business.

Federal Reserve Division of Supervision and Regulation Associate Director **Thomas Sullivan** is scheduled to testify on insurance company supervision before the Senate Banking Committee on Thursday.

**Canada's** annualized **housing starts** data for August, due on Tuesday, is likely to show a fall to 204,500 units, from 222,000 units in the month before. **Building permits** data for July is also expected on Tuesday. Canadian **industrial capacity use** for the second quarter is expected on Wednesday. It dropped to 80.9% in the first quarter.

Canadian discount store operator **Dollarama Inc** is scheduled to report second-quarter results on Thursday. The company is expected to report a higher quarterly profit as its strategy to keep price increases to a minimum paid off. Investors will look out for comments on expansion plans after the company bought a 50.1% stake in Latin American value retailer Dollarcity.

**Brazil's** July **retail sales** data is due on Wednesday. The country's retail sales rose 0.1 percent in June. Separately, **Mexico's industrial output** data for July is expected on Wednesday. The country's industrial output rose by 1.1% in June.

# Market Monitor

**Wall Street's major indexes** edged higher as investors digested mixed signals from the U.S. jobs report and bet on a Federal Reserve interest rate cut this month while China's stimulus plan helped ease some concerns around global growth. Also, speaking at the University of Zurich, Fed Chair Jerome Powell said the labor market was strong and the central bank will continue to "act as appropriate" to sustain economic expansion. Meanwhile, China's central bank said it would slash the amount of cash that banks must hold as reserves, releasing a total of 900 billion yuan in liquidity to shore up the flagging economy. **Facebook** fell 1.79%. **Boeing** was up 0.71%. The **Dow** rose 0.26% to 26,797.46, the **S&P 500** gained 0.09%, at 2,978.72 and the **Nasdaq** was down 0.17% at 8,103.07. For the week, the S&P rose 1.79%, the Dow added 1.49%, the Nasdaq gained 1.76%.

A mixed employment report and an even-keel message from U.S. Federal Reserve Chair Jerome Powell left **Treasury yields** modestly lower, firming up market expectations the central bank will cut interest rates by the expected 25 basis points at its September meeting. "There was nothing out of the ordinary that would sway the market one way or the other to think there was something different about how he has been talking about the markets since Jackson Hole," said Justin Lederer, Treasury analyst and trader at Cantor Fitzgerald. "We are expecting a 25 basis point cut in two weeks," said Lederer. Neither Powell's remarks nor the employment data changed that perspective. **Benchmark Treasuries** gained 4/32 to yield 1.55%. **30-year bonds** were up 28/32, yielding 2.02%.



Traders work on the floor at the New York Stock Exchange (NYSE) in New York, September 5. REUTERS/Brendan McDermid

The **dollar** was marginally lower against a basket of currencies, holding above a one-week low. "The jobs data were sufficiently mixed," said Marc Chandler, chief market strategist at Bannockburn Global Forex LLC in New York. "The market is not going to change its view of a rate cut later in September." The greenback lost ground against its rivals as global tensions receded this week, most notably with China and the United States agreeing to high-level trade talks in October. "The world stared into the abyss this week, and it pulled back," Chandler said. Against the **yen**, the **dollar** was flat at 106.92 yen. The **dollar index** was down 0.01% at 98.41.

**Oil** prices rose after Fed's Powell's comments. Both benchmarks had declined earlier on concerns over slipping U.S. job growth and continued U.S.-China trade tensions, despite recent diplomatic progress. Crude

prices "are working back up right now," said Bill Baruch, president at Blue Line Futures LLC in Chicago. Comments by Powell that indicate further interest rate reductions are one factor that would help keep "a bid in the market ahead of the weekend." **Brent crude** was up 0.95% at \$61.53 a barrel, while **U.S. crude** gained 0.44% at \$56.55 a barrel.

**Gold** fell as upbeat remarks from Powell and improved risk appetite offset a weaker-than-expected U.S. nonfarm payrolls report, putting bullion on track for a second straight weekly loss. "The sell-off in gold was mainly due to the slightly optimistic tone Powell delivered throughout the session. He was pointing out that the U.S. economy was still performing well. Markets were expecting it (speech) to be slightly dovish," said Edward Moya, senior market analyst with OANDA. **Spot gold** dipped 0.9% to \$1505.43 an ounce. **U.S. gold futures** lost 0.7% to \$1514.80 an ounce.



