

## TOP STORIES

- Global Markets Fade as Trump/Kim Summit Kicks Off, Busy Day in Washington
- Pakistan Shoots Down Two Indian Jets Inside Airspace as Tension Grows
- Euro-Area Economic Sentiment Extends Decline for Eighth Month
- Drop in Italian Confidence Measures May Signal Longer Recession

## INDEX FUTURES

Futures	Change	Fair Value
S&P 500	2786.25 (-5.25)	-7.7
Nasdaq	7105.75 (-12)	-21.47
Dow	25978 (-59)	-72.98

## GLOBAL INDICES

INDEX	CLOSE	CHANGE
FTSE	7091.4	-0.84%
DAX	11474.66	-0.57%
Nikkei	21556.51	0.50%
Hang Seng	28757.44	-0.05%

## ECONOMIC CALENDAR

TIME	INDICATOR	CONSENSUS
8:30	International Trade	
8:30	Factory Orders	
10:00	Jerome Powell Speaks	
10:00	Pending Home Sales	
10:30	EIA Petroleum Sales	

## FOREX

EUR/USD	1.139 (0.04%)
USD/JPY	110.49 (-0.07%)
USD/CAD	1.3137 (-0.22%)
GBP/USD	1.3307 (0.43%)
USD	95.82 (-0.05%)

## COMMODITY

Oil	56.58 (1.95%)
Natural Gas	2.767 (-1.04%)
Gold	1328.9 (0.03%)
Copper	2.9605 (0.53%)

## VOLATILITY INDICES

INDEX	SYMBOL	CLOSE
S&P	VIX	15.17 (2.15%)
Nasdaq	VXN	18.11 (1.68%)
Oil	OVX	31.57 (-3.43%)
Gold	GVZ	9.86 (-0.50%)

## MARKET OUTLOOK

Futures are indicating a lower open for the morning ahead of a busy day in Washington. Jerome Powell will be on Capitol Hill for a second day testifying before congress. The President's former attorney Michael Cohen will also be testifying this morning in front of the House Oversight Committee. Geopolitical tensions are rising in India again after Islamabad said it shot down two Indian aircraft in Kashmir. Airspace has largely been put on lockdown in the area. PM May appears closer to allowing an extension to the March 29<sup>th</sup> deadline for Brexit as she seeks to avoid a no deal scenario.

The Trump/Kim summit in North Korea is underway and the two have had private talks. Again, expectations are low for the meeting while the best case scenario is North Korea agreeing to a firm timeline for denuclearization. One benefactor so far from the meeting is **Boeing (BA)** who signed over \$15B in deals with **Vietjet** while the delegation is in Vietnam.

Asian markets were mixed overnight with the Nikkei closing strong while China was modestly lower. Defensive names like pharma and real estate were strong while trade-related industrials lagged. Daiichi Sankyo and Takeda both led. Semiconductor **Miraial** rose 6.4% after raising their outlook. Hong Kong GDP slowed in Q4 to 1.3% from 2.9%.

European markets are lower in early trade today and close to snapping a 3-day winning streak. The FTSE is lagging again today with the Pound near 5-month highs with growing optimism that a no-deal Brexit will be avoided. **Air France** was down 10% after the Dutch government took a 14% stake. **Beiersdorf** fell to two-year lows after an ugly warning on margins. **Unilever**, **Henkel**, and **Reckitt Benckiser** all fell as well. **Marks & Spencer** fell 9% after announcing a \$1B deal with **Ocado** for food delivery. **Bayer** was higher by 3.5% after strong earnings. Eurozone industrial sentiment fell again in February while services sentiment improved modestly. The overall business and consumer survey fell to 106.1 vs 106.3. Italian consumer confidence fell to 112.4.

## S&P TECHNICALS

**Levels:** Support 2,725/2,700; Resistance 2,800/2,820



2956 Advancing	Declining 4261
38.9%	56.1%
163 New High	New Low 35
82.3%	17.7%
6420 Above SMA50	Below 1158
84.7%	15.3%
3744 Above SMA200	Below 3834
49.4%	50.6%

**KEY EVENTS TO WATCH**

**Earnings After the Close:** XLRN, AEGN, ATSG, ALEX, AYY, AMED, ANSS, APA, BOLD, BGNE, BILI, WIFI, BKNG, BOX, CABO, CRC, CVNA, CHDN, COLL, DAR, ESTC, ERI, ECPG, ESV, STAY, FOF, FG, FIT, GKOS, GEF, HGV, TWNK, HHC, HPQ, ITRI, KW, KRA, LB, LADR, LHCG, MNST, ORBC, PK, PDCE, PRGO, PRAH, QRTEA, SRPT, SEMG, SOI, SJI, SWX, SQ, TDOC, TROX, TPC, UHS, WTI, WING;

