

TOP STORIES

- Trump, Liu to Meet Today as Trade Talks Enter the Home Stretch
- Report: U.S. Sets 2025 Target for China to Fulfill Trade Pledges
- China Preps More Stimulus Measures to Aid Consumption Recovery
- German Factory Orders See Biggest Plunge Since 2009
- India cuts rate second time in three months ahead of elections

INDEX FUTURES

Futures	Change	Fair Value
S&P 500	2879.75 (1)	2.55
Nasdaq	7578.5 (-3.75)	9.53
Dow	26247 (7)	27.87

GLOBAL INDICES

INDEX	CLOSE	CHANGE
FTSE	7384.18	-0.46%
DAX	11974.53	0.17%
Nikkei	21724.95	0.05%
Hang Seng	29936.32	-0.17%

ECONOMIC CALENDAR

TIME	INDICATOR	CONSENSUS
8:30	Jobless Claims	216K
10:30	EIA Nat Gas Report	
1:00	Patrick Harker Speaks	
1:00	Loretta Mester Speaks	

FOREX

EUR/USD	1.1226 (-0.07%)
USD/JPY	111.4 (-0.06%)
USD/CAD	1.3354 (0.08%)
GBP/USD	1.3144 (-0.11%)
USD	96.76 (0.10%)

COMMODITY

Oil	62.61 (0.25%)
Natural Gas	2.679 (0.07%)
Gold	1295.4 (0.01%)
Copper	2.9335 (-0.51%)

VOLATILITY INDICES

INDEX	SYMBOL	CLOSE
S&P	VIX	13.80 (3.29%)
Nasdaq	VXN	16.79 (2.82%)
Oil	OVX	25.49 (-3.01%)
Gold	GVZ	9.69 (-1.22%)

MARKET OUTLOOK

Futures are indicating a flat open after a quiet overnight for global markets. POTUS will meet with China's vice premier Liu today at the White House as trade talks continue. The two sides are reportedly close on a deal. Bloomberg reported last night that the US is preparing to offer a six-year window for China to meet its commitments on trade. The main sticking point currently remains current tariffs which are in place. There's a possibility Trump could announce a summit with Xi today as well. Meanwhile, China is considering new policies to reduce taxes and raise wages. The stimulus measures are aimed at a recovery in consumption. The UK voted to block a 'no-deal Brexit' ahead of next week's deadline.

Asian markets were mixed overnight with the standout China's Shanghai composite which closed higher by 1%. The index made a new 52-week high mid-day before fading a bit. The Nikkei closed just barely in the green. Automakers like **Toyota** and **Honda** were modestly higher. Chip equipment makers were strong following a boost in the US. **Advantest** was up 2% to 11-year highs. Overall a pretty quiet night.

European markets are off to a quiet start this morning. The FTSE is lagging, down almost 50 bps, as the Pound is showing some relative strength. The DAX is hovering near unchanged on the day after weak data. German factory orders came in weak at -4.2% vs 0.3% forecast. **Commerzbank** is higher by 3% after reports that **Unicredit** is preparing a bid in case talks with Deutsche Bank fall through. **BP** and **Shell** opened weak but both recovering off the lows. **Saga** fell 30% today after cutting their outlook. The over-50s tourism and insurance firm cut its dividend as well. **Thyssenkrupp** fell 3% amid worker turmoil. French supermarket **Casino** fell 5% after a downgrade by MSCO. Home-repairs company **HomeServe** was higher by 1.5% after raising their outlook.

S&P TECHNICALS

Levels: Support 2,800/2,750; Resistance 2,875/3,000



4265 Advancing	Declining 2948
56.4%	39.0%
343 New High	New Low 71
82.9%	17.1%
5058 Above SMA50	Below 2488
67.0%	33.0%
4026 Above SMA200	Below 3520
53.4%	46.6%

