

TOP STORIES

- Global Markets Edge Lower Ahead of Fed Meeting, Apple Earnings
- BOJ Holds Rates, As Expected, but Vows Easing If Economy Falters
- Trump Rips China as Trade Negotiations Begin, 'No Signs of Ag Purchases'
- Eurozone Economic Sentiment Declines
- French Economy Cools Unexpectedly in Euro Area Setback

INDEX FUTURES

Futures	Change	Fair Value
S&P 500	3015 (-6.75)	-6.92
Nasdaq	7971 (-30.25)	-30.08
Dow	27157 (-41)	-34.35

GLOBAL INDICES

INDEX	CLOSE	CHANGE
FTSE	7698.72	0.16%
DAX	12226.65	-1.54%
Nikkei	21709.31	0.43%
Hang Seng	28146.5	0.14%

ECONOMIC CALENDAR

TIME	INDICATOR	CONSENSUS
	FOMC Meeting Begins	
8:30	Personal Income	0.3%
9:00	Case-Schiller	0.2%
10:00	Consumer Confidence	125.0
10:00	Pending Home Sales	0.5%

FOREX

EUR/USD	1.1145 (0.01%)
USD/JPY	108.58 (-0.17%)
USD/CAD	1.3175 (0.11%)
GBP/USD	1.216 (-0.47%)
USD	97.85 (0.05%)

COMMODITY

Oil	57.39 (0.91%)
Natural Gas	2.135 (0.90%)
Gold	1426.8 (0.45%)
Copper	2.70 (-0.65%)

VOLATILITY INDICES

INDEX	SYMBOL	CLOSE
S&P	VIX	12.83 (5.51%)
Nasdaq	VXN	16.35 (6.03%)
Oil	OVX	31.63 (-2.04%)
Gold	GVZ	13.59 (10.4%)

MARKET OUTLOOK

Futures are indicating a weak open today as trade talks kick off in Beijing. The President was out critical of China's progress again today as they look to bridge some gaps in talks. Trump blamed China for not following through on agreements to buy agricultural products and threatened a far more stringent deal if they wait until after the 2020 election to wrap up talks. The jawboning from POTUS is nothing new and expectations remain low for a major breakthrough. In Europe, the Pound continued to fall as the prospect of a no deal Brexit continued to rise. PM Johnson said he would continue to work on renegotiating the deal with the EU. The FOMC Meeting kicks off today. Expectations remain around 72.9% for a 25 bps rate cut while odds of a 50 bps cut rose slightly to 27.1%.

Asian markets are higher overnight as tech rallies. Japanese unemployment improved to 2.3% in June. Industrial production came in weak at -3.6% vs -2% expected. The BOJ was out keeping rates unchanged but reiterating they have the tools necessary to act if the economy weakens further. Chip-maker **Screen Holdings** higher by 3.5% despite cutting their outlook. **Fanuc** higher by 3% despite the robotics maker cutting their outlook. **Hitachi** rose 3% despite a weak outlook. **Kawasaki Heavy** fell 5.7% after a weak quarter.

European markets are mixed this morning with the FTSE outperforming. Eurozone consumer confidence remained weak in July while business confidence fell to -0.12 vs 0.08. Industrial sentiment was particularly weak. French GDP came in light in Q2. French consumer spending fell again in June. **Fresenius** raised their outlook with strength in emerging markets. **Bayer** fell 3% as wet weather in the US led to an outlook cut. **Lufthansa** fell 5.5% after a muted outlook. **BP** rose 3% to lead the FTSE. **BBA Aviation** higher by 5.5% after they reached an asset sale deal. **Reckitt Benckiser** down 2% after cutting their outlook.

S&P TECHNICALS

Levels: Support 2,975/2,950; Resistance 3,150/3225



2922 Advancing	Declining 4274
38.1%	55.7%
423 New High	New Low 196
68.3%	31.7%
4895 Above SMA50	Below 2689
64.5%	35.5%
4644 Above SMA200	Below 2940
61.2%	38.8%

KEY EVENTS TO WATCH

Earnings After the Close: TWOU, EGHT, ATEN, ACHC, ADSW, AMD, AKAM, ALL, AMGN, AAPL, ARCB, APAM, ASH, ATRC, AXS, AX, BEAT, BLKB, BXP, BYD, CHRW, CSLT, CCS, CDAY, CINF, CNO, COHR, TCS, CACC, CRY, DENN, DLR, EXP, EA, WIRE, ENPH, EQR, EXAS, EXR, FEYE, FMC, FCPT, FTSI, GNW, GILD, GRPN, HVT, HA, HR, HUBG, HURN, HY, IMAX, INVH, KAI, KBR, KL, LNDC, LSCC, LDL, MX, MXIM, MGRC, MDU, MRCY, MSTR, MKSI, MC, MOH, MDLZ, NANO, NATI, NCR, NR, NUVA, OKE, PAYC, PSA, QGEN, QUAD, RPAI, REXR, RXN, RRD, RTEC, SIMO, SOI, STAG, SYKE, SYX, TTOO, TENB, TRUP, UDR, UMBF, UIS, UNM, VRSK, VNOM, WES, YUMC, ZEN