**Analyst Days:** RF, HAIN;

**Economic Data on Thursday:** GDP at 8:30, Jobless Claims at 8:30, Chicago PMI at 9:45, EIA Nat Gas at 10:30;

**Earnings Thursday BMO:** AAON, ABB, ACIW, GOLF, AKRX, AMCX, FOLD, AMRX, BUD, BCPC, BMCH, CMD, CARS, CNP, CRAI, CM, CROX, EGRX, DAVA, ENDP, EXLS, FSS, GTN, GTT, HRI, HMHC, ICPT, IRDM, JCP, JD, KDP, LAUR, LKQ, MGLN, VAC, NLSN, NOMD, NRG, PCRX, PRTY, PDCO, PRIM, SEAS, BID, SPAR, STWD, SYNH, TTI, TD, VRTV, VST;

**ANALYST ACTION/COMMENTS**

**Philip Morris (PM)** upgraded to Buy at UBS

**Cincinnati Financial (CINF)** upgraded to Neutral at CSFB

**WR Berkley (WRB)** upgraded to Outperform at CSFB

**Aptar (ATR)** upgraded to Outperform at Baird

**Boise Cascade (BCC)** upgraded to Buy at DA Davidson

**Health Insurance Innovations (HIIQ)** downgraded to Neutral at B Riley, \$45 PT

**Benefitfocus (BNFT)** downgraded to Hold at Jefferies

**Home Depot (HD)** downgraded to Neutral at TAG

**Chubb (CB)** downgraded to Underperform at CSFB

**Rogers (RCI)** downgraded to Neutral at Raymond James

**Weight Watchers (WTW)** downgraded to Neutral at Oppenheimer, Keybank, B Riley, Sun Trust

**Autohome (ATHM)** downgraded to Neutral at CSFB

**Decker (DECK)** downgraded to Neutral at Susquehanna

**Unilever (UN)** downgraded to Neutral at BNP Paribas

**CH Robinson (CHRW)** downgraded to Neutral at Keybank

**Mylan (MYL)** downgraded to Hold at Bernstein

**Allegiant (ALGT)** downgraded to Neutral at Evercore

**Marinus (MRNS)** downgraded to Neutral at Mizuho

**MEDIA HIGHLIGHTS**

**Wynn Resorts (WYNN)** fined \$20M by Nevada Gaming Commission Over Ex-CEO – Reuters

**Disney (DIS), Fox** deal cleared in Brazil with divestment plan – Bloomberg

**GE** CEO seeks to restore dividend to inline with peers - CNBC

**CME Group (CME)** dealing with technical glitch that halted trade overnight – Bloomberg

FTC considered blocking **Facebook's (FB)** Instagram deal, launches new task force to examine past deals - NY Post

**Campbell Soup (CPB)** seeking bids for international portfolio by March 20 - AFR

**Microsoft (MSFT), VMware (VMW)** exploring cloud partnership - The Information

Senate Commerce Committee seeking information from **Google (GOOG)** CEO Sundar Pichai – Reuters

Credit reporting firms face renewed scrutiny from U.S. Congress (**EFX, TRU**) - Reuters

Elon Musk's Tweets All But Assure **Tesla (TSLA)** Will Have to Pay \$920 Million – Bloomberg

**M&S** to Pay Almost \$1 Billion for Food Joint Venture With **Ocado** – Bloomberg

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**STOCK SPECIFIC NEWS OF NOTE**

**Gap (GPS)** board approves new \$1B share buyback

**TiVo (TIVO)** still in 'ongoing discussions regarding potential strategic options'

**Dean Foods (DF)** to explore strategic alternatives

**Campbell Soup (CPB)** to sell Garden Fresh Gourmet to Fountain of Health affiliate

**Ameriprise (AMP)** announces \$2.5B stock buyback

**Spotify (SPOT)** launches in India

**Nutrien (NTR)** to acquire **Ruralco** for A\$4.40 per share

**Boeing (BA), Vietjet** announce order for 100 737 MAX airplanes

U.S. opens anti-dumping probe into steel imports from China, Canada, Mexico (**X, AKS, STLD, NUE**)

