

U.S. EQUITY FUTURES	LAST	CHANGE	%CHG	COMMODITIES/ FX		LAST	CHANGE
Dow Jones MINI futures	34,182.00	53.00	0.16%	CRUDE OIL WTI		\$80.62	-\$0.21
S&P500 MINI futures	4,198.00	21.25	0.51%	NATURAL GAS		\$2.27	-\$0.01
NASDAQ MINI futures	13,295.00	108.50	0.82%	GOLD		\$2,002.49	\$7.72
CANADA EQUITY MARKET	LAST	CHANGE	%CHG	COPPER		\$4.07	-\$0.01
S&P/TSX 60 futures	1,252.40	4.90	0.39%	CAD / USD		\$0.7474	\$0.0009
OVERSEAS MARKETS	LAST	CHANGE	%CHG	CAD / EUR		€ 0.6813	-€ 0.0019
DJ EURO STOXX 50	4,402.66	35.05	0.80%	USD / EUR		€ 0.9116	-€ 0.0035
FTSE 100 INDEX	7,894.18	14.67	0.19%	USD / JPY		¥134.09	-¥0.37
DAX GERMANY	15,898.75	109.22	0.69%	GOVERNMENT BONDS	2YR	5YR	10YR
CAC 40 Index	7,548.94	50.76	0.68%	CANADA (YLD%)	3.88%	3.26%	3.08%
NIKKEI 225 INDEX	28,658.83	144.05	0.51%	U.S. (YLD%)	4.19%	3.69%	3.59%
HANG SENG INDEX	20,650.51	-131.94	-0.63%	Source: Refinitiv			
SHANGHAI COMPOSITE INDEX	3,393.33	7.72	0.23%				

## Morning News

Stock futures rose as Bank of America and Johnson & Johnson reported upbeat earnings suggesting many companies are faring better than feared amid a tough economic backdrop, while prospects of more Federal Reserve interest rate hikes capped gains. Investor expectations were buoyed by strong results from big banks including JPMorgan Chase last week in the backdrop of the recent banking turmoil sparked by the collapse of some mid-sized U.S. lenders. Analysts have marginally brightened their outlook for first-quarter results. They expect quarterly profits at S&P 500 companies to decline 4.8% from the year-ago period, compared with a 5.2% decline forecast at the start of the earnings season. The CBOE Volatility index also known as Wall Street's fear gauge, slipped to 16.78, its lowest since January 2022. Mixed economic data recently has supported bets the Fed will hike interest rates by 25 basis points in May and hit pause before cutting rates in the second half of the year. Richmond Fed President Thomas Barkin said he wants to see more evidence that U.S. inflation is easing back to the central bank's goal of two per cent. New York state manufacturing activity unexpectedly expanded in April for the first time in five months as new orders and shipments snapped back. Oil edged higher as data showed China's economic recovery was on track following the end of Covid Zero, boosting the demand outlook. Canada's annual inflation rate fell to 4.3% in March, largely on the base year effect, as higher mortgage interest offset lower energy prices, Statistics Canada said on Tuesday. Analysts polled by Reuters had expected the annual rate to fall to 4.3% in March from February.

China and Hong Kong shares were mixed on Tuesday and traded in a narrow range, as the country reported higher-than-expected first-quarter growth but some data pointed towards uneven recovery trends. China's economy grew at a faster-than-expected pace in the first quarter, as the end of strict COVID curbs lifted businesses and consumers out of crippling pandemic disruptions, although headwinds from a global slowdown point to a bumpy ride ahead. Gross domestic product grew 4.5% year-on-year in the first three months of the year, data from the National Bureau of Statistics (NBS) showed on Tuesday, faster than the 2.9% in the previous quarter. It beat analyst forecasts for a 4.0% expansion and marked the strongest growth in a year.

European shares rose on Tuesday, as investors awaited more U.S. bank earnings to gauge the health of the sector, while China's stronger-than-expected economic recovery boosted sentiment. German investor sentiment unexpectedly fell in April as financial markets see more restrictive credit conditions in the coming months, the ZEW economic research institute said on Tuesday. The institute's economic sentiment index dropped to 4.1 from 13.0 in March.

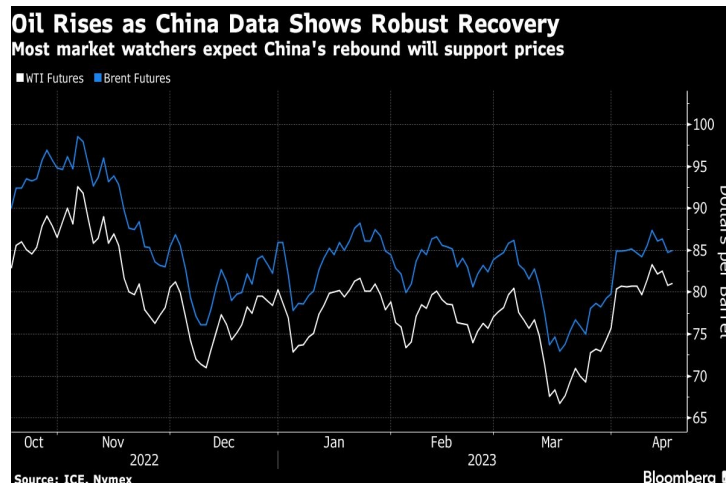
## U.S Economic Calendar

Time	Indicator Name	Period	Reuters Poll	Actual	Surprise	Prior	Revised
08:30	Building Permits: Number	Mar	1.450M	1.413M	-0.0370M	1.550M	
08:30	Build Permits: Change MM	Mar		-8.8%		15.8%	
08:30	Housing Starts Number	Mar	1.400M	1.420M	0.0200M	1.450M	1.432M
08:30	House Starts MM: Change	Mar		-0.8%		9.8%	7.3%
08:55	Redbook YY	15 Apr, w/e				1.5%	

