

INTERNAL USE ONLY

October 28, 2025

U.S. EQUITY FUTURES	LAST	CHANGE	%CHG	COMMODITIES/ FX		LAST	CHANGE
Dow Jones MINI futures	47,978.00	266.00	0.56%	CRUDE OIL WTI		\$60.52	-\$0.79
S&P500 MINI futures	6,919.00	10.75	0.16%	NATURAL GAS		\$3.33	-\$0.11
NASDAQ MINI futures	26,021.50	57.75	0.22%	GOLD		\$3,924.41	-\$56.14
CANADA EQUITY MARKET	LAST	CHANGE	%CHG	COPPER		\$5.11	-\$0.03
S&P/TSX 60 futures	1,785.60	-2.60	-0.15%	CAD / USD		\$0.7142	-\$0.0005
OVERSEAS MARKETS	LAST	CHANGE	%CHG	CAD / EUR		€ 0.6140	€ 0.0003
STOXX EUROPE 600 INDEX	575.80	-1.23	-0.21%	USD / EUR		€ 0.8598	€ 0.0012
FTSE 100 INDEX	9,697.99	44.17	0.46%	USD / JPY		¥152.28	-¥0.59
DAX GERMANY	24,284.36	-24.42	-0.10%	GOVERNMENT BONDS	2YR	5YR	10YR
CAC 40 Index	8,221.95	-17.23	-0.21%	CANADA (YLD%)	2.36%	2.63%	3.06%
NIKKEI 225 INDEX	50,219.18	-293.14	-0.58%	U.S. (YLD%)	3.51%	3.63%	4.00%
HANG SENG INDEX	26,346.14	-87.56	-0.33%	Source: LSEG			
SHANGHAI COMPOSITE INDEX	3,988.22	-8.72	-0.22%				

Morning News

Canadian stocks futures fell today as commodity prices declined sharply, while investors awaited central bank rate decisions and a flurry of corporate earnings that could test the market's recent rally. Gold prices tumbled to a near three-week low as growing optimism surrounding a potential U.S.-China trade breakthrough diminished the appeal of safe-haven assets. The decline follows Monday's session where the Toronto Stock Exchange's composite index edged lower as gold pulled back below \$4,000 per ounce, weighing on previously soaring mining shares. Despite the recent setback, the precious metal's nearly 50% surge this year has partly helped the benchmark index to gain 22.4%. This morning the commodities retreat extended beyond precious metals, with copper prices easing as investors secured profits following the previous session's record-setting rally. Meanwhile, oil markets saw prices slide over 2% as traders evaluated the implications of U.S. sanctions against Russia's two largest oil producers alongside reports of OPEC+ potentially increasing production. Market participants will now shift their focus to monetary policy announcements, with the Bank of Canada expected to implement a 25-basis-point interest rate cut tomorrow. South of the border, the U.S. Federal Reserve is also widely expected to deliver a quarter-point cut tomorrow. In corporate news, Westinghouse Electric, Cameco and Brookfield Asset Management have entered a partnership with the U.S. government to build at least \$80 billion worth of new nuclear reactors across the country. U.S.-listed shares of Cameco rose about 10% in premarket trading. The deal aims to accelerate nuclear power deployment and meet surging electricity demand from artificial intelligence and data centers, in line with President Donald Trump's May executive order promoting nuclear energy. Nuclear energy has garnered renewed interest from investors and companies, as it is considered to be a more reliable source of energy than wind or solar. On the trade front, U.S. President Donald Trump praised Japan's first female leader Sanae Takaichi in Tokyo today, welcoming the new prime minister's pledge to accelerate a military buildup, while also signing deals on trade and rare earths. Both governments released a list of projects in the areas of energy, artificial intelligence and critical minerals in which Japanese companies are eyeing investments of up to \$400 billion in the U.S. On Thursday, U.S. President Donald Trump is expected to sign a much-anticipated deal with Chinese President Xi Jinping to put at ease investors about the long mercurial relationship between the world's top two economies. Stock markets across the world jumped yesterday after U.S. officials said negotiators from both sides had hashed out a framework for agreements for lower U.S. tariffs on Chinese imports and Chinese concessions on rare earth export curbs.

U.S. Economic Calendar

Time	Indicator Name	Period	Consensus	Actual	Prior	Revised
09:00	Monthly Home Price MM	Aug		0.4%	-0.1%	0.0%
09:00	Monthly Home Price YY	Aug		2.3%	2.3%	2.4%
09:00	Monthly Home Price Index	Aug		435.3	433.4	433.6
09:00	CaseShiller 20 MM SA	Aug	-0.1%	0.2%	-0.1%	
09:00	CaseShiller 20 MM NSA	Aug		-0.6%	-0.3%	
09:00	CaseShiller 20 YY NSA	Aug	1.3%	1.6%	1.8%	
10:00	Consumer Confidence	Oct	93.2		94.2	

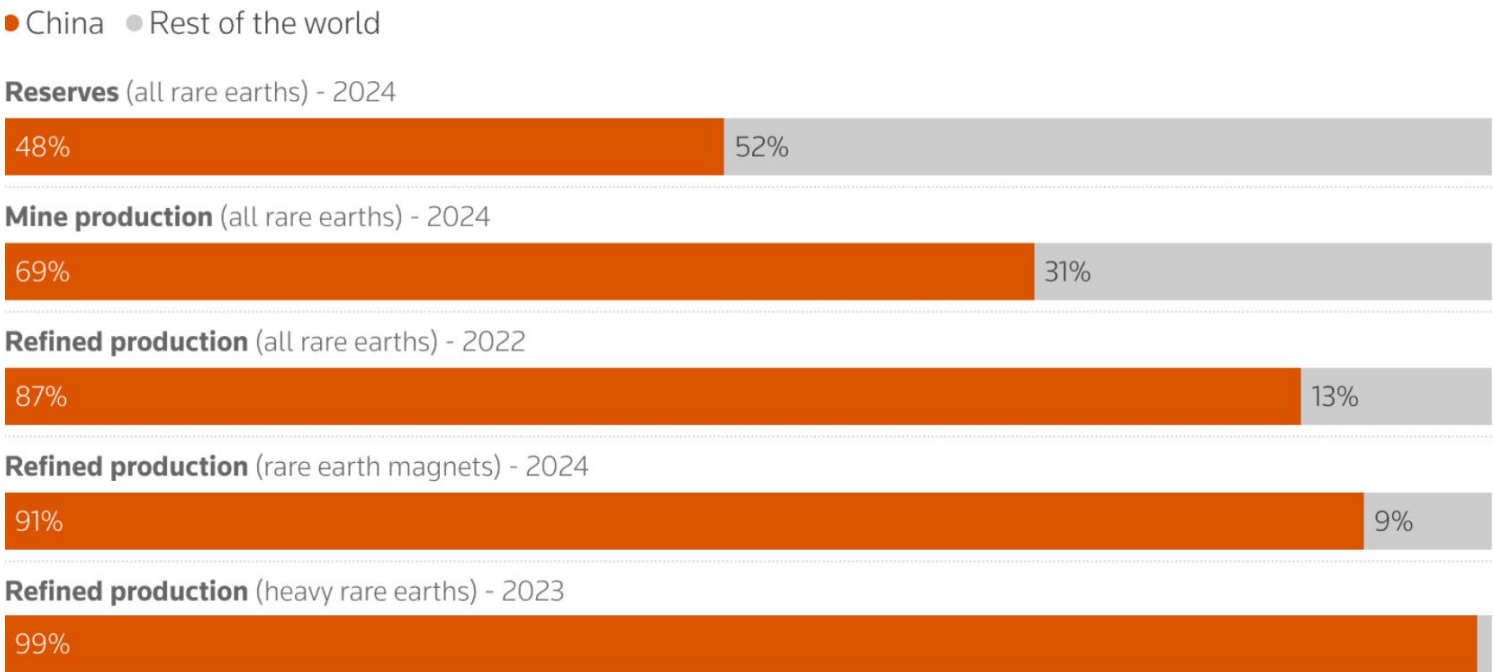
Canada Economic Calendar

No economic data

Chart of the Day

China's grip on rare earths

China dominates the global rare earths sector, holding nearly half of the world's reserves and controlling the majority of mining and refining capacity.