**GCP Applied Technologies (GCP)** to conduct review of strategic alternatives

**PRE-MARKET MOVERS****Moving Higher:** SE 11%, BBY 11%, IONS 2.9%**Moving Lower:** WATT -20%, MYL -9.9%, UN -3%**INSIDER TRADING (Form 4 Filings)****Buying:** KRG, CAR, DBD, MAT, KMI, IFF, CLR, RILY**Selling:** QRVO, NEM, ROG, COLM, AGCO, GDOT, ARRS, ES, WWW, AKAM, RCL, PCTY, WWW**INSTITUTIONAL MONEY FLOW****Buying:** VZ, JNJ, JPM, PFE, C, FB, GILD, WFC, XLNX, SO, WEC, ABT, WMB, BSX, PYPL**Selling:** SBUX, PG, BABA, MRK, ADBE, ORCL, AGN, AAPL, TRV, MS, NKE, MSFT, INTU, GS**OPTION HIGHLIGHTS (Prior Day)**

Stanley Works (SWK) with 2,000 July \$145 calls opening for \$6.10 today, spot where 1,000 sit in open interest from buyers in December. SWK had 300 July \$140/\$175 call spreads bought for \$6.50 back in early January which remain in open interest while the \$120 calls bought on 1/25 and the April calls also have some sizable open interest at the \$155 strike, 3700X from September. Shares are back above the 233-day MA after a strong post-earnings move and sitting at resistance of a four-month range at \$135/\$140. Longer-term, shares are nearing a downtrend break from the late 2017 highs which measures out to \$165/\$170. The \$20.55B company trades 14.68X earnings, 1.47X sales, and 67.5X FCF with a nearly 2% yield. They expect 4.9% and 9.8% EPS growth through FY20 with revenue growth of 3.5%. SWK has seen some concerns over tariff headwinds but delivered organic growth better than the industry while continuing to add share and expand into lawn/garden. The company sees 2019 upside as they rollout their Craftsman brand, deal synergies from the Lenox and Irwin acquisitions, and expanded e-commerce gains. They are also executing on a \$250M cost-savings plan and initiatives to enhance margins which have near their lowest level since 2016. Analysts have an average target for shares of \$157 with 14 buy ratings and 2 hold ratings. Short interest is 3% and near its highest levels since April 2016. Baird has a \$154 PT for shares with upside seen to volumes and their restructuring. Deutsche Bank defending shares on 1/23 seeing their 2019 outlook at overly conservative given the macro and geopolitical uncertainty. Institutional ownership jumped 30%.

**AFTER HOURS MOVERS****Gainers:** TNDM 15%, JAZZ 9.5%, PANW 6%, GWPH 6%, MELI 5.6%, TOL 4.5%**Losers:** WTW -25%, EVH -20.5%, ELF -13.5%, WLL -11.5%, BGS -7.5%, INGN -6.8%**MARKET SENTIMENT / INTERNALS**

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.66	Fading
CBOE Index Put/Call Ratio	0.96	Low
CBOE Skew Index	121.08	Falling
VIX Curve	Contango	Normal
CNN Fear & Greed Index	69	Greed
NYMO	38.7	Neutral
NYSE Highs/Lows	91.48	Extreme High
McClellan Summation	1252.52	Above 8-EMA
Univ. of Michigan Consumer Sentiment	95.5 (February)	-4.2% Y/Y

**SMART MONEY (13g/13d Filings)****POTENTIAL SYMPATHY TRADES****DXCM, PODD** – on TNDM earnings/outlook**PAGS** – on MELI earnings**FTNT, CHKP, SYMC, CYBR** – on PANW earnings**LEN, DHI, KBH** – on TOL earnings**IPO/SECONDARY MONITOR**

# TRADE

## WEEKLY TECHNICAL BREAKOUT

### DECK:



**Deckers (DECK)** shares are consolidating in a narrow post-earnings range under \$145 with a measured move to \$152.50 on a breakout. The 20-day MA has caught up to shares and RSI/MACD are both in healthy trends.

## FUNDAMENTAL TRADE OF THE WEEK

**Stock:** Monro Auto (MNRO)

**Price:** \$78

**Valuation:** Undervalued

**Key Ratios:**

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
Stock	29.4X	2X	3.8X	16.5X	23.3X
Industry Avg.	14.6X	0.6X	2.4X	7.3X	17X

**Analysis:** Monro Auto (MNRO) is a \$2.59B auto parts company which trades 29.4X earnings, 2X sales, and 29.95X FCF with a 1% yield. MNRO expects 10% EPS growth this year and 20% by FY21 with 6% and 12% revenue growth respectively. MNRO's new CEO is undertaking a new strategic plan and initiatives to improve profitability and growth in their key markets.

# IDEAS

## WEEKLY TECHNICAL BREAKDOWN

### CTB:



**Cooper Tires (CTB)** shares are starting to roll over from recent highs under \$33 while losing the 100-day MA and trend support from the December lows. Shares have a low-volume gap back to \$31.50 and room further to \$29.5.

