

THE DAY AHEAD

MARKET RECAP at 4 pm ET

The **S&P 500** and the **Nasdaq** registered record closing highs on surging chip stocks, while weak earnings from Boeing and Caterpillar weighed on the **Dow**. **Treasury yields** fell in line with European government debt, following weak economic data in the region, which also hurt the **euro**. **Oil** fell on worries over global demand. **Gold** gained and **silver** soared.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	27267.75	-81.44	-0.3	27398.68	21712.53
Nasdaq	8321.50	70.10	0.85	8264.78	6457.13
S&P 500	3019.56	14.09	0.47	3017.80	2443.96
Toronto	16611.84	39.16	0.24	16672.71	13776.88
FTSE	7501.46	-55.40	-0.73	7622.58	6599.48
Eurofirst	1539.83	-0.48	-0.03	1548.20	1308.86
Nikkei	21709.57	88.69	0.41	22362.92	19241.37
Hang Seng	28524.04	57.56	0.20	30280.12	24896.87

TREASURIES	Yield	Price
10-year	2.0480	8/32
2-year	1.8219	0/32
5-year	1.8148	2/32
30-year	2.5762	21/32

FOREX	Last	% Chng
Euro/Dollar	1.1134	-0.15
Dollar/Yen	108.18	-0.03
Sterling/Dollar	1.2480	0.35
Dollar/CAD	1.3147	0.11
TR/HKEX RMB	93.93	0.13

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	55.77	-1.00	-1.76
Spot gold (NY/oz)	1425.13	8.14	0.57
Copper U.S. (front month/lb)	0.0270	0.0001	0.35
CRB Index Total Return	187.16	-0.84	-0.45

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Edwards Lifesciences Corp	214.85	19.39	9.92
W W Grainger Inc	304.07	25.29	9.07
Discover Financial Services	92.04	7.56	8.95
LOSERS			
Rollins Inc	34.16	-3.99	-10.46
Marketaxess Holdings Inc	334.25	-33.56	-9.12
Amphenol Corp	92.40	-5.96	-6.06

Coming Up



The Google logo is displayed outside the company offices in New York, U.S., June 4.

Google parent **Alphabet Inc** is expected to post a rise in second-quarter revenue, as it benefits from higher ad sales as well as strong contributions from its other businesses like YouTube, Play, Cloud and its hardware initiatives. Investors will be keeping an eye on Google's expenses and any comments by the company on a probe by the U.S. Department of Justice.

Amazon.com Inc will likely post a rise in second-quarter revenue as the world's biggest online retailer continues to benefit from soaring demand for its cloud and advertising businesses and a surge in online shopping. Investors will look out for the forecast, which would also be helped by Prime Day sales, net sales in North America, AWS sales and ad sales.

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Durable goods for June	0830	0.7%	-1.3%
Durables ex-transport for June	0830	0.2%	0.4%
Durables ex-defense mm for June	0830	--	-0.5%
Nondefense Cap ex-air for June	0830	0.2%	0.5%
Advance goods trade balance for June	0830	--	-\$75.05 bln
Wholesale inventories advance for June	0830	--	0.4%
Retail inventories ex-auto advance for June	0830	--	0.3%
Initial jobless claims	0830	219,000	216,000
Jobless claims 4-week average	0830	--	218,750
Continued jobless claims	0830	1.688 mln	1.686 mln
KC Fed Manufacturing for July	1100	--	-3
KC Fed Composite Index for July	1100	--	0

Intel Corp is expected to report a drop in second-quarter revenue, hurt by sluggish demand for its data center and modem chips. Intel had said that China's economy was consuming fewer microchips than it had expected, adding to concerns that an industry-wide slowdown could persist until the end of 2019.

American Airlines Group Inc and Southwest Airlines Co, the two U.S. airlines with the largest Boeing Co 737 MAX fleets, post second-quarter earnings with strong travel demand expected to help mitigate the blow of a prolonged MAX grounding.

Comcast Corp is expected to report a rise in second-quarter revenue, boosted by growth in high-speed internet customers. Investors will be on the lookout for numbers on video subscriber losses and revenue from its NBCUniversal segment as well as any comments on its streaming service, which is expected to launch in 2020.