Tomorrow... ADP Employment at 8:15 AM, Employment Cost Index at 8:30, Chicago PMI at 9:45, EIA Petroleum at 10:30, FOMC Announcement at 2:00, Fed Press Conference at 2:30. ... **More on Page 6**

ANALYST ACTION/COMMENTS

On Deck (ONDK) upgraded to Buy at BTIG

Micron (MU) upgraded to Neutral at MSCO

Zimmer Biomet (ZBH) upgraded to Neutral at Barclays

Intevac (IVAC) upgraded to Buy at B Riley

Jones Lang (JLL) upgraded to Buy at UBS

Mohawk (MHK) upgraded to Neutral at Buckingham

Varonis (VRNS) upgraded to Buy at Benchmark

UniQure (QURE) downgraded to Neutral at Guggenheim

Kinder Morgan (KMI) downgraded to Neutral at BMO

Booz Allen (BAH) downgraded to Neutral at Wells Fargo

Pfizer (PFE) downgraded to Neutral at MSCO

Casa (CASA) downgraded to Sell at Raymond James

TransUnion (TRU) downgraded to Hold at Atlantic

Safehold (SAFE) downgraded to Sell at Barclays

Affiliated Managers (AMG) downgraded to Sell at BAML

SS&C (SSNC) downgraded to Hold at DA Davidson

AppFolio (APPF) downgraded to Sell at DA Davidson

Tencent Music (TME) initiated Buy at Oppenheimer

Keybank starting **TTWO** at Overweight; **ATVI**, **EA** at Neutral

Kelly Services (KELYA) initiated Buy at Noble Capital

CDW initiated Buy at BAML, \$140 PT

MEDIA HIGHLIGHTS

Green Plains (GPRE) CEO says U.S. ethanol sector close to breaking point, Reuters

Hospitals may have to disclose discount rates negotiated with insurers (CI, ANTM) - WSJ

Dialog Semiconductor still in the market for takeovers, CEO says – Reuters

Netflix (NFLX) has spent \$200M on new films. WSJ

BBVA is under investigation for corporate spending. FT

Comcast (CMCSA) to make bid to acquire Subhash Chandra from Zee Entertainment. Economic Times

HP Enterprise (HPE) nets double-digit revenue increases in Taiwan – Digitimes

Lufthansa Has Profit Drop on Fare War, Says Outlook Could Worsen – Bloomberg

DRAM Prices Could Fall 10% in Q3 – DRAMeXchange

Expensive **Gilead (GILD)**, **Novartis (NVS)** cancer therapies losing patients to experimental treatments – Reuters

BBA Aviation to sell aircraft parts unit to CVC Capital in \$1.37B deal – Reuters

Japan's **Osaka Gas** to buy **Sabine Oil** for \$610M – Reuters

STOCK SPECIFIC NEWS OF NOTE

Merck (MRK) gets 'positive EU CHMP opinion' for ZERBAXA in HAP

Vishay (VSH) announces cost reduction, management termination programs

Granite (GVA) accelerates strategic review of Heavy Civil Operating Group

Tanger Factory Outlet (SKT) announces new director, board refreshment

Johnson & Johnson (JNJ) says FTC investigating Remicade contracting practices

Bank of America (BAC) sees \$1.7B-\$2.1B impairment charge from ending First Data JV

Capital One (COF) reports data breach, says over 100M individuals affected

Newell Brands (NWL) appoints Ravi Saligram as CEO

Qualcomm (QCOM) announces strategic cooperation with **Tencent Games**

PRE-MARKET MOVERS

Moving Higher: PG 3.5%, MRK 3%, SNE 2.9%, SIRI 2.4%, LK 2%, YNDX 1.5%

Moving Lower: MDR -3.2%, BYND -13.9%, UAA -9%, FCAU -4.3%, PFE -2.5%, NOK -2%

INSIDER TRADING (Form 4 Filings)

Buying: CADE, CNX

Selling: USB, PI, TRV, TPX, SC, KO, LPG, GPI, KN, NEOG, ABT, SNAP, EW, IP

POTENTIAL SYMPATHY TRADES

LULU, NKE, FL – on UAA earnings

TEL, APH – on ST earnings

CL, KMB, CHD – on PG earnings

AL – on AER earnings

OPTION HIGHLIGHTS (Prior Day)

Royal Caribbean (RCL) with 1,400 March \$125 calls bought today for \$5.70 to open and follows buyers recently in the August \$116 calls and September \$115 calls. RCL had size buyers of the January \$125 and \$130 calls in early May which remain in OI, the latter a \$1.5M position. In addition, RCL had a sizable insider buy from its COB/CEO Richard Fain in December at \$105.60, over \$1.99M. Shares are consolidating in a small base under the 50-day MA at \$118 and a downtrend from the April highs which targets a move back to \$125/\$127.50. A longer-term look shows a big inverted head-and-shoulders forming under \$131 which targets \$170. The \$23.7B company trades 10.6X earnings and 2.4X sales with a 2.46% yield. RCL expects 11.7% and then 14.6% EPS growth over the next two years with revenues up 6.5% and then 10.7%. RCL is seeing strong bookings for the remainder of 2019 while early 2020 numbers are off to a strong start despite global macro headwinds. The company is having a record year in China where they've seen minimal slowdown in demand. RCL is refreshing their fleet with a five-year plan outlined last week and investment strategy in on-board entertainment to drive customer spending and bookings. Analysts have an average target for shares of \$144 with 9 buy ratings, 3 hold, and 1 sell. Nomura positive on 7-15 given higher yield expectations and better pricing in Europe. Wedbush has a \$145 PT for shares seeing RCL as best positioned in the industry given their superior assets and debuts set for this year which should drive yields. Short interest is 1.7%. Hedge Fund ownership fell 5.4%. Highline Capital a top concentrated holder with a 7.6% weight and more than 1.05M share stake.