KEY EVENTS TO WATCH**Earnings After the Close:** DLTH**Analyst Days:** Michelin, RMD**Conferences:** Deutsche Bank Shipping Conference (DSX, GLOG, GNK, NMM, SALT, SBLK, STNG, TNK), William Blair Late-Stage Therapeutics Conference (ADMS, ARWR, BGNE, BHVN, DVAX, KRYS, NKTR, RCKT, RTRX, VKTX, ZGNX)**Economic Data on Friday:** NFP at 8:30 AM**Earnings BMO Friday:** GBX**ANALYST ACTION/COMMENTS****Fifth Third (FITB)** upgraded to Outperform at Keefe**Rio Tinto (RIO)** upgraded to Hold at Vertical**Nio (NIO)** upgraded to Neutral at BAML**US Ecology (ECOL)** upgraded to Neutral at UBS**Synovus (SNV)** upgraded to Strong Buy at Raymond James**Eaton (ETN)** upgraded to Buy at BAML**Facebook (FB)** upgraded to Buy at Guggenheim, \$200 PT**RPC (RES)** upgraded to Overweight at MSCO**Live Nation (LYV)** downgraded to Neutral at Evercore**Altaba (AABA)** downgraded to Neutral at JP Morgan**Comerica (CMA)** downgraded to Neutral at Goldman**Zions Bancorp (ZION)** downgraded to Hold at JP Morgan**Keycorp (KEY)** downgraded to Hold at JP Morgan**Waste Management (WM)** downgraded to Neutral at UBS**Micron (MU)** downgraded to Sell at MSCO**Vail (MTN)** downgraded to Neutral at Macquarie**Monro (MNRO)** downgraded to Neutral at Guggenheim**Brighthouse (BHF)** downgraded to Sell at Citi**Red Robin (RRGB)** downgraded to Neutral at BAML**Roku (ROKU)** downgraded to Neutral at Guggenheim**SmartSheet (SMAR)** initiated Outperform at Oppenheimer**Carbon Black (CBLK), Rapid7 (RPD)** initiated Outperform at Baird**MEDIA HIGHLIGHTS**New **Zayo Group (ZAYO)** bid higher than previous \$30/share bid - Bloomberg**Intel (INTC)** misses deadline to deliver 5G modem for 2020 iPhones - Fast Company**UniCredit** prepares offer for **Commerzbank** should **Deutsche (DB)** talks fail - FT**Pinduoduo's (PDD)** sales and marketing expenses wipe out revenues - FT**SoftBank** to add \$15B more to Vision Fund - BloombergLuxury brands snub **Amazon (AMZN)** but warm up to **Alibaba (BABA), JD.com (JD)** – WSJ**Novartis (NVS)** CEO's \$50 Billion Worth of Deals Was Just the First Act – Bloomberg**Apple's (AAPL)** M&A Chief Now Reports to Tim Cook as Calls Grow for a Big Deal – Bloomberg**Deutsche Bahn** hires banks for Arriva divestiture - Reuters**Apple (AAPL)** cuts iPhone XR prices in India – ReutersCarl Icahn sold **Lyft (LYFT)** stake to Soros prior to IPO -WSJThe **Berkshire (BRK/B)** Empire Is Quietly Collaborating More Than Ever – WSJ**Tradeweb (TW)** Sets \$6 Billion IPO, Seizing on Hot Market – WSJ

Shipping companies are experiencing delays amid border issues -WSJ

STOCK SPECIFIC NEWS OF NOTE**Qiagen (QGEN), Labcorp (LH)** partner on diagnostic product program**Univar (UNVR)** settles saccharin DOJ case for \$62.5M**Constellation Brands (STZ)** to divest 30 wine/spirit brands for \$1.7B**Red Robin (RRGB)** CEO steps down, sees Q1 SSS -3.6%**PG&E (PCG)** names Bill Johnson as new CEO and 10 new board directors**Tesla (TSLA)** reports Q1 deliveries of 63K vehicles, up 110% y/y, down 31% q/q**JP Morgan's (JPM)** Dimon says Company is 'All-In' on Cloud, AI; sees Q1 Net Interest Income Flat, Revenue Lower

PRE-MARKET MOVERS

Moving Higher: NIO 2.6%

Moving Lower: TSLA -9.2%

INSIDER TRADING (Form 4 Filings)

Buying: OPK

Selling: BMRN, QURE, MORN, XYL, GIS, RMD, VMW, QDEL, EA, LULU, LEN

INSTITUTIONAL MONEY FLOW

Buying: BABA, BSX, USG, BA, PGR, GPN, BIIB, ONCE, MA, PG, HPE, CBOE, ORCL

Selling: AMZN, WFC, EW, BKNG, NFLX, CSCO, NVDA, INTC, GWRE, MCD, HD, WCG

OPTION HIGHLIGHTS (Prior Day)