The **European Central Bank** will announce **interest rate decision**, followed by President Mario Draghi's news conference on the outcome of the meeting of the Governing Council.

The Commerce Department is expected to say **overall orders for durable goods** edged up 0.7% in June after May's 1.3% drop. Also, the Labor Department is scheduled to report **initial claims for state unemployment benefits**, which likely rose to 219,000 for the week ended July 20.

3M Co is expected to report lower second-quarter profit and revenue, hurt by a slowdown in its high growth markets such as China. Investors will look for an update on the company's full-year financial forecast.

Raytheon Co is expected to report an increase in second-quarter revenue, helped by higher global demand for

advanced weapons and munitions. Investors will look for an update on the announced merger with United Technologies Corp, a deal which will create the world's second largest aero-and-defense company by sales.

Starbucks Corp is expected to post a rise in third-quarter same-store sales, powered by a strong rewards program and innovations like Dragon Drink, Mango Dragon Fruit Refreshers, Cocoa Cloud Macchiato. Growth in China, where it competes with local upstart Luckin' Coffee, will be watched, especially after the coffee giant opened a new 'Starbucks Now' store in Beijing that focuses on delivery and order-and-pay customers.

Hershey Co is expected to post its slowest quarterly sales growth in five quarters, when it reports results for the second quarter, as it faces increased competition in North America amidst consumers shifting away from sugary products to healthier options. Investors will look for any comments on the company's pricing strategy and update on full-year forecast.

Mattel Inc is expected to report a narrower loss in the second quarter, boosted by sales of toys based on the new Toy Story movie and the hugely popular Korean boy band BTS. Investors will still keep a lookout for any outlook the company gives for its Barbie dolls over fears that sales could slow due to an upcoming "Frozen" movie, whose doll licenses are held by Hasbro.

Valero Energy Corp is expected to post a smaller profit in the second quarter, as the lack of cheap heavy crude weighed on its margins. Investors will be looking for any commentary on its plans to comply with low-sulfur fuel standards starting 2020.

LIVECHAT - OIL OUTLOOK

Reuters energy correspondent **Jessica Resnick-Ault** takes your questions about the oil markets in the rapid-fire, weekly segment "Lock, Stock and Barrel". (1100 ET/1500 GMT) To join the conversation, [click here](#)



Hershey's chocolate bars are shown in this photo illustration in Encinitas, California, January 29, 2015. REUTERS/Mike Blake

Market Monitor

The **S&P 500** and **Nasdaq** hit record closing highs after reassuring comments from Texas Instruments about global chip demand blunted the impact of weak earnings reports from Boeing and Caterpillar. "Semiconductor investors are looking past right now and saying that maybe in the second half of this year, economic concerns will start to abate a little," said Willie Delwiche, an investment strategist at Robert W. Baird in Milwaukee. Two weeks into an earnings season with mute investor expectations, about 77% of the 138 S&P 500 companies that have reported so far have topped earnings estimates, according to Refinitiv data. **Texas Instruments** jumped 7.44% after the company hinted that a global slowdown in microchip demand would not be as long as feared, powering the **Philadelphia chip index** 3.10% higher to 1,622.02. Meanwhile, **Caterpillar** dropped 4.50% and **Boeing** fell 3.15%, leaving the Dow in negative territory. The **Dow Jones Industrial Average** was down 0.3% at 27,267.75, while the **S&P 500** gained 0.47% to 3,019.56 and the **Nasdaq Composite** added 0.85% to 8,321.50.

Treasuries yields fell in line with European government debt, after weak economic data in the region added to expectations that the European Central Bank will signal easier monetary policy. "Treasuries are following bunds here to lower yields," said Justin Lederer, an interest rate strategist at Cantor Fitzgerald in New York. **Benchmark 10-year notes** gained 8/32 to yield 2.05%. The **30-year bonds** were 21/32 higher to yield 2.58%. Meanwhile, the Treasury Department sold \$41 billion in five-year notes at a high yield of 1.824%. The bid-to-cover ratio was 2.26.



Reuters/Brendan McDermid
Traders work on the floor at the New York Stock Exchange in New York, U.S., July 24.