# Top News

## **U.S. states launch antitrust probes of tech companies, focus on Facebook, Google**

Two groups of U.S. state attorneys general announced separate antitrust probes of large tech companies such as Alphabet's Google and Facebook. The first probe, led by New York and including seven other states and the District of Columbia, focuses on Facebook. The second, announced by Texas and likely to include up to 40 other states, did not specify the targets among large tech companies but was expected to center on Google. "I'm launching an investigation into Facebook to determine whether their actions endangered consumer data, reduced the quality of consumers' choices or increased the price of advertising," New York Attorney General Letitia James tweeted. "The largest social media platform in the world must follow the law," she said. The Facebook probe will include New York, Colorado, Florida, Iowa, Nebraska, North Carolina, Ohio, Tennessee and the District of Columbia. Texas Attorney General Ken Paxton's office said it was leading an investigation of large tech companies but did not name them. That probe, likely to include more than 40 state attorneys general, is expected to focus on Google, a source familiar with the matter told Reuters. A second source previously said that the Google investigation would look at the intersection of privacy and antitrust.

## **U.S. launches antitrust probe into California automaker agreement**

The U.S. Justice Department is investigating whether the decision of four automakers in July to reach a voluntary agreement with California to adopt state emissions standards violated antitrust law, people briefed on the matter said. The antitrust division's chief, Makan Delrahim, sent Aug. 28



*A 3D-printed Facebook Like symbol is displayed in front of a U.S. flag in this illustration, March 18, 2018. REUTERS/Dado Ruvic*

letters to the four automakers saying the government was concerned the agreement "may violate federal antitrust laws" but adding it had "reached no conclusions," according to a document seen by Reuters. The letters asked the automakers to meet with the division "and provide us with more information regarding the formation of that agreement" and automakers' communications with each other. In July, Ford, BMW, Volkswagen and Honda said they had reached a deal to adopt standards that were lower than Obama era rules but higher than the Trump administration's 2018 proposal. In doing so, the automakers were defying the Trump administration's effort to strip California of the right to fight climate change by setting its own standards.

## **U.S. congressional probe finds possible lapses in Deutsche Bank controls -sources**

U.S. congressional investigators have

identified possible failures in Deutsche Bank's money laundering controls in its dealings with Russian oligarchs, after the lender handed over a trove of transaction records, emails and other documents, three people familiar with the matter said. The congressional inquiry found instances where Deutsche Bank staff in the United States and elsewhere flagged concerns about new Russian clients and transactions involving existing ones, but were ignored by managers, two of the people said. Lawmakers are also examining whether Deutsche Bank facilitated the funneling of illegal funds into the United States as a correspondent bank, where it processes transactions for others, one of the sources said. The congressional probe, whose initial findings have not been previously reported, is at an early stage, and it is not yet clear whether it will lead to any action against the bank, the three sources said.

## **Alibaba dials up luxury push with \$2 billion buy of Netease e-commerce arm**

Alibaba has agreed to buy e-commerce business Kaola from Chinese gaming company NetEase for \$2 billion, adding a platform that specializes in supplying curated luxury goods from abroad to domestic consumers. Alibaba will also invest \$700 million for a minority stake in Netease's music streaming arm as it takes on Chinese market leader Tencent Music. Kaola, launched by NetEase in 2015, aggressively targets shoppers in China by offering products from top brands such as Gucci, Shiseido and Burberry, primarily sourcing goods directly from suppliers to resell to consumers. The Kaola deal will boost Alibaba's access to wealthy Chinese buyers, who account for more than a third of the luxury goods sector's worldwide revenues, as online sales slow at home.

## **Qualcomm-Samsung axis brings 5G to the masses as Huawei struggles**

Qualcomm promised to bring 5G mobile phones to the masses with a high-end modem and said its chips would also power mid-price devices hitting the market next year. Fifth-generation chipsets from Qualcomm, the world's biggest supplier of mobile phone chips, now run on five devices from Samsung Electronics, including the \$1,299 Galaxy S10 5G model and the new \$2,000 Galaxy Fold. Samsung, the world's top smartphone seller, has also put Qualcomm chips in its lower-priced A90 5G model, which had used Samsung chips in an earlier version. Qualcomm President Cristiano Amon predicted such devices would achieve volume and scale.

