

TOP STORIES

- China Delegation says Communication with US on Trade Still Effective
- China Willing to Resolve Trade Dispute with ‘Calm’ Attitude
- Navarro: Unlikely Anything Quick Happens on Trade Front
- Swedish Confidence Levels Drop for Fourth Month as Slump Deepens

INDEX FUTURES

Futures	Change	Fair Value
S&P 500	2918 (28.25)	30.16
Nasdaq	7698.25 (99)	105.35
Dow	26304 (267)	280.90

GLOBAL INDICES

INDEX	CLOSE	CHANGE
FTSE	7194.15	1.12%
DAX	11833.26	1.13%
Nikkei	20460.93	-0.09%
Hang Seng	25703.5	0.34%

ECONOMIC CALENDAR

TIME	INDICATOR	CONSENSUS
8:30	GDP	2.0%
8:30	Int'l Trade	-\$74.4B
8:30	Weekly Claims	213K
10:00	Pending Home Sales	-0.3%
10:30	EIA Nat Gas	

FOREX

EUR/USD	1.1068 (-0.08%)
USD/JPY	106.26 (0.14%)
USD/CAD	1.3284 (-0.15%)
GBP/USD	1.2202 (-0.06%)
USD	98.24 (0.12%)

COMMODITY

Oil	56.13 (0.63%)
Natural Gas	2.241 (0.86%)
Gold	1545.3 (-0.25%)
Copper	2.5915 (1.47%)

VOLATILITY INDICES

INDEX	SYMBOL	CLOSE
S&P	VIX	19.35 (-4.73%)
Nasdaq	VXN	23.12 (-2.94%)
Oil	OVX	32.72 (-2.99%)
Gold	GVZ	16.83 (-2.94%)

MARKET OUTLOOK

Futures are indicating a higher open for the day with China helping calm fears over trade. China helped ease some trade tensions today after their Commerce Ministry came out and said that both sides should create conditions for progress. They also said they were against escalating the trade war and were willing to resolve the issue calmly. The White House however has said that they do not expect a deal soon. China could retaliate if tariffs actually go through on 9-1. Peter Navarro said that China is expected to ask for big changes in September at their meeting but ‘its unlikely anything quick will happen.’ Industrial metals soared with the news with copper up 1.4%, platinum up 1.93%, and palladium up 1.17%. Silver continued to run up 1.57% even with gold fading. The risk of a more volatile Brexit continues to increase as the Pound fell again. Lawmakers are looking to block PM Johnson’s suspension of Parliament.

Asian markets were mixed overnight with the Nikkei slightly lower and giving back some gains mid-day. A lot of external factors continue to weigh like trade and Brexit uncertainty. Comments from Peter Navarro weighed on sentiment. Japanese household confidence slipped in August to 37.1 vs 37.8 previously. Overall breadth was strong. Staffing services company **Recruit** fell 5% after a secondary. **Rakuten** rose 2.5% to lead the index.

European markets are strong this morning up around 1% with Italy helping boost sentiment. The DAX opened flat but rallying sharply in first half of the day. Italy’s President is going to give the 5-Star and PD a chance to form a new government today which is driving the FTMIB to its highest level since 8-2. Eurozone industrial sentiment improved in August while services sentiment was slightly lower. Overall business optimism was 0.11 vs 0.08. Consumer confidence remains low. German unemployment came in as expected at 5%. French GDP improved slightly to 0.3% vs 0.2%. IT group **Micro Focus** fell 29.8% after warning on client spending slowdown. **Bouygues** rose 5% after earnings.

