

**TOP STORIES**

- EU Slashes Growth Forecasts and Warns Over Brexit, China
- BOE Keeps Rates Unchanged, Cuts Growth Forecasts Behind Brexit
- U.K. House-Price Growth Slows Further at the Start of the Year
- India Central Bank Surprises with a Rate Cut, Changes Stance to Neutral
- BB&T, Sun Trust to Merge in \$66B Deal, Create Sixth Largest Bank in US

**INDEX FUTURES**

Futures	Change	Fair Value
<b>S&amp;P 500</b>	<b>2712.75 (-16.75)</b>	<b>-17.36</b>
<b>Nasdaq</b>	<b>6954.25 (-41.5)</b>	<b>-46.37</b>
<b>Dow</b>	<b>25176 (-151)</b>	<b>-163.3</b>

**GLOBAL INDICES**

INDEX	CLOSE	CHANGE
<b>FTSE</b>	<b>7156.37</b>	<b>-0.23%</b>
<b>DAX</b>	<b>11174.78</b>	<b>-1.32%</b>
<b>Nikkei</b>	<b>20751.28</b>	<b>-0.59%</b>
<b>Hang Seng</b>	<b>Closed - Holiday</b>	

**ECONOMIC CALENDAR**

TIME	INDICATOR	CONSENSUS
<b>8:30</b>	<b>Jobless Claims</b>	
<b>9:15</b>	<b>Robert Kaplan Speaks</b>	
<b>9:30</b>	<b>Richard Clarida Speaks</b>	
<b>10:30</b>	<b>EIA Nat Gas</b>	
<b>3:30</b>	<b>Consumer Credit</b>	

**FOREX**

<b>EUR/USD</b>	<b>1.1329 (-0.27%)</b>
<b>USD/JPY</b>	<b>109.77 (-0.17%)</b>
<b>USD/CAD</b>	<b>1.3251 (0.30%)</b>
<b>GBP/USD</b>	<b>1.2874 (-0.45%)</b>

**COMMODITY**

<b>Oil</b>	<b>53.51 (-0.93%)</b>
<b>Natural Gas</b>	<b>2.629 (-1.24%)</b>
<b>Gold</b>	<b>1310.4 (-0.30%)</b>
<b>Copper</b>	<b>2.8345 (-0.07%)</b>

**VOLATILITY INDICES**

INDEX	SYMBOL	CLOSE
<b>S&amp;P</b>	<b>VIX</b>	<b>15.38 (-1.22%)</b>
<b>Nasdaq</b>	<b>VXN</b>	<b>19.74 (1.39%)</b>
<b>Oil</b>	<b>OVX</b>	<b>33.02 (-4.48%)</b>
<b>Gold</b>	<b>GVZ</b>	<b>9.76 (-3.75%)</b>

**MARKET OUTLOOK**

Futures are indicating a lower open for the morning with the dollar continuing to rally and now above the January highs. The EU Commission slashed their growth outlook this morning expecting inflation to slow and effects of the trade war and Brexit to linger. They moved below the ECB estimates, likely making a rate hike later this year less likely, and said growth will hit 1.3% vs 1.9%. In Washington, President Trump is facing renewed calls for his tax returns as well as pushback on his border proposal ahead of the Feb 15 deadline for a budget. All signs right now point to another shutdown as the President has said he won't sign anything without wall funding. Oil is down again today while metals are facing pressure from the dollar. Nat Gas is down over 1.3% to its lowest level in over a year.

Asian markets fell overnight with the Nikkei closing near the lows. Japan's leading index fell in December by 1.2%, more than the 0.7% expected. China and Hong Kong remain on holiday. **Subaru** was higher by 6% after earnings and peer **Mazda** also higher after raising their outlook. **Softbank** closed limit up, +17.73%, after announcing a sizable buyback.

European shares are trending lower at mid-day with the DAX leading the drop. Bank stocks are bucking the trend with **Unicredit** higher by 3% after results. **SocGen** is modestly higher after earnings. **Publicis** is down 14% after warning on earnings. Travel operator **TUI** is down 15% after cutting their outlook. **Thomas Cook** rallied 9% after announcing a strategic review and potential sale of its airline business. German industrial production was soft vs estimates for a rebound. UK housing prices fell 2.9% in January, worse than the 0.5% drop expected. Italian retail sales fell 0.7% in December. The BOE kept rates unchanged in a unanimous vote. They also cut their growth forecasts citing Brexit.