## **Mallinckrodt to pay \$24 million in cash to settle opioid lawsuits with two Ohio counties**

Mallinckrodt said it had agreed to pay \$24 million in cash to two counties in Ohio, to settle lawsuits related to an ongoing multidistrict opioid litigation in the United States. The company will

also donate \$6 million in generic products, including addiction treatment products, as part of the settlement. The announcement comes a day after Mallinckrodt downplayed a media report that it had hired restructuring firms and may choose to seek bankruptcy protection. If finalized, the settlement will fully resolve certain lawsuits against all named Mallinckrodt entities that are scheduled to go to trial in October, the company said. Other drug manufacturers and distributors are set to face the first trial in October resulting from federal court proceedings that have consolidated around 2,000 lawsuits brought largely by local governments accusing the companies of fueling the epidemic.

## **Kudlow says GM CEO may go to Ohio with Trump**

General Motors chief executive Mary Barra may go to Ohio with President Donald Trump to attend a meeting in the state where the largest U.S. automaker has ended production at a car assembly plant, an aide to Trump said. "Mary Barra is doing her best to open up plants. I think it's possible the president will go with her to a meeting and a discussion in Ohio," National Economic Council director Larry Kudlow told CNBC on Friday. Barra "expressed her support for our reforms on CAFE fuel standards," Kudlow added. GM is not among the four automakers that have reached a voluntary agreement with California on fuel efficiency rules. In a separate development, General Motors's unionized workers in South Korea will strike Monday to Wednesday over stalled wage talks and concern of another plant shutdown, union officials said, the first full walkout since GM bought local factories in 2002. To read more [click here](#)

## **ExxonMobil confirms exclusivity agreement with Var Energi**

Oil major ExxonMobil said it had signed an exclusivity agreement with Var Energi for negotiations regarding a

possible sale of Exxon's Norwegian upstream assets. An acquisition of Exxon's production assets in Norway would cement Var Energi's position as the second largest petroleum producer in Norway after Equinor, excluding state-owned Petoro, which manages government stakes in offshore licenses. Reuters reported on Sept. 5 that Exxon had agreed to sell its stakes in around 20 partner-operated fields, two years after selling its operated assets. Exxon confirmed the exclusive talks to Reuters and said that a final sales agreement has yet to be signed.

## **U.S. CDC flags 2 new deaths from lung illness possibly tied to vaping**

U.S. health authorities said two Americans had died from lung illness that were possibly tied to vaping, bringing the total count of such deaths to three as officials probe whether a "cluster" of lung illnesses are linked to e-cigarette use. One other death was under investigation, the U.S. Centers for Disease Control and Prevention (CDC) said, adding that it was probing possible links with vaping to 450 cases of lung illness around the country. Staff from health agencies, including the U.S. Food and Drug Administration (FDA), said they have not linked the illnesses to any specific e-cigarette product or any particular substance in the e-cigarettes.

## **Brinks Co considering \$1.23 billion takeover of G4S cash business - Sky News**

U.S. security company Brinks is mulling a more than \$1.23 billion takeover of the cash solutions business of G4S Plc, Sky News reported. G4S said in August it would look at offers for all or part of its cash transport business after its board approved hiving it off into a separate company in the first half of 2020. Brinks Co is one of the prospective bidders that have approached the world's largest private security firm about buying its cash solutions arm, according to the report.



Riot police aim their weapons through a barricade, outside the Mong Kok police station, next to Prince Edward MTR station, as a protester approaches with an umbrella in Hong Kong, China, September 6. REUTERS/Kai Pfaffenbach

## Insight and Analysis

### **Trump in high-stakes balancing act between oil and corn ahead of 2020 bid**

At a closed-door meeting at the White House on Aug. 19, President Donald Trump looked increasingly alarmed as his top envoy to China delivered evidence of rising Farm Belt frustration over his biofuel policy along with a stark warning: You've got a problem in Iowa.