S&P TECHNICALS

Levels: Support 2,825/2,800; Resistance 2,975/3,000



5252 Advancing	Declining 2009
68.1%	26.1%
248 New High	New Low 361
40.7%	59.3%
2375 Above SMA50	Below 5246
31.2%	68.8%
3283 Above SMA200	Below 4338
43.1%	56.9%

KEY EVENTS TODAY

Earnings After the Close: AMBA, AOBC, COO, DELL, MRVL, ULTA, WDAY, YEXT

Other: PDUFA for NKTR

Tomorrow... Personal Income at 8:30 AM, Chicago PMI at 9:45, Consumer Sentiment at 10:00

Earnings Before the Open: BIG, CPB, JKS

ANALYST ACTION/COMMENTS

Jabil (JBL) upgraded to Buy at Citi

NextGen (NXGN) upgraded to Neutral at Keybanc

Ciena (CIEN) upgraded to Buy at Rosenblatt

Radius (RDUS) upgraded to Buy at Citi, \$40 PT

Tallgrass (TGE) upgraded to Neutral at BAML

First Horizon (FHN) upgraded to Outperform at RayJay

Hilltop (HTH) upgraded to Outperform at RayJay

Solid Bio (SLDB) downgraded to Sell at Citi

Michelin downgraded to Neutral at Citi

Box (BOX) downgraded to Neutral at First Analysis

G-III Apparel (GIII) downgraded to Hold at Stifel

Tapestry (TPR) downgraded to Neutral at Cowen

Movado (MOV) downgraded to Neutral at Cowen

Casey's General (CASY) downgraded to Sell at RBC

Bank of America (BAC) downgraded to Neutral at RayJay

Dova Pharma (DOVA) initiated Buy at Oppenheimer

NXP Semi (NXPI) initiated Buy at Loop Capital

Blueprint (BPMC) initiated Neutral at Piper

Spirit Realty (SRC) initiated Buy at Stifel

Otonomy (OTIC) initiated Buy at HCW

Tracon Pharma (TCON) initiated Buy at HCW

Netflix (NFLX) PT lowered to \$451 from \$458 at Imperial

Piper boosts **Chipotle (CMG)** price target to \$904, Q3 comp estimate to 9%

MEDIA HIGHLIGHTS

Microsoft (MSFT) expects new AR headset to go on sale in September – Reuters

Sony (SNE) selling 5% stake in **Olympus** for \$760M - Reuters

The Trump administration aims to remove regulations on methane – WSJ

Pork prices in China increased 18% due to African swine flu and ongoing trade dispute (**TSN, SAFM, HRL**). WSJ

Advantest positive about testing demand for 5G SoC, memory – Digitimes

Barclays in Talks to Sell Automated Options Business to GTS – Bloomberg

U.K. Monthly Car Production Falls on Weaker Europe, Asia Demand – Bloomberg

Prices tumble for debt backing **KKR's** \$9.9bn **Envision Healthcare** buyout – FT

Nippon Steel to cut capex 10% due to slowdown over trade war – Nikkei

Linde (LIN) takes 10% stake in Swiss hydrogen group Hydrospider – Reuters

The Macquarie Group finalizes \$675M capital raising at small discount – Reuters

Veeva's (VEEV) Cloud Can Keep Gaining Altitude – WSJ

BASF will sell its pigments business to Japanese printing ink maker DIC for \$1.28B – Reuters

STOCK SPECIFIC NEWS OF NOTE

Nutanix's (NTNX) Xi Government Cloud gets FedRAMP designation

Regeneron (REGN) says U.S. court invalidates **Amgen (AMGN)** patent claims targeting PCSK9

Boeing (BA) awarded \$500M Air Force contract for F-15QA

Pernod Ricard to acquire **Castle Brands (ROX)** for \$1.27 per share in cash, or \$223M

Icahn says 'very concerned with the situation' at **Occidental Petroleum (OXY)**

Roche announces European approval for Tecentriq plus Abraxane for breast cancer

PRE-MARKET MOVERS

Moving Higher: BURL 9%, TEVA 2.7%

Moving Lower: BBY -5.5%

INSIDER TRADING (Form 4 Filings)

Buying: JCP, TKR, PBF, CALX, GRA, GOGO, W, RRR, DISH, SUPN

Selling: CRM, ALGN, NVDA, CDNS, INT, AMH, ROLL, AMZN, INTU, TCMD

POTENTIAL SYMPATHY TRADES

RH – on WSM earnings

GPS, AEO – on GES earnings

OPTION HIGHLIGHTS (Prior Day)