By Vijdan Mohammad Kawoosa and Jackie Gu • Sources: United States Geological Survey; International Energy Agency; AlixPartners; Center for Strategic and International Studies; Government of Canada



Morning News

Cameco Corp and Brookfield Asset Management: Westinghouse Electric, Cameco and Brookfield Asset Management have entered a partnership with the U.S. government to build at least US\$80 billion worth of new nuclear reactors across the country, the companies said on Tuesday. The deal aims to accelerate nuclear power deployment and meet surging electricity demand from artificial intelligence and data centers, in line with President Donald Trump's May executive order promoting nuclear energy, the companies said. The companies said that the new reactors will be constructed using Westinghouse nuclear reactor technology.

Kiwetinohk Energy Corp: Privately held Cygnet Energy will acquire Kiwetinohk Energy in a deal valued at C\$1.4 billion, including debt, the companies said on Tuesday, creating a larger Montney and Duvernay operator with greater scale and market access. Cygnet will pay C\$24.75 per share, representing a premium of 10.4% to Kiwetinohk's last close according to Reuters calculations. The deal combines complementary assets in the Simonette and Placid areas of Alberta, giving the merged company more than 44,000 barrels of oil equivalent per day of liquids-weighted production. The funding for the acquisition will be provided by investment funds of existing Cygnet shareholder NGP Energy Capital Management and global investment firm Carlyle, who will join as a new investment partner in Cygnet. The deal is expected to close in late December, the companies said.

NBF Research

Rating and Target Price Changes

Building Materials Distributors - [Relishing resolving residual ramifications: Revisiting our regressions and rolling our models out...](#)

TMX Group Limited - [Strong Beat and Impressive Operating Leverage; Target: C\\$60 \(Was C\\$59\)](#)

Daily Bulletin Highlights

BUILDING MATERIALS DISTRIBUTORS - Relishing resolving residual ramifications: Revisiting our regressions and rolling our models out to 2027e

Event: 2027e Rollout, Target Increases, ADEN and DBM Q3 Previews

Key Takeaways: After an eventful year for housing-exposed names, and ahead of Q3 reporting for ADEN and DBM, we thought it timely to update our housing factors/organic growth regression analysis while rolling our models out to 2027e. ADEN's target rises to Cdn\$54.50 (was Cdn\$42.50), based on 11.5x 2027e EPS (was 2026e), an implied target FCF yield of 6.6%. We reiterate our Outperform rating. ADEN will report Q3 results on November 10, before market open, followed by a conference call at 11 AM ET (888-510-2154). DBM's target rises to \$11.50 (was \$10.50), based on 11.5x 2027e EPS (was 2026e), an implied target FCF yield of 11.7%. We reiterate our Outperform rating. DBM will report Q3 results on November 6, after market close, followed by a conference call the next day at 11 AM ET (877-407-3982). RCH's target rises to \$40.50 (was \$35), based on 18.5x 2027e EPS (was 2026e), an implied target FCF yield of 4.8%. We reiterate our Sector Perform rating.

CCL INDUSTRIES INC. - 3Q On Nov. 11, Organic Growth Driven By CCL Segment, NCIB Active Absent Substantial M&A

CCL.B (TSX):	C\$81.06	Event: 3Q Preview.
Target:	C\$96.00	Key Takeaways: We tweaked our 3Q forecast to reflect lower polypropylene price passthroughs at Innovia and NCIB activity. We see revs \$1,897M (was \$1903M, CE \$1,920M), Adj. EBITDA \$397M (was \$399M, CE \$402M) and Adj. EPS \$1.15 (was \$1.16, CE \$1.16). We expect +4.5% growth at CCL with M&A in the segment lapped.
	(Unchanged)	



Stock Rating: **Outperform**
(Unchanged)

Est. Total Return: **20.0%**

Core CCL Label had a healthy order backlog heading into 3Q. CCL Design faces tougher comps but new business wins at CCL Secure for polymer banknote substrate should help in 2H. Avery's back-to-school season remains an unknown. Checkpoint should benefit from apparel volumes in the busy Aug-Nov season with RFID in apparel rebuilding torque. On October 24, CCL acquired Manhattan-based IDESCO Holding Corp and IDSecurityonline.com, privately owned providers of secure badging and ID solutions. In the absence of bigger M&A purchases, NCIB remains active (spend YTD \$300M with 3.9M shares repurchased at an avg. price of \$77).

TMX GROUP LIMITED - Strong Beat and Impressive Operating Leverage

X (TSX): **C\$49.83**

Event: Adjusted EPS of \$0.52, up 27% y/y and 6% above the Street's \$0.49

Target: **C\$60.00**
(Was C\$59.00)

Key Takeaways: A solid beat that highlights the strength of the TMX platform with strong revenue growth from all facets. Moreover, TMX continues to deliver impressive operating leverage of 10% as organic revenue growth of 17% exceeded organic expense growth of 7%.

Stock Rating: **Sector Perform**
(Unchanged)

Est. Total Return: **22.0%**

Other Comments

AirBoss of America Corp. - [3Q On Nov. 5, ARS Still Soft, AMP Likely Benefits From Auto Vols. But ADG Timing A Factor](#)

CCL Industries Inc. - [3Q On Nov. 11, Organic Growth Driven By CCL Segment, NCIB Active Absent Substantial M&A](#)

Wesdome Gold Mines Ltd. - [Dubuisson Hints at WDO's Bulk Advantage](#)

[Weekly Canadian Financial Services](#)

[Weekly E&P Talking Points: WTI, NYMEX, Q3 Preview, PSK, PD, WCP](#)

[Weekly Property Tour](#)

Research Flashes

Asset Managers - [Wealthsimple's \\$10B Valuation Delivers NAV lift for IGM and POW](#)

Empire Company Ltd. - [Company Marketing: Stable backdrop; many initiatives to drive growth](#)

Perpetua Resources Corp. - [Vote of Confidence from Agnico Eagle and JPMorganChase Strategic Fund](#)

Waste Management, Inc. - [3Q First Pass: Some Good, Some Less Good](#)

Evercore ISI Research

Surface Transportation

The Rail Review: Remember When Rail Volumes Were a Leading Indicator...?