### **FOCUS-Citigroup doubles down on credit cards even as U.S. economy softens**

Despite signs that the U.S. economy is slowing, New York-based Citigroup is betting big on credit cards. Citigroup, the third-largest U.S. card issuer, according to payments industry publication The Nilson Report, has been among the most aggressive promoters of zero-interest balance transfers.

### **Trudeau's oil pipeline tarnishes his climate credentials ahead of Canadian election**

Canadian Prime Minister Justin Trudeau has cast himself as a champion in the fight against climate change while pushing to expand an oil pipeline to help struggling producers, a contradiction that may hurt his re-election bid next month.



# CANADA

## Market Monitor

Canada's **main stock index** edged lower, with the **Toronto Stock Exchange's S&P/TSX composite index** ending 0.24% lower at 16,535.33.

**TSX energy stocks** declined 0.46% to 128.12.

The **U.S. dollar** slipped 0.35% against its **Canadian counterpart** to C\$1.2292.

### COMING UP - ON MONDAY

No major events are scheduled.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
<b>GAINERS</b>			
Nexgen Energy Ltd	1.73	0.15	9.49
Nuvista Energy Ltd	1.94	0.11	6.01
Canopy Growth Corp	36.45	1.51	4.32
<b>LOSERS</b>			
Eldorado Gold Corp	12.14	-0.72	-5.60
MAG Silver Corp	15.50	-0.86	-5.26
NovaGold Resources Inc	8.93	-0.48	-5.10

## Top News



### Canada gains 'robust' 81,100 jobs in August as national election looms

The Canadian economy gained a larger-than-expected 81,100 net jobs in August, largely driven by increases in part-time work, Statistics Canada data showed in its last major release of economic statistics before a national election campaign begins. The national unemployment rate held steady, as expected, at 5.7% in August, while wages for permanent employees increased 3.8% year-over-year.

Analysts in a Reuters poll had forecast a gain of 15,000 jobs. "Clearly the jobs picture is relatively robust," said Doug Porter, BMO's chief economist. Of the total number of new jobs, 57,200, or more than two-thirds, were part-time. Statistics Canada said 20,500 more people were working in educational services in August, largely in Quebec. Finance, insurance, real estate, rental

and leasing were also up, rising by 22,400 in August, while the professional, scientific and technical services sector saw an increase of 16,800 jobs. The number of private sector employees increased by 94,300 in August while the number of self-employed workers fell by 11,200.

### Drugmakers file second court challenge to Canada's new drug price rules

Canada's main pharmaceutical industry lobby group, along with 16 of its member companies, filed a lawsuit to block new regulations meant to lower patented drug prices, the second legal challenge to a new regime that could eventually reduce prices in the United States as well. The lawsuit was filed in federal court and led by Innovative Medicines Canada (IMC), which represents major drugmakers in Canada. It is separate from a lawsuit filed last month and focuses on federal patent law, arguing that Canada cannot use regulations to "fundamentally alter" the role of its federal drug price regulator. "We would not enter into this lightly. The industry lives and breathes saving lives, but it does require a viable business model to do so," IMC President Pamela Fralick said in an

interview. "Canada is not creating a sustainable environment for innovative medicines." Fralick said industry had been trying to work with Health Canada to find policy alternatives to the proposal for nearly two years. IMC has argued that new drugs may launch late or not at all in Canada if prices fall, and that the policy will discourage investment in Canada. The government says other countries with lower drug prices have investment and drug access that are as good as or better than Canada's.

### Impatient Canada takes first formal step at WTO to challenge China's canola ban

Canada, locked in a major dispute with Beijing, is taking the first formal step at the World Trade Organization to challenge China's decision to block Canadian canola exports, Trade Minister Jim Carr said. China, angry at Canada's detention of a top Huawei Technologies executive last year on a U.S. arrest warrant, blocked all imports of canola seed in March on the grounds they contained pests. "We have continuously been engaging with China at multiple levels. The issue is that we're not seeing progress fast enough and as we would with any

trading partner, this is the next step," Carr spokesman Michael Jones said. Carr said in a statement that Ottawa was seeking bilateral consultations with China at the WTO. Under WTO rules, Canada and China should meet within 30 days, and if these talks fail, Canada can request adjudication by a panel. The WTO timeline means there is no chance of a resolution before Canadians vote in a federal election on Oct 21. Canadian canola stockpiles surged to an all-time high this summer amid slumping sales to China.

