MARKET RECAP at 4 pm ET

Wall Street recovered from the previous session's decline but ended the week in the red as rising **Treasury yields** and geopolitical tensions weakened risk sentiment. Treasury buyback worries weighed on the **dollar**, aiding **gold**. **Brent futures** rose on expectations of tighter supply in the coming weeks.

STOCKS	Close	Chng	% Chng	Yr-high	Yr-low
DJIA	53,277.01	517.80	0.98	54,744.33	45,057.28
Nasdaq	26,180.46	113.29	0.44	27,190.21	20,690.25
S&P 500	7,674.37	33.21	0.43	7,816.70	6,316.91
Toronto	36,620.23	254.81	0.70	36,844.73	27,802.11
FTSE	10,816.56	68.40	0.64	10,989.45	9,670.46
Eurofirst	2,614.74	13.80	0.53	2,652.27	2,231.14
Nikkei	66,016.36	-200.43	-0.30	72,831.73	50,558.91
Hang Seng	26,009.46	310.97	1.21	28,056.10	22,518.00

TREASURIES	Yield	Price
10-year	4.7359	-10 /32
2-year	4.2316	-3 /32
5-year	4.4242	-5 /32
30-year	5.2741	-18 /32

FOREX	Last	% Chng
Euro/Dollar	1.1678	0.00
Dollar/Yen	158.98	-0.04
Sterling/Dollar	1.3646	0.12
Dollar/CAD	1.3766	-0.17
USD/CNH (Offshore)	6.7211	-0.05

COMMODITIES ($)	Price	Chng	% Chng
Front Month Crude /barrel	86.64	-0.19	-0.22
Spot gold (NY/oz)	4617.12	99.25	2.20
Copper U.S. (front month/lb)	6.58	0.1155	1.79
CRB Index Total Return	521.39	3.68	0.71

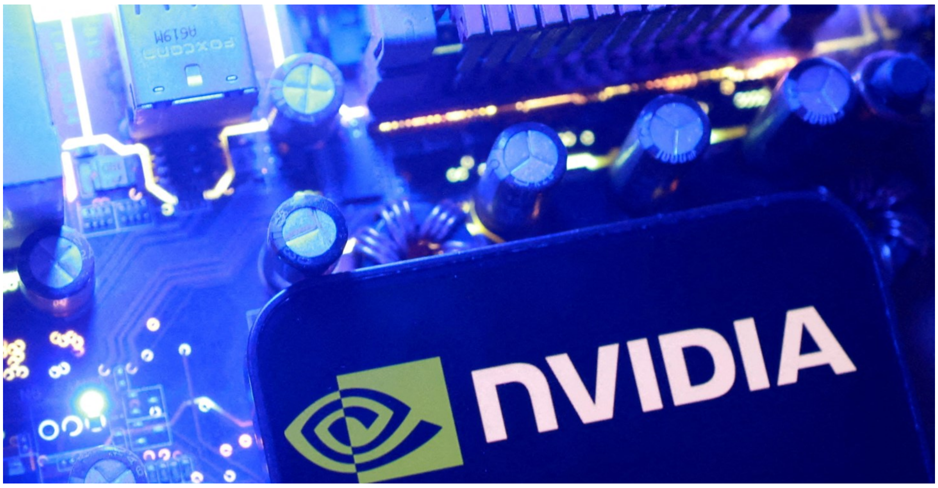
S&P 500	Price	$ Chng	% Chng
GAINERS			
Robinhood Markets, Inc.	107.35	12.25	12.88
Moderna Inc	145.51	12.19	9.14
Freeport-McMoRan Inc	76.80	5.58	7.83
LOSERS			
Marvell Technology, Inc.	237.10	-13.91	-5.54
Sempra	82.70	-4.68	-5.36
Edison International	71.26	-3.40	-4.55

Coming Up - On Monday

Dick's Sporting Goods is expected to post a higher second-quarter revenue on resilient demand for athletic apparel and footwear.

In Latin America, **Mexico** is scheduled to publish final second-quarter **gross domestic product** (GDP) figures with prior readings showing the economy grew 2.2% year-on-year and 1.5% on the quarter. Also due are June economic activity measured by the **IGAE** and first-half August **inflation**.