- Class I rail volumes dipped 3.4% year-over-year in week 43 of 2025 with CSX being the standout, showing a 1.8% increase.
- Other rail operators didn't fare as well, with Canadian Pacific down 0.6% and Norfolk Southern facing a 6.1% decline, partly due to competitive pressures from the proposed UNP merger.
- **CSX's Performance:** CSX managed to buck the trend with a year-over-year volume increase, aided by their new Chicago bridge project aimed at easing congestion.



- **Norfolk Southern's Challenges:** Facing significant volume headwinds, NSC's outlook for 4Q is clouded by competitor responses to its merger with UNP and external challenges like a key auto plant shutdown.
- **Union Pacific's Earnings:** UNP posted a slight EPS beat, though adjusted EBIT fell short of expectations, signaling mixed results.
- **Additional Key takes:**
 - **Coal Volume Growth:** Coal volumes grew by 3.7% year-over-year, marking a positive note in an otherwise challenging landscape.
 - **Chemical Shippers' Concerns:** The American Chemistry Council has raised alarms over the UNP-NSC merger, fearing it could stifle competition and hike shipping costs.
 - **Intermodal Decline:** Intermodal volumes were down 4.4%, reflecting broader industry pressures.
- Jonathan's insight suggests the sector is navigating through a tough period with mixed results across different operators and freight types. Keep an eye on the regulatory developments around the UNP-NSC merger and its potential impact on competition and market dynamics.

Street Rating and Target Price Changes

ADENTRA Inc ADEN.TO: National Bank of Canada raises target price to C\$54.50 from C\$42.50

Aritzia Inc ATZ.TO: Raymond James raises target price to C\$110 from C\$100

Altius Minerals Corp ALS.TO: Scotiabank raises target price to C\$37 from C\$36

Blue Moon Metals Inc MOON.V: Scotiabank raises target price to C\$6 from C\$5.75

Capital Power Corp CPX.TO: TD Cowen raises target price to C\$78 from C\$72

Doman Building Materials Group Ltd DBM.TO: National Bank of Canada raises target price to C\$11.50 from C\$10.50

Ero Copper Corp ERO.TO: Scotiabank raises target price to C\$33 from C\$32

First Quantum Minerals Ltd FM.TO: Scotiabank raises target price to C\$35 from C\$34

Foran Mining Corp FOM.TO: Scotiabank raises target price to C\$4.50 from C\$4.25

Hudbay Minerals Inc HBM.TO: Scotiabank raises target price to C\$26.50 from C\$25

IGM Financial Inc IGM.TO: RBC raises target price to C\$55 from C\$52

IGM Financial Inc IGM.TO: Scotiabank raises target price to C\$67 from C\$64

K92 Mining Inc KNT.TO: RBC raises target price to C\$26 from C\$22

Lundin Mining Corp LUN.TO: Scotiabank raises target price to C\$23.50 from C\$23

Power Corporation of Canada POW.TO: RBC raises target price to C\$60 from C\$59

Power Corporation of Canada POW.TO: Scotiabank raises target price to C\$69 from C\$68

Precision Drilling Corp PDS.N: Piper Sander raises target price to US\$79 from US\$74

Richelieu Hardware Ltd RCH.TO: National Bank of Canada raises target price to C\$40.50 from C\$35

Rogers Communications Inc RCIb.TO: JP Morgan raises target price to C\$62 from C\$59

Secure Waste Infrastructure Corp SES.TO: Raymond James raises target price to C\$22 from C\$17.75

TFI International Inc TFII.N: Stifel cuts target price to US\$94 from US\$96

TMX Group Ltd X.TO: National Bank of Canada raises target price to C\$60 from C\$59

TMX Group Ltd X.TO: Raymond James cuts target price to C\$59 from C\$62.50

TransAlta Corp TA.TO: TD Cowen raises target price to C\$27 from C\$20



S&P/ TSX Composite Index Earnings Calendar

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

DATE	COMPANY NAME	RIC	TIME	MEAN ESTIMATE
28-Oct	Advantage Energy Ltd	AAV.TO	AMC	0.46
28-Oct	Athabasca Oil Corp	ATH.TO	AMC	0.26
28-Oct	Centerra Gold Inc	CG.TO	AMC	0.41
28-Oct	First Quantum Minerals Ltd	FM.TO	AMC	0.15
28-Oct	New Gold Inc	NGD.TO	AMC	0.30
28-Oct	Parkland Corp	PKI.TO	NTS	2.48

Source: LSEG



Morning News

Alexandria Real Estate Equities Inc: Alexandria Real Estate Equities forecast annual adjusted funds from operations below Wall Street estimates, as leasing activity remained pressured by macroeconomic uncertainty. The Pasadena, California-based company reported third-quarter adjusted FFO, a key performance measure for REITs, of \$2.22 per share. Its occupancy as of September 30 stood at 90.6%, compared to 90.8% in the previous quarter. Total revenue for the quarter was \$751.94 million, down from \$791.6 million a year earlier. Alexandria reported a net loss of \$1.38 per share for the quarter ended September 30, compared with an income of 96 cents apiece in the same period last year.

Alphabet Inc & NextEra Energy Inc: NextEra Energy and Google have reached an agreement to restart an Iowa nuclear power plant shut five years ago, the companies said, in another sign that data-center power demand is renewing interest in U.S. nuclear energy. Under NextEra's deal with Google, the Duane Arnold Energy Center near Cedar Rapids is scheduled to resume operations in early 2029. The restart is backed by a 25-year agreement for Google to buy electricity from the 615-megawatt plant.

Amazon.com Inc: Amazon said it will reduce its corporate workforce by about 14,000 roles. The company had about 1.56 million full-time and part-time employees at the end of last year. Amazon's corporate workforce includes roughly 350,000 employees. Reuters first reported on Monday that Amazon is planning to cut as many as 30,000 corporate jobs beginning on Tuesday, as the company pares expenses and compensates for over-hiring during the peak demand of the pandemic. Separately, U.S. Senator Bernie Sanders called on the company's founder Jeff Bezos to account for what the Vermont independent said were hundreds of thousands of potential lost jobs due to automation.

Arch Capital Group Ltd: Arch Capital's third-quarter profit rose 37% as strong underwriting softened the hit from elevated costs, the insurer said. Arch Capital posted underwriting income of \$871 million in the quarter, compared with \$538 billion a year earlier. Gross premiums written fell 0.6% to \$5.41 billion, while pre-tax net investment income grew 0.74% to \$408 million in the three months ended September 30. That helped offset costs from higher expenses on investigating and settling claims. Losses and loss adjustment expenses were \$1.16 billion, compared with \$1.08 billion a year earlier. Profit available to common shareholders was \$1.34 billion, or \$3.56 per share, for the quarter.

BioMarin Pharmaceutical Inc: BioMarin Pharmaceutical said it plans to divest its gene therapy, a product once expected to be a blockbuster treatment for a type of rare bleeding disorder. The company said it is exploring out-licensing options for the therapy, Roctavian, and will remove it from its portfolio. BioMarin will continue to make the therapy available in the U.S., Germany and Italy. BioMarin had initially projected Roctavian would bring in \$100 million to \$200 million in 2023, but later cut that forecast to \$50 million to \$100 million, and eventually to less than \$10 million.