## Canadian Economic Calendar

Time	Indicator Name	Period	Reuters Poll	Actual	Surprise	Prior	Revised
08:30	CPI Inflation MM	Mar	0.5%	0.5%	0.00%	0.4%	
08:30	CPI Inflation YY	Mar	4.3%	4.3%	0.00%	5.2%	
08:30	CPI BoC Core YY	Mar	4.4%	4.3%	-0.10%	4.7%	
08:30	CPI BoC Core MM	Mar		0.6%		0.5%	
08:30	CPI MM SA	Mar		0.1%		0.1%	
08:30	Core CPI MM SA	Mar		0.3%		0.3%	
08:30	Retail Sales Ex-Autos MM	Feb	-0.1%			0.9%	

## Chart of the day



### Morning news

**B2Gold Corp:** The Canadian gold miner has started the phased closure of its Otjikoto open-pit mine in Namibia because of its depleted gold resource, the company said. "B2Gold Namibia has commenced with the implementation of its Phased Mine Closure Plan at the Otjikoto mine. Phased downscaling of operations, in line with the closure plan, are only scheduled to commence during the first quarter of 2024," it said in response to Reuters questions. The company said it was consulting workers likely to be affected by the closure. It did not say how many of the 942 permanent employees would be affected, saying job cuts would be determined by the ramp-down schedule.

**Bellus Health Inc:** GSK plans to buy Canada-based drug developer Bellus in an all-cash deal for \$2 billion as the British drugmaker expands its bet on respiratory therapies. At the heart of the deal is the experimental drug, camlipixant, which is in late-stage development for refractory chronic cough (RCC). GSK's offer of \$14.75 per share is more than double Bellus' closing price of \$7.26 on the Nasdaq on Monday. The Bellus deal expands GSK's existing respiratory portfolio, including Nucala and Trelegy, which generated more than a combined 3 billion pounds last year.

**Loblaw Companies Ltd:** Loblaw Companies Ltd. is hiring veteran European retail executive Per Bank as its next president and chief executive. The parent company of the Loblaws grocery chain and Shoppers Drug Mart says Bank, the chief executive of Denmark's Salling Group A/S, will join the company by early 2024. Salling Group operates department stores, supermarkets and discount stores. The hiring of Bank comes as Loblaw chief operating officer Robert Sawyer plans to retire at the end of the year. Galen Weston has been serving as president of Loblaw since 2021 when Sarah Davis retired from the job. He will remain chair of the Loblaw board, as well as chair and chief executive of George Weston Ltd., the retailer's parent company.

### NBF Research

#### RATING AND TARGET PRICE CHANGES

**Base Metal Producer Preview - Q1 Base Metal Preview & Metal Price Update**  
**Oil, Gas & Consumable Fuels - Q1/23 Preview & Commodity Deck Update**  
**Precious Metals - 1Q23 Earnings Preview & Metal Price Update**  
**Real Estate - Q1 2023 Preview: A pair of upgrades and optimism on residential asset classes**  
**Dream Office REIT - Upgrading to Outperform (Was SP): Portfolio optionality hard to ignore at...; Target: C\$16 (Was C\$18.50)**  
**First Capital REIT - Upgrading to Outperform (Was SP): progress on dispositions and an opportunistic entry point**  
**TFI International Inc. - Expecting volume softness in Q1/23, but underlying thesis unchanged; Target: C\$173 (Was C\$171)**

#### DAILY BULLETIN HIGHLIGHTS

**Base Metal Producer Preview: Q1 Base Metal Preview & Metal Price Update**

**Event:** We have updated operating assumptions and provide Q1/23 EBITDA, EPS and CFPS estimates compared to Consensus ahead of financial reporting for our coverage universe.

**Key Takeaways:** Near-term operating results have taken a back seat to recent M&A activity throughout the sector, a theme we anticipate will continue given favourable long-term fundamentals for copper prices. Despite some softer operational results anticipated in Q1, we don't anticipate any material guidance revisions and see improving operational performance throughout the year. Our estimates for Q1/23 are higher than Consensus for ERO and lower for CS, FM and HBM. Top picks remain TECK/B and CS given the more favourable near-term growth objectives for each name.

**Oil, Gas & Consumable Fuels: Q1/23 Preview & Commodity Deck Update**

**Event:** This note highlights our sector thoughts as we head into Q1/23 reporting season, which kicked off today with PrairieSky.

