WELCOME TO OUR CONTINUING COVERAGE OF THE COVID PANDEMIC AND LET'S START OFF WITH A LOOK AT THE MARKETS. WE'VE GENERALLY SEEN A POSITIVE TONE TODAY FOR NORTH AMERICAN EQUITIES. THOUGH IT'S MORE MUTED, FORTUNATELY, MORE MUTED REPORTS OF VIOLENCE IN THE UNITED STATES AMID THOSE DEMONSTRATIONS LAST NIGHT. OF COURSE, PLENTY OF REPORTS, THOUGH, OF PLASTIC BULLETS AND TEAR GAS STILL. LET'S CHECK IN ON OIL BECAUSE IT WAS A MIXED INVENTORY REPORT THERE. OIL DID START OFF STRONGLY TODAY -- SORRY, OIL STARTED OFF UNDER PRESSURE TODAY BECAUSE THERE'S PLENTY OF EVIDENCE OF MASSIVE CHEATING ON THOSE OPEC CUTS AND NOW THERE'S DOUBT THAT OPEC ACTUALLY WILL BE ABLE TO CONTINUE IT'S SUPPOSED LEVEL OF 9.7 MILLION BARRELS A DAY IN PRODUCTION REDUCTIONS. REUTERS REPORTING THAT, IN FACT, IN MAY, FAR FROM ALMOST 10 MILLION BARRELS A DAY, THE CUTS WERE ONLY ABOUT 6 MILLION AS NATIONS SUCH AS NIGERIA AND IRAQ FAILED TO COME THROUGH WITH THEIR PRODUCTION CUTS. WE DID GET ALSO A BIG BUILT IN U.S. DISTILLATES, THAT'S THINGS LIKE HEATING OIL AND DIESEL AND THAT, OF COURSE, CASTING something OF A SHADOW OVER THE DROP IN CRUDE OIL INVENTORIES THEMSELVES, BOTH ACROSS AMERICA.
AND CRUCIALLY AT THE OKLAHOMA
CHOKE POINT WHERE THE FUTURES
ARE BASED.
LET'S HAVE A LOOK NOW AT THE TSX
FINANCIALS.
AND WE'LL ALSO HAVE A LOOK AT
THE ENERGY STOCKS AND THE
MATERIALS.
WE ALSO SAW GOLD, ACTUALLY,
GIVING UP SOME GAINS TODAY.
ONE SET OF STOCKS, THOUGH, ON
THE MOVE.
The Home lenders, we are seeing
SIGN OF LIFE IN THE CRUCIAL
TORONTO REAL ESTATE MARKET.
WE DID SEE EARLIER STOCKS SUCH
AS HOME CAPITAL AND EQUITABLE
GROUP ALSO RALLYING.
ALSO GOEASY, A PROVIDER OF LOANS
TO CONSUME ELSE WITH WEAKER
CREDIT HISTORIES IN SOME CASES.
LET'S HAVE A LOOK NOW AT THE
LOONIE.
OF COURSE, THAT'S BEEN HELPED
OVER THE PAST MONTH OR SO BY A
WEAKER U.S. DOLLAR AND ANY TIME
THAT OIL EARLIER -- WTI, I
SHOULD NOTE GOT TO A PRECOVID-19
SO MAKING UP MULTI-MONTH HIGHS
FOR OIL.
A COUPLE OF MOVERS IN NEW YORK
OVER THE PAST FEW DAYS HAVE BEEN
THE FIREARM STOCKS.
THEY WERE UP SHARPLY YESTERDAY
AND, OF COURSE, WHO KNOWS WHAT
THE PSYCHOLOGY THERE IS, BUT
THERE ARE REPORTS OF A BIG SURGE
IN BACKGROUND CHECKS, PEOPLE
INTERESTED IN BUYING MORE GUNS.
UNFORTUNATELY SOME MAY FEEL
SPARKED TO DO THAT BY THE
VIOLENCE WE'VE SEEN IN THE
UNITED STATES.
SO SMITH & WESSON AND STERN
YESTERDAY.
TODAY.
AND LET’S HAVE A LOOK AT THE U.S. 10-YEAR BOND AS THE FED STANDS READY TO MAINTAIN THIS MASSIVE STIMULUS OF THE ECONOMY.
SO THERE’S YOUR QUICK LOOK AT THE MARKETS.
LET’S GET TO SOME OF THE BIG STORIES WE’RE TRACKING RIGHT NOW IN THE BNN BLOOMBERG NEWSROOM.
SO CANADA GOOSE NUMBERS WERE WELCOMED BY INVESTORS.
THE MAKER OF HIGH-END JACKETS REPORTING A SMALL PROFIT, EVEN THOUGH MOST OF ITS STORES WERE CLOSED DUE TO COVID-19.
HOWEVER, LIKE A LOT OF OTHER OUTFITS, CANADA GOOSE IS NOT PROVIDING GUIDANCE OR FINANCIAL FORECASTS FOR ITS FISCAL YEAR, CITING UNCERTAINTY AMID THE PANDEMIC.
>>> AURORA CANNABIS IS GETTING OUT OF ITS INVESTMENT IN ALCANA WHICH IS THE ALBERTA FOCUSED FOODS AND CANNABIS RETAILER.
AURORA WILL SEE PROCEEDS OF NEARLY $28 MILLION IN THE SALE.
ALCANNNA SAYS THAT EVEN AFTER A MASSIVE STOCKPILING BY CONSUMERS, LIQUOR AND BEER SALES WERE STILL UP IN THE FIRST TWO MONTHS OF THE CURRENT QUARTER.
NOW, AURORA INVEST THE $138 MILLION BACK IN 2018 TO BUY A STAKE IN ALCANA.