Knowles (KN) buyers active early for 1,800 October \$22.50 calls and later 1,685 March \$25 calls up to \$1.40, over 6.5X average volume in the first 30 minutes. Volumes over 3,000 and 2,500 into the afternoon. KN still has size in the Sept. \$17.50 and \$20 calls. Shares are putting in a reversal candle today off of August support and forming a series of higher lows since the earnings gap higher in July. KN is consolidating in a bull flag under \$21 while big long-term range breakout remains in play which targets \$ 28.50. The \$1.85B company trades 15.5X earnings, 2.19X sales, and 34.5X cash with double-digit EPS growth. KN is targeting 12.2% and 17% revenue growth with improving margins over the next two years. KN is coming off a strong quarter with growth in precision devices up 25% as demand from Mobile, Ear, and IoT markets improves. Their Intelligent Audio business has upcoming product catalysts with new handset rollouts and multi-core processors later this year. KN has been under pressure from activist Caligan Partners and Falcon edge who are pressuring the company to consider alternatives, including a sale. They reportedly reached a deal in April but talks stalled over a standstill agreement. KN will host an Analyst Day on 9/17. Analysts have an average target for shares of \$19.50. Susquehanna upgrading to Positive on 7-25. The firm has a \$22 PT seeing new product opportunities namely BA speakers, 5G, RF, and ear/IoT. The analyst also thinks KN's upcoming analyst day is a likely catalyst given activist pressure. Short interest is 10.9% and continues to move lower since hitting around 15% in mid-2018. Hedge Fund ownership rose 1.3% in Q2. Caligan Partners, Falcon Edge, and Ariel Investments all notable holders. KN has seen a number of smaller insider buys this year including purchases in June from the President of Intelligent Audio around \$15.84.

AFTER HOURS MOVERS

Gainers: NTNX 18%, GES 12.5%, ESTC 11%, ZUO 9.4%

Losers: OLLI -27%, BOX -7.5%, HRB -4.8%, WSM -3%

MARKET SENTIMENT / INTERNALS

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.663	Rising – Cautious
CBOE Index Put/Call Ratio	1.15	Rising – Cautious
CBOE Skew Index	114.48	Near Multi-Month Lows
VIX Curve	Backwardation	Fear
CNN Fear & Greed Index	18	Extreme Fear
NYMO	-26.31	Neutral
NYSE New Highs – New Lows	-90	Weak
McClellan Summation	286.97	Below 8-EMA
Univ. of Michigan Consumer Sentiment	98.4 (July)	+0.5% Y/Y

SMART MONEY (13g/13d Filings)

IPO MONITOR

Nothing Scheduled at this Time

SECONDARY MONITOR

TRADE

WEEKLY TECHNICAL BREAKOUT

AKAM:



Akamai (AKAM) shares holding up well and consolidating in a bull flag under \$90. The 20-day MA is supportive on Friday's lows and a breakout targets \$100. MACD and RSI are both in strong trends higher and nearing inflections higher and ready to run.

FUNDAMENTAL TRADE OF THE WEEK

Stock: Churchill Downs (CHDN)

Price: \$121

Valuation: Undervalued

Key Ratios:

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
Stock	27X	12.8X	7.7X	51.6X	63.7X
Industry Avg.	23.2X	9.3X	5.6X	---	----

Analysis: CHDN is a \$4.77B company which focuses on horse racing, gaming, and online entertainment. CHDN owns the largest legal online wagering platform in the US while investing in their regional portfolio in six states so far this year. They continue to target M&A to expand while their strong FCF and low leverage keep the balance sheet in strong shape.

IDEAS

WEEKLY TECHNICAL BREAKDOWN

ABMD:



Abiomed (ABMD) shares forming a narrow bear flag after gapping lower on earnings in early August. A breakdown under \$181 targets \$165 and failing on Friday at the declining 8- and 20-MA. ABMD has been in a strong long-term downtrend since topping out in May 2018.