The **euro** fell to a two-month low against the **dollar**, weighed down by weak economic data that bolstered expectations that the European Central Bank could undertake aggressive monetary policy easing as soon as this week. The **dollar** was little changed against a basket of currencies after three straight days of gains, trading in narrow ranges ahead of monetary policy meetings at the ECB on Thursday and the Federal Reserve next week. The **euro** was down 0.13% at \$1.1136 after earlier hitting \$1.1128, its lowest since May 30. The **dollar index** was 0.04% higher at 97.74.

Oil prices fell, failing to draw lasting support from a large decrease in U.S. crude stockpiles as investors worried about global oil demand. Energy Information Administration data showed a large drawdown in U.S. crude stockpiles. Crude inventories fell

by 10.8 million barrels in the week to July 19. "The market is going to try to say that (the drawdown) was probably due to (Hurricane Barry), and so the market is not overreacting to it," said Phil Flynn, an analyst with Price Futures Group in Chicago. **Brent crude** dropped 1.24% to \$63.04 a barrel, while **U.S. crude** fell 1.76% to \$55.77 a barrel.

Gold gained on expectations the U.S. Federal Reserve and other major central banks would adopt a dovish approach to monetary policy, while **silver** soared to a more than one-year high. Investors expect the U.S. central bank to cut its overnight benchmark lending rate at its July 30-31 policy meeting. **Spot gold** was up 0.58% at \$1,425.22 an ounce. **U.S. gold futures** were 0.20% higher at \$1,424.50. **Silver** gained 1.15% to \$16.584 per ounce.

Top News

Boeing posts biggest loss on 737 MAX, may have to halt production of jet

Boeing posted its largest-ever quarterly loss due to the spiraling cost of resolving issues with its 737 MAX, warning it may have to shut production of the grounded jet completely if it runs into new hurdles with global regulators getting its best-selling aircraft back in the air. Boeing Chief Executive Dennis Muilenburg said he was confident the MAX would be back in service as early as October, but acknowledged for the first time that Boeing may have to slow or completely halt production of the 737 MAX, a step it has not had to resort to on any commercial plane for more than 20 years. The planemaker also reported a fresh delay on its 777X widebody program as General Electric engine problems pushed the first flight into 2020. The company said it would issue a new 2019 outlook at a future date. It suspended giving any 2019 guidance in April. Boeing's net loss for the second quarter was \$2.94 billion, compared with a profit of \$2.20 billion, a year earlier. Sales slipped 35% to \$15.75 billion and also came in below the average estimate of \$18.55 billion, according to Refinitiv data.

Facebook to pay record \$5 billion U.S. fine over privacy violations; critics call it a bargain

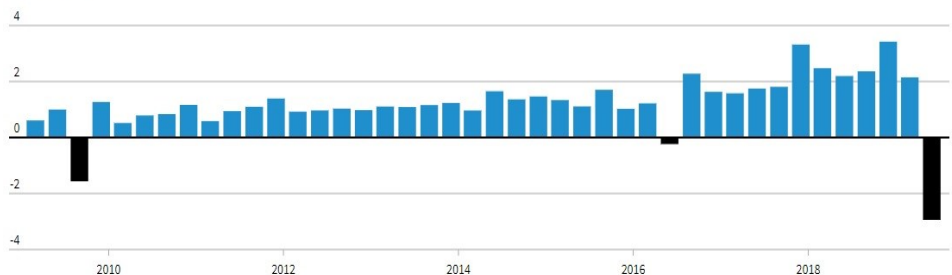
Facebook will pay a record-breaking \$5 billion fine to resolve a government probe into its privacy practices and the social media giant will restructure its approach to privacy, the U.S. Federal Trade Commission said. The FTC voted 3-2 along party lines to adopt the settlement, which requires court approval. The Republican commissioners called the settlement "a complete home run" that exceeded any award the commission could have gotten in court. Democratic commissioners said it did not go far

Boeing posts worst quarterly loss ever

Reports nearly \$3 billion second-quarter loss after the grounding of its 737 MAX jets following two deadly crashes

NET EARNINGS

Billions of dollars



Source: Company reports
By Sanjana Shivdas and Ankit Ajmera | REUTERS GRAPHICS

Click on the chart for a detailed and interactive graphic.

enough or require a large enough fine. Facebook confirmed it would pay the \$5 billion fine and said the FTC deal would provide "a comprehensive new framework for protecting people's privacy." Facebook also agreed to exercise greater oversight over third-party apps, and said it was ending access to friend data for Microsoft and Sony.

