

Equities

- TSX futures higher ahead of Tuesday trading. Canadian equities finished higher on Monday, not far off best levels. Broad gains across all sectors. Today's notable performers include tech, consumer discretionary, real estate, and industrials. Energy, staples, materials, and financial the moderate gainers, while communication services, utilities, and health care also advance.
- S&P futures up 1.4% in Tuesday morning trading. Comes after US equities sold off last week with the Dow, S&P and Nasdaq all down near 2.5% and the R2K off almost 3.5%. Big tech, energy, apparel, chemicals, builders and banks among the notable laggards.
- Asian markets mixed overnight with Japan, Australia, Hong Kong, and Singapore higher while mainland China, South Korea and Taiwan ended lower.
- European markets higher, up ~0.5%.
- **PDD Holdings Inc. (PDD-US)** missed with company flagging macro pressure on sales and margins.
- **AutoZone (AZO-US)** takeaways mixed with comps better but margins worse.
- Reuters reported **NVIDIA Corp. (NVDA-US)** will launch new Blackwell AI chip for China, with mass production to start as early as June.
- NY Times discussed how **Apple Inc. (AAPL-US)** CEO Cook has drawn Trump's ire.
- **Tesla (TSLA-US)** CEO Musk said returning 24/7 to his companies, while the EV maker's European sales roughly halved in April, falling for a fourth straight month.
- **Boeing Company (BA-US)** reached deal with DOJ to avoid prosecution related to two fatal 737 MAX crashes.
- **General Motors Company (GM-US)** pushing ahead on EVs despite adoption hesitancy in US.
- **Bank of Nova Scotia (BNS-CA)** reported lower than expected Q2 EPS of C\$1.52 ex-items vs FactSet C\$1.55, revenue miss of C\$9.08B vs FactSet C\$9.09B, and a higher provision for credit losses C\$1.40B vs StreetAccount C\$1.22B.
- **Loblaw Companies Limited (L-CA)** nears the end of bread price-fixing saga after Ontario judge agrees on \$500M settlement.
- **Franco-Nevada (FNV-CA)** announced it has entered into an agreement to acquire an existing royalty package on the Côté Gold Mine in Ontario from a private third party for total cash consideration of \$1,050M.

Economic

- OECD issued outlook for Canada, predicting no recession but flat growth in 2025.
- PM Carney says weak productivity makes life unaffordable, pledges economic transformation.
- US April headline durable goods down 6.3% m/m though less than expected 8.2% decline.
- US core capital goods orders down larger than expected 1.3%, lowest since Sep-22, while core capital goods shipments down 0.1% m/m.

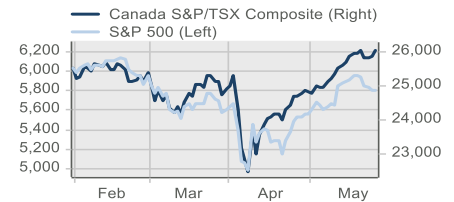
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Please read domestic and foreign disclosure/risk information in Appendix A.

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TSX / S&P 500 Chart



EQUITY	Last	1 Day %	YTD %
S&P/TSX	26,073	0.75	5.44
S&P 500	5,803	-0.67	-1.34
DJIA	41,603	-0.61	-2.21
NASDAQ	18,737	-1.00	-2.97
Euro STOXX 50	5,415	0.36	10.60
Japan	37,724	1.52	-5.44
Hong Kong	23,382	0.43	16.56
Emg Mkts (ETF)	46.23	0.41	10.55

FIXED INCOME

S&P/TSX Pref	640.0	0.52	3.06
Canada Broad Mkt	95.9	0.24	0.17

Blended

60/40 Port. - Equities / FI.*	0.12	1.30
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COMMODITY

Gold (US\$/oz)	\$3,292.60	-2.19	24.66
Silver (US\$/oz)	\$33.04	-1.68	13.01
Copper (US\$/lb)	\$4.78	-1.16	18.73
Oil (US\$/bbl)	\$61.05	-0.83	-14.92
N. Gas (US\$/MMBtu)	\$3.74	0.35	20.66

CURRENCY

Can (CAD/USD)	\$0.73	-0.23	4.50
Euro (EUR/USD)	\$1.14	0.00	9.75
Yen (USD/JPY)	¥144.07	1.05	-8.36

MM RATES

	O/N	Prime
Canada	2.75	4.95
U.S.	4.50	7.50

CENTRAL BANKS

	Nxt
Bank of Canada	04-Jun
U.S. Fed. Reserve	18-Jun

Source: FactSet, Raymond James Ltd.

