INTERNAL USE ONLY

April 30, 2025

U.S. EQUITY FUTURES	LAST	CHANGE	%CHG
Dow Jones MINI futures	40,324.00	-334.00	-0.82%
S&P500 MINI futures	5,510.00	-73.75	-1.32%
NASDAQ MINI futures	19,284.50	-357.50	-1.82%
CANADA EQUITY MARKET	**LAST**	**CHANGE**	**%CHG**
S&P/TSX 60 futures	1,484.80	-12.40	-0.83%
OVERSEAS MARKETS	**LAST**	**CHANGE**	**%CHG**
STOXX EUROPE 600 INDEX	523.77	-1.32	-0.25%
FTSE 100 INDEX	8,443.41	-20.05	-0.24%
DAX GERMANY	22,350.26	-75.57	-0.34%
CAC 40 Index	7,542.83	-13.04	-0.17%
NIKKEI 225 INDEX	36,045.38	205.39	0.57%
HANG SENG INDEX	22,119.41	111.30	0.51%
SHANGHAI COMPOSITE INDEX	3,279.03	-7.62	-0.23%

COMMODITIES/ FX		LAST	CHANGE
CRUDE OIL WTI		$59.55	-$0.87
NATURAL GAS		$3.35	-$0.03
GOLD		$3,296.72	-$19.39
COPPER		$4.52	-$0.30
CAD / USD		$0.7220	-$0.0009
CAD / EUR		€ 0.6351	€ 0.0002
USD / EUR		€ 0.8797	€ 0.0014
USD / JPY		¥142.87	¥0.53
GOVERNMENT BONDS	**2YR**	**5YR**	**10YR**
CANADA (YLD%)	2.53%	2.73%	3.12%
U.S. (YLD%)	3.65%	3.78%	4.19%

Source: LSEG

Morning News

U.S. stock index futures declined today as investors braced for a spate of economic data and corporate results to close a turbulent month for financial markets. Reports already released this morning revealed that U.S. private payrolls growth slowed more than expected in April. The ADP National Employment Report data showed that private payrolls increased by only 62,000 jobs this month after a downwardly revised 147,000 gain in March. Economists polled by Reuters forecasted private employment would advance by 115,000 following a previously reported gain of 155,000 in March. This latest report confirmed that the labor market continues to slow in an orderly fashion, though economists warn that President Donald Trump's tariffs could force companies to lay off workers. Government data yesterday showed job openings dropped to a six-month low in March, which translated into 1.02 job openings for every unemployed person, slightly down from 1.06 in February. Another report showed that the U.S. economy contracted in the first quarter, weighed down by a deluge of goods imported by businesses eager to avoid higher costs, underscoring the disruptive nature of President Donald Trump's often chaotic tariff policy. Gross domestic product decreased at a 0.3% annualized rate last quarter. Economists polled by Reuters had forecast that GDP increased at a 0.3% pace in the January-March period. The survey was, however, concluded before data on Tuesday showed the goods trade deficit surged to an all-time high in March amid record imports, which prompted most economists to sharply downgrade their GDP estimates. Some economists warned against placing too much weight on the GDP number, given that an unusually large amount of non-monetary gold had accounted for some of the jump in imports. Others argued that the data did not change the narrative of an economy declining because of all the uncertainties. Coinciding with Trump's first 100 days in office, it nonetheless reinforced Americans' growing disapproval of his handling of the economy so far. Traders pulled back slightly from bets the Federal Reserve will cut interest rates by a full percentage point this year after the release of those reports. Still, futures contracts that settle to the Fed's policy rate continued to point to a start to Fed rate cuts in June, with a total of four quarter-point reductions likely, bringing the rate to the 3.25%-3.5% range by year-end. In Canada, gross domestic product contracted by 0.2% in February on a monthly basis for the first time since November as activities across mining, oil and gas and construction sectors shrunk as inventories built up tariff fears sucked out demand and hampered investments. The biggest dent to the GDP came from the goods-producing industries which together contracted by 0.6%. A part of the decline in February was also due to bad weather and snow storms across provinces in Canada. According to Statscan, the economy is likely to expand by 0.1% in March and on an annualized basis the GDP is expected to grow by 1.5% in the first quarter.

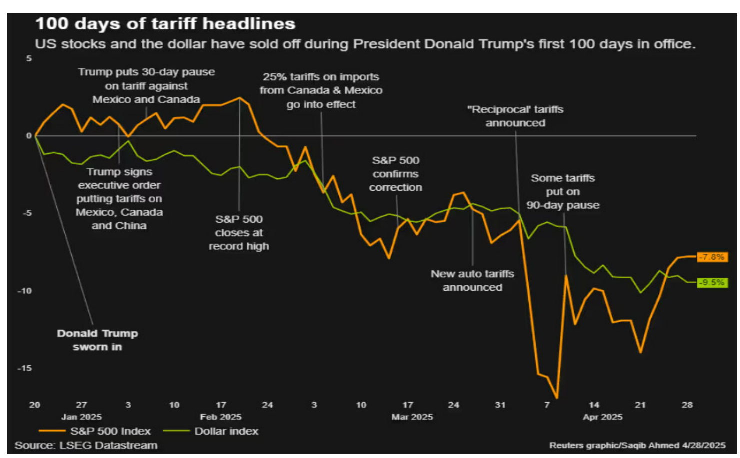
U.S Economic Calendar

Time	Indicator Name	Period	Consensus	Actual	Prior	Revised
07:00	MBA Mortgage Applications	25 Apr, w/e		-4.2%	-12.7%	
07:00	MBA 30-Yr Mortgage Rate	25 Apr, w/e		6.89%	6.90%	
08:15	ADP National Employment	Apr	115k	62k	155k	147k
08:30	GDP Advance	Q1	0.3%	-0.3%	2.4%	
08:30	GDP Sales Advance	Q1		-2.5%	3.3%	
08:30	GDP Cons Spending Advance	Q1		1.8%	4.0%	
08:30	GDP Deflator Advance	Q1	3.0%	3.7%	2.3%	
08:30	Core PCE Prices Advance	Q1	3.3%	3.5%	2.6%	
08:30	PCE Prices Advance	Q1		3.6%	2.4%	
08:30	Employment Wages QQ	Q1		0.8%	0.9%	1.0%
08:30	Employment Benefits QQ	Q1		1.2%	0.8%	
08:30	Employment Costs	Q1	0.9%	0.9%	0.9%	
10:00	Personal Income MM	Mar	0.4%		0.8%	
10:00	Personal Consump Real MM	Mar			0.1%	
10:00	Consumption, Adjusted MM	Mar	0.5%		0.4%	
10:00	Core PCE Price Index MM	Mar	0.1%		0.4%	
10:00	Core PCE Price Index YY	Mar	2.6%		2.8%	
10:00	PCE Price Index MM	Mar	0.0%		0.3%	
10:00	PCE Price Index YY	Mar	2.2%		2.5%	
10:00	Pending Homes Index	Mar			72.0	
10:00	Pending Sales Change MM	Mar	1.0%		2.0%	

Canadian Economic Calendar

Time	Indicator Name	Period	Consensus	Actual	Prior	Revised
08:30	GDP MM	Feb	0.0%	-0.2%	0.4%	

Chart of the day



Morning News

Bausch + Lomb Corp: Bausch + Lomb logged a widened loss in the first fiscal quarter as costs dragged. The company on Wednesday posted a widened loss of US$212 million, or US$0.60 a share for the three months ended March 31, compared with a loss of US$167 million, or US$0.48 a share, in the comparable quarter a year ago. Adjusted earnings were US$0.15 a share. According to FactSet, analysts were expecting US$0.03 a share. Revenues rose to rose to US$1.14 billion from US$1.1 billion, missing analyst expectations of a greater rise to US$1.17 billion. The company increased its full-year revenue expectations to be between US$5 billion and US$5.1 billion, compared with a previous expectation of a range between US$4.95 billion and US$5.05 billion. Adjusted EBITDA was downgraded to a range of US$850 million to US$900 million from a previous forecast of US$900 million to US$950 million. This excludes in-process research and development, it said.