Coming Up - Week Ahead



Nvidia logo is seen in this illustration taken June 11. REUTERS/Dado Ruvic

The corporate calendar for the week is dominated by **Nvidia**, which reports second-quarter results on Wednesday. Analysts expect a 96.5% jump in revenue, driven by more than a doubling of data-center sales as AI infrastructure spending continues. Investors will focus on third-quarter guidance, the Vera Rubin ramp and China.

On Thursday, analysts expect **Marvell Technology** to post a rise in second-quarter revenue, helped by strong demand for its custom chips and interconnect solutions used in

KEY ECONOMIC EVENTS - ON MONDAY

Events	ET	Poll	Prior
National Activity Index for July	0830	--	-0.02

advanced AI data centers.

Federal Reserve Chair **Kevin Warsh** is set to deliver keynote remarks at the Jackson Hole Economic Policy Symposium on Friday with ECB board member **Isabel Schnabel** joining a panel at the same event. **Thomas Barkin** will speak twice on Tuesday, delivering his "The Mysterious U.S. Economy" address in Blacksburg and repeating it in Charlotte. On Wednesday, Barkin is also set to participate at the Greensboro Chamber of Commerce "State of Our Community" event

The macro highlight of the week arrives on Wednesday, when the Commerce Department's Bureau of Economic Analysis releases the Fed's preferred inflation gauge, **Personal Consumption Expenditures** (PCE) **Price Index** data for July and second-quarter. The headline PCE is seen up 0.1% in July, with the **core** measure expected to rise 0.2% in the month, holding the annual rate at 3.3%. The department’s Census Bureau is expected to report **durable goods** orders have risen 0.6% in July, after gaining 0.5% in June. **Excluding transport**, orders likely rose 0.5%, compared to 0.7% on a month-on-month basis. The same session brings the second estimate of **second-quarter GDP**, forecast to be confirmed at 1.5% annualized, along with personal income and consumption, and preliminary corporate profits. **Consumer spending** in July likely edged up 0.2%, after inching up 0.3% in June. **Personal income** is projected to gain 0.2% in July. Ahead of that, on Tuesday a cluster of U.S. housing and confidence data is expected. The Conference Board's **consumer confidence index** for August is expected to edge down to 90.1 from 90.8, while **new home sales** are seen easing to 620,000 units from 628,000. On Thursday, the Labor Department’s weekly labour market data is due with **initial jobless claims** expected to rise 2,000 to a seasonally adjusted 208,000 for the week ended August 22. In the same session, **advance goods trade balanc**e is expected to narrow to a deficit of roughly $99.7 billion in July. Friday brings the final **University of Michigan consumer sentiment reading** for August, expected to tick up 51.2 after a preliminary 51.0.

HP is expected to report slow revenue growth in the third-quarter on Wednesday, indicating weak demand, as price increases due to the memory chip crisis have prompted some customers to tighten their budgets. On Wednesday, results from a heavy slate of technology and software names are expected, including **Salesforce**, **CrowdStrike**, **Okta**, **Synopsys** among others.

Thursday’s calendar is busy for retail companies, with **Best Buy**, **Ulta Beauty**, **Gap**, **Dollar Tree** and **Dollar General** all reporting, offering fresh signals on consumer sentiment, tariff impacts and back-to-school demand. Best Buy is expected to post an increase in second-quarter revenue, helped by resilient demand for consumer electronics. Ulta Beauty is expected to post a rise in second-quarter sales on strong beauty product demand. Discount retailers Dollar Tree and Dollar General is expected to post a rise in second-quarter revenues, helped by steady demand for their products.

On Wednesday, department store chain **Kohl's** is expected to post a decline in second-quarter revenue, hurt by cautious consumer spending amid macroeconomic uncertainty. **Abercrombie & Fitch** is expected to post an increase in second-quarter revenue, helped by resilient demand for fashion brands as shoppers continue to spend on apparel despite cautious consumer spending. **Hormel Foods** is also expected to report results.

A federal judge will hold a hearing on whether to grant **Novo Nordisk** a preliminary injunction to stop **Eli Lilly**'s nationwide advertising for its obesity drug Zepbound and diabetes treatment Mounjaro. Novo Nordisk accused Eli Lilly of violating federal and state false advertising laws by comparing the highest approved doses of its medicines with lower doses of Novo's Wegovy and Ozempic.