PAIR TRADE OF THE WEEK

Industry: Soda

Long/Short: Long **Pepsi Co (PEP)**, Short **Monster Beverages (MNST)**

Analysis: PEP is a leader in snacks and a wide array of beverage brands which is gaining global market share and entering new verticals. MNST is facing tough competition from new entrants in the space and entrenched competitors like PEP/KO building out their energy brands.

SMALL CAP TRADE OF THE WEEK

MobileIron (MOBL) is a \$761M software company which focuses on security for mobile devices, apps, and cloud services including enterprise mobility management. Their platform comprises an all-in-one solution including device validation, app authorization, network verification, and threat detection. MOBL is undergoing a shift from product to subscription which gives it a much steadier, recurring support/revenue base with high renewals.

DAILY OPTIONS REPORT

Unusual Call Activity

Unusual Put Activity

Implied Volatility Riser

Tocagen (TOCA)

Universal Insurance (UVE)

Universal Insurance (UVE)

Covetrus (CVET)

Ollie's (OLLI)

Fastly (FSLY)

LKQ

Synchronoss (SNCR)

Mallinckrodt (MNK)

Cimarex (XEC)

E-Trade (ETFC)

Aimmune (AIMT)

Endo Intl (ENDP)

AutoDesk (ADSK)

Gamestop (GME)

Express (EXPR)

Ansys (ANSS)

Conn's (CONN)

Lowest Put/Call Ratio

Highest Put/Call Ratio

Implied Volatility Decliner

Graphic Packaging (GPK)

Credit Suisse (CS)

Express (EXPR)

Covetrus (CVET)

Domtar (UFS)

Coty (COTY)

Perrigo (PRGO)

ICICI Bank (IBN)

Autodesk (ADSK)

LKQ

Assured Guaranty (AGO)

Veeva (VEEV)

Total Systems (TSS)

American Axl (AXL)

HP Enterprise (HPE)

Tocagen (TOCA)

Nvent (NVT)

At Home (HOME)

OTM Calls on Offer

OTM Puts on Offer

Elevated IV30

Progressive (PGR)

Murphy (MUR)

Adverum (ADVUM)

Covetrus (CVET)

Chesapeake (CHK)

PG&E (PCG)

Gamestop (GME)

Nucor (NUE)

Overstock (OSTK)

Gap (GPS)

Momo (MOMO)

Aimmune (AIMT)

Capri (CPRI)

Ollie's Bargain (OLLI)

Caleres (CAL)

Positive Net Delta

Negative Net Delta

Option Volume Gainers (%)

Baidu (BIDU)

Facebook (FB)

E-Trade (ETFC)

Pfizer (PFE)

McDermott (MDR)

AutoDesk (ADSK)

Freeport (FCX)

Wells Fargo (WFC)

Ansys (ANSS)

Advanced Micro (AMD)

Callon (CPE)

Endo Intl (ENDP)

Kraft (KHC)

Ollie's Bargain (OLLI)

Express (EXPR)

Bullish Call Flow

Bearish Put Flow

Large Spread Trades

Acadia (ACHC)

Conn's (CONN)

GES, 3,000 September \$16/\$18 call spreads

Guidewire (GWRE)

Netflix (NFLX)

OLLI, Sept. 2,500 of the \$80/\$70 put spreads

Nice (NICE)

Alibaba (BABA)

OXY, February \$40/\$30 put spread bought 2,000X4,000

Capri (CPRI)

Uniqure (QURE)

ENDP, 10,000 January \$4/\$6 call spreads

Mastercard (MA)

ConEd (ED)

AAL, December \$25/\$30 call ratio spread now over 3,000X9000

Extras

Zillow (Z) buyers of 1,725 October \$35 calls for \$1.45 to \$1.70

Alcoa (AA) buyers of 1,450 October \$14 ITM calls for \$3.41, stock replacement

Tailored Brands (TLRD) late day buys of 6,400 October \$6 puts from \$1.65 to \$1.75