**S&P TECHNICALS**

**Levels:** Support 2,700/2,650; Resistance 2,750/2,800



2933 Advancing	Declining 4209
39.1%	56.1%
106 New High	New Low 30
77.9%	22.1%
5997 Above SMA50	Below 1499
80.0%	20.0%
2737 Above SMA200	Below 4759
36.5%	63.5%

**KEY EVENTS TO WATCH**

**Earnings After the Close:** ATEN, ATGE, ANGI, BECN, BKH, BRS, CSL, CBL, COLM, DXC, EHC, ENSG, ESE, EEFT, EXPE, FISV, FTV, FWRD, G, HUBG, IAC, KN, LGND, LGF/A, MTW, MAT, MTD, MHK, MSI, UEPS, NR, NWSA, NUAN, POWI, PRI, PRO, QRVO, QNST, RPD, RSG, SGEN, SWI, SYNA, TDC, TBI, VRSN, VRTU, VCRA, WTS, WU, ZAYO;

**Economic Data on Friday:** Wholesale Trade at 10:00 AM, Baker Hughes at 1:00;

**Earnings BMO Friday:** ARNC, AVA, CAE, CBOE, CLF, COTY, ESNT, EAF, HAS, IMG, PSX, RDN, VTR;

**ANALYST ACTION/COMMENTS**

**Cognizant (CTSH)** upgraded to Outperform at BMO

**SAIA** upgraded to Buy at Deutsche Bank

**Spirit Airlines (SAVE)** upgraded to Buy at Goldman Sachs

**Macrogenics (MGNX)** upgraded to Buy at Citi, \$39 PT

**Guess (GES)** upgraded to Buy at Jefferies, \$24 PT

**Jack Henry (JKHY)** raised to Outperform at Wells Fargo

**Cummins (CMI), Paccar (PCAR), Wabco (WBC)** upgraded to Outperform at Baird

**Health Equity (HQY)** upgraded to Buy at Sun Trust

**Suncor (SU)** upgraded to Outperform at Macquarie

**Elastic (ESTC)** downgraded to Neutral at Goldman

**Vale (VALE)** downgraded to Neutral at MSCO

**Omega Health (OHI)** downgraded to Hold at Stifel

**Fire Eye (FEYE)** downgraded to Neutral at BTIG

**Owens Illinois (OI)** downgraded to Neutral at BAML

**XPO Logistics (XPO)** initiated Buy at Loop Capital

**Cactus (WHD)** initiated Strong Buy at Raymond James

**Iovance (IOVA)** initiated Outperform at Baird

Successful challenge of **Biogen's (BIIB)** '514 patent unlikely, says Piper Jaffray

**Livanna (LIVN)** risk/reward favorable into final Medicare decision, says Piper Jaffray

**MEDIA HIGHLIGHTS**

No ongoing discussions to sell **Arconic (ARNC)** - WSJ

**Novartis (NVS)** CEO blames high drug costs on PBMs as debate rages on - Reuters

Liberty's Malone forms team to challenge MLB bid for **Fox (FOXA)** RSNs - NY Post

Freight-forwarding Company **DSV** Omits Share Buyback and Says It's 'Actively' Chasing M&A – Bloomberg

**SocGen** CEO Says Prop Trading Unit Is Under Review Amid Cuts – Bloomberg

Theme Park Developer Puts Brakes on **Six Flags (SIX)** Dubai Project – Bloomberg

**SoftBank** Jumps After Announcing Buyback Plan – Bloomberg

**Subaru** slashes profit forecast by 16% amid factory setbacks – Nikkei Asian Review

German cartel office concerned by reports **Facebook (FB)** to merge apps – Reuters

**Volvo** feels margin pressure from tariff war – Reuters

Farm Belt Bankruptcies Are Soaring – WSJ

**Total SA (TOT)** considering bid for Dutch energy company **Eneco** – Reuters

**Thomas Cook** considers sale of airline business – BBC

**STOCK SPECIFIC NEWS OF NOTE**

**Hawaiian Airlines (HA)** reports January traffic up 4.8%, capacity up 4.6%

**Zumiez (ZUMZ)** reports January SSS up 3.5%; **Costco (COST)** reports January comps up 5.2%; **L Brands (LB)** January comps down 1%