AFTER HOURS MOVERS

Gainers: TREX 8%, NOV 8%, RNG 7.8%, NBIX 7.7%, RH 5.9%, CHGG 5%

Losers: MDR -18.6%, CGNX -12.5%, BYND -12%, SSNC -10%, TEX -9.2%, ILMN -2.5%

MARKET SENTIMENT / INTERNALS

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.638	Bullish
CBOE Index Put/Call Ratio	0.85	Neutral
CBOE Skew Index	123.27	Neutral
VIX Curve	Contango	Normal
CNN Fear & Greed Index	60	Greed
NYMO	2.3	Neutral
NYSE New Highs	75.62	Falling
McClellan Summation	740	At 8-EMA, Neutral
Univ. of Michigan Consumer Sentiment	98.4 (July)	+0.5% Y/Y

SMART MONEY (13g/13d Filings)

IPO MONITOR

DynaTrance (DT) issuing 35.6M shares at \$11-\$13; Developer of a software intelligence platform built for the enterprise cloud

Kura Sushi (KRUS) issuing 2.9M shares at \$14-\$16; Japanese restaurant chain

Sundial Growers (SNDL) issuing 10M shares at \$12-\$14; Canada-based provider of cannabis products

SECONDARY MONITOR

Beyond Meat (BYND) files to sell 3.25M shares of stock (3M for holders, 250k offering)

Houlihan Loukey (HLI) 3.38M spot secondary priced at \$45.75

Edison (EIX) launches offering of 25M shares

TRADE

WEEKLY TECHNICAL BREAKOUT

LBTYA:



Liberty (LBTYA) shares are consolidating in a small flag under \$28.50 and above the rising 8-EMA with a breakout above the April highs in sight. A move higher targets \$30 but longer-term range has room to \$32+ as it clears a multi-month trading area.

FUNDAMENTAL TRADE OF THE WEEK

Stock: Bio-Techne (TECH)

Price: \$214.50

Valuation: Undervalued

Key Ratios:

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
Stock	41X	11.8X	7.1X	35.5X	48.5X
Industry Avg.	--	--	--	--	--

Analysis: TECH is a \$8.11B company which focuses on R&D systems for both clinical and research biotech trials. They have a number of diagnostic brands which produce raw proteins and antibodies for use in research. Shares trade 41X earnings, 11.5X sales, and 45X cash. TECH sees a growing TAM from both the clinical side as well as academic, OEM, and distributors. It forecasts 15% EPS growth and 10.8% to 11.3% revenue growth through FY21.

IDEAS

WEEKLY TECHNICAL BREAKDOWN

PTEN:



Patterson (PTEN) shares sitting back at key support around \$10 after forming a series of lower highs since April. MACD has returned back around zero and turning over while the 20- and 50-day MA key resistance last week. A move lower targets \$8.

PAIR TRADE OF THE WEEK

Industry:

Long/Short: Long **Dell (DELL)**, Short **NetApp (NTAP)**

Analysis: DELL sees long-term growth tailwinds from several secular trends including 5G, AI/Machine Learning, Big Data and Industrial IoT. They have a lot of strong optionality with their subsidiary businesses as well. NTAP is facing competitive pressures from DELL, HPE, and others which is hurting margins.

SMALL CAP TRADE OF THE WEEK

BioLife Solutions (BLFS) is a \$366M company focused on the production of clinical-grade cell and tissue storage and cryopreservation media. Their wide range of products are used in bio-banking, drug discovery, and regenerative medicine markets as well as the growing gene therapy companies. BLFS sees 61.5% EPS growth in FY20 as well as 40.9% revenue growth with tailwinds from more CAR-T and clinical approvals.