Caterpillar earnings disappoint on weak China sales, higher costs

Caterpillar's earnings missed Wall Street's estimates, hurt by a combination of weak sales in China and higher production and restructuring costs. The heavy equipment maker said its full-year earnings are expected to be at the lower end of its earlier forecast. In the second quarter, Caterpillar reported net income of \$1.62 billion, or \$2.83 per share, compared with \$1.71 billion, or \$2.82 per share, a year ago. The company retained its 2019 earnings outlook of \$12.06-\$13.06 per share, but said profit is expected to be at the lower end of the forecast.

AT&T wireless business grows but premium TV subscribers decline

AT&T exceeded analyst expectations for net wireless subscribers who pay a monthly bill, as it eked out some growth

in a saturated market and continued to bundle media content from Time Warner into new wireless plans. AT&T lost 778,000 premium TV subscribers, a category that includes DirecTV satellite and U-verse television customers, much more than the 544,000 lost in the first quarter. The company also lost 168,000 streaming DirecTV Now accounts. AT&T said it expects a similar level of video losses to continue in the current quarter. AT&T also raised its free cash flow guidance for 2019 to around \$28 billion. Net income attributable to AT&T fell to \$3.71 billion, or 51 cents per share, from \$5.13 billion, or 81 cents per share, a year earlier.

Health insurer Anthem's medical costs overshadow earnings beat; shares sink

Anthem said medical costs were higher than expected in its Medicaid business that sells health plans for low-income customers, and the health insurer's shares fell. Anthem reported a 10.2% decline in operating profit from the unit, driven by elevated medical cost trends for the U.S. government program in some states. "One of the unfortunate parts about the Medicaid business is that the amount of premiums they receive and the risk that you're



incurring do not always exactly align on a quarter-over-quarter basis," Chief Financial Officer John Gallina said. Anthem said it now expects adjusted 2019 earnings of over \$19.30 per share, up from its prior view of over \$19.20. At market close, Anthem shares were down 4.52% at \$288.90.

UPS profit beats expectations as demand for next day service surges

United Parcel Service said a jump in demand for its Next Day Air service drove better-than-expected profit in the second quarter as large retailers rushed packages to online shoppers. "We've got momentum here and we believe we can continue," said Chief Executive David Abney. UPS said high-margin healthcare shipments also contributed to second-quarter net income that grew 13.5% to \$1.69 billion, or \$1.94 per share. Revenue grew 3.4% to \$18.05 billion.

GM Cruise to delay commercial launch of self-driving cars to beyond 2019

General Motors' self-driving unit, Cruise, said it was delaying the commercial deployment of cars past its target of 2019 as more testing of the vehicles was required. Cruise Chief Executive Officer Dan Ammann said the company would expand testing in San Francisco, and added in a blog post that Cruise was working with Honda Motor and General Motors to develop purpose-built autonomous vehicles. As GM and Cruise executives have done in the past, Ammann said Cruise would launch its commercial service when it was sure the vehicles would be safe.

Allergan recalls textured breast implants worldwide

Allergan said it was recalling its Biocell textured breast implants and tissue expanders across markets, citing concerns over a rare form of cancer, after the U.S. health agency asked the



A file photo shows the logo of United Parcel Service at the package sorting and delivery UPS hub in Corbeil-Essonnes and Evry, southern Paris, France, June 26, 2018. REUTERS/Charles Platiau

drugmaker to pull the products. The Food And Drug Administration found the use of these breast implants was tied to increased risk of a rare type of cancer known as breast-implant associated anaplastic large cell lymphoma (BIA-ALCL). The FDA said 573 cases of BIA-ALCL were recorded globally as of July 6, out of which 481 patients had Allergan implants at the time of diagnosis..

Freeport swings to quarterly loss as copper, gold output drops

Freeport-McMoRan posted a quarterly loss as costs spiked and production of gold and copper plunged at a key Indonesian mine. While the loss, the company's first since 2016, wasn't as steep as analysts had expected, it comes as Freeport is spending billions of dollars to expand Indonesia's Grasberg copper and gold mine underground, a two-year process that is vital to the company's future. Freeport reported a second-quarter net loss of \$72 million, or 5 cents a share, after earning a net profit of \$869 million, or 59 cents per share, a year earlier. Richard Adkerson, Freeport's

chief executive, said the Grasberg expansion was "advancing according to plan. Copper production from Grasberg is expected to rebound to 200 million pounds per year by 2020 and 900 million pounds per year by 2021.