**Key Takeaways:** Commodity prices remained volatile during the quarter in the face of ongoing macro stress (i.e., tightening monetary policy, bank failures, etc.), resulting in downward pressure on benchmarks and E&P equities through the quarter. Despite the slower-than-expected start to the year and an expectation for continued macro-driven price volatility, we reiterate our view of a structurally supportive outlook that is further underpinned by business models which are sensitized and positioned to withstand sustained price shocks. As such, we continue to believe the volatility in equity prices provides an opportunistic window to buy quality companies at an attractive value. Some opportunities possess top-tier assets (including depth of

# Top News

## Canadian Stocks

inventory) to support organic profitable growth and return of capital initiatives, all the while trading at ~3.0-4.0x EV/DACF and FCF yields in the range of 10-15%.

### Precious Metals: 1Q23 Earnings Preview & Metal Price Update

**Event:** We present a snapshot for the upcoming 1Q23 reporting period with Figures 3 and 4 summarizing key estimates and commentary for each company. We've also updated our models with a revised price deck.

**Key Takeaways:** We revised our metals prices and FX rate assumptions, using April 12 close prices for 2Q23-4Q24. Our LT gold and silver prices remain unchanged at US\$1,600/oz and US\$20.00/oz respectively. For concentrate producers, provisional pricing adjustments are generally expected to be a net positive this quarter, with a majority of the metal prices ending higher Q/Q. Several producers have guided to a back-half-weighted production year, and thus we could see several producers report production figures below 25% of the mid-point of 2023 guidance. At the time of writing, we have conviction in Dundee, First Majestic, Kinross, K92 Mining, and SSR Mining missing Bloomberg consensus Adj EPS estimates, while we expect Wesdome to beat. Details behind our conviction calls are laid out later in this report.

## OTHER COMMENTS

Weekly Canadian Financial Services

Weekly E&P Talking Points: WTI, CPI, EIA, NYMEX

Weekly Energy Infrastructure Review: T-minus two months to HDRD start-up...

Weekly Property Tour

## RESEARCH FLASHES

**Algonquin Power & Utilities Corp.** - American Electric Power and AQN mutually agree to terminate Kentucky Power...

**MTY Food Group Inc.** - Company Marketing: Solid execution on the menu

**PrairieSky Royalty Ltd.** - Q1/23 First Look (Outlook Impact: Mixed)

**Sigma Lithium Corporation** - Grota do Cirilo Achieves Initial Production

## MORNING HIGHLIGHTS

**ALGONQUIN POWER & UTILITIES CORP.:** With the KP deal gone, now the real work begins

**AQN (NYSE; TSX)** US\$8.50; C\$11.37

**Event:** We are providing an update after the termination of the KP deal.

**Target:** US\$10.00

(Unchanged)

**Stock Rating:** Sector Perform

(Unchanged)

**Est. Total Return:** 22.8%

**Key Takeaways:** AQN and AEP announced they have mutually agreed to terminate the long-awaited Kentucky Power deal, with no break fees to AQN (previously expected \$65 mln in penalties). This helps lift pressure on the timing of AQN's \$1 bln asset recycling plans. With the move, the company reiterated its previously given adj. EPS guidance of \$0.55-0.61/sh and \$1 bln in organic capex spend for FY'23E. We have made updates to our forecasts, bringing down adj. EBITDA and interest per share estimates and leaving our adj. EPS estimates unchanged at \$0.60/sh. AQN could use its excess capital to pay down debt, accelerate organic growth or invest in M&A. AQN could see headwinds from higher taxes, interest rates and lower tax credits, which could be offset by investments. Our unchanged target and rating is based on a long-term DCF with a 7.5% discount rate and \$0.75/sh for growth.