AND THEN ZOOM COMMUNICATIONS IS IN FOCUS.
THAT SURGE IN ON-LINE MEETINGS PAYING OFF FOR ZOOM.
6/3/2020 11:04:51  THESE NUMBERS HUGE.
6/3/2020 11:04:53  169% SURGE IN QUARTERLY REVENUES
6/3/2020 11:04:56  AND A SUBSTANTIAL GROWTH IN
6/3/2020 11:04:57  PAYING CUSTOMERS AND BOOSTING
6/3/2020 11:04:59  ITS FORECAST FOR SALES AND
6/3/2020 11:05:02  PROFITS.
6/3/2020 11:05:02  AND ITS FORECAST COMING IN WELL
6/3/2020 11:05:05  ABOVE ANALYST ESTIMATES.
6/3/2020 11:05:07  >>> THERE’S SOME OF THE BIG
6/3/2020 11:05:08  STORIES WE’RE TRACKING RIGHT
6/3/2020 11:05:09  NOW.
6/3/2020 11:05:10  THE BANK OF CANADA DID, AS
6/3/2020 11:05:11  EXPECTED, HELD ON TO ITS KEY
6/3/2020 11:05:15  BENCHMARK INTEREST RATE AND IT
6/3/2020 11:05:16  ALSO IN A SOMEWHAT ENCOURAGING
6/3/2020 11:05:19  SIGN PARED BACK ITS ESTIMATES ON
6/3/2020 11:05:21  THE ECONOMIC DAMAGE FROM THE
6/3/2020 11:05:25  BLOOMBERG’S SHELLY HAGEN JOINS
6/3/2020 11:05:28  US WITH MORE.
6/3/2020 11:05:29  GREAT TO TALK TO YOU ONCE AGAIN,
6/3/2020 11:05:32  CANADA SOUNDING SITELY LESS
6/3/2020 11:05:35  GLOOMY?
6/3/2020 11:05:35  >> THAT’S CORRECT.
6/3/2020 11:05:36  SLIGHTLY LESS GLOOMY?
6/3/2020 11:05:39  >> THAT’S CORRECT.
6/3/2020 11:05:40  THE BANK OF CANADA LEFT ITS
6/3/2020 11:05:41  INTEREST RATES UNCHANGED.
6/3/2020 11:05:46  NO ONE WAS EXPECTING ANY CHANGES
6/3/2020 11:05:48  THERE.
6/3/2020 11:05:48  WE ALSO SAW THAT THE BANK OF
6/3/2020 11:05:50  CANADA SCALED BACK SOME OF ITS
6/3/2020 11:05:51  MARKET OPERATIONS BECAUSE IT
6/3/2020 11:05:52  SAID THAT FINANCIAL CONDITIONS
6/3/2020 11:05:53  ARE IMPROVING SO IT’S DECIDED TO
6/3/2020 11:05:56  SCALE BACK THE FREQUENCY OF ITS
6/3/2020 11:06:00  PURCHASES OF ITS BANKERS
6/3/2020 11:06:03  ACCEPTABLE NOTES.
6/3/2020 11:06:04  AND PERHAPS ONE OF THE BIGGER
6/3/2020 11:06:05  THINGS WE SAW IN THE STATEMENT
6/3/2020 11:06:07  WAS THAT THE BANK OF CANADA
6/3/2020 11:06:08  DECIDED TO RELEASE AN ECONOMIC
ESTIMATE FOR GDP THAT IS NOT AS BAD AS WHAT IT HAD PREVIOUSLY ESTIMATED BACK IN APRIL WHEN IT WAS RELEASED IN ITS MONETARY POLICY REPORT SO IT NOW EXPECTS THAT THE SECOND QUARTER GDP WILL CONTRACT BETWEEN 12 TO 20% FROM THE FOURTH QUARTER AND THAT'S NOT AS BAD AS PREVIOUS ESTIMATES OF A 15 TO 30% CONTRACTION. SO THAT'S PERHAPS GOOD NEWS AND PROBABLY BECAUSE WE'VE SEEN THE RECENT GDP DATA FROM THE FIRST QUARTER THAT SHOWS THAT THE ECONOMIC CONTRACTION WAS NOT AS BAD AS SOME HAD FORECASTED. >> Andrew: SHELLY, I MEAN, VERY QUICKLY, WOULD YOU GIVE US THE REVISED FORECAST AND WHAT WAS THE OLD OUTLOOK FROM THE BANK OF CANADA BECAUSE THEY'RE SO STARK. >> SO THE BANK OF CANADA IN APRIL SAID THAT THE ECONOMY WOULD CONTRACT IN THE SECOND QUARTER BY ABOUT 15 TO 30% FROM THE FOURTH QUARTER. AND NOW IT'S SAYING THAT IT WILL BE BETWEEN 12 TO 20%. >> Andrew: OH, THAT DOES SOUND LESS BAD. NOT A GREAT ENGLISH THERE. SORRY. THE BANK DOES SAY IT'S LOOKING TO SHIFT ITS FOCUS TOWARDS SUPPORTING GROWTH AND RECOVERY AND THAT'S A SHIFT FROM DOING WHAT? >> SO THE BANK OF CANADA DID SAY THAT AS THE MARK FUNCTIONS CONTINUE TO IMPROVE AND THE CONTAINMENTS ARE NOW RELEASED ON THE ECONOMY, IT'S GOING TO SHIFT ITS FOCUS TOWARDS THE RECOVERY.
AND RIGHT NOW, ITS LARGE-SCALE ASSET PURCHASE PROGRAM HAS REALLY BEEN FOCUSED ON JUST ENSURING THAT THERE IS ACCESS TO THE CREDIT MARKETS AND THAT THERE'S NO STRAIN IN THE CREDIT MARKETS.