**Marvell (MRVL)** cuts Q4 outlook

**Paratek Pharma (PRTK)** says NEJM published results of Nuzyra studies

**USA Technologies (USAT)** auditor resigns, to restate FY17 and FY18 financials

**Tyson Foods (TSN)** to acquire Thai, European operations of BRF S.A. for \$340M

**BB&T (BBT), SunTrust (STI)** to combine in merger of equals valued at about \$66B

**Solid Biosciences (SLDB)** preliminary findings from IGNITE DMD, to move forward after disappointing data

**PRE-MARKET MOVERS**

**Moving Higher:** STI 7.5%, MGNX 6.5%, BBT 4%

**Moving Lower:** USAT -27%, TPR -11.6%, FCAU -10%, FEYE -9%, TWTR -8%

**INSIDER TRADING (Form 4 Filings)**

**Buying:** LNDC, ZBH, T, JPM, DISH, KMI

**Selling:** DFS, DLB, NVR, ACIA, CPT, NVR, NBIX, INFO, LPLA, DIOD, TPIC

**INSTITUTIONAL MONEY FLOW**

**Buying:** GOOGL, SBUX, DIS, EA, F, DUK, CELG, NEE, SPG, ABBV, ETN, CCI, WM, AIG

**Selling:** AAPL, JNJ, IBM, MRK, RHT, KEY, GM, CVS, MDLZ, NOC, MO, C, WMT, MDT

**OPTION HIGHLIGHTS (Prior Day)**

**Uniti (UNIT)** with another 2,000 August \$17.5 puts bought \$2 after 2,900 opened late yesterday. UNIT also with 1,200 May \$17.50 puts bought for \$1.35 to \$1.45. UNIT does have over 10,000 February \$17.50 calls sitting in open interest from buys and has seen some May \$17.5 and \$20 calls accumulate. Longer term a large buy of 10,000 Jan. 2020 \$15 puts from 11/15 remains in OI. On the chart shares are back to high volume profile resistance at \$20.25, an area it could turn lower also being long-term trend resistance. The \$3.5B communication infrastructure REIT trades 7.9X FFO with a 12% dividend yield, and will next report on 2-28. UNIT is a top ten owner of Fiber, Small Cells and Macro Towers seeing a rapid expansion in wireless data driving the need for significant investments in its products. Analysts have an average target of \$19.50 on shares with short interest at 8.9% of the float, rising 25% Q/Q. MSCO downgraded shares back in December to Underweight with concerns on the capital structure and elevated costs of capital that could lead to a dividend cut or equity raise and pressure shares. Hedge Fund ownership dropped nearly 25% in Q3 filings and no real notable concentrated holders.

**AFTER HOURS MOVERS**

**Gainers:** LCI 13.7%, IRBT 11.5%, CMG 9.8%, MTCH 9.5%, IAC 5.5%, ARRY 5%, NOV 4.6%, FTNT 4%

**Losers:** USAT -20%, FEYE -7.7%, SONO -4.5%

**MARKET SENTIMENT / INTERNALS**

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.69	Declining
CBOE Index Put/Call Ratio	1.73	Highest Since 9/3
CBOE Skew Index	126.03	Low but off of extremes
VIX Curve	Contango	Normal
CNN Fear & Greed Index	61	Greed
NYMO	72.16	Elevated
NYSE Highs/Lows	72.46	Highest Since September
McClellan Summation	670.23	Above 8-EMA
Univ. of Michigan Consumer Sentiment	91.2 (January)	-4.7% Y/Y

**SMART MONEY (13g/13d Filings)**

**POTENTIAL SYMPATHY TRADES**

**SRPT** – higher on SLDB failure

**AAP, AZO, GPC** – on ORLY earnings

**MOS, CF** – on NTR earnings

**CPRI** – on TPR earnings

**IPO /SECONDARY MONITOR**

**Alector (ALEC) issuing 9.3M shares at \$18-\$20;** Clinical stage biopharma focused on immuno-oncology for treatment of neuro-degeneration

**Gossamer Bio (GOSS) issuing 14.4M shares at \$16;** Clinical stage biopharma focused on developing therapeutics for immunology, inflammation and oncology

**Harpoon Therapeutics (HARP) issuing 5.4M shares at \$13-\$15;** Clinical stage immunotherapy company developing T cell "engagers" to treat cancer patients

# TRADE

## WEEKLY TECHNICAL BREAKOUT

ABT:



**Abbott Labs (ABT)** shares are consolidating in a big weekly bull flag under \$73.50 with a breakout measuring out to \$80. RSI on the weekly is back above 50 and MACD with a bullish crossover starting last week.

## FUNDAMENTAL TRADE OF THE WEEK

**Stock:** United Rentals (URI)

**Price:** \$126

**Valuation:** Undervalued

**Key Ratios:**

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
<b>Stock</b>	<b>9.6X</b>	<b>1.3X</b>	<b>3X</b>	<b>5.6X</b>	<b>18.8X</b>
<b>Industry Avg.</b>	<b>7.8X</b>	<b>0.9X</b>	<b>1.6X</b>	<b>5.0X</b>	<b>--</b>

**Analysis:** URI is a \$10.18B rental and leasing company which trades cheap at 6X earnings and 1.27X sales. The company has been active in M&A recently as they consolidate a fragmented industry and benefitting from better equipment rental trends vs construction spend. URI is coming off a strong quarter with margin improvement, 18% growth in revenue, and record ROIC.

# IDEAS

## WEEKLY TECHNICAL BREAKDOWN

LB:



**L Brands (LB)** shares are consolidating in a weekly bear flag under the 8-week EMA and nearing a trend break which targets the recent lows. A move under \$24 has room to \$20. MACD on the daily is back at zero and rolling over, RSI also weakening back at 50.