Bill Gates plans to outline a new call he's making for AI regulation, in a Reuters interview on Wednesday and a public blog post.

Canadian bank earnings feature prominently in the second half of the week, with **Bank of Nova Scotia** and **Bank of Montreal** on Tuesday, **National Bank of Canada** on Wednesday, and **Royal Bank of Canada**, **Toronto-Dominion** and **Canadian Imperial Bank of Commerce** all reporting on Thursday.

From **Canada**’s economic front, Statistics Canada is expected to release **GDP figures for second-quarter** and June. The economy is expected to grow 3.4% on an annualized basis in the second-quarter after the country entered a technical recession in the prior quarter. In June, the economy likely grew 0.2%.The agency will also release **current account** data on Thursday.

Elsewhere in **Latin America**, **Brazil's IPCA-15 mid-month inflation** for August is due Wednesday, after a prior monthly reading of 0.06% and an annual rate of 4.52%, with FGV **consumer confidence** on Tuesday. The country’s **current account** and **unemployment rate** for July is likely to follow on Thursday, and the **IGP-M inflation index** for August and central **government balance** for July is due on Friday. **Mexico** reports its second-quarter **current account data** on Tuesday and July **trade balance** figures and **unemployment rate** on Thursday. Chile's July **unemployment rate** is due on Friday.

Market Monitor

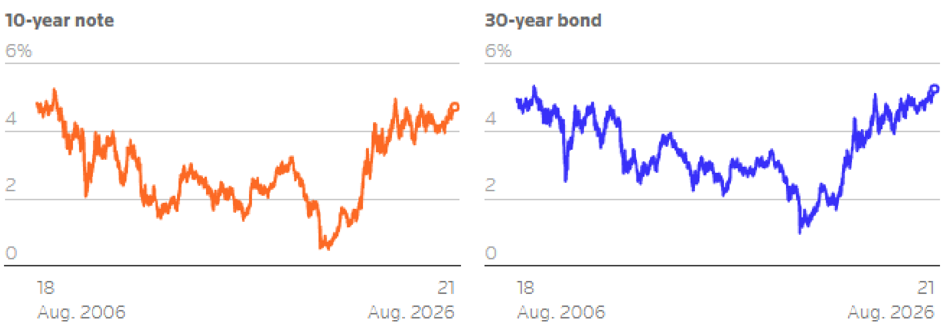
The **main U.S. stock indexes** closed higher but posted weekly losses as investors were rattled by fluctuating government bond yields and a lack of clarity on progress in the Middle East. "If you see a durable move lower in the long end of the curve, that will be a tailwind for some of the more growth-oriented areas of the market, of which that AI trade would certainly be front and center… If yields can stay in the 4.7% to 4.75% range, the markets will look through this and start to trade higher," said Jeff Schulze, head investment strategist at the Franklin Templeton Institute. The **S&P 500** gained 0.43% to end at 7,674.37 points, while the **Nasdaq Composite** added 0.44% to 26,180.46. The **Dow Jones Industrial Average** rose 0.98% to 53,277.01. For the week, the **S&P 500** fell 1.43%, the **Nasdaq** declined 2.05% and the **Dow** lost 0.85%.

Treasury yields rose modestly, ending an eventful week with another round of selling after data showed a strong expansion this month in the U.S. services sector. "Taking a step back, deficit concerns have once again become a focal point of the macro narrative, helping underpin the bearishness in the Treasury market," said Ian Lyngen, head of U.S. rates strategy at BMO Capital Markets. Lyngen noted that the cumulative U.S. budget deficit for fiscal year 2026 is the highest since 2021, the national debt surpassed $40 trillion this week and long-term borrowing costs are pushing federal interest payments on the debt higher. "It's with this backdrop that 30-year yields are trading at the highest levels since the GFC (Global Financial Crisis), despite Bessent's remark that, 'There's nothing magic about the 40-trillion number. We can grow our way out of that.'" The **30-year bonds** fell 17/32 with a yield of 5.2730% and **benchmark 10-year notes** declined 9/32, yielding 4.7339%. **Two-year notes** were down 3/32 to yield 4.2318%.