Brown & Brown Inc: Insurance broker Brown & Brown posted a higher third-quarter adjusted profit, helped by stronger commissions and fees as demand continued to rise. Its commissions and fees jumped 34.2% to \$1.55 billion in the three months ended September 30. Brown & Brown's total revenue increased to \$1.61 billion in the reported quarter, from \$1.19 billion in the year earlier. The company's investment and other income rose to \$56 million in the quarter, versus \$31 million a year earlier.

Cadence Design Systems Inc: Cadence Design Systems forecast fourth-quarter profit just shy of market estimates, as Sino-U.S. trade tensions threaten to hurt demand for its chip design software from key market China. The company expects fourth-quarter revenue of between \$1.41 billion and \$1.44 billion, compared with analysts' average estimate of \$1.41 billion. It also raised its 2025 revenue forecast to a range of \$5.26 billion to \$5.29 billion, up from its earlier expectations of \$5.21 billion to \$5.27 billion. Cadence reported third-quarter revenue of \$1.34 billion, beating estimates of \$1.32 billion.

First Foundation Inc & FirstSun Capital Bancorp: FirstSun Capital Bancorp will buy First Foundation in an all-stock deal valued at \$785 million, the companies said, as mergers and acquisitions within regional banks accelerate amid credit concerns in the sector and macroeconomic uncertainties. First Foundation common and preferred stockholders will receive 0.16083 of a share of FirstSun.



Following the merger's closing, FirstSun stockholders will own 59.5% of the combined company. The merger, which is expected to close in the second quarter of 2026, will create a company with total assets of \$17 billion and total assets under management of \$6.8 billion. It will also help in FirstSun's expansion in the Southern California market.

Hartford Insurance Group Inc: Insurance firm The Hartford reported a 41% jump in third-quarter profit, driven by robust growth in insurance premiums. Hartford's property and casualty written premiums rose 7% in the quarter, driven by written premiums in its business insurance, which surged 9% to \$3.57 billion from a year earlier. Net income available to Hartford's common stockholders jumped to \$1.07 billion, or \$3.77 per share, in the three months ended September 30. Combined ratio at Hartford's business insurance arm was 88.8% in the quarter, compared with 92.2% last year. A ratio below 100% indicates an insurer earned more in premiums than it paid out in claims.

Nucor Corp: U.S. steelmaker Nucor reported better-than-expected profit for the third quarter, buoyed by higher product pricing and robust shipments. The company has benefited from a fall in steel imports into the U.S. after President Donald Trump imposed tariffs on the metal, leading to higher domestic buying. Total shipments from its steel mills jumped 12% from a year earlier to about 6.4 million tons. Nucor posted a profit of \$2.63 per share for the third quarter, compared with analysts' average estimate of \$2.19. Its revenue rose 14% to \$8.52 billion during the quarter ended October 4, also above expectations of \$8.16 billion.

Paramount Skydance Corp: Paramount Skydance will begin a major round of layoffs with about 1,000 job cuts, a source familiar with the matter told Reuters. The job cuts, which follow the \$8.4 billion merger between Skydance Media and Paramount Global, would impact roughly 5% of Paramount's employees based on its workforce prior to the completion of the deal. As of December 2024, Paramount had nearly 18,600 full- and part-time employees, and 3,500 project-based staff. The move comes after Reuters reported Warner Bros Discovery's board rejected a nearly \$60 billion offer from Paramount Skydance, with analysts still pinning the David Ellison-led firm as the bidder most likely to succeed.

UnitedHealth Group Inc: UnitedHealth raised its annual profit forecast after reporting better-than-expected quarterly earnings as the U.S. health insurer kept medical costs in check. The company had set a far lower profit forecast in July after suspending its prior outlook in May, which had sent its shares reeling. For the third quarter ended September 30, the company's medical loss ratio stood at 89.9%, which was in line with the company's expectations. Quarterly revenue at its Optum health services unit was flat year-over-year at \$25.9 billion. Revenue at Optum Rx rose 16% to \$39.7 billion, helped by higher prescription volumes from new clients and growth in existing clients.

United Parcel Service Inc: United Parcel Service forecast fourth-quarter revenue above Wall Street's estimates, banking on price increases to offset soft business-to-business demand in the U.S. The company projected revenue to be about \$24 billion. Analysts' on average were expecting quarterly revenue of \$23.8 billion. The world's largest parcel delivery firm reported adjusted net income of \$1.48 billion, or \$1.74 per share, for the three months ended September 30, compared with \$1.50 billion, or \$1.76 per share, a year earlier.

Evercore ISI Research

Company Updates

Microsoft Corporation (MSFT) (Outperform, TP:\$625.0)

Thoughts Into F1Q: Remain Constructive As Azure & AI Momentum Continues; Maintaining Outperform & \$625 PT

- Microsoft is poised for a strong F1Q showing with Azure and AI leading the charge. The company is expected to report results slightly above consensus, driven by AI-driven Azure growth and robust capex investments in AI infrastructure. Azure & AI Momentum:



- Azure's growth is projected to exceed management's guidance, with AI traction playing a pivotal role. AI contributions are significant, though capacity constraints might limit upside in the first half. Capex & Infrastructure: Capex growth is expected to remain healthy, reflecting the tight capacity for AI infrastructure. While growth might slow from FY25, the potential for increased capex to meet AI demand is high.
- Additional Key takes:
 - Commercial Cloud Growth: M365 Commercial Cloud growth is expected at 16%, with strong O365 and E5 adoption driving ARPU growth.
 - Operating Margins: Management's flat margin guidance for FY26 is seen as conservative, with potential for upward revisions as the year progresses.
 - Commercial Bookings: Strong bookings growth in F4Q suggests robust demand for cloud services, with a promising outlook for long-term opportunities.
- The upcoming earnings call will likely shed light on the OAI relationship, Copilot trends, and cloud adoption dynamics. Overall, the setup seems favorable for Microsoft's continued growth, especially with the strategic focus on AI and cloud.

Target Price Changes

F5, Inc. (FFIV) (In Line, TP: US\$280.00)

Ctrl+Alt+Recover – Post Breach Reset

- FFIV delivered a solid beat for the September quarter, surpassing expectations with revenues of \$810M and EPS of \$4.39, largely driven by a robust 42% growth in the Systems segment. However, the outlook for the December quarter and FY26 appears less promising due to challenges stemming from a recent security breach involving the Big-IP product.
- Quarterly Performance: FFIV's revenue growth of 8.5% year-over-year was impressive, with gross margins reaching 84.3%, up 138 bps from last year. The operating margins also expanded by 255 bps, reflecting effective cost management. Guidance Concerns: The guidance for FY26 was notably softer than expected, with projected sales growth of 0-4% and EPS around \$15.00, falling short of street expectations due to potential sales cycle delays post-breach.
- Additional Key takes:
 - Revenue Composition: Systems segment showed remarkable strength, up 42% y/y, while Software remained flat, and Services saw a modest increase of 2%.
 - Geographical Performance: APAC led the growth charge with a 19% increase y/y, while EMEA and Americas each grew by 7%.
 - Future Outlook: FFIV anticipates headwinds to be more pronounced in the first half of FY26, with Q1 revenues expected to decline by 2% y/y.
 - Market Dynamics: Despite the breach, FFIV remains optimistic about mid-single-digit revenue growth driven by secular trends like hybrid/multi-cloud demand, AI readiness, and SaaS growth.
- Investors are likely to adopt a cautious stance, waiting to see if FFIV can effectively navigate the breach's impact without broader revenue or EPS setbacks.

