

TOP STORIES

- Stocks Set to Rebound After Worst Day of Year as China Stabilizes Currency
- Treasury Dept. Declares China a Currency Manipulator
- White House Declares Economic Embargo Against Venezuela’s Government
- RBA Keeps Rates Unchanged as Trade Tensions Roil Markets
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INDEX FUTURES

Futures	Change	Fair Value
S&P 500	2854 (24)	8.46
Nasdaq	7454.75 (69.5)	32.06
Dow	25751 (201)	71.26

GLOBAL INDICES

INDEX	CLOSE	CHANGE
FTSE	7232.34	0.12%
DAX	11724.77	0.57%
Nikkei	20585.31	-0.65%
Hang Seng	25976.24	-0.67%

ECONOMIC CALENDAR

TIME	INDICATOR	CONSENSUS
10:00	JOLTs	
1:05	James Bullard Speaks	

FOREX

EUR/USD	1.1198 (-0.04%)
USD/JPY	106.36 (0.40%)
USD/CAD	1.3195 (-0.14%)
GBP/USD	1.2185 (0.36%)
USD	97.31 (-0.01%)

COMMODITY

Oil	54.84 (0.27%)
Natural Gas	2.116 (2.22%)
Gold	1477.2 (0.05%)
Copper	2.5575 (0.53%)

VOLATILITY INDICES

INDEX	SYMBOL	CLOSE
S&P	VIX	24.59 (39.64%)
Nasdaq	VXN	27.56 (28.97%)
Oil	OVX	37.04 (4.16%)
Gold	GVZ	16.91 (12.73%)

MARKET OUTLOOK

Futures are indicating a higher open for the morning, a big round trip from early evening weakness after the US designated China a currency manipulator. We initially fell over 600 points in early trading, a continuation of Monday’s weakness, but rebounded all night. The Treasury Dept.’s move is the first in 25 years against China. Meanwhile, the PBOC halted the decline of their currency overnight by fixing to a better than expected level. Trade issues remain on a broader basis but tensions seem to be easing somewhat in the near-term. POTUS announced further sanctions against Venezuela overnight to put more pressure on Maduro’s regime. North Korea fired more missiles and renewed threats after the US/South Korea continued military exercises.

Asian markets were weak overnight with the Nikkei hitting a 7-month low. Markets pared their losses into the close with the yuan fix. China/US tensions continued to weigh on sentiment. **Toyota** and **Softbank** were weak, down 2.5%. **Suzuki** fell 10% early after weak earnings and growth metrics in India. Shares closed flat. **Suntory** rose 5% after a strong quarter. **Subaru** rose 8% after beating top and bottom lines. Japanese household spending improved in June, up 2.7% vs 1.3% forecast. Average earnings rose as well by more than forecast. The RBA kept rates unchanged at 1%, as expected.

European markets are in the green this morning, recovering from a sluggish start to the week. It was a quiet morning for new data. German factory orders rose 2.5% in June, better than the 0.5% expected. This is the biggest jump since August 2017. **Vivendi** higher by 5.8% after agreeing to sell a 10% stake in UMG to **Tencent**. **Deutsche Post** rose 3% after affirming FY guidance. Germany’s **Metro** fell 8% after a Czech investment vehicle said it wouldn’t raise its bid.

S&P TECHNICALS

Levels: Support 2,900/2,850; Resistance 2,975/3,000



988 Advancing	Declining 6394
12.9%	83.2%
300 New High	New Low 667
31.0%	69.0%
2229 Above SMA50	Below 5364
29.4%	70.6%
3342 Above SMA200	Below 4251
44.0%	56.0%

KEY EVENTS TODAY

Earnings After the Close: ADT, AKCA, Y, AFG, APEI, AVD, AMN, ANDE, AINV, WTR, ARLO, AIZ, BOLD, ACLS, AXGN, BTG, BECN, BNFT, CPE, CTRE, CARG, CMP, CPSI, SCOR, CUB, DCP, DVN, DHT, FANG, DXPE, EDIT, ENTA, ENLC, EVRI, EVH, STAY, FATE, FLT, FTR, GTES, GCP, LOPE, GH, HCKT, HALO, HTZ, HCR, HST, HUBS, ICHR, IOSP, INSG, INSP, NVTA, JAZZ, LRN, KAR, KRNT, LC, LTHM, MMI, MTCH, MAXR, MBI, MCHP, MODN, NP, NEWR, NDLS, NUS, OAS, OHI, OSUR, PZZA, PE, PEN, PXD, PAA, PLNT, PLT, PLYA, PBPB, POWL, PTCT, QUOT, RRR, RTRX, SAIL, WTRR, SSTI, SEDG, SWX, SWN, SUPN, CGBD, TGH, TXMD, TROX, TWO, VREX, VOYA, DIS, WMC, WK, WW, WYNN, ZAGG, ZGNX