Hilton cuts forecast for key revenue measure amid slowing economic growth

Hilton Worldwide Holdings cut its full-year outlook for a key revenue measure, citing a slowing global economy which was weighing on spending plans of businesses. "(People including corporate heads) are incrementally more cautious because of what's going on in the broader (political) environment," Chief Executive Chris Nassetta said on a post-earnings call with analysts. Hilton now expects full-year RevPAR - a key performance metric for the hotel industry - to increase between 1% and 2%, down from an earlier range of 1.0% to 3.0% rise. On an adjusted basis, Hilton earned \$1.06 per share in the quarter beating analysts' average estimate of \$1.02 per share, according to IBES data from Refinitiv.



Former Special Counsel Robert Mueller is sworn in before testifying at a House Judiciary Committee hearing on the Office of Special Counsel's investigation into Russian Interference in the 2016 Presidential Election" on Capitol Hill in Washington, U.S., July 24. REUTERS/Jonathan Ernst

Insight and Analysis

GRAPHIC-Global oil market in glut, but not a big enough one for OPEC

OPEC has shifted the goalposts for assessing an overhang in oil inventories, giving the group more room to prolong production cuts, while analysts warn the move will offer a distorted view of market conditions. Ever since the Organization of the Petroleum Exporting Countries and allies led by Russia - a grouping known as OPEC+ - started curbing oil output two and a half years ago, they have targeted bringing oil in storage in the industrialised world in line with the five-year average. In OPEC's view, eliminating the glut in inventories would achieve a balanced oil market. Earlier

this month, Saudi Energy Minister Khalid al-Falih said OPEC was using the period 2010-2014 as one metric to assess the success of its oil cuts.

"2010-2014 is probably another end of the spectrum and we will be looking at a collection of metrics that would give us guidance on what to do next after the nine months are over," Falih said, referring to when supply curbs end in March 2020.

SPECIAL REPORT-The wildcat goldminers doomed by their toxic trade

A few years after coming as a teenager to this Ghanaian town to prospect for gold, Yaw Ngoha had made enough

cash to marry his sweetheart and build a house with a porch, to which he would later add a flat-screen TV and satellite dish. So when a town elder invited a doctor to talk to miners about the hazards of wildcat mining, "nobody listened," said the 36-year-old, sitting on a wooden bench on his porch in a lush banana grove. "We needed money." Since Ngoha started prospecting in the early 2000s, more and more people like him have helped Ghana grow into Africa's biggest gold producer. Across the continent and beyond, millions have turned to the trade. Few are deterred by the risks.



CANADA

Coming Up

Teck Resources Ltd will likely report a lower second-quarter profit, hurt by lower copper and zinc prices. Investors are however more keen on comments on the progress of its Quebrada Blanca Phase 2 copper project in Chile as well as the pace of its shareholder returns after the company announced a C\$600 million buyback in May.

Cenovus Energy Inc will report second-quarter earnings and hold an investor call. The last three months have been relatively strong for Canadian crude prices but production

is still curtailed in Alberta and investors remain wary about putting capital into the oil sands given questions over when new pipelines will be built.

Husky Energy Inc will report second-quarter earnings and hold a conference call for investors and analysts. Canadian crude prices are relatively strong but production is still curtailed and investors are looking for details on whether producers can strike a deal with the Alberta government to ship more crude by rail.

MARKET MONITOR

Canada's main stock index rose with the **Toronto Stock Exchange's S&P/TSX Composite index** ending 0.24% higher at 16,611.84.

The **U.S. dollar** rose 0.11% against its **Canadian counterpart** to C\$1.3147.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Sandstorm Gold Ltd	8.95	0.46	5.42
Pan American Silver Corp	21.54	1.03	5.02
Canfor Corp	11.12	0.52	4.91
LOSERS			
CannTrust Holdings Inc	2.68	-0.75	-21.87
Hexo Corp	5.62	-0.31	-5.23
Nexgen Energy Ltd	1.94	-0.07	-3.48

Top News

REUTERS/Chris Wattie



A file photo of a Loblaws supermarket pictured in Ottawa, Ontario, Canada, November 14, 2017.