The **dollar** fell as concerns mounted that the U.S. Treasury's plan to expand buybacks of longer-dated government debt could weigh further on the U.S. currency. Analysts say that holding yields down will simply shift the burden of fiscal concerns onto the currency. And so far the strategy hasn't achieved its primary goal, as yields have crept back higher. "Bessent's efforts to suppress U.S. yields haven't done much for U.S. yields, but it's undermined the dollar," said Marc Chandler, chief market strategist at Bannockburn Global Forex. "The market is pushing back." The **euro** was flat at $1.1678. Against the **Japanese yen**, the dollar fell 0.03% to 159 yen. The **dollar index** was down 0.07% at 98.83.

Longer-dated US Treasury yields are marching higher

Amid growing investor concerns about record U.S. debt levels and the Federal Reserve's commitment to returning inflation to its 2% target, longer-dated Treasury yields have moved notably higher. Yields on 30-year bonds are near the highest since 2007, and 10-year note yields are around the highest since Donald Trump started his second term as president.



Note:

Source: LSEG | Dan Burns

Click on the chart for a detailed and interactive graphic

Benchmark crude oil futures rose after U.S. President Donald Trump threatened economic sanctions on Iran's trading partners, raising expectations of tighter supply in the coming weeks. Iran said on Friday that its response to any new U.S. threats would be "devastating" after Washington pledged to impose the toughest financial penalties in history with the aim of toppling the Iranian leadership. "The immediate impact on supply may be limited as Iranian exports are already heavily constrained by the U.S. naval blockade," said Crispus Nyaga, research analyst at Empire FX. "However, an increase in shipping incidents and retaliation against economic sanctions could exacerbate the current situation at a time when traffic through the Strait of Hormuz remains well below normal levels." **Brent crude futures** added 0.18% to $93.95 a barrel, while **U.S. West Texas Intermediate crude** was down 0.15% at $86.70.

Gold climbed, aided by a break above key technical levels, as the U.S. Treasury's buyback support plan dragged on the dollar. The metal is also trading above all key moving averages, having broken above the closely watched 200-day moving average of around $4,513, a move technical analysts typically view as bullish. **Spot gold** last added 2.17% to $4,616.05 per ounce, after earlier hitting $4,631.99 — its highest since May 15. **U.S. gold futures** rose 2.36% higher to $4,679.10.

Top News

US shoppers tighten budgets, but still find room for treats and splurges

Walmart's disappointing sales and Home Depot's strength among budget-conscious do-it-yourselfers indicate middle-class American consumers are growing more tight-fisted, even as wealthier shoppers have kept supporting luxury brands like Ralph Lauren. Earnings reports over the past month from a slate of U.S. supermarkets, home improvement stores, restaurants and luxury brands have shown consumers directing most of their spending toward essentials and putting off big projects, while still making room for affordable treats and occasional splurges. While affluent shoppers continue to snap up Ralph Lauren linen shorts and prestige beauty products, lower-income consumers are stretching budgets at Taco Bell and Ross Stores, pairing value meals and discount apparel with essential purchases.

Click on the chart for a detailed and interactive graphic

Tesla and others begin record vehicle recall in China

Tesla and eight other automakers said they will recall a total of about 4.3 million vehicles in China over concerns that doors may be difficult to open in an emergency, marking the country's largest automotive recall. The recall remedies range from software updates to warning labels and improved markings around door handles. Beijing has this year increased oversight of the EV industry and introduced tougher safety requirements, as automakers, locked in a fierce price war, roll out technologies in the world's largest vehicle market. China has also said it will ban concealed door handles from 2027, making it the first country to phase out a design popularised by Tesla and widely adopted by domestic Chinese EV makers. Separately, the U.S. National Highway Traffic Safety Administration said it has opened a probe into 997,743 General Motors pickup trucks and SUVs over concerns related to engine failure. To read more, **click here**

EXCLUSIVE-Dutch regulator fines Uber $966 million for automating driver suspensions