Domtar (UFS) buyer of 1,000 April \$27.50 puts for \$1.80

NXP Semi (NXPI) and **KLA-Tencor (KLAC)** both seeing October iron condors open

Wynn (WYNN) also seeing the December \$110/\$125 call spread bought 750X1500. **Wynn (WYNN)** buyers of 3,000 Oct. \$120 calls for \$1.76 to \$1.77 as some \$130 calls adjust back

The Real Real (REAL) buyer of 500 February \$12.50 calls for \$3.70 to \$3.80

Madison Square Garden (MSG) trader opens 275 November \$260/\$220 bull risk reversals as the Sept. bull risk reversals adjust

Biotech (XBI) buyer of the Oct. \$78/\$72 put spread 4,000X8,000 for \$0.40

Intuit (INTU) with 600 October \$280 puts sold to open this afternoon for \$11.20, shares well off the early lows following ADSK's outlook

Tocagen (TOCA) afternoon buyer of the December \$10/\$17.50 call spread 2500X5000 for a net credit

Vulcan Materials (VMC) buyers late of 1,600 Sept. \$140 calls for \$3.50 to \$3.60

Cadence Design (CDNS) trading 5.5X average calls with late day buyers of the September \$70 calls for \$1.00 to \$1.05, over 4300X, sending IV30 higher by 7%. CDNS has seen buyers recently in the Sept. \$75 calls over 1500X while the December \$75 calls with 600 bought in April and remain in OI. CDNS shares have pulled back from 52-week highs may in July and forming a bull wedge back at a low June volume node at \$66.75. The \$19.5B company trades 29X earnings, 8.6X sales, and 31.9X FCF with mid-teens EPS growth. CDNS sees 6.8% and 6.32% revenue growth the next two years. CDNS sees tailwinds from growth in the data-driven economy including storage, transmission, and storage as the proliferation of mobile, edge computing, automotive, and machine learning grow. The company is expanding their Intelligent System Design strategy which builds out their TAM including the \$3B embedded safety and security space. They also entered the \$4.5B market for System Analysis with their new product, Clarity 3D Solver which uses next-gen electromagnetic field simulation. Analysts have an average target for shares of \$65. Credit Suisse out on 7-23 with a \$70 PT, up from \$62, seeing operating margin expansion in FY20 and share gains despite what looks like full valuation. They think CDNS has the broadest product portfolio that is required for designing products all the way from chip design to complete systems. The company is a near monopoly in custom design (80%+ share) and has strong presence in most EDA markets. We view the EDA sector as a compelling mix of cyclical-hedge and secular leverage. Short interest is 2.7%. Hedge Fund ownership fell 9%. AQR, Alkeon Capital, and Smith Asset Management top holders.