Brookfield Infrastructure Partners LP: Brookfield Infrastructure Partners on Wednesday posted first quarter earnings per share of US$0.04 down from US$0.10 in the same period last year. Revenue rose to US$5.39 billion from US$5.19 billion year-over-year. Funds from operations increased 5% to US$646 million compared to US$615 million in Q1 2024. The company highlighted strong organic growth within its businesses and gains from asset sales as positives in the quarter. However, this was partially offset by higher borrowing costs and mark-to-market losses on corporate hedging activities. The company also announced it has secured US$1.4 billion in asset sale proceeds so far this year, including agreements to exit its Australian container terminal operation and sell stakes in other assets.

Capital Power Corp: Capital Power Corp. says its profit fell during the first quarter of 2025 as revenues and other income decreased. The company’s net income attributable to shareholders was C$151 million during the quarter ended March 31, or C$1.03 per diluted share. That compared with a profit of C$205 million or C$1.57 per diluted share during the same period a year ago. Revenues and other income for the quarter decreased to C$988 million from C$1.12 billion during the first quarter of 2024. The company highlighted a C$3 billion agreement it struck during the quarter to acquire two natural gas-fired power generation facilities located in the Pennsylvania-New Jersey-Maryland Interconnection market. Chief executive Avik Dey says the deal "supports our thesis that natural gas-fired assets are critical to reliability, provide opportunity for growth and creation of shareholder value in various market conditions."

CGI Inc: CGI's fiscal second-quarter profits edged higher as its growing order book plumps up backlog. The company posted net income of C$429.7 million, or C$1.89 a share in the three months ended March 31, up from C$426.9 million, or C$1.83 a share, in the comparable quarter a year earlier. Adjusted earnings were C$2.12 a share, in line with analyst expectations for the quarter, according to a poll by FactSet. Revenue rose 7.6% to C$4.02 billion, just slightly ahead of analyst expectations of C$4 billion. At the end of the quarter, the company had C$4.48 billion in bookings, up from a year earlier when they were at C$3.75 billion, bringing its backlog up to C$30.99 billion, compared with C$26.82 billion a year earlier.

Loblaw Companies Ltd: Loblaw reported a rise in first-quarter profit, fueled by strong consumer demand for its discount brands and promotional offers, which helped lift revenue. The company on Wednesday posted a net income of C$503 million, or C$1.66 a share for the three months ended March 22, up from C$459 million, or C$1.47 a share, in the comparable quarter a year ago. Adjusted earnings were C$1.88 a share. According to FactSet, analysts were expecting C$1.86 a share. Sales rose to C$14.14 billion from C$13.58 billion, topping analyst expectation of a more modest rise to C$14.06 billion. Loblaw has two main segments, its food retail business under the banner Loblaw and its drug retail segment, which operates under the name Shoppers Drug Mart, which saw same-store sales rise 2.2% and 3.8%, respectively.

NBF Research

RATING AND TARGET PRICE CHANGES

Diversified Financials - Q1 2025 Preview
First National Financial Corporation - Big Miss in Uncertain Times; Target: C$39 (Was C$43)
McEwen Mining Inc. - No Better Time or Place to Build a Mine; Rating: Outperform; Target: C$20.00

DAILY BULLETIN HIGHLIGHTS

DIVERSIFIED FINANCIALS - Q1 2025 Preview

Event: Our coverage universe begins reporting this week.

Key Takeaways: In this report, we provide our outlook for the P&C insurance sector, while also digging into specifics for each individual company under coverage (Keys for the Quarter). We also revised estimates and price targets for several companies under coverage.

FIRST NATIONAL FINANCIAL CORPORATION - Big Miss in Uncertain Times

FN (TSX):	**C$40.60**
Target:	**C$39.00**
	(Was C$43.00)
Stock Rating:	**Sector Perform**
	(Unchanged)
Est. Total Return:	**7.1%**

Event: Core EPS $0.64 (down 16% y/y) missed the street $0.77 (NBF $0.88)

Key Takeaways: The 17% EPS miss came from the wrong drivers. Usually more predictable Servicing Income and Securitization Income missed big on what appear to be structural issues. Therefore, we reduced our estimates to $3.38 (was $4.16) in 2025 and $4.11 (was $4.65) in 2026. Our Price Target drops to $39 (was $43) based on an unchanged ~9x P/E multiple on NTM+1YR EPS estimates.

MCEWAN MINING INC. - MUX (TSX) C$10.80 / Rating: Outperform / Target: C$20.00

Highlights

Los Azules copper mega-project… MUX's flagship asset is a 46.4% share of privately held McEwen Copper, which owns 100% of the Los Azules copper project in San Juan, Argentina, one of the largest undeveloped copper projects in the world boasting an endowment of 10.9 billion lbs Cu at a grade of 0.40% in the M&I category and 26.7 billion lbs at a grade of 0.31% Inferred (100%).

… shows mega-rerate potential. MUX’s attributable share of an upsized Large Investment Incentive Regime (RIGI)-adjusted Los Azules NPV8% is ~$1.76 billion (46.4%), marking a wide differential versus the company’s current market cap of ~$415 million, notwithstanding additional value for MUX's portfolio of precious metals producers. The valuation disparity is largely explained by the Los Azules project stage, time until start of development, financing and construction de-risking, and the constraints faced by a junior to clear these value impediments.

Timing is everything. Our investment thesis considers several Los Azules de-risking events have been completed recently or are underway, and provide a basis to ratchet up the valuation of Los Azules, including: permitting completed in December 2024; resource de-risking with confirmation of a payback pit completed with ~5-7 years production; FS is well on its way pending release at the end of ~June 2025, superseding the PEA (May 2023); Argentina trending favourably, RIGI approval expected in ~summer 2025; IPO targeted for late Q3/25 to Q4/25, with read through for a potential valuation lift, providing access to investment from the capital markets, and associated pathways to reduce dilution and de-risking project financing; startup date approaching, expected in early ~2026.

MUX is led by renowned mining icon Rob McEwen, Founder, Chairman, CEO, President and Chief Owner, overseeing a depth of talent on the MUX team. McEwen Copper brings complementary expertise led by Michael Meding, VP and GM, a track record of success in San Juan Province, plus operations, accounting and legal managers with local expertise in a RIGI application strategy.

Initiating Coverage with an Outperform Rating at a C$20.00 target - Our rating is based on an elevated return to target, which reflects MUX's opportunities for a re-rate on continued project advancement and valuation upside, partially offset by early-stage project risks and jurisdiction risk. Our target is based on a 0.60x NAVPS estimate of C$33.35, using a multiple selected with reference to comparable names under coverage with ongoing project development in Americas.

OTHER COMMENTS

Spin Master Corp. - Reality Check With 1Q Reporting Amid Hope of De-Escalation With China & Tariff Exemptions

RESEARCH FLASHES

Industrial Products: Engineering & Consulting - Sweco Q1/25 - again, not a great quarter; readthroughs are limited given...
Sustainability and Transition - Sustainability Views; Revisiting the Roadmap Post-Election
5N Plus Inc. - First Solar cuts production guidance for 2025E; we estimate implications for VNP to be fairly muted
AbraSilver Resource Corp. - Wide Mineralized Intercepts Lend De-risking
MAC Copper Limited - First Look: MAC Reports Softer Q1/25 Operating Results; Guidance Unchanged
New Gold Inc. - Adj. EPS In Line with NBF But Above Street; Production, Sales and Costs Prove Better Than Expected

MORNING HIGHLIGHTS

GILDAN ACTIVEWEAR INC. - Q1 2025 Results: Good performance; Outlook maintained despite macroeconomic uncertainty

GIL (TSX; NYSE):	**C$59.31; US$42.90**
Target:	**C$72.00**
	(Unchanged)
Stock Rating:	**Outperform**
	(Unchanged)
Est. Total Return:	**23.5%**

Event: Gildan reported Q1/25 adjusted EPS of $0.59 versus NBF and consensus at $0.57; last year was $0.59.