Loblaws says third-quarter profit to take a hit from late Thanksgiving

Loblaws said a shift in Thanksgiving holiday this year would hit its third-quarter same-store sales and profit. Chief Executive Officer Galen Weston said the company was making necessary adjustments to offset the hit from inflation, but did not provide more

details. Loblaws said it expects a 1% hit to its same-store sales and a drop of 3 Canadian cents per share in profit for the quarter as Thanksgiving will be celebrated in Canada on October 14, compared with October 8 last year. The Canada-based company's profit fell 2.4% in the reported quarter, including a C\$16 million restructuring charge. On

an adjusted basis, the company earned C\$1.01 per share, in line with analysts' estimates, according to IBES data from Refinitiv. Revenue rose 2.9% to C\$11.13 billion in the quarter. Shares of the company ended 2.14% lower at C\$66.41.

Loonie rally tests Bank of Canada resolve to diverge from global peers

The Canadian dollar, this year's best performing G10 currency, is threatening to ruin the Bank of Canada's plan to sit out global interest rate cuts, after a rally since May that risks undercutting an expected pickup in exports. The loonie has rallied as much as 4% against the greenback over the past two months as the Bank of Canada made clear it had no intention of cutting interest rates, even as other central banks, including the U.S. Federal Reserve, have eased monetary policy or have signaled plans to do so. Strengthening of the loonie could make the country's exports of

autos, maple syrup and other goods more expensive in international markets, lessening the likelihood the Bank of Canada would diverge for too long from its global peers, according to some economists. "A stronger Canadian dollar could be the catalyst that pushes the central bank into a token ease in 2020," said Royce Mendes, a senior economist at CIBC Capital Markets. "Exports have struggled to gain traction when the loonie was weaker than it is today." A small worsening in the outlook for exports could be enough to undermine the Bank of Canada's projection for economic activity to grow at a pace over the coming years fast enough to eliminate slack in the economy, said Stephen Brown, a senior Canada economist at Capital Economics. "I think this is essentially going to become an exercise in discovering the pain threshold for the Bank of Canada," said Mazen Issa, a senior FX strategist at TD Securities. "If the Fed cuts there will be a natural policy pressure for the Bank of Canada to move that way."

Wisconsin tribe sues Canada's Enbridge to shut down crude oil pipeline

A Native American tribe in Wisconsin is suing Enbridge in a bid to shut down an aging oil pipeline that runs across its tribal land, the latest in a string of challenges against the Canadian company's pipelines in the U.S. Midwest. The Bad River Band filed a federal lawsuit against Enbridge on Tuesday in the Western District of Wisconsin, asking for the 12-mile section of Line 5 that runs across its reservation to be decommissioned and removed because of the risk it could rupture and leak. "We want the constant threat of that pipe eliminated. We want it out of our aquifer and the

greater Bad River watershed," Mike Wiggins Jr, acting tribal chairman of the Bad River Band, told Reuters. Enbridge spokesman Michael Barnes said the company needed time to review the contents of the legal filing. "The vast majority of Enbridge's right of way through the Bad River Reservation is covered by either perpetual easements on private land or a 50-year agreement between Enbridge and the Band, which does not expire until 2043," Barnes said. Line 5 is also facing a court battle in Michigan, where the state filed a lawsuit last month asking for an underwater section of the pipeline that runs beneath the Straits of Mackinac in the Great Lakes to be decommissioned.

Canada invests C\$85 million in satellite firm to boost broadband gap

The Canadian government said it is investing C\$85 million in an Ottawa-based satellite company as part of an effort to narrow the broadband internet

gap in rural and remote communities. Innovation, Science and Economic Development Minister Navdeep Bains said the funding would be used by Telesat to build and test technologies that use low-earth-orbit (LEO) satellites in an effort to boost connectivity. "This new, space-based system will provide a dramatic and disruptive improvement over existing satellites," Telesat Chief Executive Officer Dan Goldberg said, adding that the technology will be affordable and reliable. Bains said Canada has also entered a preliminary contribution agreement with Telesat that would address "connectivity gaps in rural and remote communities by bringing fiber-like internet to Canadians no matter where they live." Prime Minister Justin Trudeau's Liberal government promised to make high-speed internet available to all Canadians by 2030. The government has committed up to C\$1.7 billion, which included funding for LEO satellites, to achieve this target.