Open Interest Checks

TEAM – Sept. \$140 calls from 2,116 to 2,823

TMO - Oct. \$250 puts from 1,845 to 851

STX – Nov. \$45 calls from 1,027 to 2,017

NEM – Oct. \$41 calls from 1,357 to 2,740

AAL – Dec. \$25 calls from 2,839 to 6,183

PGR – Sept. \$80 calls from 3,320 to 6,176

MAXR – Oct. \$7.50 calls from 1,795 to 2,767

TSS – Feb. \$135 calls from 1,626 to 2,741

FIS – Oct. \$125 short from 3,498 to 502

Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
BOX	Box	\$0.00	-\$0.01	\$172.50	\$169.49	16.40%	FY In Line
ESTC	Elastic	-\$0.32	-\$0.42	\$89.70	\$83.49	58.50%	FY Above
FIVE	Five Below	\$0.51	\$0.50	\$417.40	\$421.38	20.00%	
GTBIF	Green Thumb	-\$0.12	-\$0.05	\$44.72	\$38.78	228.30%	
GEF	Greif	\$1.26	\$1.18	\$1,252.60	\$1,343.94	23.80%	
GES	Guess?	\$0.38	\$0.29	\$683.22	\$673.78	5.80%	FY In Line
HRB	H & R Block	-\$0.72	-\$0.75	\$150.00	\$151.35	3.40%	
MTRX	Matrix Service	\$0.47	\$0.42	\$398.71	\$376.60	36.00%	
NTNX	Nutanix	-\$0.57	-\$0.64	\$299.90	\$293.49	-1.30%	FY Below
OKTA	Okta	-\$0.05	-\$0.10	\$140.48	\$131.19	48.50%	FY In Line
OLLI	Ollie's Bargain	\$0.35	\$0.46	\$333.90	\$339.83	15.90%	FY Below
PVH	PVH	\$2.10	\$1.89	\$2,364.00	\$2,329.63	1.30%	FY Below
SMTC	Semtech	\$0.38	\$0.36	\$137.10	\$134.85	-16.00%	
SCVL	Shoe Carnival	\$0.80	\$0.79	\$268.22	\$268.62	-0.10%	
SPWH	Sportsmans	\$0.13	\$0.12	\$211.80	\$207.31	4.20%	
TLYS	Tilly's	\$0.31	\$0.21	\$161.70	\$156.67	2.70%	
WSM	Williams-Sonoma	\$0.87	\$0.83	\$1,370.80	\$1,312.15	7.50%	FY In Line

ZUO	Zuora	-\$0.09	-\$0.14	\$69.70	\$66.87	20.60%	FY In Line
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NTNX – Beat on EPS and Revenues - "We delivered a solid fourth quarter and believe our performance reflects our execution improvements and the meaningful progress we have made transitioning our business to a subscription model," said Dheeraj Pandey, Chairman, Founder and CEO of Nutanix. "We are encouraged by our record gross margins, strengthening pipeline, progress in sales hiring, and recent large customer wins. We have a strong set of tenured sales leaders in place and continue to lead the industry as an innovator with technology at the forefront of hybrid cloud transformation." "We are pleased by our Q4 results, and that the actions we have taken to strengthen lead generation and enhance sales execution are generating positive results. Our subscription transition continues to be ahead of schedule with subscriptions growing from 52% of total billings in the fourth quarter of fiscal 2018 to 71% in the fourth quarter of fiscal 2019," said Duston Williams, CFO of Nutanix. "In addition, 26% of our deals included a product outside our core offering, as new and existing customers increasingly look to Nutanix to guide them on their journey to hybrid cloud."

BOX – Beat on EPS and Revenues - "We made significant progress on our key objectives in Q2, as we continued to deliver more products to our customers that enable higher value use cases, while executing on the most compelling product roadmap in our history," said Aaron Levie, co-founder and CEO of Box. "We drove strong add-on product attach rates of more than 80% across our six-figure deals in Q2. Customers are increasingly adopting Box's comprehensive Cloud Content Management solutions to protect their most important information with frictionless security and compliance, streamline internal and external collaboration and workflows, and enable a more productive workplace by leveraging a best-of-breed IT stack."

OKTA – Beat on EPS and Revenues - "We had another exceptional quarter with strong growth in subscription revenue, billings, and remaining performance obligation. Identity plays a foundational role as organizations look to adopt more cloud technologies and accelerate their businesses' digital transformation in a highly secure and easy to use manner. The recent recognition we received from notable industry research providers further validates our view that Okta has become the identity standard for organizations worldwide ranging from fast-growing businesses to the world's largest organizations. Our success is achieved by helping these organizations with their mission-critical initiatives with our growing platform of identity solutions. We couldn't be more excited about the tremendous market opportunity ahead of us."

OLLI – Missed on EPS and Revenues - Mark Butler, chairman, president and CEO, stated, "This was certainly, by Ollie's standards, a tough quarter. Despite the challenges we faced, we grew our top line by nearly 16%, driven, in part, by strong sales from the 29 stores we opened in the first half of the year, more than double the number opened in the same period last year, including 13 former Toys R Us locations. The exceptional strength, rapid pace of openings and larger footprint of these new stores impacted comparable store sales through increased cannibalization and supply chain pressures that reduced comparable store inventory levels. Comparable store sales were also affected by headwinds from store classes with exceptionally strong first-year sales now normalizing as they entered the comparable store base. Our gross margin in the quarter was pressured by both unfavorable merchandise margin as well as deleveraging of supply chain costs as we underestimated the impact of our accelerated new store growth on our operations. That said, we have made great strides in correcting

these short-term issues, with comparable store inventory levels now back in line with our expectations. With our deal flow as strong as ever, we're delivering great bargains to our customers."