*Blend of TSX, S&P 500, and Canada Broad Mkt FI

Commodities

- WTI is down 0.8% and Brent is down 0.6%. Crude is slightly lower Tuesday morning after ending yesterday little-changed. Oil is being supported by easing trade tensions after Trump delayed 50% tariff deadline on EU by just over a month to 9-Jul. S&P futures are sharply higher on the news, though upside to oil is being limited by uncertainty around OPEC+ production policy. Russian Deputy Prime Minister Novak said yesterday that OPEC+ had yet to discuss hiking output.

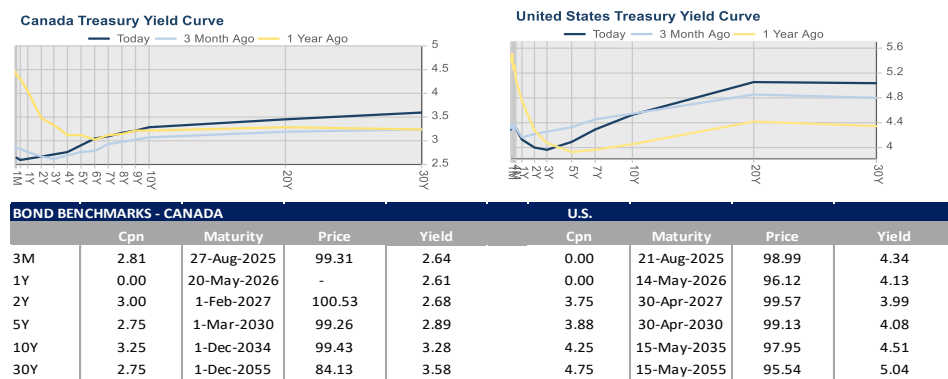
Foreign Exchange

- USD/CAD trading near 1.3763. Loonie lower against USD with greenback stronger against most majors. Analyst noted unusual negative correlation with US stocks continues. Softer data could be offset by higher core inflation measures with the BoC expected to hold rates unchanged at next rate policy meeting.

In the Press

- [King Charles to deliver throne speech today, starting new session of Parliament \(CBC\)](#)
- [OECD predicts Canadian economy will avoid recession, but will see flat growth in 2025 \(FP\)](#)
- [EU agrees to accelerate trade talks with US following Trump's extension of tariff deadline \(Reuters\)](#)

YIELD CURVES



Today's Economic Calendar

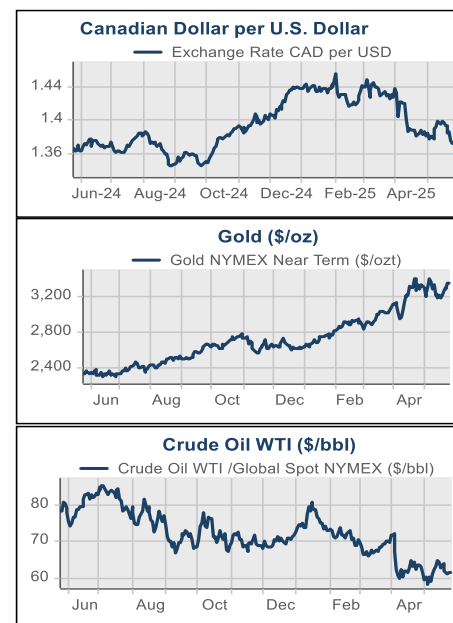
Time (ET)	Country/Region	Event	Period	Actual	Consensus
08:30	United States	Durable Orders SA M/M (Preliminary)	APR	-6.3%	-8.1%
09:00	United States	FHFA Home Price Index	MAR	-	-
09:00	United States	S&P/Case-Shiller comp.20 HPI M/M	MAR	-	0.25%
09:00	United States	S&P/Case-Shiller comp.20 HPI Y/Y	MAR	-	-
10:00	United States	Consumer Confidence	MAY	-	88.0
10:30	United States	Dallas Fed Index	MAY	-	-30.0