A file photo of the Enbridge Tower pictured on Jasper Avenue in Edmonton, Alberta, Canada, August 4, 2012. REUTERS/Dan Riedlhuber

WEALTH NEWS

TRADE NEGOTIATIONS

Top U.S., Chinese trade negotiators to meet face-to-face for 1st time since Trump, Xi meeting

Top U.S. and Chinese negotiators will meet face-to-face next week for the first time since the countries' leaders agreed in June to revive talks aimed at ending a yearlong trade war between the world's two largest economies. U.S. Treasury Secretary Steven Mnuchin and U.S. Trade Representative Robert Lighthizer will lead a team of American officials in discussions in Shanghai on Tuesday, July 30, "aimed at improving the trade relationship between the United States and China," the White House said in a statement on Wednesday. Chinese Vice Premier Liu He will lead negotiations for China.



A file photo of U.S. Trade Representative Robert Lighthizer standing with Treasury Secretary Steven Mnuchin as they await counterparts from China outside the office of the U.S. Trade Representative in Washington, U.S., May 10. REUTERS/Leah Millis

U.S. ECONOMY

U.S. housing, manufacturing sectors mired in weakness

Sales of new U.S. single-family homes rebounded sharply in June, but sales for the prior three months were revised down, indicating that the housing market continued to tread water despite lower mortgage rates and a strong labor market.

MNUCHIN ON DOLLAR

Mnuchin says he will not advocate for a weak dollar near-term

U.S. Treasury Secretary Steven Mnuchin said he will not advocate for a weak dollar in the near-term even as his boss, President Donald Trump, has persistently bemoaned the strength of the U.S. currency.

DIVESTITURE

KKR devours Tim Tam biscuits maker in \$2.2 billion deal with Campbell

KKR said it is buying Campbell's Australian snacks unit Arnott's that will give it ownership of top-selling biscuit brands such as Tim Tam, in a deal local media reported was worth \$2.2 billion.

QUARTERLY EARNINGS

Nasdaq beats quarterly profit on strength in non-trading units

U.S. exchange operator Nasdaq beat analysts' estimates for second-quarter profit, as a boost in its non-trading businesses, including information services, overshadowed a softer trading environment.

DEUTSCHE BANK RESULTS

Deutsche Bank stumbles to big loss on road to reinvention

Deutsche Bank reported a bigger than forecast quarterly loss of 3.15 billion euros, underlining the challenges faced by Chief Executive Christian Sewing as he attempts to turn around the struggling business.

WEWORK IPO

WeWork looking to go public as early as September - source

Shared office space manager WeWork is looking to go public as soon as September, earlier than previously expected, a person familiar with the matter told Reuters on Tuesday.