## PAIR TRADE OF THE WEEK

**Industry:** Refiners

**Long/Short:** Long **Marathon Petroleum (MPC)**; Short **PBF Energy (PBF)**

**Analysis:** MPC is a strong FCF performer with better geographic coverage than peers and benefitting from stabilization in the cracks. They have strong synergies from the Andeavor deal and more leverage to IMO 2020 than peers. PBF is one of the weaker FCF names in the space and less-quality assets than peers.

## SMALL CAP TRADE OF THE WEEK

**Movado (MOV)** is a \$501M company which focuses on watches under a number of brands including Hugo Boss, Coach, and Concord. Shares trade 11.8X earnings, 0.87X sales, and 8.5% FCF with a 2.3% yield and double-digit EPS growth. MOV has been making some smart deals to get a foothold into the growing millennial market while topline growth continues to improve.

# DAILY OPTIONS REPORT

## Unusual Call Activity

Lattice Semi (LSCC)  
 Keurig Dr Pepper (KDP)  
 Versum (VSM)  
 Infinera (INFN)  
 2U (TWOU)  
 Etsy (ETSY)

## Unusual Put Activity

Vitamin Shop (VSI)  
 Mallinckrodt (MNK)  
 True Car (TRUE)  
 Keurig Dr Pepper (KDP)  
 Kosmos (KOS)  
 Red Robin (RRGB)

## Implied Volatility Riser

MannKind (MNKD)  
 SunOpta (STKL)  
 Ascendis (ASND)  
 Aurora (ACB)  
 Carvana (CVNA)  
 Amyris (AMRS)

## Lowest Put/Call Ratio

Halozyme (HALO)  
 Tower Semi (TSEM)  
 Liberty (LBTYK)  
 Rambus (RMBS)  
 Outfront (OUT)  
 Finisar (FNSR)

## Highest Put/Call Ratio

Colony Capital (CLNY)  
 MasTec (MTZ)  
 Hudson (HUD)  
 Microchip (MCHP)  
 Kosmos (KOS)  
 Centene (CNC)

## Implied Volatility Decliner

Nautilus (NLS)  
 General Electric (GE)  
 Riot Blockchain (RIOT)  
 Macys (M)  
 Shake Shack (SHAK)  
 2U (TWOU)

## OTM Calls on Offer

Eli Lilly (LLY)  
 WPX Energy (WPX)  
 Enphase (ENPH)  
 Marathon (MRO)  
 CVS Health (CVS)

## OTM Puts on Offer

L Brands (LB)  
 Vitamin Shop (VSI)  
 Marathon (MRO)  
 Sprint (S)  
 Comcast (CMCSA)

## Elevated IV30

Ascendis (ASND)  
 Tocagen (TOCA)  
 Energen (WATT)  
 Veracyte (VCYT)  
 Overstock (OSTK)

## Positive Net Delta

Bank of America (BAC)  
 Elanco (ELAN)  
 JD.com (JD)  
 AT&T (T)  
 Etsy (ETSY)

## Negative Net Delta

Roku (ROKU)  
 Cisco (CSCO)  
 L Brands (LB)  
 Snap (SNAP)  
 Kraft Heinz (KHC)

## Option Volume Gainers (%)

Vitamin Shop (VSI)  
 Mallinckrodt (MNK)  
 True Car (TRUE)  
 Lattice Semi (LSCC)  
 Keurig Dr Pepper (KDP)

## Bullish Call Flow

US Steel (X)  
 Intercontinental (ICE)  
 Visa (V)  
 Masco (MAS)  
 CVS Health (CVS)

## Bearish Put Flow

Redfin (RDFN)  
 Union Pacific (UNP)  
 MasTec (MTZ)  
 Amgen (AMGN)  
 Hawaiian Air (HA)

## Large Spread Trades

ADI, 750 Jan. \$120/\$95 bull risk reversals  
 MAS, 3,000 April \$35 puts sold to buy the \$38/\$41 call spreads  
 LMT, 1,400 March 29th (W) \$300/\$280 put spreads  
 MMM, March 29th (W) \$215/\$222.50 call spread bought  
 AMGN, 1,750 April \$185/\$165 put spreads