Other Comments

Rambus Inc (RMBS) 3Q25 EPS Meet/Beat. Buyers of Weakness - Reiterate OP

Confluent, Inc (CFLT) Solid F3Q Results & F4Q Guide Even With Large Customer Transition; PT To \$28

Teradyne Inc. (TER) TER Preview - Multiple Levers to Drive Upside Through 2026

Surface Transportation Tankers: Adding Geopolitical Volatility to an Already Bubbling Cauldron

Verizon Communications Inc. (VZ) Investor Perspectives on What Verizon Should Do & Our Thoughts Heading into the Print



- Principal Financial Group Inc. (PFG)** Strong Spec Benefits and Improved AM Flows
- Everest Group, Ltd. (EG)** Thoughts on 3Q25 Results, ADC and Renewal Rights Deal
- BioMarin Pharmaceutical Inc. (BMRN)** 3Q First Look: Mixed Overall...Vox Light w/ Competition Looming
- Agilent (A)** Names Adam Elinoff new CFO, effective Nov 17th
- Welltower Inc. (WELL)** Another Beat & Raise; Strategic Recycling Sharply Boost SHOP Exposure; LT Incentive Plan Highlights Confidence In FFO Growth
- NXP Semiconductors NV (NXPI)** 3Q25 EPS Flash: DecQ Outlook \$0.01 Better, Signs of Cyclical Recovery
- Confluent, Inc (CFLT)** First Look: Solid F3Q Results & F4Q Guidance Drive Shares Higher In After-Hours
- Amazon.com, Inc. (AMZN)** Q3 Preview: Will There Be An AWS Unlock?
- Airbnb, Inc. (ABNB)** Q3- What's the Latest & Greatest on Airbnb per AirDNA?
- Apple Inc (AAPL)** Sep-Qtr Preview & "Cheat Sheets" – UPSIDE AHEAD.
- United Parcel Service, Inc (UPS)** 3Q25 First Look: EPS Beat (though not as big as Headline) and 4Q Guide Upside to Drive Positive Reaction Today
- Advance Auto Parts, Inc (AAP)** 3Q Preview: Fundamentals and Balance Sheet in Focus
- Hartford Financial Services Group Inc. (HIG)** 3Q25 Results: Solid Topline and Headline EPS Beat Offset by Underlying Margin Miss
- BioMarin Pharmaceutical Inc. (BMRN)** 3Q Snapshot: Guidance Update Reinforces Valuation Disconnect, But Probably Still Need to Get Past Competitive Noise

S&P500 Index Earnings Calendar

Figure 1: S&P500 Index Earnings Calendar

DATE	COMPANY NAME	RIC	TIME	MEAN ESTIMATE
28-Oct	A O Smith Corp	AOS.N	BMO	0.91
28-Oct	American Tower Corp	AMT.N	7:00	1.64
28-Oct	Booking Holdings Inc	BKNG.OQ	AMC	95.30
28-Oct	BXP Inc	BXP.N	AMC	1.72
28-Oct	Carrier Global Corp	CARR.N	BMO	0.57
28-Oct	Corning Inc	GLW.N	BMO	0.66
28-Oct	CoStar Group Inc	CSGP.OQ	AMC	0.18
28-Oct	DR Horton Inc	DHI.N	BMO	3.28
28-Oct	Ecolab Inc	ECL.N	BMO	2.07
28-Oct	Edison International	EIX.N	AMC	2.17
28-Oct	Equity Residential	EQR.N	AMC	1.01
28-Oct	Expand Energy Corp	EXE.OQ	AMC	0.99
28-Oct	Hess Corp	HES.N	BMO	
28-Oct	Hubbell Inc	HUBB.N	BMO	4.98
28-Oct	Incyte Corp	INCY.OQ	7:00	1.66
28-Oct	Invesco Ltd	IVZ.N	BMO	0.46
28-Oct	IQVIA Holdings Inc	IQV.N	BMO	2.97
28-Oct	Labcorp Holdings Inc	LH.N	BMO	4.13
28-Oct	Mondelez International Inc	MDLZ.OQ	16:05	0.72
28-Oct	MSCI Inc	MSCI.N	BMO	4.37
28-Oct	Nextera Energy Inc	NEE.N	BMO	1.04
28-Oct	ONEOK Inc	OKE.N	AMC	1.45
28-Oct	PayPal Holdings Inc	PYPL.OQ	BMO	1.20
28-Oct	PPG Industries Inc	PPG.N	AMC	2.09



28-Oct	Regency Centers Corp	REG.OQ	AMC	1.15
28-Oct	Regeneron Pharmaceuticals Inc	REGN.OQ	BMO	9.59
28-Oct	Royal Caribbean Cruises Ltd	RCL.N	BMO	5.67
28-Oct	Seagate Technology Holdings PLC	STX.OQ	AMC	2.37
28-Oct	Sherwin-Williams Co	SHW.N	BMO	3.44
28-Oct	Sysco Corp	SYN.N	BMO	1.12
28-Oct	Teradyne Inc	TER.OQ	AMC	0.79
28-Oct	United Parcel Service Inc	UPS.N	BMO	1.31
28-Oct	UnitedHealth Group Inc	UNH.N	BMO	2.82
28-Oct	Veralto Corp	VLTO.N	AMC	0.95
28-Oct	Visa Inc	V.N	AMC	2.97
28-Oct	Xylem Inc	XYL.N	6:55	1.23
28-Oct	Zebra Technologies Corp	ZBRA.OQ	BMO	3.75