## MORNING COMMENTS

**Algonquin Power & Utilities Corp.** - With the KP deal gone, now the real work begins

## MORNING FLASHES

**Lion Electric Co. (The)** - LEV ramps vehicle production and packs from new battery plant

### Canadian stocks ratings and target changes across the street

Abrasilver Resource Corp ABRA.V: National Bank of Canada raises target price to C\$0.60 from C\$0.55  
Advantage Energy Ltd AAV.TO: National Bank of Canada cuts target price to C\$12 from C\$15  
Agnico Eagle Mines Ltd AEM.TO: National Bank of Canada raises target to C\$95 from C\$76  
Alamos Gold Inc AGI.TO: National Bank of Canada raises target to C\$21.50 from C\$18.25  
Algonquin Power & Utilities Corp AQN.N: CIBC cuts to neutral from outperform; cuts target to US\$10 from US\$17  
Algonquin Power & Utilities Corp AQN.TO: JP Morgan raises target price to C\$12 from C\$11  
Algonquin Power & Utilities Corp AQN.N: Scotiabank raises target price to US\$9.25 from C\$9  
Allied Properties REIT AP\_u.TO: National Bank of Canada cuts target price to C\$27.25 from C\$32.25  
American Hotel Income Properties REIT LP HOT\_u.TO: National Bank of Canada cuts target price to C\$2.75 from C\$3  
ARC Resources Ltd ARX.TO: National Bank of Canada cuts target price to C\$18.50 from C\$20  
Aris Mining Corp ARIS.TO: National Bank of Canada raises target price to C\$7 from C\$6.50  
Artemis Gold Inc ARTG.V: National Bank of Canada raises target price to C\$10.50 from C\$8  
Artis REIT AX\_u.TO: National Bank of Canada cuts target price to C\$8 from C\$9  
Aura Minerals Inc ORA.TO: National Bank of Canada raises target price to C\$16 from C\$15  
Aya Gold & Silver Inc AYA.TO: National Bank of Canada raises target to C\$13.75 from C\$12.5  
B2Gold Corp BTO.TO: National Bank of Canada raises target price to C\$7.25 from C\$6.50  
Barrick Gold Corp ABX.TO: National Bank of Canada raises target price to C\$32 from C\$28  
Bellus Health Inc BLU.O: Evercore ISI cuts to in-line from outperform; cuts target price to US\$14.75 from US\$24  
Birchcliff Energy Ltd BIR.TO: National Bank of Canada cuts target price to C\$10 from C\$11  
Boardwalk REIT BEI\_u.TO: National Bank of Canada raises target price to C\$74 from C\$68  
Brookfield Asset Management Ltd BAM.N: KBW cuts to underperform from market perform; cuts target to US\$34 from US\$36  
Brookfield Corp BN.N: KBW cuts target price to US\$45 from US\$47  
BSR REIT HOMu.TO: National Bank of Canada cuts target price to US\$16 from US\$16.50  
BTB REIT BTB\_u.TO: National Bank of Canada cuts target price to C\$3.85 from C\$4.15  
Canadian Natural Resources Ltd CNQ.TO: National Bank of Canada raises target price to C\$110 from C\$100  
Canadian Pacific Railway Ltd CP.N: Stifel cuts target price to US\$75 from US\$79  
Capreit CAR\_u.TO: National Bank of Canada raises target price to C\$59 from C\$56  
Capstone Copper Corp CS.TO: National Bank of Canada raises target to C\$7.75 from C\$7.25  
Capstone Copper Corp CS.TO: RBC raises target price to C\$8 from C\$6  
Capstone Copper Corp CS.TO: Scotiabank cuts target price to C\$8.75 from C\$9  
Cenovus Energy Inc CVE.TO: National Bank of Canada cuts target price to C\$38 from C\$39  
Centerra Gold Inc CG.TO: National Bank of Canada raises target price to C\$13 from C\$12.50  
Copper Mountain Mining CMMC.TO: National Bank of Canada cuts target price to C\$2.65 from C\$2.73  
Copper Mountain Mining CMMC.TO: Scotiabank cuts to sector perform from sector outperform  
Crescent Point Energy Corp CPG.TO: National Bank of Canada raises target price to C\$18 from C\$16  
Crew Energy Inc CR.TO: National Bank of Canada cuts target price to C\$5 from C\$6.50  
Dream Industrial REIT DIR\_u.TO: National Bank of Canada raises target to C\$18 from C\$17  
Dream Office REIT D\_u.TO: National Bank of Canada cuts target price to C\$16 from C\$18.50  
Dream Office REIT D\_u.TO: National Bank of Canada raises to outperform from sector perform  
Dundee Precious Metals Inc DPM.TO: National Bank of Canada ups target price to C\$13.50 from C\$12.50  
Eldorado Gold Corp ELD.TO: National Bank of Canada raises target to C\$17.50 from C\$16.50  
Endeavour Mining Plc EDV.TO: National Bank of Canada raises target price to C\$52 from C\$47  
Equinox Gold Corp EQX.TO: National Bank of Canada raises target price to C\$9 from C\$7.25  
Ero Copper Corp ERO.TO: National Bank of Canada raises target to C\$25.50 from C\$24.50  
Filo Mining Corp FIL.TO: RBC raises target price to C\$24 from C\$23  
First Capital REIT FCR\_u.TO: National Bank of Canada raises to outperform from sector perform  
First Quantum Minerals Ltd FM.TO: Jefferies raises target price to C\$40 from C\$39  
First Quantum Minerals Ltd FM.TO: National Bank of Canada raises target price to C\$38 from C\$36  
First Quantum Minerals Ltd FM.TO: RBC raises target price to C\$42 from C\$32  
First Quantum Minerals Ltd FM.TO: Scotiabank raises target price to C\$41 from C\$40  
Foran Mining Corp FOM.V: National Bank of Canada raises target to C\$4.75 from C\$3.75  
Foran Mining Corp FOM.V: Scotiabank raises target price to C\$4.25 from C\$4  
Fortuna Silver Mines Inc FVI.TO: National Bank of Canada raises target to C\$7 from C\$6