DAILY OPTIONS REPORT

<u>Unusual Call Activity</u>	<u>Unusual Put Activity</u>	<u>Implied Volatility Riser</u>
Entegris (ENTG)	Waters (WAT)	Lexicon (LXRX)
Lab Corp (LH)	Delphi (DLPH)	Energen (WATT)
Quest Diagnostics (DGX)	Goodyear (GT)	California Resources (CRC)
Turning Point Brands (TPB)	Spirit (SAVE)	Coty (COTY)
Acadia Health (ACHC)	O'Reilly (ORLY)	AxSome (AXSM)
Rambus (RMBS)	Sun Trust (STI)	Nutanix (NTNX)
<u>Lowest Put/Call Ratio</u>	<u>Highest Put/Call Ratio</u>	<u>Implied Volatility Decliner</u>
Acadia (ACHC)	Veoneer (VNE)	Mylan (MYL)
Kirby (KEX)	Changyou (CYOU)	UniQure (QURE)
Quinstreet (QNST)	ITT	Cooper (CTB)
Bloomin Brands (BLMN)	LG Display (LPL)	Riot Blockchain (RIOT)
Zogenix (ZGNX)	Goodyear (GT)	Insperity (NSP)
Constellium (CSTM)	Sun Trust (STI)	Sanofi (SNY)
<u>OTM Calls on Offer</u>	<u>OTM Puts on Offer</u>	<u>Elevated IV30</u>
Arlo Tech (ARLO)	Berry Global (BERY)	Athenex (ATNX)
Royal Caribbean (RLC)	Sprint (S)	Deciphera (DCPH)
BP	McDermott (MDR)	Beyond Meat (BYND)
Sony (SNE)	Adobe (ADBE)	Uniqure (QURE)
Delta Air (DAL)	Ebay (EBAY)	Health Insurance Innv. (HIIQ)
<u>Positive Net Delta</u>	<u>Negative Net Delta</u>	<u>Option Volume Gainers (%)</u>
Apple (AAPL)	Salesforce (CRM)	Spirit (SAVE)
GE	Arlo Tech (ARLO)	O'Reilly (ORLY)
JD.com (JD)	Uber (UBER)	Sun Trust (STI)
AB InBev (BUD)	Energy Transfer (ET)	Entegris (ENTG)
Mylan (MYL)	Adobe (ADBE)	Lab Corp (LH)
<u>Bullish Call Flow</u>	<u>Bearish Put Flow</u>	<u>Large Spread Trades</u>
HP (HPQ)	Nucor (NUE)	PVH, August \$90/\$80 put spread bought 1,250X
Citrix (CTXS)	Goodyear Tire (GT)	STMP, 1,000 August 9th (W) \$38/\$30 put spreads
United Rentals (URI)	Adient (ADNT)	AXSM, 1500 August \$25/\$30 call spreads
Service Now (NOW)	Uber (UBER)	URI, September 6th (W) \$127/\$132 call spreads open 650X
Under Armour (UAA)	Symantec (SYMC)	ADNT, 1,000 August \$23/\$20 put spreads

Schedule Continued

Earnings Before the Open on Wednesday: ACCO, AMRN, AMCX, AMT, APO, APTV, ASC, ARES, ADP, BHGE, BDC, BLMN, BG, CG, CBZ, CDW, GIB, CRL, CIM, CHD, CLH, CME, CRTO, DAN, DIN, D, ECA, ETR, EPD, EXTR, FSS, FCAU, GRMN, GE, EAF, GLDD, HSC, HES, HEP, HPP, HUM, ICL, JHG, JCI, KFRC, LHX, LFUS, LIVN, MDC, MTOR, MGPI, TAP, MCO, NYCB, NLSN, NI, ORBC, BTU, RDWR, SAIA, SBH, STNG, SMG, SPG, SITE, SO, SPR, SPOT, SSYS, STRA, TMHC, TNC, TKR, TGI, TPB, UTHR, WNC, WLTW

Stock Specific News

Real estate platform **Compass** raises \$370M on a \$6.4B valuation en route to an IPO – Tech Crunch

Natural Gas Is Stuck in a Vicious Cycle – WSJ

Cantel Medical (CMD) to acquire Hu-Friedy for \$725M in upfront cash and stock

Penske (PAG) acquires Warner Truck Centers, expects to add \$1.1B to revenues

Berry Global (BERY) sells Sal for Life business to Arsenal Capital Partners for \$330M

Stone (STNE) raises Q2 outlook

Extras

Jabil (JBL) multi-week consolidation with 777 January 2021 \$30 calls bought \$4.90 to \$5 today and has 1,168 in OI as well as the 6,000 \$27 calls in OI

Ally Financial (ALLY) late day buyer 1500 September \$34 calls \$0.80

Tandem (TNDM) late trades opening 1,400 Aug. 9th (W) \$61.5/\$68 call spreads, earnings 8-1

Pivotal (PVTI) buyer of 1000 September \$9 calls to open \$1.40 offer

Progressive (PGR) buyer of 2500 September \$85 calls to open \$0.90 to \$0.95

NXP Semi (NXPI) buyer of 750 June 2020 \$110 calls to open \$10.65 offer

Upwork (UPWK) with buyers of more than 4,250 October \$15 calls yesterday for \$2.40 to \$2.50 to open, a sizable trade in the name which has been popular with put sales since dropping on May earnings. The October \$15 puts have been sold 11,500X and the \$12.50 puts over 13,750X which remain in OI. The January \$12.50 puts sold to open 17,500X. Shares have been basing since May under a small volume gap which measures back to \$19.50. A move above last week's range clears a downtrend as well from the February highs and potential for a trend change. The \$1.74B company trades 14.3X cash and 6.4X EV/sales with 19.9% and 20.5% revenue growth expected over the next two years. UPWK is in the earliest stages of profitability expected to earn \$0.15/share in FY21, up from a \$0.02 loss this year. UPWK is a leading online freelancing platform with a significant share advantage to peers and long runway for growth within the \$322B TAM. The company continues to grow at a double-digit rate with GSV up 21% and client-spend retention up 107%. Analysts have an average target for shares of \$23 with 6 buy ratings and 1 hold. Jefferies upgrading to Buy on 6-26 with a \$23 PT. The firm thinks the revenue growth rate in Q1 likely marks the bottom for the company and the firm expects gradual acceleration throughout this year. Additionally, the recent IPO of Fiverr (FVRR) highlighted the large market for flex labor, within which Upwork has leadership position. Cantor started at Overweight on 6-19.