Key Takeaways: (1) We view Q1/25 results to be good. EPS was slightly ahead of expectations and GIL maintained 2025 guidance (includes GIL's view on tariffs and impact to industry demand). Lower taxes aided EPS by $0.02 vs. NBF. (2) GIL indicated April POS trends improved sequentially, and the U.S. printwear industry is not destocking. Also, GIL expects to be able to mitigate the impact of tariffs (pricing, supply chain flexibility, tariffs do not apply to U.S. content, which are a meaningful component of GIL's cost structure, etc.). We view these comments to suggest cautious optimism for the business, but highlight that a key risk for GIL is its historical sensitivity to economic cycles. (3) Maintain Outperform rating; price target is Cdn$72.

MORNING COMMENTS

Gildan Activewear Inc. - Q1 2025 Results: Good performance; Outlook maintained despite macroeconomic uncertainty

MORNING FLASHES

Brookfield Infrastructure Partners L.P. - Q1/25 results as expected

Canadian stocks ratings and target changes across the street

AltaGas Ltd ALA.TO: Jefferies raises target price to C$40 from C$38
Brookfield Asset Management Ltd BAM.N: TD Cowen cuts target price to US$64 from US$68
Brookfield Business Partners LP BBU.N: National Bank of Canada cuts target price to US$32 from US$36
BRP Inc DOO.TO: Stifel cuts target price to C$49 from C$58
Canfor Corp CFP.TO: Raymond James cuts target price to C$22 from C$24
Definity Financial Corp DFY.TO: National Bank of Canada raises target price to C$75 from C$70
Fairfax Financial Holdings Ltd FFH.TO: National Bank of Canada raises target price to C$2,700 from C$2,600

First National Financial Corp FN.TO: National Bank of Canada cuts target price to C$39 from C$43
Foran Mining Corp FOM.TO: Stifel raises target price to C$5.50 from C$5
Gildan Activewear Inc GIL.N: BMO cuts target price to US$61 from US$64
Gildan Activewear Inc GIL.N: CIBC cuts target price to US$56 from US$60
Gildan Activewear Inc GIL.N: Mizuho Activewear Inc GIL.N: CIBC cuts target price to US$56 from US$60
goeasy Ltd GSY.TO: National Bank of Canada cuts target price to C$240 from C$255
Intact Financial Corp IFC.TO: National Bank of Canada raises target price to C$336 from C$305
Interfor Corp IFP.TO: Raymond James cuts target price to C$22 from C$26
McEwan Mining Inc MUX.TO: National Bank of Canada initiates coverage with outperform rating; C$20 target price
Mercer International Inc MERC.O: Raymond James cuts target price to US$5 from US$7
TMX Group Ltd.TO: National Bank of Canada raises target price to C$55 from C$50
TMX Group Ltd X.TO: TD Cowen raises target price to C$55 from C$49

S&P/TSX Composite Index Earnings Calendar

Figure 1: S&P/TSX Composite Index Earnings Calendar

Company	Symbol	Time	Consensus EPS Estimate
Alamos Gold Inc	AGI.TO	AMC	0.19
Allied Properties REIT	AP_u.TO	AMC	0.52
Bausch Health Companies Inc	BHC.TO	AMC	0.79
Brookfield Infrastructure Partners LP	BIP.N	BMO	0.82
Canadian Pacific Kansas City Ltd	CP.TO	AMC	1.04
Cenovus Energy Inc	CVE.TO	BMO	1.07
CGI Inc	GIBa.TO	BMO	2.13
Element Fleet Management Corp	EFN.TO	AMC	0.28
GFL Environmental Inc	GFL.TO	AMC	0.04
Ivanhoe Mines Ltd	IVN.TO	AMC	0.08
Loblaw Companies Ltd	L.TO	06:30	1.87
Methanex Corp	MX.TO	17:00	1.30
Open Text Corp	OTEX.TO	AMC	0.74
Paramount Resources Ltd	POU.TO	BMO	0.79
Primaris REIT	PMZ_u.TO	AMC	0.42
Spin Master Corp	TOY.TO	AMC	-0.16
Toromont Industries Ltd	TIH.TO	AMC	1.05

Source: LSEG

Morning News

Arch Capital Group Ltd: The company's first-quarter profit fell 49.2% as catastrophe losses from the California wildfires weighed on its underwriting performance and investment returns, the insurer said on Tuesday. The insurer reported pre-tax catastrophe loss of $547 million, primarily due to the California wildfires. This loss is net of reinsurance and reinstatement premiums. The company reported losses and loss adjustment expenses of $2.59 billion for the quarter ended March 31, compared with $1.73 billion a year earlier.

Barclays Plc: The bank booked a stronger than expected 19% increase in first-quarter profit on Wednesday, as trading activity surged in the early months of U.S. President Donald Trump's tenure and the bank made progress on boosting its share of the lucrative UK lending market. The British bank's profit before tax for January-March was $3.62 billion, up from 2.3 billion a year ago and above analysts' forecasts for 2.5 billion. Income at the investment bank rose 16% from a year ago to 3.9 billion pounds, above analysts' forecasts for 3.5 billion.

Booking Holdings Inc: The online travel agency beat analysts' expectations for first-quarter profit and revenue on Tuesday, as sustained demand for international travel helped the company offset weakness in the U.S. amid fears of a recession. Booking posted an adjusted profit of $24.81 per share for the quarter ended March 31, compared with analysts' average estimate of $17.33 per share. Total room nights for Booking came in at 319 million nights during the quarter, an increase of 7% from last year.

Caesars Entertainment Inc: The casino operator posted a narrower loss on Tuesday, driven by strong performance in its digital unit amid high demand for sports betting. Revenue from its digital unit was at $335 million, up from $282 million a year earlier. Caesars posted a quarterly net loss of $115 million, or 54 cents per share, compared to a loss of $158 million, or 73 cents per share, a year ago. Caesars' revenue for the quarter ended March 31 came in at $2.79 billion, compared with $2.74 billion a year ago.

Caterpillar Inc: The company posted a drop in first-quarter profit, hurt by weak demand for its construction equipment due to economic uncertainty and said annual sales would be slightly lower from a year ago if it accounts for tariff impact. The company, which is a bellwether for the global economy, provided two forecast scenarios for its annual outlook, of which one included the fallout of tariffs on its sales and revenue. Quarterly adjusted profit per share fell to $4.25, compared with $5.60 a year ago. Caterpillar's sales and revenue for the quarter through March fell to $14.2 billion from $15.8 billion, a year earlier.

Edison International: The company beat Wall Street estimates for first-quarter profit on Tuesday, as the utility benefited from lower operating and interest expenses and higher rates for its services. Interest expenses at Edison fell 32.2% to $301 million in the first quarter, while total operating expenses fell 56.2% to $1.7 billion. The company reaffirmed its full-year 2025 forecast for adjusted earnings in a range of $5.94 per share to $6.34 per share. Analysts have estimated them at $6.01 per share.