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
3M Co	Q2	BMO	\$2.05	\$2.05	\$2.59	\$8,027.97
Aflac Inc	Q2	AMC	\$1.07	\$1.07	\$1.06	\$5,497.07
Air Products and Chemicals Inc	Q3	BMO	\$2.15	\$2.15	\$1.95	\$2,324.18
Alaska Air Group	Q2	AMC	\$2.15	\$2.13	\$1.66	\$2,282.85
Allegion PLC	Q2	BMO	\$1.31	\$1.32	\$1.25	\$750.63
Alphabet	Q2	AMC	\$11.16	\$11.30	\$11.75	\$38,163.77
Amazon.com	Q2	AMC	\$5.82	\$5.59	\$5.07	\$62,455.91
American Airlines Group	Q2	BMO	\$1.80	\$1.80	\$1.63	\$11,960.59
American Electric Power Company	Q2	BMO	\$0.97	\$0.98	\$1.01	\$4,030.33
Arthur J Gallagher & Co	Q2	AMC	\$0.62	\$0.61	\$0.62	\$1,357.33
Baxter International	Q2	BMO	\$0.82	\$0.81	\$0.77	\$2,791.21
BorgWarner	Q2	BMO	\$0.99	\$1.00	\$1.18	\$2,530.32
Bristol-Myers Squibb	Q2	BMO	\$1.06	\$1.07	\$1.01	\$6,112.35
CMS Energy	Q2	BMO	\$0.36	\$0.38	\$0.48	\$1,497.61
Comcast	Q2	BMO	\$0.76	\$0.75	\$0.65	\$27,055.52
Eastman Chemical	Q2	AMC	\$2.07	\$2.09	\$2.22	\$2,550.94
Edison International	Q2	AMC	\$1.17	\$1.13	\$0.84	\$3,154.83
Expedia Group	Q2	AMC	\$1.73	\$1.67	\$1.38	\$3,118.25
Fiserv	Q2	AMC	\$0.80	\$0.81	\$0.75	\$1,505.11
Fortive	Q2	AMC	\$0.89	\$0.89	\$0.91	\$1,909.18
Helmerich and Payne	Q3	BMO	\$0.37	\$0.35	-\$0.01	\$690.27
Hershey	Q2	BMO	\$1.17	\$1.17	\$1.14	\$1,768.03
Huntington Bancshares	Q2	BMO	\$0.32	\$0.32	\$0.30	\$1,184.48
Intel	Q2	AMC	\$0.90	\$0.89	\$1.04	\$15,700.84
International Paper	Q2	BMO	\$0.99	\$1.00	\$1.19	\$5,771.19
Invesco Ltd	Q2	06:55	\$0.59	\$0.59	\$0.66	\$997.32
Juniper Networks	Q2	AMC	\$0.40	\$0.40	\$0.48	\$1,104.69
Kimco Realty	Q2	BMO	\$0.18	\$0.17	\$0.36	\$281.97
Laboratory of America Hold-	Q2	BMO	\$2.92	\$2.92	\$2.98	\$2,888.04
LKQ Corp	Q2	BMO	\$0.64	\$0.65	\$0.61	\$3,291.14
Masco	Q2	07:00	\$0.81	\$0.82	\$0.75	\$2,337.00
MGM Resorts International	Q2	AMC	\$0.24	\$0.25	\$0.26	\$3,219.79
Mohawk Industries	Q2	AMC	\$2.88	\$2.87	\$3.51	\$2,646.75
Newmont Goldcorp	Q2	BMO	\$0.23	\$0.23	\$0.26	\$2,376.76
Principal Financial Group	Q2	16:15	\$1.41	\$1.40	\$1.35	\$3,595.68
Raytheon	Q2	07:00	\$2.64	\$2.64	\$2.78	\$7,035.89
Republic Services	Q2	AMC	\$0.77	\$0.77	\$0.73	\$2,615.11
Resmed	Q4	AMC	\$0.94	\$0.94	\$0.95	\$702.28
Rockwell Automation	Q3	BMO	\$2.30	\$2.29	\$2.16	\$1,716.41
Roper Technologies	Q2	BMO	\$3.05	\$3.05	\$2.89	\$1,352.19
Royal Caribbean Cruises	Q2	BMO	\$2.46	\$2.45	\$2.27	\$2,797.61

THE DAY AHEAD

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Southwest Airlines	Q2	BMO	\$1.34	\$1.34	\$1.26	\$5,934.12
Starbucks	Q3	AMC	\$0.72	\$0.72	\$0.62	\$6,673.10
Stryker	Q2	16:05	\$1.94	\$1.94	\$1.76	\$3,600.70
SVB Financial Group	Q2	AMC	\$5.11	\$5.06	\$4.42	\$779.76
T-Mobile US	Q2	BMO	\$0.99	\$0.97	\$0.92	\$11,131.14
Tractor Supply	Q2	BMO	\$1.80	\$1.80	\$1.69	\$2,352.72
Universal Health Services	Q2	AMC	\$2.50	\$2.50	\$2.47	\$2,805.89
Valero Energy	Q2	BMO	\$1.39	\$1.37	\$2.15	\$24,510.82
Verisign	Q2	16:05	\$1.30	\$1.29	\$1.18	\$306.57
Vulcan Materials	Q2	BMO	\$1.48	\$1.47	\$1.23	\$1,295.46
Waste Management	Q2	BMO	\$1.07	\$1.08	\$1.01	\$3,939.57

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

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

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