They have a \$19 PT and expect increasing market penetration, a "unique" technology platform, and improving margin to drive multiple expansion in the shares. Short interest is 3.8% but rising from around 1.2% in May. Hedge Fund ownership fell 22.5% in Q1 largely due to Citadel selling 1.17M shares. Summit Partners a new stake while Dragonair and Hudson Bay Capital two notable holders.

Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
AKS	AK Steel	\$0.21	\$0.06	\$1,680.50	\$1,731.36	-3.80%	FY Above
AMKR	Amkor	-\$0.04	-\$0.10	\$895.31	\$896.05	-16.00%	FY In Line
APPF	AppFolio	\$0.65	\$0.11	\$63.60	\$63.71	34.70%	FY In Line
BYND	Beyond Meat	-\$0.24	-\$0.08	\$67.30	\$52.71	286.80%	FY Above
CVCO	Cavco Industries	\$2.31	\$2.08	\$264.04	\$256.38	7.20%	
CHGG	Chegg	\$0.25	\$0.11	\$93.90	\$92.44	26.50%	FY In Line
CGNX	Cognex	\$0.27	\$0.23	\$199.00	\$194.65	-5.80%	FY Below
CRSP	CRISPR Therapeutics	-\$1.01	-\$0.17	\$0.32	\$47.57	-70.80%	
TACO	Del Taco	\$0.13	\$0.13	\$121.50	\$120.37	3.10%	
DISH	DISH Network	\$0.60	\$0.64	\$3,210.00	\$3,142.57	-7.20%	
ELVT	Elevate Credit	\$0.13	\$0.08	\$177.76	\$187.48	-3.60%	FY In Line
EHC	Encompass Health	\$1.08	\$0.97	\$1,135.00	\$1,135.54	6.30%	
NPO	Enpro Industries	\$1.32	\$0.98	\$387.00	\$389.77	-1.70%	
HLIT	Harmonic	-\$0.04	-\$0.07	\$84.87	\$85.07	-14.40%	
ILMN	Illumina	\$1.35	\$1.34	\$838.00	\$835.12	1.00%	FY Below
PI	Impinj	\$0.03	-\$0.09	\$38.19	\$34.95	33.80%	FY In Line
INST	Instructure	-\$0.16	-\$0.24	\$62.87	\$62.07	25.60%	FY In Line
JJSF	J&J Snack Foods	\$1.63	\$1.55	\$326.70	\$311.67	6.70%	
FRAC	Keane Group	-\$0.05	-\$0.04	\$427.70	\$413.63	-26.10%	
LEG	Leggett & Platt		\$0.64		\$1,275.82		
MDR	McDermott	-\$0.07	\$0.09	\$2,137.00	\$2,250.87	23.20%	FY Below
MEDP	Medpace	\$0.81	\$0.64	\$214.10	\$200.99	25.80%	FY Above
NGHC	National General	\$0.67	\$0.62	\$1,224.10	\$1,374.85	12.50%	
NTR	Nutrien	\$1.58	\$1.58	\$8657.0	\$8,172.59	6.8%	
NXPI	NXP Semi	\$1.91	\$1.78	\$2217.0	\$2,199.48	-3.2%	
PKI	PerkinElmer	\$1.00	\$1.00	\$722.50	\$729.10	2.70%	
PCH	PotlatchDeltic	\$0.25	\$0.18	\$215.60	\$210.17	-19.60%	

RMBS	Rambus	\$0.00	\$0.20	\$58.30	\$96.25	-41.00%	
RNG	RingCentral	\$0.21	\$0.16	\$215.20	\$204.70	33.80%	FY Above
SANM	Sanmina	\$0.82	\$0.77	\$2,027.00	\$1,982.86	11.80%	FY In Line
SBAC	SBA Comm	\$2.09	\$1.73	\$500.10	\$489.09	9.60%	FY In Line
SCI	Service Corp	\$0.47	\$0.47	\$812.57	\$811.01	2.10%	FY In Line
SILK	Silk Road Medical	-\$0.42	-\$0.27	\$14.93	\$13.64	92.20%	FY Above
SSNC	SS&C Techs	\$0.91	\$0.91	\$1,155.80	\$1,153.28	27.20%	FY Below
TEX	Terex	\$1.21	\$1.34	\$1,306.90	\$1,317.96	4.30%	FY Below
TXRH	Texas Roadhouse	\$0.63	\$0.63	\$689.80	\$688.11	9.60%	
RIG	Transocean	-\$0.34	-\$0.34	\$758.00	\$765.81	-4.10%	
TREX	Trex	\$0.64	\$0.64	\$206.45	\$201.70	-0.10%	FY Above
TBI	TrueBlue	\$0.64	\$0.59	\$588.59	\$615.94	-4.20%	FY Below
VRNS	Varonis Systems	-\$0.34	-\$0.32	\$59.60	\$62.35	-4.20%	FY Below
WCN	Waste Connections	\$0.69	\$0.69	\$1,369.64	\$1,357.45	10.50%	FY In Line

CGNX – Beat on EPS and Revenues, FY Below - CEO Robert J. Willett says: "Despite continued strong growth in logistics, the slowdown in spending by customers in our two largest markets resulted in lower overall revenue for Cognex. Because of that slowdown we have reallocated resources to faster-growing areas. "Our long-term positive view notwithstanding, our outlook for the near term has worsened due to a further deterioration in business conditions we are seeing in Europe and Asia. The decline from Q3-18 is due almost entirely to lower expected revenue from consumer electronics. The decline from Q2-19 is due to typical seasonal softness experienced during Q3, outside of consumer electronics, and increased weakness expected in Europe and Asia. Gross margin is expected to be in the mid-70% range, slightly lower than the gross margin reported for Q2-19. Cognex expects operating expenses to be relatively flat on a sequential basis.