The Dutch Data Protection Authority has fined Uber $966 million for deactivating driver accounts through automated systems without adequately informing them, according to an August 17 decision reviewed by Reuters. The penalty would be the second-largest issued yet under Europe's General Data Protection Regulation. Uber said it would also appeal. "We strongly disagree with this decision and disproportionate fine," a spokesperson said, adding that the company takes drivers' rights seriously and its policies include both human reviews and opportunities for drivers to dispute platform suspensions. The Dutch authority confirmed the decision later. "Uber has committed serious infringements," in deactivating driver accounts without warning or human involvement, the organisation's deputy chair Monique Verdier said in a statement. Meanwhile, a civil racketeering lawsuit brought by Uber alleging lawyers and doctors in California conspired to generate fraudulent injury claims is moving ahead after a judge refused to dismiss the case. To read more, **click here**

Ken Griffin's Citadel sheds over 80% of Situational Awareness' bets

Billionaire investor Ken Griffin's Citadel has shed more than 80% of bets from the original portfolio of Leopold Aschenbrenner's Situational Awareness that it recently purchased, according to a letter to investors seen by Reuters. Situational, an AI-focused hedge fund run by former OpenAI researcher Aschenbrenner, sold the bulk of its stock bets to Citadel last month after heavy losses in its tech holdings forced it to unwind most of its public equities portfolio. Citadel has since completed nearly 100 block trades totaling over $4 billion in market value as it shed positions in the portfolio, which Griffin said included the largest intraday block trades of the year in 10 different names.The firm, which has about $77 billion of assets under management, declined to comment. After a selloff in AI stocks, the Situational Awareness' portfolio lost 67% of its value in July, and was forced to unwind most of its $16 billion public equities book.

Apple paid 40% of its global taxes to Ireland in last fiscal year

Apple paid Ireland $17.1 billion in taxes last year, representing around 40% of its worldwide total, according to a company filing that detailed the iPhone maker's global tax liabilities country-by-country. Apple said the amount paid to Ireland was "significantly higher" than income taxes accrued as it included $15.18 billion in back taxes that it was ordered to pay Ireland by European Union's top court in 2024. Ireland fought the EU back-tax bill alongside Apple for eight years, seeking to defend its position as the location of choice for U.S. multinationals in Europe - and the billions of euros in direct and indirect taxes they bring in each year. Apple paid $43.2 billion in income taxes worldwide in the fiscal year that ended in September 2025.

Apollo Global reveals data breach after hackers target financial firms

Asset manager Apollo Global Management suffered a data breach last month in which hackers stole some personal information, according to a letter. The New York-based firm was among dozens of prominent U.S. financial institutions and other businesses that were recently targeted by ransom-seeking hackers who use phone calls to compromise their victims, Reuters reported earlier this month. Apollo said its investigation found there was unauthorized access to certain cloud platforms between July 6 and July 10. The firm notified law enforcement and engaged outside cybersecurity and forensic experts to investigate the breach. The company earlier this month learnt that the information potentially impacted by the data breach included names, dates of birth, contact information, home addresses, and social security numbers. Apollo's investigation remains ongoing and the firm hasn't found evidence that stolen information has been publicly posted or used for identity theft or fraud at this time.

Ross Stores jumps after raising full-year profit guidance

Ross Stores' shares surged after the value retailer raised annual guidance and projected quarterly sales growth above analyst expectations, signalling bargain-hunting demand despite a shaky economic backdrop. The company raised its annual earnings per share forecast to the range of $8.61 to $8.77, compared with its previous outlook of $7.50 to $7.74. It expects comparable store sales to increase 6% to 7% in the third quarter and 4% to 5% in the fourth quarter, compared with analysts' expectations of a 3.1% and 2.6% rise, respectively. The company had earlier forecast annual same-store sales to rise between 6% and 7%. Shares of the company ended up 4.39% at $239.04.

Orbital data center startup Starcloud valued at $2.3 billion in latest funding

Starcloud, a startup building data centers in space, said it had raised $250 million at a $2.3 billion valuation, as it looks to expand AI infrastructure through orbital data centers. SpaceX's blockbuster IPO has rekindled investor interest in the space industry, including in emerging areas such as orbital data centers. Manhattan West led the round that included new investors Nvidia and Cisco Investments, alongside existing backers Benchmark, EQT and Soma, among others. The startup was previously valued at $1.1 billion in March, when it raised $170 million. The funding brings Starcloud's total capital raised to $450 million since its founding in 2024.