### **Canada's Ivey PMI shows faster economic expansion in August**

The pace of economic activity in Canada picked up in August as inventories climbed, according to Ivey Purchasing Managers Index (PMI) data. The seasonally adjusted index

rose to 60.6 from 54.2 in July, surpassing analysts' expectations for 53.0. The Ivey PMI measures the month-to-month variation in economic activity as indicated by a panel of purchasing managers from across Canada. A reading above 50 indicates an increase in the pace of activity. The gauge of inventories rose to an adjusted 54.8 from 46.9 in July. Meanwhile the employment index remained above the 50 threshold, but dipped to 52.7 from 56.6. The unadjusted PMI rose to 58.6 from 51.2.

### **Mining investor Friedland clinches deal on Guinea's Nimba iron ore**

American-Canadian mining investor Robert Friedland is set to control Guinea's Mount Nimba iron ore deposit in a deal signed by his High Power Exploration (HPX) company with the

west African country late on Thursday. Friedland, who is CEO of HPX as well as the founder and executive chairman of Ivanhoe Mines, has a long history of finding and developing remote mineral deposits in countries including Mongolia and Democratic Republic of Congo. HPX will take over stakes in consortium company Euronimba previously owned by BHP, Newmont Goldcorp, and French nuclear group Orano, the company said in a statement. Under the deal, HPX will give the Guinean government a 15% stake in the project through Euronimba subsidiary Société des Mines de Fer de Guinée (SMFG), as well as two seats on its board, a document seen by Reuters showed. Financial terms of the deal were not disclosed, but the document estimated the investment by HPX would amount to \$1 billion dollars.



# WEALTH NEWS

## POWELL SPEAKS

### Fed Chair Powell repeats vow to act 'as appropriate'

The U.S. Federal Reserve will continue to act "as appropriate" to sustain the economic expansion in the world's biggest economy, Fed Chair Jerome Powell said in Zurich, sticking to a phrase that financial markets have read as signaling further interest-rate reductions ahead.

## SLOWDOWN IN U.S. JOB GROWTH

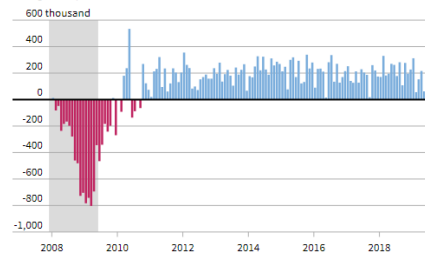
### U.S. hiring cools; wages, hours offer silver lining

U.S. job growth slowed more than expected in August, with retail hiring declining for a seventh straight month, but strong wage gains should support consumer spending and keep the economy expanding moderately amid rising threats from trade tensions. Nonfarm payrolls increased by 130,000 jobs last month, flattered by temporary hiring of 25,000 workers for the 2020 census. The unemployment rate was unchanged at 3.7% for a third straight month in August.

## U.S. Employment

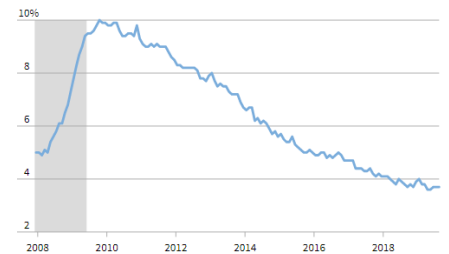
### NONFARM PAYROLLS

Change from previous month



Source: Thomson Reuters Datastream  
By Matthew Weber | REUTERS GRAPHICS

### UNEMPLOYMENT RATE



*Click on the chart for an interactive graphic*

## U.S.-CHINA NEGOTIATIONS

### U.S. wants 'near term' results from new China trade talks -Kudlow

The Trump administration wants to see "near term results" from U.S.-China trade talks in September and October, White House economic adviser Larry Kudlow said, but he declined to predict any outcomes or say if U.S. tariff delays were possible.