Expand Energy Corp: The top U.S. natural gas producer beat analysts' estimates for first-quarter profit on Tuesday, driven by higher natural gas prices and production, and signaled minimal near-term potential impact from tariffs. Expand Energy's average realized price for natural gas during the quarter was up 23.2% year-over-year, at $3.51 per thousand cubic feet (Mcf), while production almost doubled to 6,254 million cubic feet per day (MMcfpd).

Extra Space Storage Inc: The company beat Wall Street expectations for first-quarter revenue and funds from operations (FFO) on Tuesday, driven by high occupancy rates and the expansion of its low-capital business lines. The Salt Lake City, Utah-based real estate investment trust (REIT) reported total revenue of $819.9 million for the quarter ended March 31, up from $799.5 million in the same period a year earlier. On average, analysts expected revenue of $763.5 million in the quarter, according to data compiled by LSEG.

First Solar Inc: The company lowered its annual sales and profit forecast on Tuesday due to near-term tariff-related challenges amid the ongoing U.S.-China trade war and tepid residential demand in the United States, sending its shares down in after-hours trading. The company expects current-year net sales to be between $4.5 billion and $5.5 billion, compared to its previous projection of $5.3 billion to$5.8 billion. The solar company forecast 2025 earnings in the range of $12.50 per share to $17.50 per share, compared with its earlier forecast of a profit between $17.00 per share and $20.00 per share.

Freshworks Inc: The company raised its annual revenue and profit forecast above Wall Street expectations following upbeat quarterly results on Tuesday, fueled by growing demand for its AI-driven software services. The company now expects full-year 2025 revenue to be between $815.3 million and $824.3 million, compared to its previous forecast of $809 million to $821 million. On average, analysts project annual revenue of $813.3 million. The company raised its annual adjusted profit per share forecast to a range of 56 cents to 58 cents, with the midpoint exceeding estimates of 53 cents.

GE HealthCare Technologies Inc: The company cut its full-year profit forecast, as the medical device maker faces hits on multiple fronts due to an escalating global trade war. The company expects an 85 cent impact to its adjusted 2025 per share profit, with the range now at $3.90 to $4.10 per share, compared with its previous forecast of between $4.61 and $4.75 per share.

GSK Plc: The drugmaker said it was "well positioned" to absorb potential U.S. pharmaceutical tariffs, citing AI-driven cost cuts and dual sourcing for its medicines, but offered few details. The British drugmaker reported stronger-than-expected first-quarter results and reaffirmed its 2025 outlook. GSK reported first-quarter turnover of $10.07 billion and core profit of 44.9 pence per share, narrowly topping analysts' expectations of 7.42 billion pounds and 40.9 pence per share, respectively, according to a company-compiled consensus.

Humana Inc: The company beat Wall Street estimates for first-quarter profit, as the health insurer spent less on medical services than expected. On an adjusted basis, the company earned a profit of $11.58 per share, above analysts' average estimate of $10.1. The company also reaffirmed its 2025 adjusted profit forecast of about $16.25 per share. The insurer's medical cost ratio - the percentage of premiums spent on medical care - came in at 87.4% for the quarter, in line with its prior estimate. Analysts on average had expected a medical cost ratio of 87.5%.

Mondelez International Inc: Cadbury-parent Mondelez International beat Wall Street estimates for first-quarter profit, driven by the high prices for its chocolates and biscuits. On an adjusted basis, the company earned 74 cents per share for the quarter ended March 31, ahead of analysts' average estimate of 66 cents per share. The Toblerone maker reported an increase in its prices by 6.6 percentage points in the quarter, while its volumes fell 3.5 percentage points.

Norwegian Cruise Line Holdings Ltd: The company missed first-quarter revenue and profit estimates, as rising concerns about tariff uncertainty have pressured demand for the cruise operator's premium sea voyages. Shares of the company were down in premarket trading. The company said it is updating full-year 2025 net yield forecast to reflect recent booking trends and changes in the macroeconomic environment. On a constant currency basis, annual net yield is expected to increase between 2.0% and 3.0%, compared with its previous forecast of 3.0%.

ONEOK Inc: The U.S. pipeline operator on Tuesday reported a marginal fall in first-quarter profit, hurt by higher operating costs and divestments. Quarterly operating costs jumped about 32% to $752 million from a year earlier, weighed down by higher employee-related expenses. ONEOK moved into transporting refined products and oil in 2023 following its acquisition of rival Magellan Midstream in an $18.8 billion deal.

PPG Industries Inc: The global paint supplier beat Wall Street's first-quarter profit expectations on Thursday, driven by higher sales and strong performance in its performance coatings segment, sending its shares up in extended trading. Net sales in its performance coatings segment, which includes aerospace coatings, automotive refinish coatings, protective and marine coatings, rose to $1.27 billion during the January-March quarter, compared with $1.18 billion a year earlier.

Snap Inc: The company said on Tuesday it will not issue a second-quarter financial forecast citing economic uncertainty, as U.S. tariffs threaten to disrupt the global economy and digital advertising budgets, sending its shares down in extended trading. Snapchat+ subscribers rose 59% to 15 million in the first quarter. Revenue rose 14% to $1.36 billion, slightly beating analysts' average estimate of $1.35 billion. Adjusted earnings before interest, taxes, depreciation, and amortization of $108.4 million in the quarter exceeded estimates of $64.7 million. Daily active users of Snapchat increased by 9% to 460 million, beating estimates of 458.3 million.

Starbucks Corp: The coffee giant faces challenges in reviving its business, CEO Brian Niccol said on Tuesday, after the company posted disappointing global comparable sales and profit with inflation and economic uncertainty driving up costs and dampening U.S. demand. "Our financial results don't yet reflect our progress, but we have real momentum with our 'Back to Starbucks' plan," Niccol said in a statement. The company's international business improved slightly, with sales unchanged in China after four straight quarters of decline. Starbucks said it was committed to growing business in China long-term. International comparable sales rose 2%, compared with estimates of a 1.13% drop. Gross margin fell 590 basis points in the quarter and the company reported adjusted earnings per share of 41 cents, missing estimates of 49 cents. Total same-store sales declined 1% in the second quarter, compared with analysts' average estimate of a 0.26% fall. Comparable sales had declined 4% in the preceding three-month period. Separately, Starbucks will invest more in staffing and less on equipment, including an automation system that it previously touted, CEO Brian Niccol said on Tuesday, breaking with a wider industry trend to rely more on technology for store operations.

Super Micro Computer Inc: The AI server maker on Tuesday cut its third-quarter revenue and profit expectations due to delays in customer spending, amplifying worries of a pullback in AI-linked investments and pushing its shares down. Delayed "customer platform decisions" moved sales into the fourth quarter, Super Micro said, trimming its preliminary revenue expectation for the three months ended March 31 to a range of $4.5 billion to $4.6 billion, from $5 billion to $6 billion earlier. Super Micro cut its expectations for adjusted quarterly profit to a range of 29 cents to 31 cents per share, from between 46 cents and 62 cents earlier. Super Micro will host a conference call on May 6.

TotalEnergies SE: The French oil major reported an 18% drop in adjusted net income for the first quarter to $4.2 billion, slightly short of expectations, as debt rose and earnings fell across all business segments except liquefied natural gas. The results, slightly below analysts' $4.3 billion consensus forecast in an LSEG Refinitiv poll, sent shares down 4% in early trade, with investors likely concerned by the larger than expected rise in net debt, analysts at RBC and Jefferies said..

UBS Group AG: The bank posted better than expected first-quarter net profit, but the Swiss bank warned of an uncertain outlook as U.S. tariffs raise global growth fears even as the market tumult drove up earnings in its trading activity. Switzerland's biggest bank reported net profit attributable to shareholders of $1.7 billion in the first quarter of 2025, down from $1.8 billion a year earlier, but beating an average estimate of $1.3 billion in a company-provided poll of analysts. In its investment banking division, global markets enjoyed a record quarter with revenues up 32% year-on-year, underpinned by higher client activity in equities and foreign exchange, UBS said.