## PAIR TRADE OF THE WEEK

**Industry:** Outdoor Activities

**Long/Short:** Long Yeti (YETI) Short Camping World (CWH)

**Analysis:** YETI is a \$1.43B growing young company which has seen a nearly 5X rise in sales since 2015. They have long-term drivers from product and International expansion. CWH is a \$1.24B company but debt-heavy balance sheet after building through M&A and faces headwinds from higher RV inventories.

## SMALL CAP TRADE OF THE WEEK

**PAM Transport (PTSI)** is a \$297M trucking logistics company which focuses on irregular route OTR trucking. PTSI trades 12.79X earnings, 0.56X sales, and 10.2X cash with 30% EPS growth. PTSI has a number of contracts expiring in late 2018/2019 at older rates which they expect to re-sign above to help battle rising costs.

## DAILY OPTIONS REPORT

### Unusual Call Activity

Ellie Mae (ELLI)  
Arlo Tech (ARLO)  
Calix (CALX)  
Alkermes (ALKS)  
Inogen (INGN)  
LKQ

### Unusual Put Activity

Interpublic (IPG)  
Natus Medical (BABY)  
Coty (COTY)  
Ascendis (ASND)  
B&G Foods (BGS)  
Chemours (CC)

### Implied Volatility Riser

Arconic (ARNC)  
Daktronics (DAKT)  
Proteostasis (PTI)  
Immunomedics (IMMU)  
Array (ARRY)  
Sonos (SONO)

### Lowest Put/Call Ratio

Liberty (LBTYK)  
Laureate Education (LAUR)  
Intrepid Potash (IPI)  
Alkermes (ALKS)  
Radian (RDN)  
Textainer (TGH)

### Highest Put/Call Ratio

Gladstone (GLAD)  
HD Supply (HDS)  
PagSeguro (PAGS)  
Chemours (CC)  
B&G Foods (BGS)  
Fibrogen (FGEN)

### Implied Volatility Decliner

Macrogenics (MGNX)  
Snap (SNAP)  
Cerner (CERN)  
Zendesk (EZEN)  
Microchip (MCHP)  
Spirit Air (SAVE)

### OTM Calls on Offer

Molson Coors (TAP)  
Skyline (SKY)  
Colgate (CL)  
Alkermes (ALKS)  
Comcast (CMCSA)

### OTM Puts on Offer

Ascendis (ASND)  
Chemours (CC)  
Celgene (CELG)  
Nike (NKE)  
Grub Hub (GRUB)

### Elevated IV30

Macrogenics (MGNX)  
Intercept (ICPT)  
Solid Bio (SLDB)  
Ascendis (ASND)  
Tocagen (TOCA)

### Positive Net Delta

GE  
AT&T (T)  
Ford Motor (F)  
Newmont Mining (NEM)  
Cliff's (CLF)

### Negative Net Delta

Apple (AAPL)  
Coty (COTY)  
Vale SA (VALE)  
Disney (DIS)  
Cronos (CRON)

### Option Volume Gainers (%)

Interpublic (IPG)  
Natus Medical (BABY)  
Coty (COTY)  
Ellie Mae (ELLI)  
Arlo Tech (ARLO)

### Bullish Call Flow

Intelsat (I)  
Etsy (ETSY)  
eBay (EBAY)  
Electronic Arts (EA)  
ON Semi (ON)

### Bearish Put Flow

Labcorp (LH)  
Dish Network (DISH)  
Papa Johns (PZZA)  
Lam Research (LRCX)  
Six Flags (SIX)

### Large Spread Trades

MGM, 1,535 April \$27/\$24 bull risk reversals  
EA, 2,000 Jan. 2020 \$90/\$75 bull risk reversals  
ALKS, 5,000 May \$35/\$42 bear call spreads  
FGEN, 2,000 OTM June \$40/\$25 put spreads  
GE, 5,000 August \$11/\$9 bull risk reversals

### Extras

**MPLX LP (MPLX)** with 1,500 March \$35 puts bought to open \$1.15 into earnings 2-7

**Genuine Parts (GPC)** with 950 August \$110 calls opening \$2.50 as February \$97.5 calls adjust and take some off the table