BioHaven (BHAVN) size buyer of 2,500 July \$60 calls \$3.90 to \$4 and already has sizable open interest in the July \$50, \$55 and \$60 calls as well as April call open interest is large and mostly all bullish positioning. Shares showed strong momentum in February and recently have cooled and consolidating above its prior breakout. The \$2.23B Biotech is clinical stage and targeting rare diseases and neurological disorders, a hot area right now. Current projections call for a strong revenue growth cycle starting later this year with \$820M in sales seen by 2023. Analysts have an average target of \$60.50 and short interest is 8.8% of the float. BHVN could be a nice M&A target for Biogen (BIIB), Alexion (ALXN) or Amgen (AMGN). It plans a submission of its Rimegepant NDA in Q2. Rimegepant is a CGRP receptor antagonist used in the treatment of migraine but potential for expansion to other indications. The drug has potential for \$1B in peak sales. Other catalysts include early trials in anxiety, spinocerebellar Ataxia, and OCD later this year. Needham raised its target to \$56 in early March seeing Rimegepant gaining strong penetration into the migraine prevention market. Cantor raised its target to \$82. Hedge Fund ownership jumped 19.4% in Q4 filings, Rubric Capital with a new 3.72% weighting.

AFTER HOURS MOVERS

Gainers: REPH 20%, BPI 10.8%

Losers: LNDC -15%

MARKET SENTIMENT / INTERNALS

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.62	Flattening
CBOE Index Put/Call Ratio	1.13	Declining
CBOE Skew Index	120.96	Near Recent Lows
VIX Curve	Contango	Normal
CNN Fear & Greed Index	49	Neutral
NYMO	7.49	Neutral
NYSE Highs/Lows	79.32	High
McClellan Summation	874.59	Below 8-EMA but Flattening
Univ. of Michigan Consumer Sentiment	97.8 (March)	-3.6%

SMART MONEY (13g/13d Filings)

POTENTIAL SYMPATHY TRADES

TAP, BUD, SAM – on STZ quarter

IPO MONITOR

Ruhn Holding (RUHN) issuing 10M shares at \$11.50-\$13.50; Chinese internet key opinion leader facilitator

Tradeweb Markets (TW) issuing 27.27M shares at \$24-\$26; Operator of electronic marketplaces for rates, credit, equities and money markets

Silk Road Medical (SILK) issuing 4.69M shares at \$15-\$17; Medical device company focused on reducing the risk of stroke and its devastating impact

SECONDARY MONITOR

Aveo Pharma (AVEO) 21.74M secondary price \$1.15

DBV Tech (DBVT) 5.2M share secondary prices \$6.75

TRADE

WEEKLY TECHNICAL BREAKOUT

ACAD:



Acadia (ACAD) shares are consolidating in a bull flag under \$27.50 and above the 20-EMA after a strong run in February. A breakout targets \$30 which is a notable high-volume node. MACD is back near zero and RSI around 50 and both ready to run.

FUNDAMENTAL TRADE OF THE WEEK

Stock: 51Jobs (JOBS)

Price: \$77.88

Valuation: Undervalued

Key Ratios:

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
Stock	26.5X	8.8X	4.3X	31X	23.4X
Industry Avg.	25.4X	1.2X	4.3X	14.4X	21.1X

Analysis: JOBS is a \$4.63B company which trades 18.65X earnings and 8X sales with 25% EPS growth and 20-25% revenue growth. JOBS provides HR services (36%) and recruitment (64%) in China. JOBS is benefitting from a large national footprint and a growing percentage of users online. The current economic growth initiatives in China are also driving the highest number of registered businesses in the country in need of skilled employees.

IDEAS

WEEKLY TECHNICAL BREAKDOWN

HRB:



H&R Block (HRB) shares are consolidating in a bear flag above \$23.50 and long-term downtrend resistance. A breakdown targets \$21 but room back to \$18 given the sizeable range. Both RSI and MACD have rebounded to neutral readings but turning over.

PAIR TRADE OF THE WEEK

Industry: Energy

Long/Short: Long Parsley (PE); Short Conoco (COP)

Analysis: PE is a mid-cap energy name with a strong balance sheet and a lot of insider support buying the stock. PE is seeing record operating margins and price realization. COP is a slower-growth name with concerns about major project spending hikes in 2019.

SMALL CAP TRADE OF THE WEEK

FormFactor (FORM) is a \$1.19B company which develops probe cards, stations, and other services for testing semiconductor devices. Shares trade 15.4X earnings and 2.25X sales with nearly 20% growth. FORM is positioned well for a recovery in the back-half of 2019 for the group. They are gaining share in the probe card market, up to 40% from 20% in 2012 with an improved mix across foundry and logic, DRAM, and Flash.