DISH – EPS Missed but Revenues Above - The company closed the second quarter with 12.03M total Pay-TV subscribers, including 9.56M DISH TV subscribers and 2.47M Sling TV subscribers. Net pay-TV subscribers declined approximately 31,000 subscribers in the second quarter, compared to a decline of approximately 151,000 in the second quarter 2018.

TREX – EPS In Line and Revenues Beat, FY Above - CEO James Cline states: "We continued to experience strong demand across our residential product portfolio and sales channels in the second quarter. Significant sequential improvement in production throughput increased our ability to convert this demand into sales growth, and we continue to work towards reducing order lead-times. Start-up costs related to new Enhance Naturals and Basics decking products weighed on our gross margin performance, but to a much lesser extent than in this year's first quarter. These startup costs, excluding the cost of added material to improve throughput, are largely behind us. During the quarter, we increased marketing and brand spending in line with seasonality and to support our wood conversion strategy."

BYND – Beat on EPS and Revenues, FY Above, 3.25M Share Offering - "We are very pleased with our second quarter results which reflect continued strength across our business as evidenced by new foodservice partnerships, expanded distribution in domestic retail channels, and accelerating expansion in our international markets. We believe our positive momentum continues to demonstrate mainstream consumers' growing desire for plant-based meat products both domestically and abroad. Looking ahead, we will continue to prioritize efforts to increase our brand awareness, expand our distribution channels, launch new innovative products, and invest in our infrastructure and internal capabilities in order to deliver against the robust demand we are seeing across our business.

RNG – Beat on EPS and Revenues, FY Above - "We had another strong quarter. Enterprise continues to drive our growth, benefiting from strong contributions from channel. We also reached a new milestone of 30 seven-digit TCV deals," said Vlad Shmunis, RingCentral's founder, chairman, and CEO. "These achievements are a testament to the strength of our market-leading cloud communications solution that uniquely integrates voice, video, team messaging, and contact center with an open platform and unmatched global footprint. This enables enterprises worldwide to drive productivity enhancements and improve overall customer and employee engagement."

TBI – Beat on EPS and Missed on Revenues, FY Below - "We experienced a slower pace of demand this quarter, attributable to lower volumes within the businesses of our clients," said Patrick Beharelle, CEO of TrueBlue. "I'm pleased that we were able to effectively manage costs, resulting in net income and EPS growth, while making progress on our digital growth initiatives. The second quarter also marks the five-year anniversary of our acquisition of Seaton and the one-year anniversary of our acquisition of TMP Holdings. The Seaton acquisition transformed the company into a diversified workforce solutions company and provided entry into the RPO market that now represents 30 percent of the company's segment profit.² The TMP acquisition bolstered our global RPO growth strategy, providing entry into the U.K. and accelerating our ability to compete for multi-continent."

VRNS – Missed on EPS and Revenues, FY Below - Varonis CEO, said, "Our subscription transition has been both rapid and impressive, as 56% of our license revenues were from subscription products in the second quarter, compared with our guidance of 25%. We saw strong subscription adoption from customers globally, with the subscription percentage for both North America and EMEA in line with the reported mix. We are raising our expectations for our full year 2019 subscription mix and remain focused on this rapid transition, delivering greater long-term value to our customers and enabling us to strengthen our business with greater visibility and predictability."

RH – Raising Q2, FY Guidance - CEO Gary Friedman states: "Our revenues continue to build momentum as we begin to pivot the Company back to growth. We are pleased with the early results of RH Beach House introduced late Spring, and plan to unveil RH Ski House plus several new collections across RH Interiors and RH Modern this Fall. We continue to be cautiously optimistic about our prospects for the second half of 2019 as we begin to cycle the compounding negative effect of multiple interest rate hikes and a depressed high end housing market last year, plus the stock market volatility that disrupted our business in the fourth quarter."

TEX – Missed on EPS and Revenues, FY Below - "Terex continues to grow, with FX-neutral revenues up 8% in the second quarter" stated John L. Garrison, Terex Chairman and CEO. "Global demand for our leading products and services remained generally stable at a healthy level, and we continued to meet

the needs of our diverse customer base." "We generated \$168 million of free cash flow in the quarter," continued Mr. Garrison. "This strong cash generation performance reflects our global team's continuing focus on improving working capital efficiency. Furthermore, we expect to complete the sale of Demag(R) Mobile Cranes in the coming days, realizing cash proceeds of approximately \$125 million." "Our improving financial results, with adjusted operating margins greater than 10% and adjusted EPS increasing 23% from the adjusted EPS we presented in our Q2 earnings release in July 2018, demonstrate the impact of executing our Focus, Simplify and Execute to Win strategy," stated Mr. Garrison.