# Top News

## Canadian Stocks

Franco-Nevada Corp FNV.TO: National Bank of Canada raises target to C\$210 from C\$200  
Franco-Nevada Corp FNV.N: Raymond James raises target price to US\$163 from US\$157  
Freehold Royalties Ltd FRU.TO: National Bank of Canada cuts target price to C\$19 from C\$20  
G Mining Ventures Corp GMIN.V: National Bank of Canada raises target to C\$2 from C\$1.65  
Granite REIT GRT\_u.TO: National Bank of Canada raises target price to C\$98 from C\$93  
Hudbay Minerals Inc HBM.TO: National Bank of Canada raises target to C\$9.25 from C\$8  
Hudbay Minerals Inc HBM.TO: Scotiabank raises target price to C\$11 from C\$10  
IAMGOLD Corp IMG.TO: National Bank of Canada raises target price to C\$5 from C\$4  
Imperial Oil Ltd IMO.TO: National Bank of Canada raises target price to C\$88 from C\$85  
Inovalis REIT INO\_u.TO: National Bank of Canada cuts target price to C\$3.75 from C\$4.25  
Kelt Exploration Ltd KEL.TO: National Bank of Canada cuts target price to C\$7 from C\$7.50  
Kinross Gold Corp K.TO: National Bank of Canada raises target price to C\$9.75 from C\$8  
Lundin Gold Inc LUG.TO: National Bank of Canada raises target price to C\$21 from C\$17.50  
Lundin Mining Corp LUN.TO: National Bank of Canada raises target to C\$10.50 from C\$8.75  
Lundin Mining Corp LUN.TO: RBC raises target price to C\$11 from C\$9  
Mag Silver Corp MAG.TO: National Bank of Canada cuts target price to C\$24.50 from C\$26  
Marathon Gold Corp MOZ.TO: National Bank of Canada raises target to C\$1.75 from C\$1.30  
New Gold Inc NGD.TO: National Bank of Canada raises target price to C\$2.25 from C\$1.75  
Newmont Corp NGT.TO: National Bank of Canada raises target price to C\$91 from C\$86  
Nexus Industrial REIT NXR\_u.TO: National Bank of Canada raises target price to C\$11.25 from C\$11  
Novagold Resources Inc NG.TO: National Bank of Canada cuts target price to C\$10.75 from C\$11  
Nuvista Energy Ltd NVA.TO: National Bank of Canada cuts target price to C\$14.25 from C\$16  
O3 Mining Inc OIII.V: National Bank of Canada raises target price to C\$3 from C\$2.25  
Obsidian Energy Ltd OBE.TO: RBC initiates coverage with outperform rating; target price C\$13  
Oceanagold Corp OGC.TO: National Bank of Canada raises target price to C\$4.25 from C\$3.75  
Osisko Development Corp ODV.V: National Bank of Canada raises target price to C\$11.25 from C\$8.5  
Osisko Gold Royalties Ltd OR.TO: National Bank of Canada raises target to C\$27 from C\$23  
Osisko Mining Inc OSK.TO: National Bank of Canada raises target price to C\$6 from C\$4  
Pan American Silver Corp PAAS.TO: National Bank of Canada raises target price to C\$34.50 from C\$32  
Paramount Resources Ltd POU.TO: National Bank of Canada raises target price to C\$40 from C\$37.50  
Pipestone Energy Corp POPE.TO: National Bank of Canada cuts target price to C\$3.50 from C\$4  
Prairiesky Royalty Ltd PSK.TO: CIBC cuts target price to C\$26.50 from C\$27  
Royal Gold Inc RGLD.O: National Bank of Canada raises target price to US\$165 from US\$155  
Sandstorm Gold Ltd SSL.TO: National Bank of Canada raises target to C\$9.25 from C\$8  
Slate Office REIT SOT\_u.TO: National Bank of Canada cuts target price to C\$2.50 from C\$2.75  
Sigma Lithium Corp SGML.V: Canaccord Genuity raises to buy from speculative buy; raises target price to C\$67 from C\$65  
Solaris Resources Inc SLS.TO: National Bank of Canada cuts target to C\$11.25 from C\$12.5  
Suncor Energy Inc SU.TO: National Bank of Canada raises target price to C\$60 from C\$57  
Surge Energy Inc SGY.TO: National Bank of Canada cuts target price to C\$12 from C\$13  
TC Energy Corp TRP.TO: Barclays raises target price to C\$52 from C\$51  
Teck Resources Ltd TECKb.TO: National Bank of Canada raises target to C\$72.50 from C\$70  
TFI International Inc TFII.TO: National Bank of Canada raises target to C\$173 from C\$171  
Torex Gold Resources Inc TXG.TO: National Bank of Canada raises target price to C\$26 from C\$22  
Toronto-Dominion Bank TD.TO: CIBC raises to outperform from neutral; cuts target price to C\$97 from C\$100  
Tourmaline Oil Corp TOU.TO: National Bank of Canada cuts target price to C\$80 from C\$90  
Triple Flag Precious Metals TFPM.TO: National Bank of Canada ups target price to C\$25 from C\$22  
Triple Flag Precious Metals TFPM.TO: Raymond James raises target price to C\$23 from C\$22  
True North Commercial REIT TNT\_u.TO: National Bank of Canada cuts target price to C\$2.50 from C\$2.75  
Vermilion Energy Inc VET.TO: National Bank of Canada cuts target price to C\$26 from C\$29  
Waste Connections Inc WCN.N: Oppenheimer raises target price to US\$152 from US\$148  
Wesdome Gold Mines Ltd WDO.TO: National Bank of Canada raises target to C\$11 from C\$8.75  
West Fraser Timber Co Ltd WFG.N: Credit Suisse cuts target price to US\$92.50 from US\$97  
Wheaton Precious Metals Corp WPM.TO: National Bank of Canada ups target price to C\$72.5 from C\$65  
Whitecap Resources Inc WCP.TO: National Bank of Canada raises target price to C\$16.50 from C\$15.50

# Top News

## Canadian Stocks

### S&P/TSX Earnings Calendar

No major S&P/TSX companies are scheduled to report for the day.