### News and Media

**VietJet** to Sign \$5.3B **GE** Engine Service Deal for Growing Fleet – Bloomberg  
**Sunrise** in Advanced Talks for **Liberty Global's (LBTYA)** \$6.3B Swiss UPC Unit – Bloomberg  
**Ted Baker** warns on profits after stock write-offs and currency moves – FT  
**Ford's (F)** China JV to lay off 'thousands' of workers -New York Times  
Investor Cerberus open to **Deutsche Bank (DB)** merger with **Commerzbank** – Reuters  
**Amazon (AMZN)**, **Comcast (CMCSA)**, **Elec. Arts (EA)** submit bids for **Nexon** holding firm – Reuters  
**Walmart (WMT)** Joins Amazon in Chase for Ad Dollars – WSJ  
Japanese antitrust authorities investigating **Amazon (AMZN)**, **Rakuten**, & **Y! Japan (AABA)** – Reuters  
ITV & BBC planning to launch **Netflix (NFLX)** rival Britbox – Telegraph  
Brazil's Raia Drogasil SA reaches deal to fully acquire Drogaria Onofre from **CVS (CVS)** – Reuters  
**Berkshire (BRK/B)** has reached a deal to sell Applied Underwriters – WSJ  
**Sarepta (SRPT)** exercises option to acquire Myonexus Therapeutics for \$165M

### Extras

**MSCI EFA (EFA)** opening buy of 20,000 March 2020 \$55 puts for \$1.23  
**Emerging Markets (EEM)** opening buy of 25,000 March 2020 \$35 puts for \$0.97. EEM also with 14,000 December \$46 calls opening \$1.96  
**Regional Banks (KRE)** with 39,000 May \$54/\$48 put spreads opening as March spreads adjusted  
**Goodyear Tires (GT)** late buy of 3,000 October \$17 puts \$0.83  
**Danaher (DHR)** March \$125 calls trading 2,000X late bought up to \$1.10 after the strength from it's large GE unit deal  
**Quest (DGX)** opening sale of 2,500 April \$95/\$80 strangles for \$1.05  
**Bottomline Tech (EPAY)** with 3,000 April \$55 calls bought late for \$0.80 to \$0.85  
**Apollo (APO)** late day buy of 1,000 Jan. 2021 \$30 calls \$3.50  
**Conoco (COP)** with 1,500 Jan. \$57.50 puts bought \$2.67 to open  
**United (UAL)** trade opened 1500 Jan. \$92.50 puts ITM for \$10.10 late daY

### Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Y/Y Growth	Notes
ACAD	ACADIA Pharmaceuticals	-\$0.50	-\$0.55	\$59.57	\$59.46	36.80%	FY In Line

AKCA	Akcea Therapeutics	-\$0.79	-\$0.66	\$10.20	\$17.76	-53.00%	
ARNA	Arena Pharm	\$1.35	-\$0.73	\$8.65	\$3.33	-43.70%	
AXGN	AxoGen	-\$0.09	-\$0.06	\$23.40	\$23.40	37.60%	
AAXN	Axon	\$0.08	\$0.11	\$114.79	\$104.03	21.30%	
BGS	B&G Foods	\$0.34	\$0.50	\$458.10	\$463.44	-1.80%	FY In Line
BNFT	Benefitfocus	\$0.14	\$0.10	\$74.80	\$73.03	10.20%	FY In Line
CPE	Callon Petroleum	\$0.68	\$0.20	\$161.90	\$158.46	37.00%	
CERS	Cerus	-\$0.12	-\$0.11	\$16.50	\$18.74	1.90%	
CLGX	CoreLogic	\$0.48	\$0.48	\$403.31	\$412.00	-11.20%	FY Below
CSGP	CoStar Group	\$2.81	\$2.53	\$315.57	\$310.19	24.20%	FY In Line
CW	Curtiss-Wright	\$1.90	\$1.75	\$648.62	\$688.52	6.00%	FY In Line
DVAX	Dynavax	-\$0.64	-\$0.62	\$3.90	\$3.43	18471.40%	
ELF	e.l.f. Beauty	\$0.30	\$0.21	\$78.60	\$84.67	-3.70%	FY Below
ENPH	Enphase Energy	\$0.04	\$0.06	\$92.20	\$85.40	15.70%	FY Above
EOG	EOG Resources	\$1.24	\$1.36	\$4,574.50	\$4,444.40	36.90%	
EVH	Evolent Health	-\$0.07	-\$0.04	\$193.10	\$188.66	69.80%	
FOXF	Fox Factory Holding	\$0.58	\$0.56	\$156.81	\$156.79	29.50%	FY In Line
FRPT	Freshpet	\$0.05	\$0.09	\$51.64	\$50.22	29.70%	FY Above
FTR	Frontier Communications	-\$0.06	-\$0.26	\$2,120.00	\$2,087.64	-4.40%	
GWPH	GW Pharma	-\$0.20	-\$0.24	\$6.70	\$5.35	67.50%	
HEI	HEICO	\$0.49	\$0.47	\$466.10	\$453.31	15.30%	FY In Line
HPR	HighPoint Resources	\$0.01	\$0.05	\$130.68	\$134.84	56.70%	
HURN	Huron Consulting	\$0.66	\$0.67	\$205.45	\$194.02	10.50%	
ICFI	ICF International	\$1.17	\$1.21	\$378.00	\$353.81	17.70%	
IMAX	IMAX	\$0.26	\$0.24	\$109.00	\$101.42	-13.20%	
IMMR	Immersion	-\$0.02	-\$0.16	\$10.87	\$9.05	57.60%	
INGN	Inogen	\$0.44	\$0.25	\$86.50	\$82.06	35.60%	FY In Line
INSP	Inspire Medical Systems	-\$0.22	-\$0.32	\$16.56	\$15.42	66.30%	FY Above
JAZZ	Jazz Pharma	\$3.64	\$3.03	\$476.46	\$459.48	9.20%	FY Above
JBGS	JBG SMITH Properties	\$0.41	\$0.34	\$163.30		4.40%	
MASI	Masimo	\$0.83	\$0.73	\$223.10	\$220.96	7.30%	FY In Line
MTDR	Matador Resources	\$0.37	\$0.27	\$202.10	\$202.83	20.00%	
MGRC	McGrath RentCorp	\$0.99	\$0.78	\$133.11	\$129.63	8.90%	
MED	Medifast	\$1.30	\$1.20	\$145.80	\$141.86	86.90%	FY Above