BUT AS THEY GO TOWARDS RECOVERY, THEY'RE GOING TO PROBABLY FOCUS ON A MORE STRAIGHT-FORWARD QUANTITATIVE EASING PROGRAM, PERHAPS TARGETING CERTAIN YIELDS ON THE CURVE AND REALLY INTRODUCING NEW MONEY INTO THE SYSTEM AND ENCOURAGING LENDING. SO THAT WILL REALLY BE HELPFUL IN STIMULATING THE ECONOMY.

BUT, OF COURSE, THE BANK OF CANADA'S MONETARY POLICY HAS ITS LIMITS AND IT'S REALLY GOING TO HAVE TO BE IN COORDINATION WITH THE FEDERAL GOVERNMENT AND THE FISCAL RESPONSIBILITY FROM THEM.

AND, OF COURSE, WHO CAN BLAME THEM, THEY DO KNOW THAT THERE'S LOADS OF UNCERTAINTY COUPLE REMIND US WHAT THE BIG HAZARDS THEY SEE ARE.


BUT THERE'S A LOT OF UNCERTAINTY ON HOW BIG OF A REBOUND THERE WILL BE AND THAT'S REALLY BECAUSE WE JUST DON'T KNOW THE TRAJECTORY OF THE VIRUS AND IF THERE WILL BE A SECOND WAVE.

AND IF THERE IS A SECOND WAVE, WE DON'T KNOW IF IT WILL HAVE
THE SAME RESTRICTIONS ON THE ECONOMY AS THEY HAD EARLIER THIS YEAR. SO THAT'S REALLY THE BIG QUESTION IS WHAT'S GOING TO HAPPEN WITH THE VIRUS. >> Andrew: SHELLY, THANKS VERY MUCH ENCODE FOR JOINING US. >> THANK YOU, ANDY. >> Andrew: SHELLY HAGEN OF BLOOMBERG. LET'S HAVE A LOOK AT OIL IN SLIGHTLY MORE DETAIL BECAUSE ONE OF THE BIG STORIES HERE IS THAT OPEC IS HAVING REAL TROUBLE HERDING THE CATS AND GETTING PEOPLE TO COMPLY WITH THESE PROMISED PRODUCTION CUTS. NOW, OIL WAS UNDER PRESSURE EARLIER AFTER BLOOMBERG SAID THEY WERE HAVING DIFFICULTY EVEN AGREEING WHETHER TO HAVE A MEETING OR WHAT FORMAT THE MEETING SHOULD TAKE ON MAINTAINING THE CURRENT LEVEL OF CUTS. WTI, PRETTY FLAT, THOUGH, TODAY. NOT BAD, THOUGH. ALMOST $37, NEAR THREE-MONTH HIGHS. BUT ACCORDING TO THE LATEST REUTERS ESTIMATE, THE OPEC MEMBERS WERE SUPPOSED TO -- THE OPEC -- WAS SUPPOSED TO BRING DOWN PRODUCTION BY ALMOST 10 MILLION BARRELS A DAY IN MAY. HOWEVER, COMPLIANCE WAS LESS THAN 6 MILLION ACCORDING TO REUTERS INFORMATION BECAUSE NATIONS SUCH AS IRAQ AND NIGERIA DIDN'T FOLLOW THROUGH ON THEIR COMMITMENTS. LET'S HAVE A LOOK AT THE TSX ENERGY STOCKS TODAY VIA XEG.
THEY HAVE GENERALLY RALLIED TO THEIR LEVELS OF EARLY MARCH BUT THEY'RE VERY MUCH DEPENDENT ON THE FEAR THAT JUST FREE FOR ALL PRODUCTION WILL START ONCE AGAIN