Source: Refinitiv

### Morning news

**Amazon.com Inc & iRobot Corp:** Britain's competition regulator said it has launched a "Phase 1" probe into Amazon's planned \$1.7 billion acquisition of iRobot Corp, which makes the Roomba vacuum cleaner. The Competition and Markets Authority (CMA) said it had until June 16 to make its decision on whether the deal will reduce competition in the UK. Separately, British American Tobacco and Amazon are under investigation in Italy over what regulators say is potentially misleading advertising for the Glo Hyper X2 tobacco heater, the Italian Competition Authority said.

**Bank of America Corp:** The company's profit rose in the first quarter as it earned more from customers' interest payments while the Federal Reserve raised borrowing costs. Deposits at BofA fell 2% to \$1.05 trillion in the first quarter, compared with the fourth quarter. Bank of America's net interest income, which reflects how much money the bank makes from charging interest to customers, rose 25% to \$14.4 billion in the quarter. The company's net income applicable to common shareholders rose to \$7.66 billion, or 94 cents per share, for the three months ended March 31, the second-largest U.S. lender reported. That compares with \$6.6 billion, or 80 cents per share, a year earlier.

**BlackRock Inc:** The asset manager is launching a months-long process on Tuesday to help the Federal Deposit Insurance Corp offload \$114 billion of assets it picked up recently from failed banks, Bloomberg News reported on Monday, citing emails. Earlier this month, the Federal Deposit Insurance Corp (FDIC) retained BlackRock's unit to sell the securities portfolios it kept in receivership after the collapse of Signature Bank and Silicon Valley Bank. BlackRock's financial markets advisory unit will conduct sales of the two portfolios with face values of nearly \$27 billion and \$8 billion, according to FDIC's website. It also plans to hold auctions of other securitized pools of assets including residential mortgage-backed securities that aren't backed by government agencies, as well as collateralized mortgage obligations, according to a separate note seen by Bloomberg.

**Johnson & Johnson:** Johnson & Johnson raised its 2023 profit forecast, banking on its newer cancer treatments and multiple myeloma drug Darzalex to soften the blow from declining sales for some of its older medications. The company, however, swung to a loss of 3 cents per share due to a one-time charge related to the second bankruptcy filing for its talc liabilities. J&J had earlier said it would take a charge of \$6.9 billion related to the bankruptcy. On an adjusted basis, the drugmaker posted first-quarter earnings of \$2.68 per share, beating estimates of \$2.50, helped by strong sales across its businesses, including medical devices and consumer health. The healthcare conglomerate now expects to earn between \$10.60 and \$10.70 per share on an adjusted basis this year, compared with its prior forecast of between \$10.45 and \$10.65. Analysts were expecting a profit of \$10.51 per share. Separately, a J&J subsidiary is again asking a U.S. judge to pause tens of thousands of lawsuits alleging that the company's baby powder and other talc products cause cancer, as it takes another shot at resolving the litigation in bankruptcy after a federal appeals court found its first attempt improper.

**J.B. Hunt Transport Services Inc:** The company reported lower-than-expected quarterly earnings on Monday, hurt by weak shipping demand, high driver wages and maintenance expenses. Lowell, Arkansas-based J.B. Hunt managed to cut its operating expenses by roughly 6% to \$2.95 billion in the first quarter. The company reported a profit of \$1.89 per share for the quarter through March, compared with analysts' average estimate of \$2 per share. Its revenue also declined 7.4% to \$3.23 billion, short of analysts' average estimate of \$3.40 billion.

**Coinbase Global Inc:** The U.S. and Britain should make their rules for the crypto industry much clearer to prevent firms from developing in "offshore havens", the chief of U.S. crypto exchange Coinbase Global, Brian Armstrong, said. The failure last year of the Bahamas-based FTX exchange has highlighted the importance of major economies developing clear crypto regulations, Armstrong said at a conference held by the Innovate Finance industry body.

**Fox Corp:** The courtroom showdown in the \$1.6 billion defamation lawsuit by Dominion Voting Systems against Fox Corp and Fox News is set to get underway on Tuesday, with jury selection due to be completed and opening statements delivered in a trial putting one of the world's leading media properties in the crosshairs. After a one-day delay ordered by Delaware Superior Court Judge Eric Davis, selection of the jury is set to resume at 9 a.m. EDT (1300 GMT) in Wilmington. That process is expected to go quickly, setting the stage for lawyers representing the two sides to make opening statements to the 12-member panel. Adding to the drama is the fact that 92-year-old media mogul Rupert Murdoch, who serves as Fox Corp chairman, is due to testify during the trial, along with a procession of Fox executives such as CEO Suzanne Scott and on-air hosts including Tucker Carlson, Sean Hannity and Jeanine Pirro.