**Tucows (TCX)** weak close and IV surged as 820 May \$70 puts opening \$3.90 to \$4.90, earnings 2-13

**Santander (SC)** with 1,750 ITM April \$20 puts sold to open late day \$1.25 to \$1.20

**Deere (DE)** buyers of 1,200 Jan. 2020 \$165 calls \$17.55 to \$17.60

**Electronic Arts (EA)** afternoon buys of 1,300 September \$95 calls \$4.35 to \$4.65

**Adient (ADNT)** with 3,000 February \$20 calls opening \$2.10 as the \$19 calls adjust

### Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Y/Y Growth	Notes
AOSL	Alpha and Omega Semi	\$0.30	\$0.01	\$114.90	\$113.40	10.60%	FY In Line
UHAL	AMERCO	\$4.01	\$3.55	\$919.09	\$866.87	9.00%	
AINV	Apollo Investment	\$0.45	\$0.46	\$64.00	\$64.31	-1.10%	
AHL	Aspen Insurance	-\$2.23	-\$0.94	\$538.50		5.40%	
ACLS	Axcelis Tech	\$0.25	\$0.21	\$105.68	\$99.83	-9.20%	FY Below
BLKB	Blackbaud	\$0.65	\$0.55	\$221.79	\$220.40	1.20%	FY In Line
CCMP	Cabot Micro		\$1.43		\$217.90		
ELY	Callaway Golf	-\$0.32	-\$0.32	\$181.00	\$176.35	-5.70%	FY In Line
CENT	Central Garden	\$0.03	\$0.14	\$462.00	\$487.52	4.50%	FY In Line
CDAY	Ceridian HCM	\$0.07	\$0.07	\$200.30	\$196.56	9.80%	FY Above
CMG	Chipotle Mexican Grill	\$1.72	\$1.41	\$1,225.00	\$1,195.03	10.40%	
CINF	Cincinnati Fincl	\$0.98	\$0.87	\$710.00	\$1,466.30	-49.70%	
COR	CoreSite Realty	\$1.26	\$1.26	\$139.10	\$139.89	10.50%	FY In Line
CUZ	Cousins Prop	\$0.17	\$0.16	\$122.68	\$118.30	7.50%	FY In Line
CCK	Crown	\$1.00	\$1.00	\$2,734.00	\$2,806.89	26.10%	FY Below
CSGS	CSG Systems	\$0.95	\$0.76	\$231.70	\$228.30	12.90%	FY In Line
CUB	Cubic	-\$0.23	-\$0.13	\$305.30	\$288.55	22.90%	FY In Line
DHT	DHT	\$0.13	\$0.15	\$85.20	\$84.83	50.50%	
EGP	EastGroup	\$1.18	\$1.18	\$77.97	\$76.80	9.30%	
ECHO	Echo Global	\$0.47	\$0.38	\$583.00	\$587.32	6.40%	FY Below
ENTA	Enanta Pharma	\$1.25	\$1.29	\$69.89	\$71.27	83.40%	

ENS	Energys	\$1.21	\$1.25	\$680.00	\$685.80	3.20%	
ENSG	Ensign Group	\$0.54	\$0.51	\$544.85	\$523.15	11.70%	FY Above
FEYE	FireEye	\$0.06	\$0.05	\$217.53	\$216.79	5.70%	FY In Line
FLT	FleetCor	\$2.78	\$2.72	\$643.40	\$620.45	5.50%	FY In Line
FLO	Flowers Foods	\$0.16	\$0.15	\$880.67	\$869.41	0.80%	FY In Line
FORM	FormFactor	\$0.31	\$0.25	\$140.90	\$135.93	6.80%	FY In Line
FTNT	Fortinet	\$0.59	\$0.52	\$507.00	\$496.33	21.70%	FY In Line
GBDC	Golub Capital	\$0.32	\$0.32	\$39.41	\$39.39		
GPRO	GoPro	\$0.30	\$0.26	\$377.38	\$374.28	12.70%	
ICHR	ICHOR Corporation	\$0.32	\$0.35	\$141.40	\$144.20	-22.70%	FY Below
IRBT	iRobot	\$0.88	\$0.51	\$384.67	\$381.87	17.60%	FY In Line
KNL	Knoll	\$0.57	\$0.54	\$354.60	\$354.10	12.20%	
LCI	Lannett	\$0.32	\$0.67	\$193.70	\$162.51	5.10%	FY Above
LNC	Lincoln National	\$2.15	\$2.12	\$4,394.00	\$4,221.06	16.40%	
MTCH	Match Group	\$0.39	\$0.38	\$457.00	\$448.38	20.60%	FY Light
MTRX	Matrix Service	\$0.14	\$0.19	\$340.60	\$317.23	20.40%	FY In Line
MET	MetLife	\$1.35	\$1.29	\$15,397.00	\$15,842.05	0.00%	
MC	Moelis	\$0.77	\$0.67	\$238.30	\$224.54	40.80%	
NOV	Natl Oilwell Varco	\$0.03	\$0.09	\$2,398.00	\$2,182.27	21.80%	
NTGR	NETGEAR	\$0.68	\$0.29	\$288.90	\$409.26	5.40%	FY Below
NEWR	New Relic	\$0.19	\$0.12	\$124.00	\$120.18	35.10%	FY Above
NTR	Nutrien	\$0.54	\$0.54	\$3,762.00	\$3,614.91	7.50%	FY Below
NXPI	NXP Semi		\$2.08		\$2,379.68		
OSUR	OraSure	\$0.16	\$0.11	\$50.25	\$47.77	-3.40%	FY Below
ORLY	O'Reilly Auto	\$3.72	\$3.75	\$2,315.00	\$2,328.38	5.70%	FY Below
PCTY	Paylocity	\$0.23	\$0.22	\$107.20	\$104.68	24.70%	
PAHC	Philbro Animal Health	\$0.41	\$0.43	\$218.20	\$211.59	6.00%	
PSDO	Presidio	\$0.39	\$0.34	\$767.80	\$682.55	18.30%	FY Above
PSEC	Prospect Capital	\$0.22	\$0.22	\$187.88	\$182.09	15.70%	
PRU	Prudential	\$2.44	\$2.79		\$13,514.22		
RYN	Rayonier	\$0.02	\$0.03	\$166.10	\$157.34	-10.80%	
RGLD	Royal Gold	\$0.36	\$0.32	\$97.60	\$100.80	-14.60%	
SONO	Sonos	\$0.55	\$0.44	\$496.00	\$490.66	193.50%	
TTGT	TechTarget	\$0.18	\$0.18	\$31.82	\$31.37	5.00%	