MELI	MercadoLibre	-\$0.05	-\$0.11	\$428.00	\$400.80	19.50%	
MMSI	Merit Medical	\$0.48	\$0.45	\$232.25	\$231.03	21.70%	
MYL	Mylan N.V.	\$1.30	\$1.36	\$3,035.50	\$3,095.52	-4.80%	FY In Line
OUT	OUTFRONT Media	\$0.40	\$0.36	\$452.40	\$446.18	12.70%	
PANW	Palo Alto Networks	\$1.51	\$1.22	\$711.00	\$682.32	30.30%	FY In Line
PZZA	Papa John's	\$0.15	\$0.15	\$373.98	\$393.05	-20.00%	FY Below
PEN	Penumbra	\$0.18	\$0.11	\$120.80	\$114.93	25.70%	FY In Line
PLNT	Planet Fitness	\$0.34	\$0.32	\$174.40	\$173.76	30.10%	FY Above
PUMP	ProPetro	\$0.59	\$0.58	\$425.41	\$423.45	35.60%	
RRGB	Red Robin Gourmet	\$0.43	\$0.37	\$306.78	\$308.03	-10.80%	FY Below
RTRX	Retrophin	-\$0.21	-\$0.27	\$43.77	\$43.54	3.80%	
RRD	RR Donnelley & Sons	\$0.64	\$0.66	\$1,760.00	\$1,744.50	-8.60%	FY In Line
INN	Summit Hotel	\$0.30	\$0.27	\$132.51	\$130.43	0.60%	
SUPN	Supernus Pharma	\$0.48	\$0.29	\$113.50	\$105.36	31.40%	FY Below
SYX	Systemax	\$0.26	\$0.27	\$217.70	\$217.02	11.90%	
TNDM	Tandem Diabetes Care	\$0.02	-\$0.20	\$76.20	\$56.34	89.10%	FY Above
CGBD	TCG BDC, Inc.	\$0.47	\$0.41		\$51.38		
TIVO	TiVo	-\$2.33	-\$0.12	\$168.46	\$173.68	-21.40%	
TOL	Toll Brothers	\$0.76	\$0.61	\$1,363.20	\$1,257.32	16.00%	
VEEV	Veeva Systems	\$0.45	\$0.40	\$232.32	\$227.15	24.90%	FY Above
WLL	Whiting Petroleum	-\$0.05	\$0.52	\$473.20	\$484.96	-0.30%	
WMGI	Wright Medical Group	\$0.11	\$0.06	\$238.15	\$237.86	9.40%	FY In Line
WTW	WW	\$0.63	\$0.60	\$330.40	\$346.99	5.70%	FY Below

**BGS – Missed on EPS and Revenues** – Our margins and our adjusted EBTIDA fell short of our expectations, as we continue to face elevated input and freight costs that in 2018 we were unable to fully offset with price increases and cost savings initiatives. Looking forward in 2019, we expect to see continued benefits from our cost savings initiatives, which we plan to enhance in 2019, as well as the full year impact of our 2018 price increases and a partial year impact of an additional round of price increases for 2019 that we have already communicated to our customers and that we expect to realize beginning towards the end of the second quarter. While we are disappointed in our 2018 profitability, we are confident that the actions we are now taking will enable us to achieve our full year 2019 guidance.