Scholar Rock withdraws Europe filing for muscle weakness drug, plans resubmission

Scholar Rock said it withdrew its European application for the experimental spinal muscular atrophy drug and plans to resubmit it with a different manufacturing site after issues at a Novo Nordisk-owned facility. Last year, the U.S. Food and Drug Administration declined to approve apitegromab after identifying manufacturing issues during an inspection of the Bloomington, Indiana facility, which has been operated by Novo since 2024 following its acquisition of Catalent. The company plans to resubmit the application with an alternative manufacturing site to support "the most expeditious path" to a review by the European Medicines Agency's Committee for Medicinal Products for Human Use. Scholar Rock said it has also removed the Indiana facility from its U.S. FDA application, and continues to expect an approval decision by the regulator's September 30 target action date.

Three scientists beat J&J's defamation suit over talc research

A U.S. judge in Virginia has ruled that three researchers did not defame Johnson & Johnson by publishing research linking cosmetic talcum powder products to mesothelioma, a rare form of cancer. J&J sued Theresa Emory, John Maddox and Richard Kradin, alleging that they defamed the company in a 2020 scientific article. The article said it reviewed 75 patients who had mesothelioma and had no link to asbestos other than exposure to cosmetic talc products like baby powder. U.S. District Judge Jamar Walker on Wednesday ruled in favor of the scientists, finding no evidence of "malice" in their article. The litigation revealed some "mistakes" in the data, but nothing that was obvious or ignored at the time of the study, according to the ruling.

A man jumps over water in Times Square during a severe rain storm in New York City., August 20. REUTERS/Brendan McDermid

Insight and Analysis

US corporate AI debt surge tests investor limits as fatigue emerges

The wave of debt issuance funding the artificial-intelligence buildout is testing the limits of investor demand, with some large bond buyers warning that the market is showing signs of indigestion. While fund managers remain comfortable with the credit quality of companies such as Amazon and Alphabet, Google's parent company, they are increasingly demanding higher yields to accommodate the flood of issuance. This has raised concerns that a tipping point could emerge if AI spending continues to escalate. "You've started to see the indigestion show up in tech spreads in particular," said Neil Sutherland, head of U.S. fixed income at Schroders. Tech corporate bond spreads are the extra yield investors demand to hold their debt over U.S. Treasuries; wider spreads signal higher perceived risk, while tighter spreads reflect stronger investor confidence. "It's not really a credit issue with higher -quality technology companies, such as Amazon and Google. But the more they have to issue bonds, the more investors are demanding a premium to absorb that debt." Analysts cited Amazon's recent long-dated $25 billion bond sale, which priced at roughly 120 basis points over Treasuries. Last year, the spread would have been roughly half of that, they said. "Tech has gone from trading materially through the market to actually trading wider than the market," Sutherland said. "The higher spreads ... make other parts of the market look more expensive on a relative value basis." The widening reflects a major change for a sector that historically enjoyed some of the tightest spreads in corporate credit due to strong balance sheets and relatively modest borrowing needs. The surge in AI-related bonds has been a leading factor pushing up Treasury yields, as buyers demand higher returns to keep purchasing the flood of bonds hitting markets. Any pullback in tech issuance could support longer-dated Treasuries.

CANADA

Market Monitor

Canada's main stock index ended higher, led by mining stocks as gold rallied, while investors weighed lingering strains in global bond markets and a diplomatic deadlock in the Middle East. The **S&P/TSX Composite Index** gained 0.70% to 36,620.23 points

The **materials sector** led the gains with a 2.91% rise as gold prices rallied against a dollar weakened by the U.S. Treasury's bond buyback move.

Meanwhile, the **U.S. dollar** edged 0.17% lower against its **Canadian counterpart** to C$1.3766.

Heavyweight financial stocks also climbed 0.26%, ahead of bank earnings next week.

