TOP NEWS

• Trump expected to sign order paving way for U.S. telecoms ban on Huawei
  President Donald Trump is expected to sign an executive order this week barring U.S. companies from using telecommunications equipment made by firms posing a national security risk, paving the way for a ban on doing business with China's Huawei, three U.S. officials familiar with the plan told Reuters.

• Facebook restricts Live feature, citing New Zealand shooting
  Facebook said on Tuesday it was tightening rules around its livestreaming feature ahead of a meeting of world leaders aimed at curbing online violence in the aftermath of a massacre in New Zealand.

• Australia's St Barbara snaps up Canada's Atlantic Gold for $536 million
  Australian gold miner St Barbara said it will buy smaller Canadian peer Atlantic Gold for $536 million, marking a second overseas acquisition for cashed-up Australian producers.

• Restaurant Brands aims for 40,000 outlets globally in 8-10 years
  Restaurant Brands said it plans to expand the global presence of all three of its brands to more than 40,000 restaurants, from the current 26,000, over the next decade.

• Billionaire Schwartz's money, approach may be right move for Canada's WestJet Airlines
  Billionaire Gerry Schwartz's $2.6 billion bid for WestJet Airlines is a bet his private equity firm's deep pockets and patience will help the Canadian carrier weather challenges and build a more formidable competitor against market leader Air Canada, industry analysts and executives said on Tuesday.

BEFORE THE BELL

Futures for Canada's main stock index were little changed ahead of April inflation data. U.S. stock futures were down, after weak Chinese economic data increased fears over declining global growth. European shares slipped on concerns over Italy's fiscal situation, while Asian shares ended up. Trade war fears continued to weigh on the euro. Oil prices fell after data showed a rise in U.S. crude inventories, while gold prices rose.

STOCKS TO WATCH

Results

• Aurora Cannabis Inc (ACB). Cannabis producer Aurora Cannabis on Tuesday reported a surge in quarterly revenue, boosted by increased demand following the legalization of recreational cannabis in Canada. Aurora said marijuana sales in its third quarter ended March 31 rose to 9,160 kg from 6,999 kg in the second quarter. The Edmonton, Alberta-based company's gross revenue rose to C$75.2 million from C$62 million in the second quarter.

Deals Of The Day

• Atlantic Gold Corp (AGB). Australian gold miner St Barbara said it will buy smaller Canadian peer Atlantic Gold for $536 million, marking a second overseas acquisition for cashed-up Australian producers. "Buying an unknown asset in a new country which itself potentially requires a fresh injection of capital... could present an additional barrier for some investors," said RBC Capital in a report.
  Atlantic Gold, whose flagship project is the Moose River mine in Nova Scotia, said the offer delivered an attractive premium to shareholders. Directors and officers of Atlantic who control 32 percent of shares had agreed to back the bid.

In Other News

• Restaurant Brands International Inc (QSR). The owner of Burger King, Tim Hortons and Popeyes Louisiana Kitchen said it plans to expand the global presence of all three of its brands to more than 40,000 restaurants, from the current 26,000, over the next decade. The company is aiming to boost its businesses by deploying various initiatives that range from app-based ordering to loyalty programs for its customers. Restaurant Brands, which is scheduled to hold its investor day later in the day, expects its coffee, burger and chicken markets to grow between 5% and 6% per year over the next 5 years.

• WestJet Airlines Ltd (WJA). Billionaire Gerry Schwartz's $2.6 billion bid for WestJet Airlines is a bet his private equity firm's deep pockets and patience will help the Canadian carrier weather challenges and build a more formidable competitor against market leader Air Canada, industry analysts and executives said on Tuesday. "WestJet is a rather unique opportunity in a market dominated by (Air Canada)," said a second industry source. "A well-run LLC will be very competitive." Canaccord Genuity analyst Scott Chan said he sees the WestJet bid as at least a five- to seven-year investment by Onex to grow the carrier, boost cash flow and earnings before it takes it public again.
ANALYSIS
No easy options for China as trade war, U.S. pressure bite
China is running out of options to hit back at the United States without hurting its own interests, as Washington intensifies pressure on Beijing to correct trade imbalances in a challenge to China’s state-led economic model.

ANALYSTS’ RECOMMENDATION
• DHX Media Ltd (DHX). CIBC cuts price target to C$2 from C$2.25 citing lower than expected growth of the company’s WildBrain assets.
• Royal Bank of Canada (RY). Canaccord Genuity cuts price target to C$105 from C$108 to reflect lower expectations for the company’s growth in the second quarter.
• WestJet Airlines Ltd (WJA). JP Morgan raises price target to C$31 from C$20 saying it expected Onex Corporation’s bid for the company to be approved by regulators.

ECONOMIC EVENTS (All timings in U.S. Eastern Time)
0830 CPI inflation mm for Apr: Expected 0.4%; Prior 0.7%
0830 CPI inflation yy for Apr: Expected 2.0%; Prior 1.9%
0830 CPI BoC core yy for Apr: Prior 1.6%
0830 CPI BoC core mm for Apr: Prior 0.3%
0830 CPI mm sa for Apr: Prior 0.3%
0830 Core CPI mm sa for Apr: Prior 0.1%
0830 CPI median for Apr: Prior 2.0%
0830 CPI trim for Apr: Prior 2.1%
0830 CPI common for Apr: Expected 1.8%; Prior 1.8%
0830 CPI NSA for Apr: Prior 135.4
0830 CPI yy sa for Apr: Prior 1.81%

COMPANIES REPORTING RESULTS
May 15 & 16
No major companies are scheduled to report.

CORPORATE EVENTS (All timings in U.S. Eastern Time)
0730 CCL Industries Inc (CCLb). Q1 earnings conference call
0830 Stars Group Inc (TSGI). Q1 earnings conference call
0900 Green Organic Dutchman Holdings Ltd (TGOD). Q1 earnings conference call
0900 Innergex Renewable Energy Inc (INE). Q1 earnings conference call
1000 Equitable Group Inc (EQB). Annual Shareholders Meeting
1000 Home Capital Group Inc (HCG). Annual Shareholders Meeting
1000 Keyera Corp (KEY). Q1 earnings conference call
1000 Shawcor Ltd (SCL). Q1 earnings conference call
1000 WSP Global Inc (WSP). Annual Shareholders Meeting
1030 Aurora Cannabis Inc (ACB). Q3 earnings conference call
1200 Largo Resources Ltd (LGO). Q1 earnings conference call
1300 Emera Inc (EMA). Annual Shareholders Meeting

EXDIVIDENDS
Enerflex Ltd (EFX). Amount C$0.10
Gildan Activewear Inc (GIL).Amount $0.13
Metro Inc (MRU). Amount C$0.20
Snc-Lavalin Group Inc (SNC). Amount C$0.10

(All analysts’ estimates are according to I/B/E/S Refinitiv data.)
French President Emmanuel Macron meets with the families of the late special forces soldiers Cedric de Pierrepont and Alain Bertoncello, who were killed in a night-time rescue of four foreign hostages including two French citizens in Burkina Faso last week, during a national tribute at the Invalides in Paris, France May 14. REUTERS/Philippe Wojazer/Pool