DAILY OPTIONS REPORT

Unusual Call Activity

Unusual Put Activity

Implied Volatility Riser

Dave & Busters (PLAY)	Diodes (DIOD)	Rite Aid (RAD)
Wheaton Precious (WPM)	FLIR Systems (FLIR)	DowDuPont (DWDP)
Santander (SC)	Upwork (UPWK)	Marinus (MRNS)
General Dynamics (GD)	Walgreens (WBA)	Sorrento (SRNE)
Visteon (VC)	American Tower (AMT)	Snap (SNAP)
Noodle's (NDLS)	Corecivic (CXW)	Fitbit (FIT)

Lowest Put/Call Ratio

Highest Put/Call Ratio

Implied Volatility Decliner

KAR Auction (KAR)	United Natural (UNFI)	BioCryst (BCRX)
Gray Television (GTN)	Snap On (SNA)	Iovance (IOVA)
Rambus (RMBS)	B&G Foods (BGS)	Signet (SIG)
Gildan (GIL)	Sientra (SIEN)	Heron Therapeutics (HRTX)
Thomson Reuters (TRI)	GEO Group (GEO)	Acuity (AYI)
Unum (UNM)	FLIR Systems (FLIR)	Game Stop (GME)

OTM Calls on Offer

OTM Puts on Offer

Elevated IV30

Coty (COTY)	Himax Tech (HIMX)	Assembly Bio (ASMB)
IntraCellular (ITCI)	Caesars (CZR)	Tocagen (TOCA)
Realogy (RLGY)	Diodes (DIOD)	Horizon Tech (HRZN)
Silver (SLV)	Synaptics (SYNA)	Health Insurance (HIIQ)
Tellurian (TELL)	Vale SA (VALE)	Fibrogen (FGEN)

Positive Net Delta

Negative Net Delta

Option Volume Gainers (%)

Advanced Micro (AMD)	Wheaton Precious (WPM)	Diodes (DIOD)
WPX Energy (WPX)	Cisco (CSCO)	FLIR Systems (FLIR)
US Steel (X)	Altria (MO)	Upwork (UPWK)
Transocean (RIG)	Facebook (FB)	Santander (SC)
American Tower (AMT)	AT&T (T)	General Dynamics (GD)

Bullish Call Flow

Bearish Put Flow

Large Spread Trades

Micron (MU)	Checkpoint (CHKP)	HD, 1,000 June \$190/\$205 call spreads
Caterpillar (CAT)	Weight Watchers (WTW)	XXR, May \$33/\$36 call ratio opened 2,500X5,000
Visteon (VC)	United Natural (UNFI)	MGM, 2,000 May \$28/\$25 bull risk reversals
Cars.com (CARS)	Ubiquiti Networks (UBNT)	HRTX, April / May \$26 call calendar spread bought 1,000X
Santander (SC)	Himax Tech (HIMX)	EXPD, 12,500 May \$75/\$70 put spreads

Extras

Party City (PRTY) October \$10 calls with 2,750X bought late day in sweeps up to \$0.65 offer

Allstate (ALL) with 1,500 May \$100 calls opening late day up to \$0.95

Viacom (VIAB) seller of 1,500 January \$32.50 calls for \$1.65 in a buy-write

National Beverage (FIZZ) with 200 December \$55 calls opening \$8.98 to \$9.14

Ramp (RAMP) with 500 August \$55 ITM puts sold to open \$5.60 bid

Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Y/Y Growth	Notes
LNDC	Landec	\$0.04	\$0.05	\$155.69	\$156.47	7.40%	Q4 Below
RECN	Resources Connection	\$0.20	\$0.22	\$179.50	\$184.22	4.10%	

Earnings Before the Open

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Y/Y Growth	Notes
STZ	Constellation Brands	\$1.84	\$1.72	\$1,797.0	\$1,730.13	2.0%	FY In Line
ISCA	Int'l Speedway	\$0.57	\$0.60	\$150.55	\$150.95	1.1%	
RPM	RPM Inc	\$0.14	\$0.11	\$1,140.63	\$1,135.88	3.40%	FY In Line
SCHN	Schnitzer Steel		\$0.46		\$487.25		
SECO	Secoo	\$0.15	\$0.21	\$1,792.60	\$1,958.00	27.00%	FY In Line
SMPL	Simply Good Foods	\$0.15	\$0.13	\$123.80	\$121.91	13.30%	