**MELI – Beat on EPS and Revenues** – Total payment volume through MercadoPago surpassed the \$5 billion mark for the first time, reaching \$5.3 billion, a year-over-year increase of 22.1% in USD and 68.5% on an FX neutral basis. Total payment transactions increased 71.7% year-over-year, totaling 125.6 million transactions for the quarter. MercadoPago experienced continued success in execution of off-platform payments (online and offline) through merchant services, mobile point-of-sale (“MPOS”)



devices, and mobile wallet business. On a consolidated basis, off-platform total payment volume grew 90.1% year-over-year in USD and 172.2% on an FX neutral basis. During the 4Q'18 we have continued our efforts to re-calibrate our P&L with initiatives such as continued changes to our discounted shipping initiatives, and free listing caps, which allowed us to improved enhanced marketplace monetization. As a consequence our Net Revenues accelerated for the 3rd consecutive quarter, reaching 61.8% YoY on an FX neutral basis.

**MYL – Missed on EPS and Revenues** – We're pleased with our results from 2018 and continue to be extremely proud of our scientific achievements over the past year. In 2019, you can expect us to move our portfolio and pipeline up the value chain, invest organically in our key brands and execute on our impressive commercial assets around the world. We anticipate growth of more than \$1 billion in new launches, nearly all of which have already been approved, and which reflects a heavier weighting on specialty and complex generic products aligned with the evolution of the pharmaceutical industry.

**PANW – Beat on EPS and Revenues** – Fiscal second quarter billings grow 27 percent year over year to \$852.5 million. Our recently introduced products and services, including Cortex XDR, Traps 6.0, PAN-OS 9.0, the DNS Security Service subscription, and our fastest ever Next-Generation Firewall, coupled with the proposed acquisition of Demisto, further enhance and expand our capabilities, making security simpler and more effective through the use of artificial intelligence, analytics, automation and orchestration.

**PLNT – Beat on EPS and Revenues** – Fourth quarter system-wide same store sales increased 10.1%, marking our 48th consecutive quarter of positive same store sales growth and the third year in a row that fourth quarter same store sales grew double digits on a percentage basis. At the same time, we sold equipment into 104 new stores during the fourth quarter, bringing our full year count to a record 228. From our group of experienced franchisees who are eager to expand their footprints to increasingly favorable real estate trends, our growing national and local advertising budgets and our initiatives aimed at enhancing the member experience, we believe there are tremendous opportunities to build on our recent accomplishments. I am confident that we have the right franchisees in place to more than double our U.S. presence and attract more casual and first time gym users to our welcoming, non-intimidating fitness offering, and do it in a manner that generates increased value for our shareholders over the long-term.

**TNDM – Beat on EPS and Revenues** – "2018 was both extraordinary and transformative for our Company, as we entered the year fighting for a place in the domestic insulin pump market and exited as a global leader in diabetes technology," said Kim Blickenstaff, president and chief executive officer. "All of the same catalysts that drove our growth in 2018 are still in place: our differentiated pump platform, automated insulin delivery algorithms, international expansion and the underlying passion of our employees to improve the lives of people with diabetes. Together, they present us with a tremendous opportunity for the year ahead."

**TOL – Beat on EPS and Revenues** – We attribute the decline in our first quarter contracts to a difficult year-over-year comparison, a lack of current inventory in certain locations and the industry-wide slowdown that began in the second half of 2018. On a per-community basis, contracts tracked more closely to FY 2016's and 2017's first quarter, which were still quite healthy, than to the more robust FY 2018 first quarter. Although we experienced a year-over-year decline in contracts each month of this first quarter, the decline decreased as the quarter progressed. While non-binding reservation deposits for the first three weeks of February were still behind last year, we are encouraged by improving demand trends during the month, and especially by last week's deposits, which exceeded last year's same week.

Nationally, the economy remains healthy, unemployment is low, and housing supply is still tight. Many of our potential customers have benefited from a strong stock market and enjoy increased equity in their existing homes. Mortgage rates have recently decreased to their lowest levels in a year. These factors are all generally positive for the home building sector.

**WTW – Missed on EPS and Revenues** - "While we are disappointed with our start to 2019, we are confident that our strategy to focus on providing holistic wellness solutions leveraging our best-in-class weight management program is the right path to support long-term sustainable growth. Looking ahead, I'm happy to say that Oprah Winfrey will play a central role in our upcoming TV and digital marketing campaign for Spring, bringing to life a clear message on how WW is the program that works. Together with Oprah, we are also working on an initiative to galvanize and bring together communities through a series of digital and live experiences and events to accelerate WW's impact and allow us to reach new and diverse audiences. We will announce more details in the coming months, but anticipate the initiative will kick off later in 2019." WW CFO Nick Hotchkin added, "Due to the soft start to the key Winter Season, we expect member recruitment for 2019 to be below 2018 levels, resulting in lower revenue and earnings for the year. We are focused on driving member recruitment and exercising strict cost discipline, while continuing to invest in the areas that will drive future growth."

### Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Y/Y Growth	Notes
AES	AES	\$0.36	\$0.34	\$2,622.00	\$4,059.62	-0.80%	FY In Line
AMRN	Amarin	-\$0.09	-\$0.06	\$77.30	\$73.87	43.40%	
AMT	American Tower	\$2.40	\$2.15	\$2,132.00	\$2,032.25	25.00%	FY Below
ANIP	ANI Pharma		\$1.24		\$53.48		
WAAS	AquaVenture	-\$0.25	-\$0.23	\$41.80	\$38.72	29.40%	
BBY	Best Buy	\$2.72	\$2.58	\$14,801.00	\$14,689.81	-3.70%	FY In Line
CPB	Campbell Soup		\$0.70		\$2,663.95		
TAST	Carrol's Restaurant	\$0.05	\$0.08	\$307.75	\$346.38	8.40%	FY In Line
CHK	Chesapeake Energy	\$0.49	\$0.18	\$3,069.00	\$1,068.94	21.80%	
CLH	Clean Harbors		\$0.17		\$824.69		
DQ	Daqo New Energy		\$0.12		\$72.40		
DF	Dean Foods	-\$0.50	-\$0.26	\$1,929.48	\$1,913.13	-0.30%	
DNR	Denbury Resources	\$0.10	\$0.09	\$336.00	\$329.65	4.70%	
DY	Dycom	\$0.10	\$0.16	\$748.62	\$719.25	14.30%	FY In Line
EXPI	eXp World Holdings		-\$0.08		\$145.14		
FTDR	Frontdoor	\$0.23	\$0.07	\$279.00	\$277.87	8.60%	
GCP	GCP Applied Tech.	\$0.29	\$0.27	\$276.00	\$284.36	-4.70%	FY In Line
GTE	Gran Tierra Energy	-\$0.03	\$0.06	\$136.60	\$154.40	7.40%	

HMLP	Hoegh LNG Partners	\$0.37	\$0.44	\$37.76	\$36.42	0.50%	
HZNP	Horizon Pharma	\$0.67	\$0.54	\$355.50	\$334.22	29.60%	FY In Line
HPT	Hospitality Props	\$0.61	\$0.60	\$550.80	\$538.02	2.90%	
NTLA	Intellia Therapeutics	-\$0.43	-\$0.54	\$7.90	\$9.92	17.90%	
IPI	Intrepid Potash		\$0.04		\$36.19		
IONS	Ionis Pharma	\$2.21	\$0.00	\$192.00	\$159.59	14.30%	
LXP	Lexington	\$0.22	\$0.20	\$87.25	\$86.04	-14.60%	
LIVN	LivaNova	\$1.12	\$1.10	\$297.00	\$294.98	6.70%	FY Below
LOW	Lowe's	\$0.80	\$0.79	\$15,647.00	\$15,746.93	1.00%	
MDGL	Madrigal	-\$0.75	-\$0.74				
MDCA	MDC Partners		\$0.27		\$389.55		
MGPI	MGP Ingredients	\$0.69	\$0.56	\$104.85	\$99.77	18.90%	FY Above
MIDD	Middleby	\$1.79	\$1.63	\$756.67	\$737.69	19.60%	
EYE	National Vision	\$0.01	\$0.01	\$355.92	\$350.14	10.60%	
NEWM	New Media Investment	\$0.22	\$0.46	\$416.00		5.60%	
NOVT	Novanta	\$0.56	\$0.51	\$156.20	\$154.51	6.30%	FY In Line
OCN	Ocwen Fincl	-\$0.03	-\$0.45	\$310.93	\$290.64	12.30%	
ODP	Office Depot	\$0.09	\$0.08	\$2,670.00	\$2,680.89	3.40%	
PGTI	PGT Inc.	\$0.21	\$0.20	\$189.89	\$173.39	41.60%	FY Below
DOC	Physicians Realty Trust		\$0.27		\$104.75		
PNM	PNM Resources	\$0.18	\$0.16		\$419.86		
PEG	Public Service		\$0.55		\$2,398.62		
RDC	Rowan Cos	-\$1.17	-\$1.09	\$179.40	\$166.30	-39.50%	
SBGI	Sinclair Broadcast		\$1.90		\$878.46		
SHOO	Steven Madden	\$0.42	\$0.38	\$410.36	\$401.50	12.60%	FY In Line
MDCO	The Medicines Co	-\$0.62	-\$0.57		\$2.46		
TJX	TJX		\$0.68		\$11,006.28		
UTHR	United Therapeutics	\$3.34	\$2.55	\$381.40	\$355.81	-17.90%	