Visa Inc: The company beat Wall Street estimates for quarterly profit on Tuesday, as the world's largest payment processor benefited from a steady rise in card payment volumes and the company unveiled a $30 billion share repurchase plan. Payments volume jumped 8% in the second quarter, while revenue rose 9% to $9.6 billion. Visa also strengthened its annual net revenue growth forecast to low double-digit from high single-digits to low double-digits expectation earlier. The Street was expecting a 10% growth. The company's fresh repurchase program was higher than its $25 billion buyback announced in 2023. The company posted an adjusted profit of $5.4 billion, or $2.76 per share, in the three months ended March 31. That compared with $5.1 billion, or $2.51 per share, a year earlier. Analysts had expected an adjusted profit of $2.68 per share.

Yum Brands Inc: The company beat Wall Street estimates for first-quarter comparable sales, helped by robust demand at its Taco Bell locations in the U.S. and KFC outlets in international markets. The company's worldwide comparable sales for the first quarter ended March 31 increased 3%, ahead of the average analyst estimate of a 2.76% rise. Yum Brands' KFC international division, which together with Taco Bell makes up more than 80% of the company's core operating profit, also reported comparable-sales growth of 3%, handily beating estimates of 1.6%. Total sales in China, its biggest market, grew 3% in the quarter, following a 5% rise in the preceding three-month period.

Evercore ISI Research

FOCUS RESEARCH

Starbucks Corporation (SBUX) (Outperform, TP: US$95.00).

Investments ahead of growth; Trimming EPS and price target; Maintain Outperform

Cutting FY25 and FY26 EPS due to lower-than-expected sales trajectory and higher investments. We are cutting our FY25 EPS from $2.91 to $2.32 (-30% YoY; cons. $2.89) and our FY26 EPS from $3.53 to $2.65 (+14% YoY; cons. $3.53). This is partially due to our forecast for FY24 North America (NA) SSS moving from slightly negative to -2% (cons. flat) and our FY25 SSS growth largely maintained at slightly more than 4% despite the easier comparisons (cons. 4%). However, the more notable impact is the store labor investments largely being driven by the Green Apron Service Model (see below). Our forecast for store operating expense growth (per store) goes from 2% to 8% in FY25 (consistent with F2Q growth) resulting in 550bp of NA store opex deleverage in FY25. More humans needed for the human connection. The company has identified that increased staffing levels — together with training and use of AI-spacing of mobile orders — will be the unlock for better customer experiences, faster service (shaving 2.5 minutes from in-café service time) and happier baristas. Our base case is that the higher operating spending associated with the new Green Apron Service Model (2K units by May, and 3K+ by fiscal year-end) will be a ~mid-teens impact to EPS growth in the near-term. However, the free cash flow impact may be less since higher operating expense will be offset by lower capex for new equipment and expensive bar remodels. Maintain Outperform rating and trimming price target from $105 to $95. Our updated $95 price target is based on our DCF analysis and translates to ~35x our FY26e EPS, at the high-end of the 2-standard deviation trading range of 20-35x. However, given the expectation for a multi-year recovery period after investments, we believe Starbucks warrants a multiple at the high-end of historical trading ranges. We can envision a multi-year recovery period of roughly 15%+ EPS growth beyond FY26 when considering Starbucks' brand strength and Brian Niccol's turnaround history.

TARGET PRICE CHANGE

Spotify Technology S.A (SPOT) (Outperform, TP: US$650.0)

Stream Until Your Dreams Come True

Our View: We maintain our Outperform, tho we are lowering our estimates ('26 Operating Income reduced 12%) and reducing our PT from $700 to $650, in the wake of Mixed Q1 EPS results. Adjusting for material FX and Social Charge items, this would arguably have been a standard SPOT Modest Beat & Raise/Bracket Quarter. Fundamental trends were mixed – with accelerating Paid Sub Adds, decelerating Revenue Growth, and expanding Gross & Operating Margins. Key takes were: 1) very strong Paid Sub trends, as Spotify is clearly taking share; 2) very positive Margin trends, with Operating Margin hitting a record high (RH) 12% with 60% Incremental Margins; and 3) lack of an update on a SuperFan offering rollout and a potential share repo plan, given $9B+ in cash on the balance sheet. Maintain Outperform: With the stock up approx. 160% in 2024, up 30% YTD, and trading at 27X '26 EV/EBITDA and 39X '26 P/E, the bar was high. And SPOT didn't clear it. But we view the Long Thesis as very much intact. SPOT is the global Streaming Leader and taking share, its economics are improving (Gross & Operating Margin & FCF), and there still remain very significant new Fundamental Drivers/Catalysts: 1) We haven't yet had capital returns – i.e. share repos – but we believe that the company's current cash position ($9B+) and FCF generation make this a highly probable development in the next 12-24 months. 2) There's still plenty of opportunity for ARPU to rise, especially with the pending rollout of the Super Fan/Premium offering. We would strongly guess that 10%+ of those 268MM Paid Subs would be willing to pay $20+ a month for a super-personalized, "ultra" audio streaming service. 3) Ad revenue growth remains under-whelming – 8% Y/Y in Q4. There are probably real limits to how well this segment can perform – SPOT is a mid-tier ad platform at best – but it surely can perform better than 8%....

COMPANY UPDATE

Intel Corporation (INTC) (In Line; TP:$23.0)

INTC Foundry Direct Connect Keynote

INTC hosted its Foundry Direct Connect Event to update its foundry strategy. We summarize our notes from presentations by CEO Lip-Bu Tan, Naga Chandrasekaran (EVP, CTO and COO Intel Foundry) and Kevin O'Buckley (SVP, GM Foundry Services):

1. A Customer-Centric Focus. All 3 INTC speakers highlighted INTC's shift to a customer-focused approach for the foundry business prioritizing customer feedback and a focus on improving predictability, quality, velocity and affordability This report is prepared solely for the use of Alexander Kastanis 30 of INTC's foundry offering. COO suggested new approach to measuring Foundry success would be driven by value customers get from INTC Foundry rather than what INTC delivers to the customers. We view this as a notably different approach and are encouraged by the renewed focus. Intel shared customer feedback on it 18A process and roadmap:

a. INTC noted customer feedback that 18A is not targeted towards broader market and was designed for high performance compute applications and INTC plans to offer 18A-P version to customers for broader ecosystem featuring ~8% performance improvement vs 18A, additional ribbon size, corner tightening.

b. INTC highlighted customers' need for predictable 2-yr design cycles for nodes. INTC noted 14A being its second node with backside power technology as it expects 18A ramp learnings to make 14A transition execution more predictable.