TRMB	Trimble	\$0.48	\$0.46	\$792.90	\$809.82	11.90%	FY Below
TTMI	TTM Tech	\$0.52	\$0.47	\$711.00	\$710.84	-3.80%	FY Below
VVV	Valvoline	\$0.27	\$0.31	\$557.00	\$584.75	2.20%	FY Below
WERN	Werner Enterprises	\$0.77	\$0.69	\$646.40	\$649.70	13.90%	
ZNGA	Zynga	\$0.00	\$0.00	\$248.69	\$245.78	6.60%	FY Below

**ICHR – Missed on EPS and Revenues** - 2018 was Ichor's strongest year on record, with 26% revenue growth year-over-year, along with increasing gross margin, operating margin, and earnings per share, compared to 2017. Along with the rest of the industry, we experienced a significant slowdown in business in the second half of the year, and conditions in the fourth quarter were more challenging than forecast. In spite of the second-half decline in industry spending, we delivered revenue growth for the year that well-outpaced the overall growth in the wafer fabrication equipment industry, primarily due to the contribution from strategic acquisitions, as well as strong execution in our core gas panel business. We demonstrated the strength of our variable manufacturing cost structure by generating record profits and free cash flows for the year. As we continue to navigate through this challenging business environment, we expect to continue delivering solid profitability while we execute on our strategy to expand our market share within our served markets through continued design wins and close collaboration with our customers.

**TTMI – Lowers FY Guidance, Beat on EPS and Revenues** - In the first quarter of 2019, we are seeing significant weakness in our cellular end market which is resulting in the under-utilization of our advanced technology factories. Consequently, we are exercising discipline in managing our costs and focusing on continued cash flow generation. Longer term, we are confident in our diversification and differentiation strategy as well as secular growth drivers such as 5G wireless technology, increasing automotive electronic content, and ongoing demand strength in aerospace and defense electronics

**FLT – Beat on EPS and Revenues** – Our results were driven by strong execution across all lines of business resulting in organic growth of 11%, and record sales up 20% year over year in the fourth quarter. Fiscal year 2018 was another great year, driven by increases in revenues of 13% and adjusted net income per diluted share, which increased 23%. For 2019, we expect each of our four primary product categories - fuel, toll, lodging, and corporate payments - to continue to drive our Company's growth as we focus relentlessly on execution in order to win new clients, open up new geographies, and provide improved value over a broader range of spend categories.

**RYN – Missed on EPS and Beat on Revenues** - Fourth quarter results, as anticipated, were relatively modest, as harvest volumes and real estate transaction activity were both heavily front-loaded in the first half of the year. We also elected to defer planned harvest volumes in the fourth quarter due to the impacts of Hurricane Michael in the South and deteriorating market conditions in the Pacific Northwest associated with tariffs on log exports to China

**PRU – Missed on EPS** - We continued to generate meaningful value for our customers and grow our business. For the year, we increased adjusted earnings per share by 11% and adjusted book value per share by 8%. Our adjusted operating return on equity remained at the top end of our 12-13% target, and the fundamentals across our U.S. Financial Wellness, PGIM, and International businesses remained solid.



**HQY – Sees FY In Line** - Excluding acquisitions, the team opened 674,000 new HSAs, a new record, helping our HSA Members add \$1.3 billion in custodial assets during fiscal 2019. With more than \$8 billion in custodial assets and 4 million HSA members, we believe HealthEquity has once again outpaced competitors and gained market share. Proprietary platform, remarkable purple service and unmatched ability to connect health and wealth position HealthEquity to lead the HSA market as it continues its strong, steady growth.

**PAHC – Missed on EPS and Beat on Revenues** - Headwinds continue to affect it, including African Swine Fever outbreaks in China, and ongoing currency, economic and dairy industry challenges. The company is closely monitoring the ASF situation in China, and will have a better sense of its effect by the release of its Q3 financials.