TSE's S&P/TSX composite	Price	C$ Chng	% Chng
GAINERS			
Denison Mines Corp	4.81	0.47	10.83
Ero Copper Corp.	54.18	4.57	9.21
Energy Fuels Inc.	20.87	1.66	8.64
LOSERS			
Seabridge Gold Inc.	41.51	-4.49	-9.76
Bausch Health Companies Inc.	8.82	-0.59	-6.27
Boyd Group Services Inc	121.49	-5.19	-4.10

Top News

US, Canadian trade teams meet again as tariffs deadline looms

Top trade negotiators from Canada and the U.S. met for the third day running in Washington to try to finalize a trade deal before threatened new American tariffs come into effect on Saturday. Even if a deal is reached, Prime Minister Mark Carney could find it hard to sell it to Canadians and the influential premiers of the 10 provinces. A Leger opinion poll showed on Wednesday that 56% of Canadians want Carney to make no further concessions. Sources say an agreement is expected to cut the top-line tariff on Canadian-built vehicles to 15% from 25% and halve tariffs on Canadian steel and aluminum to 25%. Ontario, a major steel and aluminum producer, wants the tariffs scrapped. Carney is calling on major provinces to rescind their ban on sales of U.S. alcohol, which is a major irritant for Washington. Canada is a tenth the size of the United States and sends around 70% of all exports south of the border, which makes it uniquely vulnerable.

Minister Dominic LeBlanc arrives for a meeting with U.S. Trade Representative Jamieson Greer at the USTR's offices in Washington, D.C., U.S., August 21. REUTERS/Annabelle Gordon

India to give Canada's Fairfax two years to consolidate holdings for IDBI Bank deal, sources say

Fairfax Financial, a frontrunner to acquire the government's stake in IDBI Bank, is set to be allowed up to two years to consolidate its India bank holdings to smooth the acquisition, two sources familiar with the matter said. A long-delayed sale of a majority stake in IDBI Bank is in its final stages. The transaction, valued at more than $5 billion, would be the largest foreign investment in an Indian bank. The Canadian investor is likely to be given up to two years to either sell its stake in CSB Bank or merge it with IDBI Bank, the two sources said. A third source, , said it would be "speculative" to say that Fairfax will be given two years to consolidate its bank holdings.

Canada retail sales rise 0.6% in June, StatsCan says

Canada's retail sales rose 0.6% in June, beating an average analyst expectation of 0.4%, as sales jumped at clothing and general merchandise stores, data showed. Sales rose to C$74.28 billion in June from C$73.84 billion earlier, Statistics Canada said. However sales are likely to decrease by 0.8% in July, the federal statistics agency said in an advance estimate.

WEALTH NEWS

U.S. dollar banknote and decreasing stock graph are seen in this illustration taken April 25, 2025. REUTERS/Dado Ruvic

DEBASEMENT FEARS

Treasury buyback renews dollar-debasement fears

The Treasury's move to expand purchases of older long-dated bonds has revived a familiar worry in foreign-exchange markets: if Washington will not let borrowing costs rise, will the dollar end up absorbing the adjustment instead? The Treasury said it would at least double the maximum size of certain buyback operations, raising the cap to "at least" $4 billion. The question now is whether policymakers will let markets set a higher clearing yield for long-dated debt, or instead lean on measures that could ultimately weigh on the dollar - in part by making bonds less attractive to investors and limiting related investment inflows.

SERVICES SURGE

US service sector fuels acceleration in business activity, S&P Global says

The strongest growth in the U.S. services sector in nearly two years powered a sharp acceleration in overall business activity in August, offsetting a slowing of growth in a manufacturing sector being restrained by reduced stock building and supply disruptions from the U.S.-led war with Iran.

GRAPHIC

Take Five: Six months of war

The world's top central bank chiefs gather in Jackson Hole next week against a jittery backdrop, half a year into the Iran war and with bond markets rattled by a selloff in long-dated U.S. debt that prompted U.S. Treasury intervention.

WALL STREET WEEK AHEAD

Nvidia earnings, Jackson Hole to test pillars of stock rally

Nvidia's earnings report and the Federal Reserve's Jackson Hole symposium will test the assumptions behind this year's stock market rally, offering clues on whether the AI-driven surge in equities can withstand rising uncertainty over growth and interest rates.

BUYOUT

Australia's Steadfast agrees to $5.5 billion buyout bid by KKR-backed consortium

Australia's Steadfast Group has agreed to a $5.52 billion buyout by a consortium backed by U.S. investment giant KKR, the insurance broker said.

SALE TALKS

Buyout firm Vista explores $3 billion sale of private markets data provider Allvue, sources say

Vista Equity Partners is weighing a potential sale of Allvue Systems, in a deal that could value the provider of data and analytics for asset managers and credit investors at as much as $3 billion including debt, four people familiar with the matter said.