2. Three Foundry Nodes. INTC is ramping 3 foundry nodes: 16nm (Ireland fab) together with MediaTek as a "teaching customer", 12nm (in Arizona fab) in a joint venture with "teaching partner" UMC and 18A in Oregon (with Arizona fab to ramp shortly).

c. MediaTek products taped out from the fab and according to MediaTek INTC's responsiveness to challenges was "remarkable"

3. $90bn in CapEx + Ability to Expand. INTC spent $90bn on Capex in C21-24 and it estimates 20% of that related to R&D / competitiveness and 80% on expanding footprint and technology transition (space – 39% and equipment – 41%). INTC highlighted that it can easily add customer capacity within 6-8 quarters across its fabs in Arizona, Oregon, Israel and in the future, Ohio

OTHER COMMENTS

Hewlett Packard Enterprise Co. (HPE) What's HPE Worth on a SOTP Basis?
Mondelez International (MDLZ) It's good to be global; Increasing EPS and target
Snap, Inc. (SNAP) Blurred Lens, Limited Visibility
Grab Holdings, Inc. (GRAB) Even With Tariff Risk, An Inviting Ride
Booking Holdings Inc. (BKNG) Highly Experienced Pilot…Still…Fasten Your Seatbelt
OnKure Therapeutics, Inc (OKUR) Initiate coverage
Coca-Cola Europacific Partners (CCEP) 1Q25 near Street; Strong set-up from here
Kraft Heinz (KHC) Insights first and growth spending next; Trimming EPS & target
The Coca-Cola Company (KO) Managing well through volatility
Noble Corporation plc (NE) Adding Backlog Despite the Macro
OneMain Holdings Inc. (OMF) Consumer Trends Encouraging, but Card Seasoning Could Impact Forecasts
Regeneron Pharmaceuticals, Inc. (REGN) 1Q25 Wrap & Model Update
Teradyne Inc. (TER) 1Q25 EPS Beat/Meet. Tariffs = Low Visibility
United Parcel Service, Inc (UPS) 1Q Beat, but 2Q Guide Down; Uncertainty Muddies the Path Forward
JetBlue Airways Corporation (JBLU) 1Q25 Review
Burlington Stores, Inc (BURL) The Fabric of the Industry: BURL Acquires 45 Leases from JOANN's Chapter 11
Kimberly-Clark Corp (KMB) U.S. v. Chinese diapers: Technology, tariffs and increased competition
Extra Space Storage Inc. (EXR) Q1 Initial Take: Earnings & SS NOI Slightly Better Than Expected
PayPal Holdings, Inc. (PYPL) 1Q25 review - On the right path and a good quarter to build on
Visa Inc. (V) F2Q25 - Big wheels keep on turnin
Snowflake, Inc. (SNOW) Thinking Through The $100mn AI 'Stretch Goal'
Airbnb, Inc. (ABNB) Who's Checking In At Airbnb, Per AirDNA?
Live Nation Entertainment Inc. (LYV) Tweaking estimates into 1Q25 earnings
The Sherwin-Williams Company (SHW) Executing Through Chop; Volume Growth Would Be Nice

S&P500 Earnings Calendar

Figure 1: **S&P500 Earnings Calendar**

Company	Symbol	Time	Consensus EPS Estimate
Aflac Inc	AFL.N	AMC	1.68
Albemarle Corp	ALB.N	AMC	-0.58
Align Technology Inc	ALGN.OQ	16:00	1.99
Allstate Corp	ALL.N	AMC	2.63
American Water Works Co Inc	AWK.N	AMC	1.05
ANSYS Inc	ANSS.OQ	AMC	1.68
Automatic Data Processing Inc	ADP.OQ	BMO	2.97
AvalonBay Communities Inc	AVB.N	AMC	2.81
Caterpillar Inc	CAT.N	06:30	4.35
CH Robinson Worldwide Inc	CHRW.OQ	AMC	1.05

Cognizant Technology Solutions Corp	CTSH.OQ	AMC	1.20
Crown Castle Inc	CCI.N	AMC	-0.32
DaVita Inc	DVA.N	NTS	1.95
eBay Inc	EBAY.OQ	AMC	1.34
Equinix Inc	EQIX.OQ	AMC	2.96
Everest Group Ltd	EG.N	AMC	7.62
Garmin Ltd	GRMN.N	BMO	1.67
GE Healthcare Technologies Inc	GEHC.OQ	BMO	0.91
Generac Holdings Inc	GNRC.N	BMO	0.97
Globe Life Inc	GL.N	AMC	3.25
Host Hotels & Resorts Inc	HST.OQ	AMC	0.56
Humana Inc	HUM.N	06:00	10.07
Illinois Tool Works Inc	ITW.N	08:00	2.35
International Paper Co	IP.N	BMO	0.36
Invitation Homes Inc	INVH.N	AMC	0.47
Kellanova	K.N	BMO	1.01
KLA Corp	KLAC.OQ	AMC	8.08
Martin Marietta Materials Inc	MLM.N	BMO	1.85
Meta Platforms Inc	META.OQ	AMC	5.28
MetLife Inc	MET.N	AMC	2.00
MGM Resorts International	MGM.N	AMC	0.46
Microsoft Corp	MSFT.OQ	AMC	3.22
Mid-America Apartment Communities Inc	MAA.N	AMC	2.16
Monster Beverage Corp	MNST.OQ	NTS	0.46
Norwegian Cruise Line Holdings Ltd	NCLH.N	06:30	0.09
PPL Corp	PPL.N	BMO	0.54
Prudential Financial Inc	PRU.N	AMC	3.18
PTC Inc	PTC.OQ	AMC	1.40
Public Service Enterprise Group Inc	PEG.N	BMO	1.43
Public Storage	PSA.N	AMC	4.07
Qualcomm Inc	QCOM.OQ	AMC	2.81
Stanley Black & Decker Inc	SWK.N	BMO	0.66
Trane Technologies PLC	TT.N	BMO	2.20
UDR Inc	UDR.N	AMC	0.61
Ventas Inc	VTR.N	AMC	0.82
VICI Properties Inc	VICI.N	AMC	0.60
Vulcan Materials Co	VMC.N	BMO	0.78
Western Digital Corp	WDC.OQ	BMO	1.12
Yum! Brands Inc	YUM.N	07:00	1.29

Source: LSEG

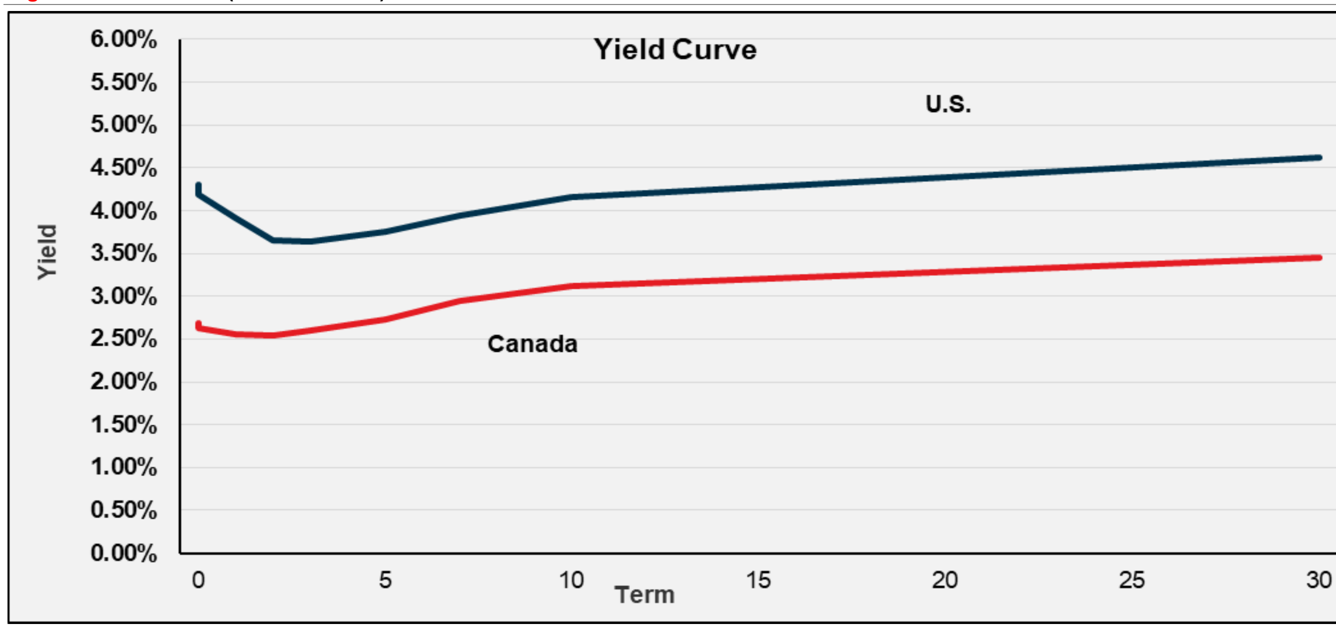
Figure 1: Key Interest Rates (Canada & U.S.)