PVH – Beat on EPS and Revenues - Emanuel Chirico, Chairman and Chief Executive Officer, noted, "We are pleased to report our second quarter results, which saw continued outperformance by our European businesses. However, our businesses in North America and across China experienced weak traffic trends, including the impact of protests in Hong Kong, resulting in a more promotional environment. Although we are pleased with our second quarter and first half results, we have taken a conservative approach to our second half outlook. As such, we lowered our annual revenue and EPS outlook based on our current trends and our expectation that the volatility in the macro environment, the global retail landscape and the continuing escalation of the trade tensions between the U.S. and China will cause our business to remain under pressure, as will the ongoing impact of protests in Hong Kong. We have great confidence in our diversified business model and the underlying power of CALVIN KLEIN and TOMMY HILFINGER, and believe we are positioning our businesses to succeed in the ever-changing consumer landscape. As we execute on our strategic priorities, our ongoing data and digital transformation, together with delivering the best product and consumer experience, should allow us to capture the heart of the consumer. We believe that with our two greatest assets, our people and our brands, we will unlock the long term brand growth opportunities we see and deliver sustainable long term returns for our stockholders."

Earnings Before the Open

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
ANF	Abercrombie & Fitch	-\$0.48	-\$0.52	\$841.1	\$847.96		
BBY	Best Buy	\$1.08	\$0.99	\$9,536.00	\$9,551.91	1.70%	FY In Line
BURL	Burlington Stores	\$1.36	\$1.14	\$1,656.00	\$1,635.51	10.10%	FY In Line
DBI	Designer Brands	\$0.48	\$0.48	\$860.20	\$872.99	8.20%	
DG	Dollar General	\$1.74	\$1.57	\$6,981.80	\$6,888.35	8.40%	FY In Line
DLTR	Dollar Tree		\$0.82		\$5,717.47		
GMS	GMS	\$0.89	\$0.83	\$847.20	\$837.65	8.90%	
HAIN	Hain Celestial		\$0.12		\$537.66		
MBUU	Malibu Boats	\$1.08	\$0.95	\$194.82	\$185.75	40.50%	
MEI	Method Electronics	\$0.75	\$0.71	\$270.20	\$268.15	20.90%	
PDCO	Patterson Companies	\$0.27	\$0.25	\$1,328.70	\$1,363.68	-0.60%	
SAFM	Sanderson Farms		\$3.07		\$970.10		
SY	So-Young International	\$0.21	\$0.28	\$284.99	\$275.08	87.30%	FY Below
TECD	Tech Data	\$2.69	\$2.31	\$9,092.20	\$8,710.89	2.30%	
TITN	Titan Machinery	\$0.31	\$0.33	\$315.00	\$315.40	6.00%	
TD	Toronto-Dominion Bank	\$1.79	\$1.80	\$10,499.00	\$9,796.84	6.10%	

DBI – EPS In Line and Revenues Below - Roger Rawlins, CEO, stated, "I am proud of the work our teams have done, not only delivering a solid quarter, but also successfully integrating two significant acquisitions and leveraging the unique strength of each of our businesses to give Designer Brands greater control and flexibility in setting our own destiny in a world full of extraordinary external pressures. Each segment delivered what was needed this quarter, but our newest businesses really stood out, exceeding our expectations and moving us closer to the vision laid out at our Investor Day. In Canada, the transfer of successful practices at DSW in the U.S. to our Canadian banners fueled continued positive momentum in this business," Mr. Rawlins continued. "We were particularly pleased with the growth in Canada of both the loyalty programs and e-commerce sales. Similarly, Camuto Group is delivering exactly what we expected giving us differentiation and bringing added excitement to our retail segments. The Camuto Group team has unveiled the DSW Spring 2020 private label offering and based on the fashion, styles and quality shown, we believe we will be in a solid position to not only see the gross margin benefit as we convert the production of our DSW private label to Camuto Group next Spring, but also to increase brand loyalty and further drive sales within our warehouse footprint."