Source: LSEG

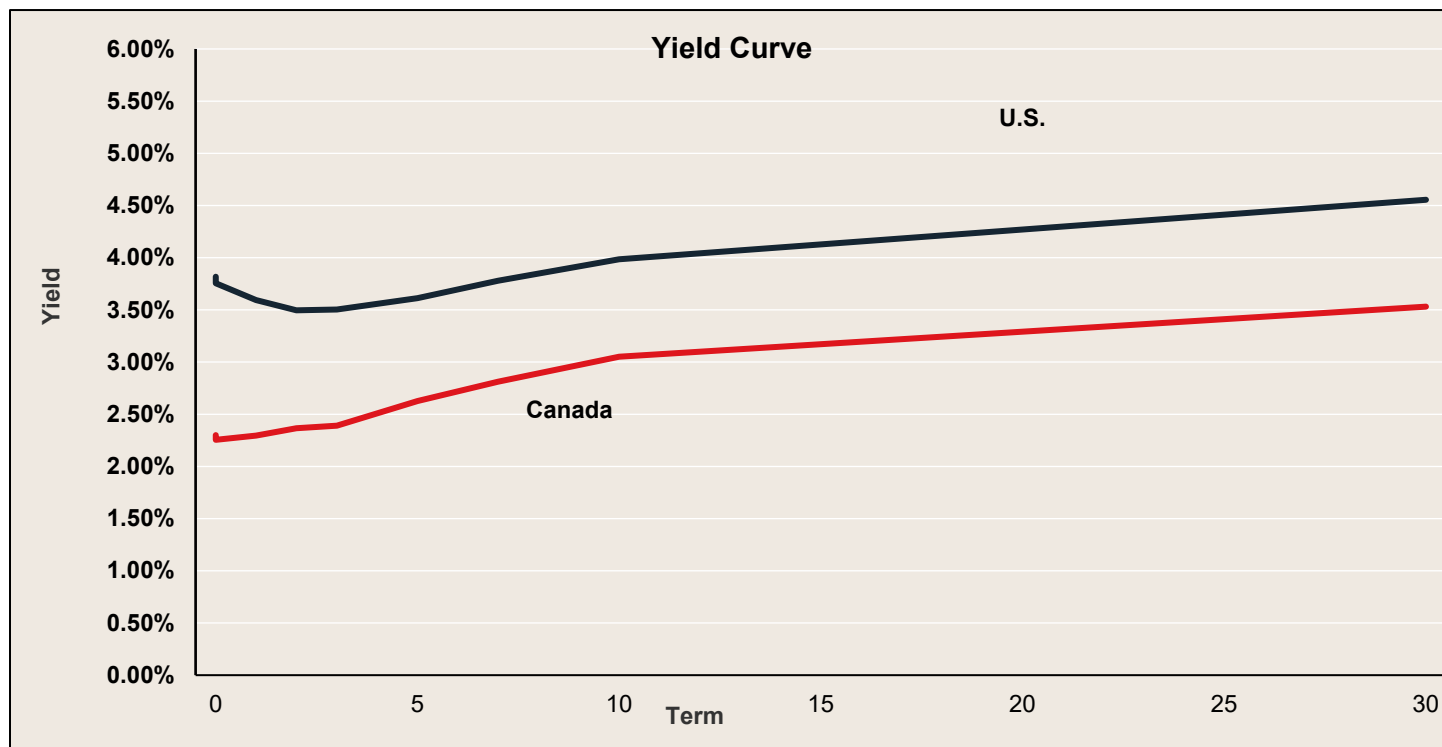


Figure 1: Key Interest Rates (Canada & U.S.)

Canadian Key Rate	Last	Change bps	Canadian Key Rate	Last	Change bps
CDA o/n	2.50%	0.0	CDA 5 year	2.63%	-0.2
CDA Prime	4.70%	0.0	CDA 10 year	3.05%	0.1
CDA 3 month T-Bill	2.24%	-0.5	CDA 20 year	3.43%	0.0
CDA 6 month T-Bill	2.26%	0.9	CDA 30 year	3.53%	0.0
CDA 1 Year	2.30%	-0.5			
CDA 2 year	2.36%	0.5			
US Key Rate	Last	Change bps	US Key Rate	Last	Change bps
US FED Funds	4-4.25%	0.0	US 5 year	3.61%	-0.5
US Prime	7.25%	0.0	US 10 year	3.99%	-1.0
US 3 month T-Bill	3.73%	0.0	US 30 year	4.56%	-1.4
US 6 month T-Bill	3.75%	1.0	5YR Sovereign CDS	39.72	
US 1 Year	3.59%	-0.3	10YR Sovereign CDS	49.35	
US 2 year	3.50%	0.1			
Preferred Shares Indicators			Last	Daily %	YTD
S&P Preferred Share Index			686.47	0.03%	8.03%
BMO Laddered Preferred Shares (ETF)			12.07	0.25%	10.23%

Source: LSEG

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



Source: LSEG



NBC Economics & Strategy

Market View - [Financial] Asset Assessment

Canada has the lowest general government net debt-to-GDP ratio in G7. Sound familiar? It should. Even if only tangentially interested in Canada, you've likely seen or heard such a proclamation, most likely originating from the federal government in Ottawa.

As a seemingly core element of the national 'sales pitch', the feds rarely miss an opportunity to play up Canada's international debt edge. Indeed, every single federal budget in the last 20 years has included an explicit reference (often multiple references) to a G7-leading net debt burden. Most recently, in Budget 2024, there was not one but six mentions of the country's debt advantage, those claims complemented by favourable imagery.

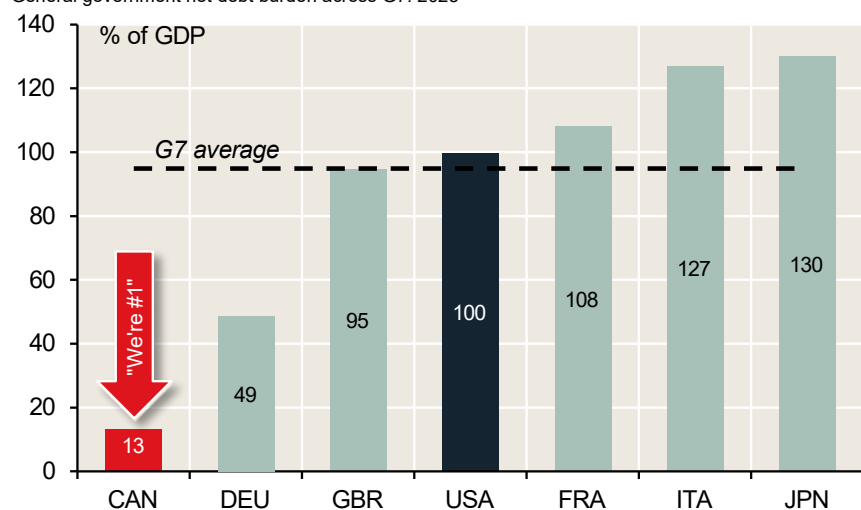
We suspect the November 4th federal budget will extend the streak. After all, just look at the number of times Liberal MPs have recently stood in the House of Commons to drill home the 'lowest debt ratio in G7' narrative. We get it, if the government is potentially sensitive to the size of its deficit, one way to defuse anxiety is to play up the apparent fiscal headroom and/or balance sheet edge that Canada enjoys. As a soundbite, 'lowest debt burden in the G7' is compelling stuff.

Conveniently, the IMF's October issue of the World Economic Outlook once again placed Canada in the most enviable net debt position vs. G7 peers.

While factually accurate, Canada's claim to the lowest debt burden in the G7 is somewhat complicated/nuanced—now more than ever...

Figure 1: Lowest general government net debt burden in G7

General government net debt burden across G7: 2025



Source: NBC, IMF (WEO) | Note: CAN includes federal outlook from Dec-24 FES

[Click for the full report](#)

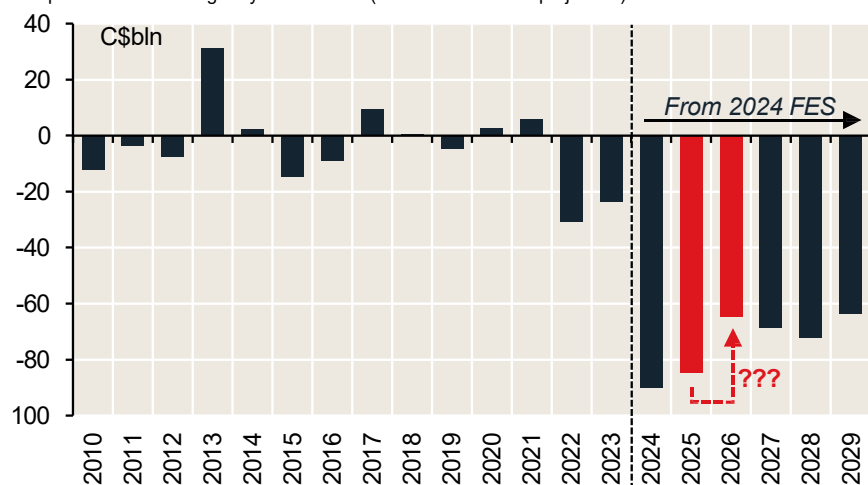
Market View - Federal budget preview: Brace for (borrowing) impact