MOVES

JPMorgan hiring Bank of America's David Fishman as head of technology M&A, memo says

JPMorgan Chase is hiring veteran dealmaker David Fishman from Bank of America as part of a newly formed investment banking group to focus on key clients in the technology sector, according to a memo seen by Reuters.

ON THE RADAR

Events	ET	Poll	Prior
Tue: Building permits number for July	0800	--	1.443 mln
Building permits R change MM for July	0800	--	5.0%
ADP weekly NER pulse	0815	--	9,500
Monthly Home Prices MM for Jun	0900	--	0.3%
Monthly Home Prices YY for Jun	0900	--	2.2%
Monthly Home Price Index for Jun	0900	--	442.4
Caseshiller 20 MM SA for Jun	0900	--	0.2%
Caseshiller 20 MM NSA for Jun	0900	--	0.9%
Caseshiller 20 YY NSA for Jun	0900	--	1.6%
Consumer Confidence for Aug	1000	90.1	90.8
New home sales units for July	1000	0.620 mln	0.628 mln
New home sales change MM for July	1000	--	1.6%
Rich Fed Composite Index for Aug	1000	--	5
Rich Fed, Services Index for Aug	1000	--	-3
Rich Fed Manufacturing Shipments for Aug	1000	--	8
Wed: Personal income MM for July	0830	0.2%	0.2%
Personal consumption real MM for July	0830	--	0.4%
Consumption, adjusted MM for July	0830	0.2%	0.3%
Core PCE price index MM for July	0830	0.2%	0.1%
Core PCE price index YY for July	0830	3.3%	3.3%
PCE price index MM for July	0830	0.1%	-0.1%
PCE price index YY for July	0830	--	3.7%
PCE price excluding food, energy & housing for July	0830	--	0.1%
PCE services prices excluding energy & housing for July	0830	--	0.1%
Corporate profits preliminary for Q2	0830	--	0.5%
Durable goods for July	0830	0.6%	0.5%
Durables ex-transport for July	0830	0.5%	0.7%
Durables ex-defense MM for July	0830	--	0.5%
Nondefense cap ex-air for July	0830	--	1.2%
GDP 2nd estimate for Q2	0830	1.5%	1.5%
GDP sales preliminary for Q2	0830	--	2.2%
GDP cons spending preliminary for Q2	0830	--	3.2%
GDP deflator preliminary for Q2	0830	6.2%	6.3%
Core PCE prices preliminary for Q2	0830	--	3.4%
PCE prices preliminary for Q2	0830	--	5.1%
PCE excluding food, energy & housing (p) for Q2	0830	--	3.2%
PCE services excluding energy & housing (p) for Q2	0830	--	3.4%
Dallas Fed PCE for July	1000	--	1.4%
Thu: Initial jobless claims	0830	208,000	206,000
Jobless claims 4-week average	0830	--	204,000
Continued jobless claims	0830	--	1,799 mln
Advance goods trade balance for July	0830	-$99.70 bln	-$101.41 bln
Wholesale inventories advance for July	0830	--	0.2%
Retail inventories ex-auto advance for July	0830	--	-0.4%
KC Fed Manufacturing for Aug	1100	--	17
KC Fed Composite Index for Aug	1100	--	9

ON THE RADAR

Fri: U Mich Sentiment Final for Aug	1000	51.2	51.0
U Mich Conditions Final for Aug	1000	--	51.8
U Mich Expectations Final for Aug	1000	--	50.6
U Mich 1-year inflation final for Aug	1000	--	4.3%
U Mich 5-year inflation final for Aug	1000	--	3.3%
Payrolls benchmark NSA preliminary for 2026	1000	--	-862,000

A drone view shows snow covering the area around Cerro Armazones, located in the Sierra Vicuna Mackenna of Chile's Coastal Range, about 130 km (81 miles) southeast of Antofagasta, after a frontal system affected the region, in Antofagasta, Chile, August 20. REUTERS/Cristian Rudolffi

The Day Ahead - North America is compiled by Anjana J Nair and Priyada K S in Bengaluru.

For questions or comments about this report, email us at: ***TheDay.Ahead@thomsonreuters.com.***

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