Canadian Key Rate	Last	Change bps	Canadian Key Rate	Last	Change bps
CDA o/n	2.75%	0.0	CDA 5 year	2.73%	-1.1
CDA Prime	4.95%	0.0	CDA 10 year	3.12%	-1.9
CDA 3 month T-Bill	2.67%	-0.5	CDA 20 year	3.38%	-2.3
CDA 6 month T-Bill	2.63%	0.0	CDA 30 year	3.45%	-2.3
CDA 1 Year	2.56%	0.0			
CDA 2 year	2.54%	-0.4			
US Key Rate	**Last**	**Change bps**	**US Key Rate**	**Last**	**Change bps**
US FED Funds	4.25-4.50%	0.0	US 5 year	3.76%	-1.6
US Prime	7.50%	0.0	US 10 year	4.15%	-2.2
US 3 month T-Bill	4.20%	0.2	US 30 year	4.62%	-2.7
US 6 month T-Bill	4.19%	0.5	5YR Sovereign CDS	57.00	
US 1 Year	3.91%	0.5	10YR Sovereign CDS	59.95	
US 2 year	3.65%	-1.0			

Preferred Shares Indicators	Last	Daily %	YTD
S&P Preferred Share Index	617.48	-0.08%	-2.82%
BMO Laddered Preferred Shares (ETF)	10.58	-0.75%	-3.38%

Source: LSEG

Figure 2: Yield Curve (Canada & U.S.)



Source: LSEG

Market View - Anxious Canadians give Liberals another minority (but nothing status quo about it)

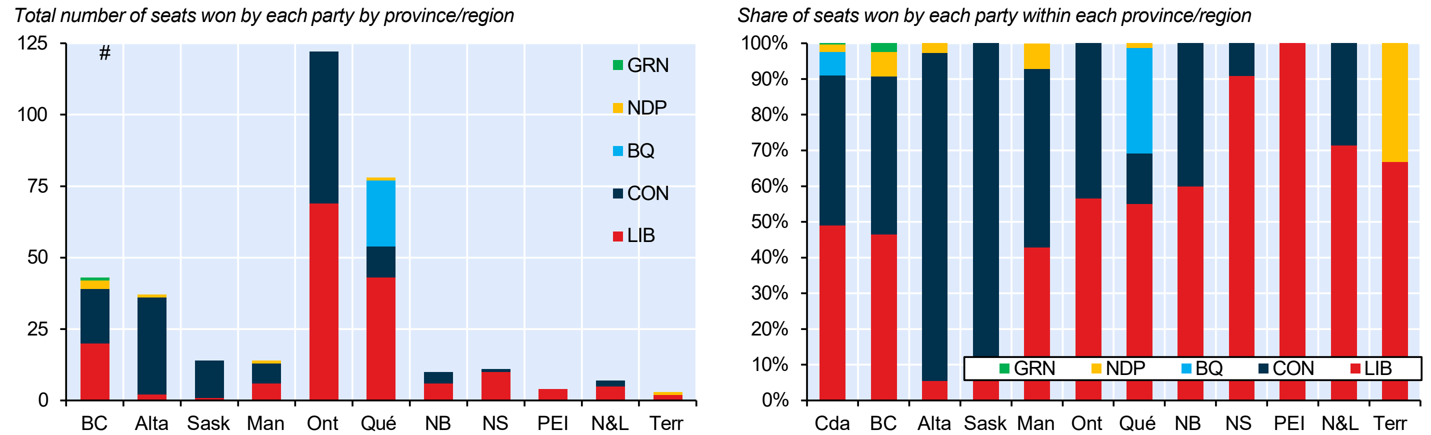
- In a mostly two-party race, Mark Carney's Liberals won the election. It's a first for Carney but fourth straight win for the party, though the Liberals have been held to a minority the last three times out now. The Liberals can boast a stronger mandate, having carried over 43% of the vote. The party won the most seats in seven provinces but remain most under-represented in Alberta and Saskatchewan.
- With 168 seats, the Liberals fell short of expert projections. Being four short of a majority, the Liberals will need the support of one (or more) opposition parties to advance an ambitious agenda. This is likely to be done on a vote-by-vote basis, the workability and ultimate durability of Canada's 45th Parliament needing to be tested.
- The Conservatives, while winning a larger-than-expected number of ridings (144) and securing a stronger share of the vote, remain 'official opposition'. Conservative leader Pierre Poilievre lost in his riding but vows to fight on. The Bloc and NDP both lost ground, the latter failing to achieve 'official party' status.
- The vote centred on who was deemed best positioned to deal with an antagonistic U.S. Administration. Cost-of-living pressure were likewise top of mind for many voters. Given the severity of the U.S. threat and structural roadblocks to growth, the Liberals ran on a 'Canada Strong' plan that involves net new investments (and thus implies larger deficits and more federal debt).
- Carney's Liberals also favour a new approach to federal budgeting, shifting the focus to an operational budget they aim to balance by year four of their mandate. No explicit debt targets were outlined in the Liberal plan. Regardless, bond investors will be called upon to absorb incremental GoC supply, with non-residents having been a particularly vital source of demand lately.
- A fresh cabinet will need to be struck, with many prominent ministers winning re-election. Carney himself will take a seat in the House of Commons for the first time. Once parliament is convened (no date yet), a federal budget must be presented, this important fiscal blueprint already late by traditional standards.
- But the first most vital piece of business for the Prime Minister will be a quick re-engagement with the U.S. President on trade and security issues, ultimately with a view to lessening the tariff burden and securing predictable access for Canadian exporters.
- With the 'old relationship' with the U.S. essentially over, Canada is in need of a fresh strategy and bold action. The Liberals aim to move on multiple fronts, promoting inter-provincial trade, lessening the personal tax burden, boosting housing supply, among other things. There's an opportunity to re-think Canada's energy strategy too, though quick progress will require revisiting some contentious federal legislation. We view this a worthwhile endeavour, having the potential to strengthen federal-provincial relationships and the national economy at the same time.

Click here for full comments

Market View [Supplement] - Visual supplement to NBC's Canadian election report

In this report, we provide a set of visuals that supplement our prior coverage on the April 2025 Canadian election, which aim to highlight election results, in addition to what the LPC costing plan suggests for the country's fiscal position and borrowing.

Figure 1: The regional breakdown of the 2025 vote



Source: NBC, CBC | Note: Left chart - Preliminary results listed west to east; Right chart – Preliminary results, national total, and provinces listed west to east)

[Click here for full comments](#)

Evercore ISI – Equity and Derivatives Strategy

The Once and Future Leaders: Earnings EDGE Daily - April 30, 2025

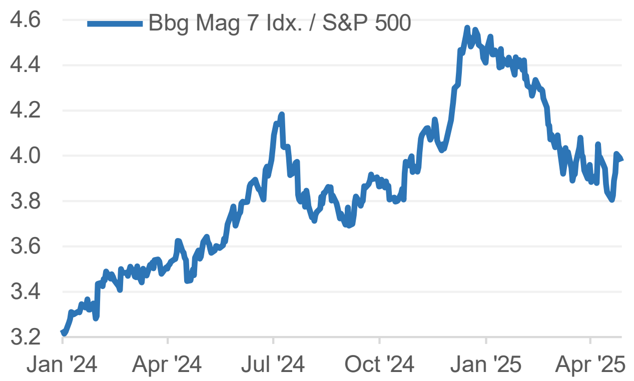
Key Point: This week marks a pivotal catalyst for the once and future leaders of the U.S. equity market — many of which have staged a strong comeback since the April 7 trough, following a prolonged period of underperformance YTD. While earnings reactions remain inherently unpredictable, investor focus will be acutely tuned to management commentary, particularly regarding preparations for potential tariff impacts. Against a backdrop where technology — and AI in particular — is becoming increasingly critical for supply chain adaptation and navigating the complexities of a shifting geopolitical landscape, these secular growth names appear well-positioned to reclaim market leadership. Consistent with the market's focus turning toward mega caps and the S&P 500's move toward the top end of what we view as a medium term range, 5,600 to 5,100, we close out the bullish Small Cap risk reversal, implemented on 4/21, "Empty Shelves Monday".