BBY – Beat on EPS and Missed on Revenues, Online Comps +17.3%, SSS +1.6% - "For Q2, we are reporting comparable sales growth of 1.6% on top of a very strong 6.2% last year," said Corie Barry, Best Buy CEO. "We also delivered improved profitability driven by gross profit rate expansion and continued disciplined expense management, demonstrating the culture we have built around driving cost reductions and efficiencies to help fund investments. I would like to thank all of our associates for delivering strong first half results." Barry continued, "During the quarter, we continued to make progress on our Building the New Blue strategy and our purpose to enrich lives through technology. We expanded our commitment to the health and wellness category through expanded assortment and a second acquisition, grew our Total Tech Support membership, added In-Home Advisors and continued to transform our supply chain to improve our speed of delivery to customers. We are excited about our strategic business opportunities and look forward to updating the market on the progress of our strategy during our Investor Update on September 25."

MBUU – Missed on EPS and Beat on Revenues - "Fiscal year 2019 was another exceptional year for Malibu. We delivered record-breaking operational and financial performance supported by the strength of our brands, our commitment to operational excellence, and a best-in-class team laser-focused on superior execution. For the year, we delivered a 38% increase in net sales, with adjusted net income rising 46% to \$82 million, or \$3.76 per share," CEO Jack Springer said. "Pursuit and Cobalt, together with our Malibu and Axis brands, have created a well-rounded, premium portfolio that brings to market a line-up of innovative boats that are resonating with customers. In fact, we recently announced the release of three new products - the Axis A20, which exemplifies performance and value in an entry level small package; the Malibu 20 VTX, the ultimate triathlete that excels for skiing, wakeboarding and wakesurfing; and the Malibu Wakesetter 23 MXZ, which is the perfect mix of luxury and watersports performance. Our vertical integration initiatives are also progressing on target, as our Malibu Monsoon engines are now completely integrated into 100% of our Malibu and Axis boats and the beginning of FY2020 saw us unveil our own flooring for all Malibu and Axis boats. While certainly not as large of scale as the Malibu Monsoon engine, the profitability profile of our new flooring vertical integration initiative is as strong, or stronger, than our other vertical integration initiatives over the years. In addition, we expect to finalize our expansion of Cobalt by the second quarter of fiscal year 2020, and are progressing nicely with the capacity expansion initiative at Pursuit. Maximizing the customer experience, coupled with our operational prowess has allowed us to consistently deliver strong results despite recent choppiness in

the marine market. While we remain incredibly well-positioned in the industry, we are cognizant of the rising uncertainty around the broader macroenvironment. That said, we believe our inventory levels remain at adequate levels and our variable cost structure allows us to be nimble should things materially change. As we look to fiscal year 2020, while we are being prudent, we are investing in the areas that have driven our success across our brands - new products, innovation, vertical integration and performance optimization. We remain incredibly confident in the opportunities ahead of us and look forward to delivering long-term value for our shareholders."

ANF – Beat on EPS and Missed on Revenues - Comparable sales were flat against positive comparable sales of 3% last year. Fran Horowitz, Chief Executive Officer, said, "Trends improved throughout the second quarter, enabling us to deliver constant currency revenue growth and meet our previously-issued comp and gross profit rate outlook, while continuing to tightly manage expenses. Importantly, we have had a solid start to back-to-school in the U.S. and we look forward to building on that momentum in the back half through exciting product and cohesive marketing campaigns. While we are committed to delivering near-term results, we remain keenly focused on our long-term goals as we execute on our transformation initiatives. In the second quarter, we delivered 26 new store experiences, closed our Hollister SoHo flagship store in NYC, realized double digit digital sales growth, continued our investments in key personalization tools, and grew our loyalty membership accounts across brands. We plan to build on these actions as we continue to lay the foundation to achieving our fiscal 2020 target."