**MRVL – Cuts Q4 Outlook** - The majority of Marvell's fourth-quarter revenue shortfall was due to a weaker than expected storage controller business. Marvell believes that demand for its products was impacted primarily by macroeconomic uncertainty, reduction in cloud capital spending and PC CPU shortages. The exception was embedded processors for networking and 4G & pre-5G wireless infrastructure which met expectations. The company expects the weakness in demand that it saw in the fourth quarter of fiscal 2019 to continue in the first quarter of fiscal 2020. "Although we are disappointed with our fourth quarter revenue, we continued to run the business efficiently under difficult end market conditions and are satisfied with gross margin execution and operating expense management," said Matt Murphy, President and CEO. "We are optimistic that demand will begin to improve later this year, as inventory levels adjust in customer's supply chains, and capital spending picks up. While we will prudently manage our operating expenses to reflect this softer demand environment, we remain committed to the key initiatives that we outlined at our Investor Day and are on track to launch our 5G base station products later this fiscal year. We have conviction in our strategy to drive long-term growth and we remain focused on execution."

**CMG – Beat on EPS and Revenues** - "I'm very pleased to report strong fourth quarter results with 6.1% comparable restaurant sales growth that included 2% transaction growth. For the full year, Chipotle's average unit volumes exceeded \$2 million with digital sales surpassing half a billion dollars," said Brian Niccol, CEO, Chipotle. "The growth acceleration this quarter gives us confidence that our strategy is working. When we connect with guests through great operations, relevant marketing focused on Chipotle's great taste and real ingredients, and provide more convenient access, they respond enthusiastically."

**FEYE – Beat on EPS and Revenues** - We posted double-digit billings growth for the quarter and the year, and achieved full-year non-GAAP profitability for the first time in our history. "Our business continued to evolve toward a recurring subscription model," said Frank Verdecanna, FireEye chief financial officer and chief accounting officer. "Recurring subscriptions and support billings increased more than 20 percent year over year and accounted for 82 percent of non-services billings in 2018."

**FTNT – Beat on EPS and Revenues** - "Our strong fourth quarter results drove a solid finish to 2018, demonstrating demand for our product and services and illustrating our ability to drive disciplined growth with solid margin improvement," said Ken Xie, Founder, Chairman and Chief Executive Officer. "We are well-positioned to achieve another year of better than industry growth in 2019, driven by business

momentum and strong customer demand for our broad, integrated, and automated security solutions across their entire network infrastructure.”

**IRBT – Beat on EPS and Revenues** - We had a phenomenal finish to 2018, exceeding both our fourth-quarter and full-year expectations for revenue growth and profitability after raising our expectations twice during the year. Revenue grew 24% in an increasingly competitive market, and we delivered an operating margin of nearly 10% after absorbing the impact of tariffs in the fourth quarter. Substantial demand for our game-changing Roomba i7 and i7+ robots drove strong holiday performance domestically. Overseas, overperformance in Japan was driven by robust fourth-quarter demand supported by our sales and marketing programs in that region.

**NTR – EPS In Line and Beat on Revenue** - Nutrien delivered excellent operational and strategic results in 2018, and we see further opportunities for significant earnings growth and business improvement in 2019. We delivered a 32 percent increase in earnings, exceeded Merger synergy targets and received \$5.3 billion in net proceeds from the sale of equity investments. We remain focused on prudent capital allocation, having already returned \$2.8 billion to shareholders, while investing in our global retail network and maintaining a strong balance sheet. Our results this quarter demonstrate the resilience in our earnings and cash flow, given this was one of the wettest fall seasons in the US in over 100 years. For 2019, we expect strong crop input demand in the first half of the year due to the limited application window in the fall of 2018, a recent improvement in crop prices and higher corn acres in the US

### Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	YY Growth	Notes
ADNT	Adient	\$0.31	\$0.39	\$4,158.00	\$4,165.88	-1.10%	
WMS	Advanced Drainage Systems	\$0.25	\$0.30	\$318.11	\$339.61	-0.80%	
ADS	Alliance Data		\$6.95		\$2,130.60		
AMAG	AMAG Pharma	-\$0.64	-\$0.07	\$88.10	\$95.21	-31.40%	
ANDX	Andeavor Logistics LP	\$0.66	\$0.75	\$623.00	\$647.48	-44.10%	
ARW	Arrow Elec		\$2.56		\$7,942.85		
BCE	BCE Inc	\$0.89	\$0.86	\$6,215.00	\$6,188.01	3.00%	FY In Line
BSIG	BrightSphere Investment Group		\$0.38		\$212.23		
BV	BrightView	\$0.10	\$0.13	\$526.00	\$546.39	-4.60%	
BR	Broadridge Financial	\$0.56	\$0.71	\$953.40	\$967.21	-5.90%	
CAH	Cardinal Health	\$1.29	\$1.09	\$37,700.00	\$36,088.89	7.10%	FY Above
CDW	CDW	\$1.32	\$1.21	\$4,075.00	\$4,040.58	8.60%	
CNHI	CNH Industrial		\$0.15		\$8,311.00		
CEIX	CONSOL Energy	\$1.41	\$0.83	\$347.80	\$352.30	20.60%	
DTE	DTE Energy	\$1.05	\$0.93		\$1,648.85		