SCI – EPS In Line and Revenues Above - "We are pleased to announce adjusted earnings per share growth of almost 7% primarily driven by increases in comparable cemetery revenue and a lower adjusted effective tax rate. In our cemetery segment, we faced a tough sales comparison as the second quarter of 2018 had the highest sales production in several years. Given this tough comparison, we are pleased to report modest cemetery margin growth primarily due to effective cost management during the quarter. Based on our mid-year performance, we are raising the midpoint of our full year adjusted earnings per share guidance by two cents to \$1.95 and confirming our annual adjusted operating cash flow guidance. I would like to thank our 24,000 associates for their unwavering commitment in providing excellent service to our client families. We believe our long-term growth strategy is on track as we continue to grow revenue, leverage our unparalleled scale, and deploy our capital wisely to enhance shareholder value."

Earnings Before the Open

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
AOS	A.O. Smith	\$0.61	\$0.63	\$765.40	\$812.29	-8.10%	FY Below
AER	AerCap	\$2.42	\$1.60	\$1,281.30	\$1,212.50	7.30%	
AGCO	AGCO Corp		\$1.59		\$2,548.85		
MO	Altria	\$1.10	\$1.10	\$5,193.00	\$5,078.34	6.40%	
AME	Ametek	\$1.05	\$1.02	\$1,289.41	\$1,317.22	6.70%	FY In Line
ARCC	Ares Capital	\$0.47	\$0.44	\$382.00	\$363.60	14.70%	
BERY	Berry Global		\$1.01		\$2,034.26		
CNX	CNX Resources	\$0.06	\$0.14	\$605.03	\$357.30	50.50%	
CIGI	Colliers	\$1.10	\$1.16	\$745.50	\$750.85	11.70%	
CMCO	Columbus McKinnon	\$0.81	\$0.76	\$212.70	\$214.84	-5.50%	
CVLT	Commvault Systems		\$0.31		\$170.53		
COP	ConocoPhillips	\$1.01	\$1.03	\$8,380.00	\$9,424.75	-9.30%	
GLW	Corning	\$0.45	\$0.45	\$2,940.00	\$2,972.81	7.00%	
CEQP	Crestwood Equity Partners	\$2.58	\$0.11	\$683.40	\$749.75	-18.70%	
CMI	Cummins		\$4.44		\$6,359.46		
DHI	D.R. Horton	\$1.26	\$1.05	\$4,906.00	\$4,516.01	10.60%	

DSX	Diana Shipping		\$0.02		\$52.69		
DORM	Dorman Products	\$0.68	\$1.13	\$254.18	\$263.68	6.70%	
ETN	Eaton	\$1.53	\$1.51	\$5,533.00	\$5,630.58	0.80%	FY In Line
ECL	Ecolab		\$1.41		\$3,792.85		
LLY	Eli Lilly	\$1.50	\$1.45	\$5,636.70	\$5,589.38	0.90%	FY In Line
EME	EMCOR Group		\$1.33		\$2,117.90		
EQM	EQT Midstream Partners	\$0.62	\$1.10	\$406.17	\$399.32	8.40%	
EXLS	ExlService	\$0.74	\$0.71	\$243.50	\$241.67	15.90%	
BEN	Franklin Resources		\$0.62		\$1,481.67		
FMS	Fresenius Medical	\$0.92	\$0.99	\$4,345.00	\$4,349.23	3.10%	
FDP	Fresh Del Monte	\$0.69	\$0.66	\$1,239.40		-2.60%	
GTX	Garrett Motion	\$0.86	\$0.96	\$802.00	\$831.99	-8.60%	
IT	Gartner	\$1.45	\$1.18	\$1,071.00	\$1,070.98	7.00%	FY In Line
GPN	Global Payments	\$1.51	\$1.46	\$1,114.50	\$1,106.51	13.40%	FY In Line
GRUB	GrubHub		\$0.30		\$317.39		
HCA	HCA		\$2.47		\$12,608.78		
HUBB	Hubbell		\$2.16		\$1,207.00		
HUD	Hudson	\$0.18	\$0.22	\$509.90	\$519.06	2.10%	
HUN	Huntsman	\$0.63	\$0.64	\$2,194.00	\$2,282.40	-8.70%	
INCY	Incyte	\$0.75	\$0.50	\$529.93	\$498.57	1.60%	
IR	Ingersoll-Rand	\$2.09	\$2.06	\$4,528.00	\$4,574.56	3.90%	FY In Line
I	Intelsat	-\$3.76	-\$1.69	\$509.40	\$500.08	-5.30%	
IPGP	IPG Photonics		\$1.38		\$352.31		
IRWD	Ironwood Pharma		-\$0.01		\$89.28		
LDOS	Leidos	\$1.16	\$1.11	\$2,728.00	\$2,640.77	7.90%	FY In Line
LPT	Liberty Prop		\$0.64		\$161.01		
LGND	Ligand Pharma		\$0.55		\$21.01		
MGLN	Magellan Health	\$0.86	\$0.92	\$1,788.00	\$1,750.81	-1.30%	
MMYT	MakeMyTrip	-\$0.27	-\$0.20	\$198.50	\$183.94	16.70%	
MMC	Marsh McLennan	\$1.18	\$1.13	\$4,349.00	\$4,271.76	16.50%	
MLM	Martin Marietta	\$3.01	\$3.12	\$1,279.50	\$1,273.58	6.40%	FY In Line
MA	MasterCard		\$1.83		\$4,082.71		
MRK	Merck	\$1.30	\$1.16	\$11,760.00	\$10,942.58	12.40%	
VIVO	Meridian Bioscience		\$0.09		\$49.81		

