

Investor.Coffee (10.17.2024) : Taiwan Semiconductor Forecast and Crude Price Strength Propel Markets

written by Tracy Hughes | October 17, 2024

Good morning, Investor.News readers!

Grab your favorite cup of coffee, and let's dive into today's market action as we gear up for another trading day.

Pre-open, U.S. stock futures are trading higher, largely supported by the semiconductor sector after [Taiwan Semiconductor Manufacturing Co. \(NYSE: TSM\)](#) raised its quarterly [forecast](#). This positive outlook is boosting sentiment across tech stocks, with broader optimism around the sector. Investors are also focused on key economic data set to release later today, including U.S. retail sales, which are expected to show a 0.3% increase for September, offering insights into consumer strength amid ongoing inflationary pressures. Additionally, industrial production figures could signal a slight contraction after last month's unexpected surge.

In **Canada**, markets are positioned for a higher open, driven by gains in crude oil and gold prices. **Brent Crude** is up 0.22%, trading at \$74.38, while **U.S. Crude** has risen by 0.26% to \$70.57. These increases come on the back of industry data showing an unexpected drop in U.S. crude stockpiles. **Gold** prices are also up, gaining 0.17% to trade at \$2,677.80 per ounce, providing additional support to Canadian resource stocks.

In **Europe**, markets are edging higher in anticipation of the [European Central Bank \(ECB\)](#) potentially cutting interest rates

later this week. Inflation appears to be stabilizing across the Eurozone, creating room for more accommodative monetary policy aimed at stimulating economic growth. Market sentiment is buoyed by strength in the mining and energy sectors, despite broader concerns over slower lending activity in the region's financial stocks.

In Asia, Chinese markets remain subdued, with investor disappointment over the lack of fresh economic stimulus from the Chinese government continuing to weigh on sentiment. Property and technology sectors led the decline, reflecting ongoing regulatory challenges and economic uncertainties. However, **Japanese markets** fared better, with the **Nikkei** closing up 0.54% on the back of a weakening yen, which is providing a competitive advantage to export-driven industries such as automotive and electronics.

In currency markets, the **U.S. dollar** continues to hold firm near a two-month high against major currencies, reflecting investor caution ahead of key inflation data from the U.S. **Gold** remains steady, while **oil prices** are moving upward following positive industry data.

Investor.News Company Highlights

American Rare Earths Limited (ASX: ARR | OTCQX: ARRNF)

[American Rare Earths](#) announced [today](#) the completion of its extended 2024 drilling program at Halleck Creek, Wyoming. Five additional drill holes totaling 837 meters were completed in a high-grade rare earth mineralization zone. Assay results are expected soon to enhance resource models and future planning.

Alcoa Corp. (NYSE: AA)

[Alcoa](#) yesterday [confirmed](#) progress toward a strategic cooperation agreement with Spanish renewable energy company

Ignis. Under the proposed deal, Alcoa will contribute €75 million to operate its aluminum plant in Galicia, with Ignis making an initial investment of €25 million for a 25% stake. Additional funding of up to €100 million is anticipated.

Blackstone Inc. (NYSE: BX)

[Blackstone](#) yesterday [reported](#) strong third-quarter results, surpassing Wall Street expectations. The firm's assets under management (AUM) reached a record \$1.1 trillion, with \$41 billion in inflows. Distributable earnings totaled \$1.3 billion, with earnings per share of \$1.01, beating estimates of \$0.92.

CBLT Inc. (TSXV: CBLT)

[CBLT Inc.](#) yesterday [initiated](#) Phase 2 at its Falcon Gold Property in Sudbury, Ontario, following encouraging Phase 1 results. The mechanized stripping program will explore historical mining features, with previous samples showing gold values of up to 25.7 g/t.

Crown Castle Inc. (NYSE: CCI)

[Crown Castle](#) yesterday [lowered](#) its full-year 2024 net income forecast due to slower tower leasing activity. The company canceled 7,000 small cell nodes, leading to an asset write-down of \$125-\$150 million in Q4. However, Q3 site rental revenue met expectations at \$1.59 billion.

General Motors Co. (NYSE: GM)

[General Motors](#) yesterday [announced](#) plans to shift production from imports to domestic manufacturing in Mexico. The automaker is working with Intel and other firms to localize production of critical parts, boosting Mexico's manufacturing capabilities.

Kinder Morgan Inc. (NYSE: KMI)

[Kinder Morgan](#) yesterday [reported](#) lower-than-expected Q3 earnings and revised its full-year forecast downward. The company cited weaker commodity prices and delays in starting its renewable

natural gas facilities. Q3 adjusted profit was \$0.25 per share, below analysts' expectations of \$0.27.

M&T Bank Corp. (NYSE: MTB)

[M&T Bank](#) **yesterday reported** a rise in Q3 profits, supported by strong fees from institutional services and wealth management. Net income reached \$674 million, with earnings per share of \$4.02, up from \$3.98 in the previous year.

Novartis AG (NYSE: NVS)

[Novartis](#) **yesterday lost** its bid to prevent a generic version of its heart failure drug Entresto from entering the U.S. market. The court rejected Novartis' attempt to block the approval of the generic, although further legal hurdles remain before the generic drug can be launched.

Phillips 66 (NYSE: PSX)

[Phillips 66](#) **yesterday announced** it will shut its Los Angeles-area refinery in late 2025, citing market dynamics and profitability concerns. Additionally, the company has been ordered to pay \$604.9 million to Propel Fuels for trade secret theft related to renewable fuel technologies.

Taiwan Semiconductor Manufacturing Co. (NYSE: TSM)

[Taiwan Semiconductor](#) **today reported** a 54% jump in Q3 profits, driven by soaring demand for AI chips. The company expects its capital spending to more than double in the next quarter, reaching \$11.5 billion. The strong performance underscores TSMC's position in the AI processor market.

Conclusion

As we navigate another day of market activity, the positive momentum from **Taiwan Semiconductor Manufacturing Co. (NYSE: TSM)** has set a strong tone for tech stocks, with other sectors like energy and commodities also contributing to an upward trend in

North American markets. Key data releases in the U.S., including retail sales and industrial output, will be closely watched for any signs of economic shifts that could influence the Fed's next steps. In Europe, the anticipation of an **ECB** rate cut adds a layer of optimism, while Asia's mixed performance highlights ongoing challenges in China, counterbalanced by gains in Japan.

With a robust lineup of company updates, including significant developments from **American Rare Earths Limited (ASX: ARR | OTCQX: ARRF)**, **Alcoa Corp. (NYSE: AA)**, and **Blackstone Inc. (NYSE: BX)**, there's plenty to watch in both global and domestic markets. Stay tuned to **Investor.News** for the latest insights and analysis as we continue to track how these factors play out.

Publisher's Note: Tracy Hughes uses a variety of sources for her daily market update series called **Investor.Coffee**. This series is intended to be a brief summary of daily market highlights that the **Investor.News** team finds interesting. This summary is meant to inspire research, investigation, and due diligence, and we encourage you to always seek licensed professional advice with any investment decision. While Tracy is a professional writer, she is not a licensed investment advisor. And yes, Tracy uses ChatGPT and other technology devices to help distill information and prioritize business data – while sipping her daily coffee! For more information email us info@investornews.com.