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Source: FactSet

Sector Performance	1 Day %	YTD %
TSX		
Energy	0.69	0.29
Materials	0.50	25.28
Industrials	1.01	5.03
Consumer Discretionary	1.03	7.64
Consumer Staples	0.62	3.73
Health Care	0.29	-17.08
Financials	0.49	4.29
Information Technology	1.93	-0.62
Communication Services	0.05	-1.91
Utilities	0.41	6.98
Real Estate	1.07	-2.39
S&P 500		
Energy	0.28	-5.02
Materials	-0.10	1.99
Industrials	-0.40	6.67
Consumer Discretionary	-0.91	-7.78
Consumer Staples	0.31	5.58
Health Care	-0.22	-5.53
Financials	-0.39	3.32
Information Technology	-1.33	-4.11
Communication Services	-0.99	1.07
Utilities	1.16	6.50
Real Estate	0.04	-0.51

Source: FactSet



Appendix A

Ratings and Definitions

Raymond James Ltd. (Canada) definitions

Strong Buy (SB1) The stock is expected to appreciate and produce a total return of at least 15% and outperform the S&P/TSX Composite Index over the next six months. **Outperform (MO2)** The stock is expected to appreciate and outperform the S&P/TSX Composite Index over the next twelve months. **Market Perform (MP3)** The stock is expected to perform generally in line with the S&P/TSX Composite Index over the next twelve months and is potentially a source of funds for more highly rated securities. **Underperform (MU4)** The stock is expected to underperform the S&P/TSX Composite Index or its sector over the next six to twelve months and should be sold.

Raymond James & Associates (U.S.) definitions

Strong Buy (SB1) Expected to appreciate, produce a total return of at least 15%, and outperform the S&P 500 over the next six to 12 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, a total return of at least 15% is expected to be realized over the next 12 months. **Outperform (MO2)** Expected to appreciate and outperform the S&P 500 over the next 12-18 months. For higher yielding and more conservative equities, such as REITs and certain MLPs, an Outperform rating is used for securities where we are comfortable with the relative safety of the dividend and expect a total return modestly exceeding the dividend yield over the next 12-18 months. **Market Perform (MP3)** Expected to perform generally in line with the S&P 500 over the next 12 months. **Underperform (MU4)** Expected to underperform the S&P 500 or its sector over the next six to 12 months and should be sold. **Suspended (S)** The rating and price target have been suspended temporarily. This action may be due to market events that made coverage impracticable, or to comply with applicable regulations or firm policies in certain circumstances, including when Raymond James may be providing investment banking services to the company. The previous rating and price target are no longer in effect for this security and should not be relied upon.

Suitability Categories (SR)

Total Return (TR) Lower risk equities possessing dividend yields above that of the S&P 500 and greater stability of principal. **Growth (G)** Low to average risk equities with sound financials, more consistent earnings growth, possibly a small dividend, and the potential for long-term price appreciation. **Aggressive Growth (AG)** Medium or higher risk equities of companies in fast growing and competitive industries, with less predictable earnings and acceptable, but possibly more leveraged balance sheets. **High Risk (HR)** Companies with less predictable earnings (or losses), rapidly changing market dynamics, financial and competitive issues, higher price volatility (beta), and risk of principal. **Venture Risk (VR)** Companies with a short or unprofitable operating history, limited or less predictable revenues, very high risk associated with success, and a substantial risk of principal.

For stocks rated by Raymond James & Associates suitability ratings are not assigned to stocks rated Underperform (Sell) and projected 12-month price targets are assigned only to stocks rated Strong Buy or Outperform.

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