## BIOFUEL REFORM ATTEMPTS

### Biofuel plan faces backlash by U.S. agricultural groups ahead of Trump meet -sources

U.S. agricultural trade groups told the Trump administration a proposed biofuel reform package falls short of expectations, four sources familiar with discussions said, complicating plans the administration had for presenting the proposal to President Donald Trump.

## HOUSING FINANCE REFORM

### Fannie Mae, Freddie Mac shares tumble as Treasury overhaul plan disappoints

Shares of Fannie Mae and Freddie Mac slumped amid disappointment over a long-awaited U.S. Treasury Department plan to begin recapitalizing the mortgage giants and return them to private control after their bailout during the 2008 financial crisis.

## WALL STREET WEEK AHEAD

### Another recent inversion could provide support for stocks

A decline in interest rates on long-term U.S. government bonds below the average stock dividend yield has received less attention than an inverted Treasury yield curve, but it could be a reason stocks find support after a bruising August.

## GLOBAL ECONOMY

### Draghi's dilemma: Go big, but how big?

European Central Bank President Mario Draghi - often credited with single-handedly saving the euro during the worst of its crisis - is expected to perform more magic next week in his penultimate meeting in charge.

## ON THE RADAR

Events	ET	Poll	Prior
<b>Tue:</b> NFIB Business Optimism Index for Aug	0600	--	104.7
JOLTS job openings for Jul	1000	7.300 mln	7.348 mln
<b>Wed:</b> PPI final demand yy for Aug	0830	1.8%	1.7%
PPI final demand mm for Aug	0830	0.1%	0.2%
PPI exfood/energy yy for Aug	0830	2.2%	2.1%
PPI exfood/energy mm for Aug	0830	0.2%	-0.1%
PPI ex food/energy/transport yy for Aug	0830	--	1.7%
PPI ex food/energy/transport mm for Aug	0830	--	-0.1%
Wholesale inventory, R mm for Jul	1000	0.2%	0.2%
Wholesale sales mm for Jul	1000	--	-0.3%
<b>Thu:</b> Core CPI mm, SA for Aug	0830	0.2%	0.3%
Core CPI yy, NSA for Aug	0830	2.3%	2.2%
CPI Index, NSA for Aug	0830	--	256.57
Core CPI Index, SA for Aug	0830	--	263.57
CPI mm, SA for Aug	0830	0.1%	0.3%
CPI yy, NSA for Aug	0830	1.8%	1.8%
Real weekly earnings mm for Aug	0830	--	-0.3%
CPI mm NSA for Aug	0830	--	0.17%
CPI Index SA for Aug	0830	--	256.16
Initial jobless claims	0830	217,000	217,000
Jobless claims 4-week average	0830	--	216,250
Continued jobless claims	0830	--	1.662 mln
Cleveland fed CPI for Aug	1100	--	0.3%
Federal budget for Aug	1400	--	-\$120.0
<b>Fri:</b> Import prices mm for Aug	0830	-0.4%	0.2%
Export prices mm for Aug	0830	-0.3%	0.2%
Retail sales ex-autos mm for Aug	0830	0.1%	1%
Retail sales mm for Aug	0830	0.2%	0.7%
Retail ex gas/autos for Aug	0830	--	0.9%
Retail control for Aug	0830	0.3%	1%
Retail sales YoY for Aug	0830	--	3.45%
Business inventories mm for Jul	1000	0.3%	0%
Retail inventories ex-auto rev for Jul	1000	--	0.3%
U Mich Sentiment Preliminary for Sep	1000	90.7	89.8
U Mich Conditions Preliminary for Sep	1000	106.2	105.3
U Mich Expectations Preliminary for Sep	1000	82.0	79.9
U Mich 1 year inflation preliminary for Sep	1000	--	2.7%
U Mich 5-year inflation preliminary for Sep	1000	--	2.6%



Nigerian entrepreneur Basil Onibo, one of the victims of the latest spate of xenophobic attacks, looks at the burnt out cars at his dealership in Johannesburg, South Africa, September 5. REUTERS/Siphiwe Sibeko

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*For questions or comments about this report, email us at: [TheDay.Ahead@thomsonreuters.com](mailto:TheDay.Ahead@thomsonreuters.com).*

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