In the Spotlight: KO (O/p, Ottenstein) beat on earnings, fueled by stronger volumes. EVR ISI Household Products Analyst Robert Ottenstein noted that while easing FX headwinds offer some relief, incremental margin pressures from tariffs are likely to offset those gains. UPS (O/p, Chappelle) delivered better-than-expected Q1 results but withheld full-year guidance due to macro uncertainty, as it restructures its network and cuts 20k jobs amid reduced AMZN (O/p, Mahaney) volumes.

On Deck: 50 S&P 500 companies (12.6% market cap) report today, among them MSFT (O/p, Materne) and META (O/p, Mahaney). EVR ISI Software Analyst Kirk Materne enters the print expecting MSFT to reset Azure and Capex expectations, setting up a stronger rebound over the NTM.

Season Stats: 231 S&P 500 companies (42% mkt. cap) have reported. Reported Sales growth has been +4.5% and Earnings +17.3% – surprising by +0.7% and +9.8% – putting overall Sales growth on pace for +4.3% and Earnings for +11.1%. Extrapolating EVR ISI expected +1.3% surprises to the balance of companies reporting suggests Earnings +11.8%. The avg. stock price rose +0.5% post-results. Companies beating on both the top and bottom line are higher by +1.7% on avg. vs. +0.9% 5Yr avg., and “Double Misses” are lower -2.2% vs. -3.1% avg.

Figure 2: Mag 7 Looks to Catch Its Footing After Rocky Start to 2025



Source: Bloomberg, Evercore ISI Research

Evercore ISI - Global Policy & Central Banking Strategy

Flash Note - March JOLTS Shows Signs Of Moderately Weakening Labor Market, But Not Severe Enough to Materially Weigh on Fed

The March JOLTS report pointed to some further softening in the labor market, with job openings printing 0.3m below expectations at 7.2m, declining from the downwardly revised 7.5m in February.

The gradual decrease in the vacancies-to-unemployment ratio reinforces the signal that labor market conditions are loosening and points to increased upside risks to the unemployment rate. In contrast to past years when changes in the v/u would essentially shift the Beveridge curve, in the current phase lower vacancies would likely translate to higher unemployment, as recently suggested by Waller.

The marked decline in the number of layoffs - the lowest since last June - suggests that elevated uncertainty induced firms to hoard labor, consistent with the comments in the latest Fed Beige Book and similarly to what we observed in other economies.

At the same time, both the hiring rate and the quits rate - which we find to be a good predictor of future wage growth - marginally increased.

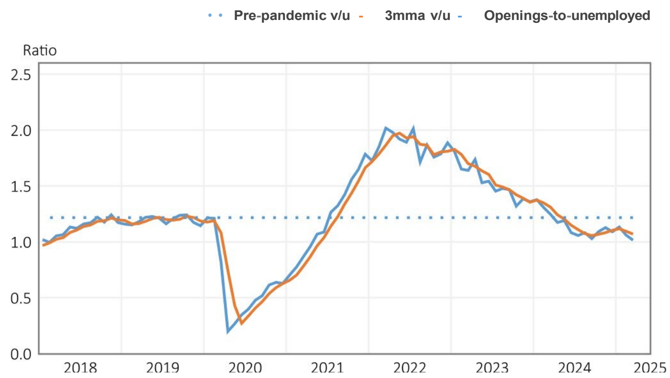
We continue to expect the drag from DOGE effects as well as trade to intensify in future reports, although the exact timing remains uncertain. The federal government recorded a fall in job openings, but there was still no evidence of a significant DOGE impact on hires and layoffs. Private industries that are exposed to DOGE shocks showed some weakness, but trade policy may have also contributed.

Overall, the March JOLTS report points to a weakening labor market, but the signal remains too noisy to significantly affect the Fed’s view on the unemployment outlook.

Data from before April 2 carries limited information but suggests that firms did not react by laying off workers ahead of potential tariff hikes and instead opted to hoard labor. This approach may prove short lived with firms deciding to lay off workers in response to the post-April 2 surge in tariffs and uncertainty. But firms could also decide to hold on to their workers until uncertainty is at least partially resolved, further delaying the response of unemployment to trade policy shocks.

The April employment report that comes out later this week will be key in better understanding the evolution of the labor market and its implications for the Fed rate outlook.

Figure 3: JOLTS – Job Openings-to-Unemployed Ratio



Source: Evercore ISI, BLS

First Edition Calls

This Week on TEAMS:

MONDAY: Research Services – 8:30 am English call / 9h00 appel français

TUESDAY: Kyle Dahms, NBC Economist - 8:30 am English call / 9h00 appel français

WEDNESDAY: Dennis Mark, NBCFM Technical Analyst - 8:30 am English call / 9h00 appel français

THURSDAY: TBA - 8:30 am English call / 9h00 appel français

FRIDAY: Richard Tse & John Shao, NBCFM Information technologies Analysts - 8:30 am English call / 9h00 appel français

A replay is available in the Event Calendar of Research Services SharePoint

Research Services Publications (Links)

Research Services Reports

F_SCORE - Update

Selection List - April 2025

Better than Bonds U.S. - April 2025

Better than Bonds Canada - April 2025

Preferred Shares

Preferred Shares - April 2025

Preferred Shares Printable Tables

Convertible Debentures

Convertible Debentures - April 2025

Convertible Debentures Printable Table

This report along with all the research from NBCFM Research Services can also be accessed on our SharePoint

Research Services

Philippe Heymans

Samantha Barrett, CFA, MBA

Eric Beaudette

Alex Kastanis, CFA

The particulars contained herein were obtained from sources which we believe to be reliable but are not guaranteed by us and may be incomplete and may be subject to change without notice. The information is current as of the date of this document.

Neither the author nor NBF assumes any obligation to update the information or advise on further developments relating to the topics or securities discussed. The opinions expressed are based upon the author(s) analysis and interpretation of these particulars and are not to be construed as a solicitation or offer to buy or sell the securities mentioned herein, and nothing in this document constitutes a representation that any investment strategy or recommendation contained herein is suitable or appropriate to a recipient's individual circumstances. In all cases, investors should conduct their own investigation and analysis of such information before taking or omitting to take any action in relation to securities or markets that are analyzed in this document. The document alone is not intended to form the basis for an investment decision, or to replace any due diligence or analytical work required by you in making an investment decision.

This document was prepared by National Bank Financial Inc. (NBF), a Canadian investment dealer, a dealer member of IIROC and an indirect wholly owned subsidiary of National Bank of Canada. National Bank of Canada is a public company listed on the Toronto Stock Exchange.

NBCFM is a member of the Canadian Investor Protection Fund.

For NBCFM Disclosures, please visit URL: **http://www.nbin.ca/contactus/disclosures.html**

Click on the following link to see National Bank Financial Markets Statement of Policies **https://nbfm.ca/statement-of-policies**