# Top News

## U.S. Stocks

### S&P500 Earnings Calendar

Company	Symbol	Time	Consensus EPS Estimate
Bank of America Corp	BAC.N	BMO	0.82
Bank of New York Mellon Corp	BK.N	BMO	1.12
Globe Life Inc	GL.N	NTS	2.47
Goldman Sachs Group Inc	GS.N	07:30	8.24
Intuitive Surgical Inc	ISRG.OQ	AMC	1.20
Johnson & Johnson	JNJ.N	BMO	2.50
Kinder Morgan Inc	KMI.N	NTS	0.29
Marketaxess Holdings Inc	MKTX.OQ	BMO	1.91
Netflix Inc	NFLX.OQ	16:00	2.85

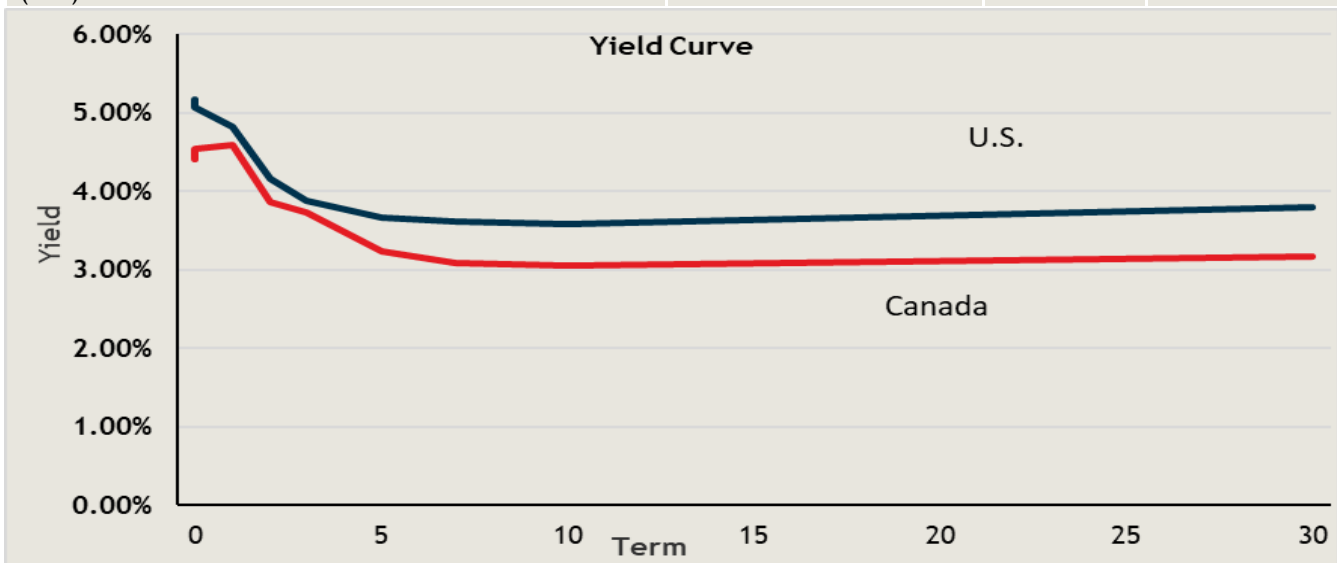
Source: Refinitiv



# Top News

## Fixed Income

Canadian Key Rate	Last	Change bps		Last	Change bps
CDA o/n	4.50%	0.00	CDA 5 year	3.24%	-3.8
CDA Prime	6.70%	0.00	CDA 10 year	3.06%	-3.8
CDA 3 month T-Bill	4.43%	0.0	CDA 20 year	3.26%	-1.7
CDA 6 month T-Bill	4.55%	0.0	CDA 30 year	3.18%	0.0
CDA 1 Year	4.60%	0.0	5YR Sovereign CDS	39.48	
CDA 2 year	3.87%	-3.4	10YR Sovereign CDS	40.17	
US Key Rate	Last	Change bps		Last	Change bps
US FED Funds	4.75-5.00%	0.25	US 5 year	3.68%	-1.8
US Prime	8.00%	0.25	US 10 year	3.58%	-1.2
US 3 month T-Bill	5.04%	6.9	US 30 year	3.79%	-0.9
US 6 month T-Bill	5.07%	0.0	5YR Sovereign CDS	46.65	
US 1 Year	4.83%	-1.9	10YR Sovereign CDS	42.63	
US 2 year	4.17%	-1.7			
Preferred Shares Indicators			Last	Daily %	YTD
S&P Preferred Share Index			548.30	0.28%	0.72%
BMO Laddered Preferred Shares (ETF)			9.03	-0.11%	-0.11%



Source: Refinitiv

### Weekly U.S. Recession Dashboard - April 14, 2023

Given the growing fears of a recession in the U.S., we provide on a weekly basis our tracking table for recession indicators. The table below shows the current reading and recent momentum of several indicators compared to the ones observed three months before the eight previous recessions. Red indicates that the current reading is worse than any historical episodes while green is better. Both yellow and orange are in the historical range, the former indicating a better situation compared to the median while the latter shows the opposite.

Over the last week, inflation data from the United States showed ongoing moderation in price increases. The equity market positively reacted to this news and the overall signal sent by financial indicators improved. In other news, the optimism of SNEs fell slightly further but the overall signal from soft data indicators improved thanks to higher consumer sentiment than a month ago. The week ahead is expected to be quiet in terms of economic data, but will be highlighted by a number of earnings releases.

