MORNING NEWS CALL

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CANADA EDITION   Tuesday, July 21, 2026

TOP NEWS

US imposes new 50% tariffs on $20 billion worth of Canadian products
President Donald Trump unveiled 50% tariffs on a wide range of imports from Canada on Monday in response to what the U.S. administration called its discriminatory treatment of American-made cars, alcohol and dairy goods, threatening a new front in a global trade war.

CPP taps foreign investors to grow C$100 billion bond program
Canada's biggest pension fund, CPP Investments, is tapping large foreign investors from central banks to insurance companies to grow its bond program, the pension fund's Head of Total Fund Management Manroop Jhooty said.

GM quarterly core profit rises 30% on truck, SUV strength
General Motors lifted its earnings outlook for the year after posting a 30% increase in second-quarter core profit on the back of profitable SUV and truck sales.

Halliburton beats estimates on Europe, Latin America oilfield services demand
Halliburton edged past Wall Street estimates for second-quarter profit, as steady demand for its oilfield equipment in Latin America, Europe and Africa offset declining activity in the Middle East due to the Iran war.

Horizon signs letter of intent to sell up to 100 hybrid-electric aircraft worth $600 million
Horizon Aircraft said that Australia's V-Star Powered Lift Aviation had signed a letter of intent to buy up to 100 of its hybrid-electric vertical takeoff and landing aircraft for $600 million.

BEFORE THE BELL

Futures linked to Canada's main stock index edged higher as reports of mediation efforts in the Middle East lifted risk sentiment, while investors assessed fresh U.S. tariffs on Canadian imports.

U.S. stock index futures rose as investors turned their focus to a fresh round of corporate earnings that could shape the outlook for the AI sector amid persistent headwinds. **European shares** edged higher after starting the week on a weak note. **Japan's Nikkei** rose as markets reopened after a holiday, with investors snapping up beaten-down stocks following the benchmark's steepest weekly decline in more than a year.

Oil prices fell as investors weighed reports of U.S.-Iran mediation efforts against fresh attacks between the two countries and threats by Yemen's Houthis to impose a naval blockade on Saudi Arabia.

The **U.S. dollar** ticked lower, while gold prices rose as investors assessed diplomatic efforts to ease the U.S.-Iran conflict, with the prospect of lower oil-driven inflation shaping expectations for the Federal Reserve's interest rate path.

STOCKS TO WATCH

• **New Horizon Aircraft Ltd**: The company said that Australia's V-Star Powered Lift Aviation had signed a letter of intent to buy up to 100 of its hybrid-electric vertical takeoff and landing (VTOL) aircraft for $600 million. VTOLs have been touted as an alternative mode of transport in congested cities, where they could be used as air taxis and air ambulances. As part of the arrangement, V-Star will purchase five Horizon Cavorite X7 aircraft, with the option to buy up to 95 additional VTOLs. Horizon intends to develop its first full-scale prototype and begin initial testing in the first quarter of 2027. These aircraft are expected to be commercialized by 2028 or 2029.

PREVIEW

Tesla cash burn to test investor faith in AI bets

Tesla is expected to report its first quarterly cash burn in over two years on Wednesday, as its spending on AI and robotics soars, intensifying investor scrutiny over when those bets will pay off.

ANALYSTS' RECOMMENDATION

• **Emera Inc**: JPMorgan raised price target to C$79 from C$73 on improving visibility into the company's long-term earnings growth, supported by data centre demand, regulatory progress, and execution of key strategic initiatives.

• **Tidewater Midstream and Infrastructure Ltd**: National Bank of Canada raised target price to C$25 from C$17 and upgraded the ratings to outperform, citing stronger cash flow, favorable refining margins, and multiple high-value growth projects expected to drive the company's earnings.

COMPANIES REPORTING RESULTS

July 22:

Rogers Communications Inc: Expected Q2 earnings of C$1.13 per share

Waste Connections Inc: Expected Q2 earnings of $1.36 per share

(All analysts' estimates are according to LSEG IBES data)

PICTURE OF THE DAY

A plant in a branch of the Loire River in Montjean-sur-Loire as drought conditions worsen following a heatwave and water shortages across much of France, July 20. REUTERS/Stephane Mahe

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