MCRN	Milacron Holdings	\$0.34	\$0.32	\$271.40	\$281.73	-10.60%	
MYE	Myers Industries	\$0.27	\$0.25	\$134.30	\$138.00	-4.50%	
NEO	NeoGenomics		\$0.06		\$97.32		
PAG	Penske Auto	\$1.42	\$1.55	\$5,756.00	\$5,903.92	-3.10%	
PG	Procter & Gamble	\$1.10	\$1.05	\$17,094.00	\$16,863.59	3.60%	FY In Line
PEG	Public Service		\$0.60		\$2,297.78		
RL	Ralph Lauren		\$1.66		\$1,425.56		
R	Ryder System		\$1.40		\$2,253.89		
ST	Sensata Tech	\$0.93	\$0.94	\$883.70	\$898.90	-3.30%	FY Below
SQNS	Sequans Communications	-\$0.08	-\$0.07	\$8.10	\$8.57	-36.00%	
SIRI	Sirius XM	\$0.06	\$0.05	\$1,977.00	\$1,932.05	38.10%	
SNE	Sony	\$119.22	\$89.80	\$1,925,000.00	\$1,939,166.94	-1.50%	
SR	Spire	\$0.07	\$0.10	\$321.30	\$333.14	-8.40%	
SHOO	Steven Madden	\$0.47	\$0.43	\$444.97	\$420.40	12.40%	FY In Line
SF	Stifel Financial	\$1.41	\$1.38	\$800.80	\$780.94	7.80%	
SXC	SunCoke Energy	\$0.03	\$0.16	\$407.50	\$369.30	11.00%	
TX	Ternium S.A.		\$0.92		\$2,697.23		
TOWR	Tower Intl		\$0.90		\$426.60		
TRS	Trimas		\$0.50		\$240.57		
SLCA	U.S. Silica	\$0.14	\$0.06	\$394.85	\$396.72	-7.60%	
UAA	Under Armour	-\$0.04	-\$0.05	\$1,191.73	\$1,198.86	1.40%	FY Below
VSH	Vishay		\$0.35		\$685.76		
WAB	Wabtec	\$1.06	\$0.97	\$2,236.30	\$2,236.82	101.20%	FY In Line
WDR	Waddell & Reed	\$0.42	\$0.37	\$270.20	\$267.48	-8.50%	
WAT	Waters	\$2.14	\$2.11	\$599.20	\$601.46	0.50%	FY Below
WCG	WellCare	\$4.31	\$4.16	\$7,010.10	\$6,632.00	51.10%	
WYND	Wyndham Destinations	\$1.45	\$1.36	\$1,039.00	\$1,050.19	3.20%	FY In Line
XRX	Xerox	\$0.99	\$0.89	\$2,289.00	\$2,295.40	-8.80%	
ZBRA	Zebra Tech	\$3.02	\$2.89	\$1,097.00	\$1,093.93	8.40%	FY In Line

Insider Focus

Centene (CNC) with a small but notable insider buy yesterday from a director, Jessica Blume, of 2,850 shares at \$52.99, a \$151,022 purchase. This is the first open market buy in the name since December 2013. CNC has seen some notable bullish flow recently including 840 January \$50 calls on 7-26 at

\$6.90, the August \$50 calls on 7-1, the December \$50 calls with over 6,000 in early May. The September \$60 calls have been bought over 20,000 and spread vs the \$47.50 and \$50 puts in bull risk reversals. Shares are down 6.6% for the year vs the XLV which is up 6.87% and the SPY which is up over 20%. The \$22.26B company trades 10.89X earnings, 0.32X sales, and 14.86X FCF. The company sees 12.1% and 12.9% EPS growth with 9% and 6.8% sales growth over the next two years. CNC has been seeing better membership numbers while they continue to win Medicaid RFPs in new and existing states. The company is in the midst of an acquisition for Wellcare which will boost their MA platform and drive growth in 2020 and further out. Analysts have an average target for shares of \$76 with 11 buy ratings and 2 hold. Stephens positive on 7-10 citing the recent \$6B Oregon decision on managed Medicaid. The firm thinks CNC is a clear winner as it retained Lane county, where it maintains essentially all of its current 88,000 Medicaid members in the state, and added three other counties that serve 36% of the state's current managed Medicaid membership. They also note the Iowa Medicaid MCO rate bump was positive as the company just began operations in the state. The Texas STAR+PLUS contract is highly anticipated with Citi noting that Centene has a lot at stake with the contract. Piper thinks the political risks are overdone for the name as healthcare reform risk that has little chance of coming to fruition. Short interest is 6.4%. Hedge Fund ownership rose 52.2% in Q1. Viking Global with 3.2M shares bought, AQR buying 3M shares, Eminence Capital buying 2.33M shares, Maverick Capital buying 2M shares, Paulson a new 1.55M share position, and Sachem Head a new 1.175M share position.