#### U.S.: Economic and financial indicators 3 months before recessions

As of April 14, 2023

As of April 14, 2023			Value 3 months before U.S. Recessions									
	Last reading	Prior reading*										
			2020	2007-09	2001	1990-91	1981-82	1980	1973-75	1970	Median	
Financial/commodity	S&P 500 (% drawdown from past year max)	-7.3%	-8.8%	-1.3%	-0.4%	-13.6%	-7.7%	-5.6%	-7.8%	-13.3%	-14.6%	-7.7%
	BBB spread (increase from past year min, bps)	30.3	34.3	2.0	46.2	133.8	6.0	0.0	41.0	43.0	23.0	32.0
	Copper price (% drawdown from past year max)	-12.3%	-14.7%	10.6%	2.7%	9.5%	12.0%	16.2%	1.2%	0.0%	1.1%	5.9%
	Oil price (% drawdown from past year max)	-32.4%	-33.9%	-16.0%	-1.0%	-31.0%	-21.0%	-4.0%	0.0%	0.0%	0.0%	-4.0%
	U.S. Dollar (% increase from past year min)	2.1%	2.9%	3.1%	0.0%	5.3%	8.3%	12.5%	4.5%	1.4%	NA	4.5%
	Yield curve (10 year minus 3 month, bps)	-158.0	-157.8	75.7	77.3	75.8	97.9	67.0	177.0	157.0	35.0	18.1
Soft data	Consumer sentiment (Michigan)	63.5	62.0	99.3	80.9	94.7	90.6	76.3	63.3	72.0	86.4	83.7
	SME optimism	90.1	90.9	102.7	96.1	96.4	99.4	97.4	93.3	NA	NA	96.9
	CEO confidence (quarterly data)	43.0	32.0	43.0	44.0	31.0	48.0	61.0	32.0	NA	NA	43.5
	ISM/manufacturing	46.3	47.7	47.9	52.8	42.3	49.5	58.5	48.0	63.5	54.6	51.2
	ISM/services	51.2	55.1	55.7	53.5	52	NA	NA	NA	NA	NA	53.5
Hard data	UI Claims 4-week ave. (% increase from past year min)	26.0%	24.8%	6%	8%	26%	6%	2%	20%	12%	10%	9%
	Temp. help services jobs (% drawdown from past year max)	-3.0%	-3.7%	0.0%	-3.2%	-4.3%	NA	NA	NA	NA	NA	-3.2%
	Average hours worked (% drawdown from past year max)	-0.6%	-0.6%	-0.9%	-0.3%	-0.6%	-0.9%	-0.3%	-0.6%	-0.5%	-0.8%	-0.6%
	Building permits (% drawdown from past year max)	-18.9%	-28.7%	-5%	-27%	-2%	-30%	-21%	-30%	-30%	-19%	-24%
	Real consumption (3-month, % ann)	4.7%	3.4%	1.3%	2.4%	2.3%	1.8%	-0.1%	0.7%	4.1%	6.4%	2.1%

\*Previous Friday for financial data, previous month for hard and soft data (quarter for CEO confidence)

NBD Economics and Strategy (data via Refinitiv, Bloomberg)

# Top News

## Technical Analysis

### A firmer US dollar and weaker oil

**DXY - 102.095**



- Recent weakness in the US dollar index is again finding support around 101.00.
- Buying support came into play on DXY in January around 101.00 as well to stem the tide after correcting from 114.00.
- The testing of the lows is proving successful.
- Expect a challenge of initial important resistance around 106.00 with a successful breakout extending its recovery from its correction from the highs.
- Renewed US dollar strength will have negative implications for commodities.

**WTI - US\$80.83**



- A failed breakout on WTI indicates weaker oil prices ahead.
- The breakout through chart resistance at US\$82.00 had limited follow-through as prices turned back at its 200-day.
- Weaker prices took the chart back below US\$82.00 again with sellers now in control.
- A filling of the gap will take WTI prices back to the mid US\$70's.

# Top News

## Technical Analysis

### Enerplus Corporation (ERF:TSX) - \$20.37



- The ERF chart broke a six-month top as it traded below support at \$21.50.
- This break coincided with the chart breaking below its 200-day as well as a rising trendline.
- A big increase in volume on the break further confirms the weakness.
- The recent rebound on contracting volume lacks conviction as the stock continues to under-perform WTI.
- Its 50-day is just crossing below its 200-day as momentum turns down.
- Prices are hitting resistance around \$21.00 offering a favorable exit point.
- Target is \$15.00 to \$16.00.

### Precision Drilling Corporation (PD:TSX) - \$67.30



- PD is a particularly weak chart as the stock is rolling over from its rising trend of the past couple of years.
- A big volume downturn is finding support at \$65.00.
- Strong downside momentum is putting the \$65.00 support at risk.
- Weak relative performance to WTI and the S&P/TSX suggests lower prices forthcoming.
- Breaking \$65.00 points to a target of \$45.00.

# Top News

## Technical Analysis

### PD/S&P/TSX



- Weak relative performance is leading PD lower.
- The relative performance chart has already broken a top and trending lower ahead of prices.

Chart source: Refinitiv



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