As we discussed, there's a lot of uncertainty about the size of this year's federal deficit. On the other hand, '25-26 bond issuance is largely known thanks to the Debt Management Strategy published in July. The DMS is likely to be updated as part of the budget but the planned \$316 billion of bond issuance shouldn't change much (with marginal spending financed with T-bills). While this will technically be the 2026-27 budget, we're not sure we'll get the 2026-27 issuance plan. Here, we aim to estimate that. the lanned \$316 billion of bond issuance shouldn't change much (with marginal spending financed with T-bills). While this will technically be the 2026-27 budget, we're not sure we'll get the 2026-27 issuance plan. Here, we aim to estimate that.



Figure 2: Non-budgetary transactions an issuance wildcard

Perspective on non-budgetary transactions (actual and FES '24 projection)



Source: NBC, GoC | Note: X-axis is fiscal year start (e.g., 2024 label is 2024-25 fiscal year)

[Click for the full report](#)

Evercore ISI Research

Equity and Derivatives Strategy

A Busy Week for Earnings & Geopolitics Gets Off to a Fast Start: Earnings EDGE Daily - Oct 28, 2025

Key Point: U.S.-China talks in Kuala Lumpur, led by Treasury Secretary Scott Bessent, produced a framework easing tensions via a tariff pause, delayed rare-earth curbs, renewed agricultural purchases, and a U.S.-controlled TikTok structure — setting the stage for a critical Trump-Xi summit in Busan on October 30. Though it restores stability and has lifted equities globally, the deal sidesteps Taiwan frictions, structural trade imbalances, and Chinese investment barriers, highlighting its tactical limits and the potential for additional volatility in the days ahead. Bessent's five Fed Chair finalists — Hassett, Waller, Warsh, Rieder, and Bowman — herald Powell's departure from the helm in May 2026, paving the way for Trump's vision of a more dovish policy stance, lighter regulation, and tighter Treasury-Fed coordination. The bubble in precious metals continued to deflate with gold spot (\$/oz) testing \$4,000.

In the Spotlight: QCOM (In Line, Lipacis) shares rose ~12% after announcing it's entering the AI data center market with its AI200 and AI250 chips, built using its phone-proven Hexagon NPU and featuring far more low-power memory than NVDA's (O/P, Lipacis) GPUs. It's targeting cost-focused cloud giants and large-scale projects, offering a flexible, lower-cost alternative to NVDA by focusing on efficient AI inference. Reuters reports AMZN (Outperform, Mahaney) is cutting up to 10,000 corporate jobs, representing 10% of its corporate staff, 2% overall, to trim pandemic-era bloat.

On Deck: 37 S&P 500 companies (4.5% market cap) report today, among them UNH (Not Rated), NEE (O/P, Amicucci), DHI (In Line, Kim), V (In Line, Frisch), and BKNG (O/P, Mahaney).

Season Stats: 161 S&P 500 companies have reported. Reported Sales growth has been +7.8% and Earnings +15.2% — surprising by +2.3% and +7.8% — putting overall Sales growth on pace for +6.8% and Earnings for +9.1%. Extrapolating EVR ISI expected +5.3% surprises to the balance of companies reporting suggests Earnings +13.0%. The average stock price rose +0.4% post-results. Companies beating on both the top and bottom line are higher by +1.2% on average vs. +0.8% 5Yr average, and "Double Misses" are higher by +1.5% vs. -3.2% average.



Figure 3: Midas' Retreat as Truce Calms Geopolitical Fervour



Source: Bloomberg, Evercore ISI Research

Global Policy & Politics | Political Analysis

Will the Trump Administration Playing Hardball on SNAP Become a Shutdown Pain Point that Could Break the Logjam?

As the shutdown enters its fourth week, there are several near term issues that will make it more painful in November: the SNAP funding lapse on November 1, future military paydays (which Sec. Bessent said could be addressed through the end of October but not beyond, ACA health care premium increases in open enrollment, exhaustion of previously transferred funds for the Women Infants Children (WIC) program, and airport delays resulting from TSA and air traffic control understaffing.

We don't see any movement on the shutdown while Trump is overseas this week, but think it's likely the shutdown ends before Thanksgiving as the pain points will force one side to cave.

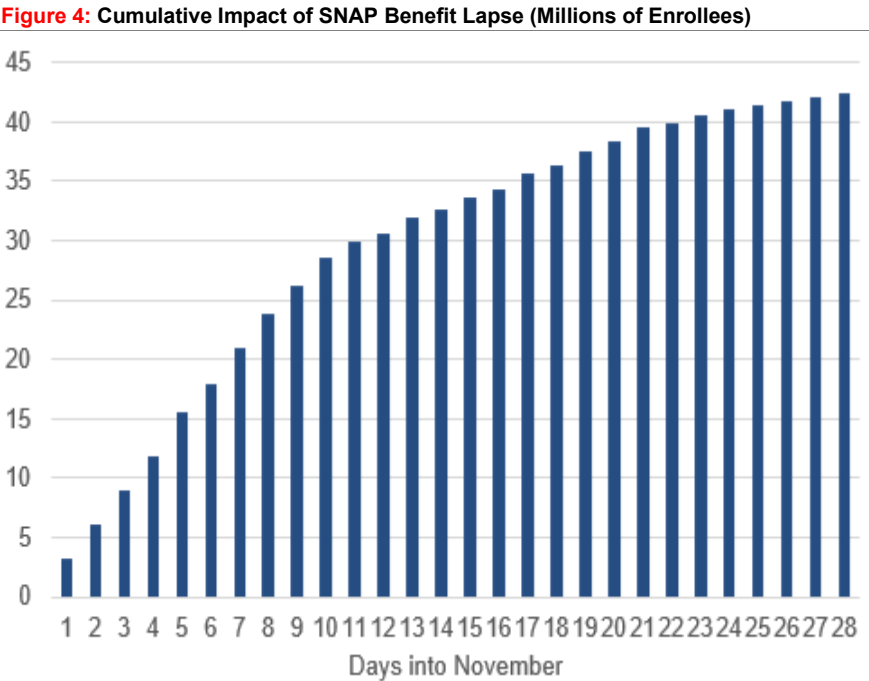
At this point, based on the precedent from the 34-day shutdown in 2018-19, economic activity could likely be largely made up within Q4, assuming back pay is once again provided to federal workers. However, if the shutdown continues past the 34-day mark and well into mid-November, we will be in uncharted territory from an economic impact standpoint.

In this piece, we deep dive into the most significant, near-term pain point – the upcoming lapse in SNAP benefits that could affect up to 42 million Americans by the end of November. Impacts will begin on Nov 1 when 33 states start to pay their SNAP benefits. We estimate on Nov 1 around 3 million SNAP enrollees would not receive benefits rising to 16 million by Nov 5.