DNKN	Dunkin	\$0.68	\$0.61	\$319.60	\$329.83	1.50%	FY In Line
EPC	Edgewell Personal Care	\$0.37	\$0.23	\$457.00	\$445.53	-2.40%	
EIGI	Endurance International	\$0.09	\$0.35	\$282.40	\$283.21	-4.00%	FY In Line
FCAU	Fiat Chrysler	\$1.04	\$0.79	\$30,619.00	\$29,943.13	6.00%	FY Below
GRUB	GrubHub		\$0.28		\$290.43		
HAIN	Hain Celestial		\$0.26		\$611.18		
HBI	Hanesbrands	\$0.48	\$0.46	\$1,768.30	\$1,708.56	7.50%	FY In Line
ICE	IntercontinentalExchange		\$0.92		\$1,289.94		
K	Kellogg		\$0.89		\$3,311.89		
LH	Laboratory Corp	\$2.52	\$2.49	\$2,787.50	\$2,783.37	1.60%	FY In Line
LCII	LCI Industries	\$0.82	\$1.01	\$536.62	\$549.39	-1.90%	
MAC	Macerich	\$1.09	\$1.08	\$246.90	\$228.64	0.70%	FY Below
MPC	Marathon Petroleum	\$2.41	\$1.96	\$32,541.00	\$34,160.13	53.20%	
MAS	Masco	\$0.64	\$0.56	\$2,041.00	\$2,008.37	10.10%	FY In Line
MMS	MAXIMUS	\$0.86	\$0.81	\$664.60	\$672.08	6.70%	
MPW	Medical Properties Trust		\$0.31		\$179.68		
MD	MEDNAX	\$0.92	\$0.91	\$932.70	\$910.08	2.40%	FY Below
MLCO	Melco Resorts & Entertainment		\$0.23		\$1,371.28		
MPLX	MPLX LP	\$0.52	\$0.66	\$1,715.00	\$1,717.49	58.10%	
ODFL	Old Dominion	\$1.95	\$1.75	\$1,026.94	\$1,017.46	15.20%	
PTEN	Patterson-UTI	-\$0.04	-\$0.14	\$795.90	\$797.10	1.10%	
PENN	Penn Natl Gaming	-\$0.37	-\$0.40	\$1,155.30	\$1,156.58	50.20%	FY Below
PAG	Penske Auto	\$1.11	\$1.17	\$5,439.30	\$5,572.48	0.80%	
PM	Philip Morris International		\$1.16		\$7,460.16		
PBH	Prestige Consumer	\$0.73	\$0.72	\$241.40	\$241.40	-10.80%	
PRLB	Proto Labs	\$0.74	\$0.80	\$112.80	\$115.40	19.70%	
SPGI	S&P Global	\$2.22	\$2.21	\$1,536.00	\$1,601.20	-3.30%	FY In Line
SNY	Sanofi	\$1.10	\$1.12	\$8,997.00	\$9,001.05	3.50%	
SEE	Sealed Air	\$0.75	\$0.67	\$1,260.30	\$1,243.41	2.60%	FY In Line
SNA	Snap-On	\$3.03	\$3.01	\$952.50	\$968.74	-2.30%	
SPB	Spectrum Brands	-\$0.20	\$0.46	\$874.60	\$910.97	35.50%	
TPR	Tapestry	\$1.07	\$1.11	\$1,800.80	\$1,860.85	0.90%	FY Below
TKR	Timken	\$1.00	\$1.03	\$910.10	\$924.65	17.00%	FY In Line

TMUS	T-Mobile US		\$0.67		\$11,382.04		
TGI	Triumph Group	\$0.42	\$0.42	\$807.90	\$829.37	4.20%	
TWTR	Twitter	\$0.31	\$0.24	\$908.84	\$864.87	24.20%	
TSN	Tyson Foods	\$1.58	\$1.55	\$10,193.00	\$10,334.15	-0.40%	FY In Line
VIRT	Virtu Financial	\$0.67	\$0.62	\$299.20	\$292.87	26.10%	
VSTO	Vista Outdoor	\$0.09	\$0.06	\$467.80	\$505.40	-19.50%	FY In Line
GRA	W.R. Grace	\$1.14	\$1.04	\$520.00	\$498.24	13.20%	FY Above
WLTV	Willis Towers Watson	\$4.00	\$4.05	\$2,372.00	\$2,382.40	10.90%	
WWE	World Wrestling		\$0.26		\$255.01		
YUM	Yum! Brands	\$1.04	\$0.97	\$1,558.00	\$1,568.69	-1.20%	FY Below