The Administration stated it does not have the legal authority to pay SNAP benefits in November given Congress has not appropriated funding. Prior to the shutdown, the Administration implied it had planned to use multi-year contingency funding to fund a portion of SNAP benefits in the event of a government shutdown.

Given the Administration's budget creativity to date, it's possible the Administration could find a way to fund SNAP out of other appropriations (as they did on military pay) or transfer funds under an arcane Agriculture department authority (as they did for WIC).

If they don't, Democrats will cry foul because the Administration moved appropriations on other issues, but at the end of the day, the Democrats might not be able to stomach the implication of low-income families and children going hungry.



Source: State SNAP Factsheets, Evercore ISI Analysis



Relative gold stock chart highlights

B2Gold Corp/Gold (BTO/XAU=)



- Gold stocks outperformed gold for all of 2025 until the beginning of October when the Gold Bugs/Gold ratio started to turn down.
- BTO and CG are highlighted as gold stocks while under-performing gold is holding in relatively well.
- OR, FNV, and WDO are highlighted as gold stocks with weak relative performance to gold.
- The BTO/Gold chart broke out of a base in August and had a strong rally and has not given back much of its gains so far.

Centerra Gold Inc./Gold (CG/XAU=)



- The CG/Gold chart broke out in August and had a strong move up.
- A pullback bottomed on October 21st and has not made a new low despite weaker gold prices.

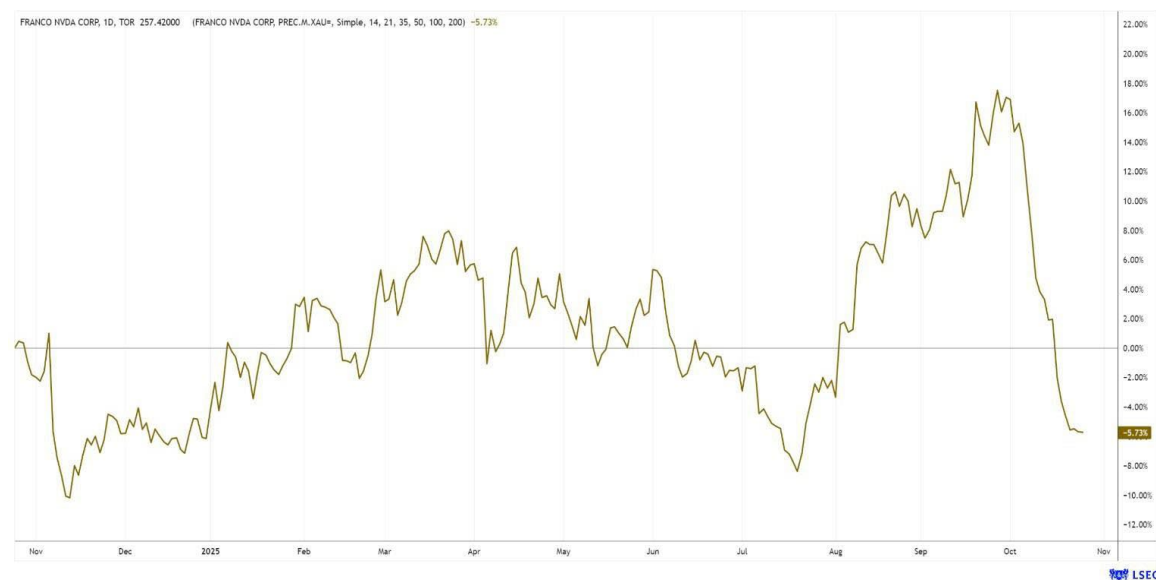


OR Royalties Inc./Gold (OR/XAU=)



- OR had strong relative performance to gold since March and has given a lot back over the past three weeks.
- The OR/Gold chart has broken its rising trend line from March.

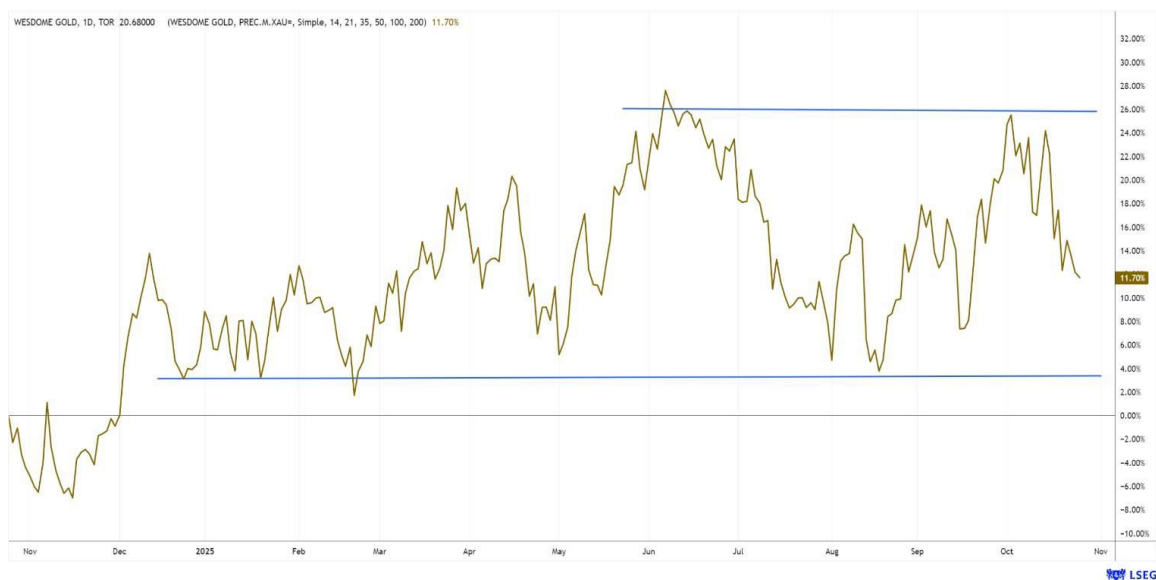
Franco-Nevada Corporation (FNV/XAU=)



- The FNV/Gold chart rallied strongly from July to October, and the recent weakness in gold resulted in FNV giving back most of its gains since July.
- Perhaps the weak relative performance of royalty gold stocks to gold is signaling further weakness in gold prices.



Wesdome Gold Mines Ltd. (WDO/XAU=)



- The WDO/Gold chart did not make a new high during the recent rally in gold but fell quickly as gold corrected.
- Weak relative performance on the way up is translating to weaker relative performance to gold in a weak gold market.

Chart Source: LSEG Priced as of October 27, 2025



First Edition Calls

This Week on TEAMS:

MONDAY: Research Services - [8:30 am English call](#) / [9h00 appel français](#)

TUESDAY: Alexandra Ducharme, NBCM Economist - [8:30 am English call](#) / [9h00 appel français](#)

WEDNESDAY: Dennis Mark, NBCM Technical Analyst - [8:30 am English call](#) / [9h00 appel français](#)

THURSDAY: TBA - [8:30 am English call](#) / [9h00 appel français](#)

FRIDAY: TBA – [8:30 am English call](#) / [9h00 appel français](#)

A replay is available in the Event Calendar of [Research Services SharePoint](#)

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Research Services

Philippe Heymans

Samantha Barrett, CFA, MBA

Eric Beaudette

Alex Kastanis, CFA



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