Analyst Days: ORLY

Conferences: Oppenheimer, Jefferies Industrials Conference, UBS Financial Services Conference

ANALYST ACTION/COMMENTS

Northrop (NOC) upgraded to Overweight at MSCO

Everquote (EVER) upgraded to Outperform at Raymond James, \$20 PT

Aimco (AIV) upgraded to Buy at Mizuho

Ford Motor (F) upgraded to Overweight at MSCO

Investors Bancorp (ISBC) upgraded to Buy at Janney

NeoPhotonics (NPTN) upgraded to Buy at MKM Partners

Insulet (PODD) upgraded to Overweight at JP Morgan

Cigna (CI) upgraded to Outperform at Bernstein

BHP, Warrior Coal (HCC), Arch Coal (ARCH), Rio Tinto (RIO) downgraded to Hold at Jefferies

Concho (CXO) downgraded to Sell at MSCO

S&P Global (SPGI) downgraded to Neutral at Atlantic

Leaf Group (LEAF) downgraded to Neutral at Cowen

RE/MAX (RMAX) downgraded to Hold at Compass Point

Arvinas (ARVN) initiated Buy at Cantor, \$42 PT

L3 Harris (LHX) initiated Overweight at MSCO

Shake Shack (SHAK) PT raised to \$70 from \$58 at Barclays

KLA-Tencor (KLAC) PT raised to \$150 from \$140 at UBS

Insulet (PODD) PT raised to \$160 from \$130 at Piper Jaffray

MEDIA HIGHLIGHTS

Pershing Square said to exit **United Tech (UTX)**, ADP positions - Bloomberg

L Brands (LB) marketing chief to resign – WSJ

Japan FTC investigating **Apple (AAPL)** over pressure on parts makers – Bloomberg

Blackstone (BX) arm to acquire 10%-15% stake in **BC Partners** for \$560M - WSJ

Senators question Pentagon delay on JEDI cloud contract (**ORCL, MSFT, AMZN**) – Reuters

NAND flash contract prices fall at slower pace (**MU, WDC, STX**) - DRAMeXchange

Nanya expects double-digit shipment rise in Q3 – Digitimes

Iron Ore Collapses Into a Bear Market (**CLF, BHP, RIO**) – Bloomberg

Aldi, Costco (COST) test China's retail appetite with fresh approaches – Nikkei

Luxury department store **Barneys** files for bankruptcy – NYT

Cyber defense firm **Cybereason** raises \$200M from Japan's **Softbank** – Reuters

Japan's **Kirin** to take 30% stake in cosmetics company **Fancl Corp** for \$1.21B – Reuters

STOCK SPECIFIC NEWS OF NOTE

Alnylam (ALNY) granted FDA priority review for Givosiran NDA in AHP

Genesee & Wyoming (GWR) enters into divestiture agreement with Macquarie

Green Plains (GPRE) signs LOI to sell at least 50% of cattle unit to investors

SurveyMonkey (SVMK) to acquire GetFeedback for approximately \$68M

BAE Systems, Booz Allen (BAH), CACI and Leidos (LDOS) awarded on combined \$17.1B contract

Regeneron (REGN), Sanofi (SNY) announce EC approval of Dupixent; Phase 3 trial met primary, secondary endpoints

Vivendi in talks to sell 10% of Universal Music to **Tencent**

Aramark (ARMK) acquires on-demand food delivery service, Good Uncle

TransDigm (TDG) declares \$30/share special dividend

Greensky (GSKY) exploring strategic alternatives

PRE-MARKET MOVERS

Moving Higher: SOHU 4.5%, UN 2%, F 2%, EDU 2%

Moving Lower:

INSIDER TRADING (Form 4 Filings)

Buying: RIG, SSNC, MSTR, EPD, CADE, F, TUP, DXC

Selling: POWI, VRSK, INCY, ANET, MTB, GHDX, ODFL, CNP, WCN, SPAR, PEGA, CDW, NUAN, ST

POTENTIAL SYMPATHY TRADES

IDXX, ELAN, CVET – on ZTS earnings

HLT, H, WH – on MAR earnings weakness

NTR, CF – on MOS earnings weakness

OPTION HIGHLIGHTS (Prior Day)

Urban Outfitters (URBN) with 5,000 August 23rd (W) \$22 puts bought today for \$1.45 to \$1.65 ahead of 8-20 earnings. URBN has 3,000 September \$22/\$19 put spreads in OI from July buyers as well as 1,000 September \$21 puts. Shares have a weak history recently, lower four of the last five. URBN is nearing a bear flag breakdown today to new lows with a measures target to \$18 while longer-term trend remains bearish unable to close above the 50-day MA since early April. The 2017 lows are lower near \$16.50. The \$2.16B company trades 8.15X earnings, 0.54X sales, and 7.4X FCF. URBN sees EPS growth slowing in FY22 down to 2.5% from 11.5% and sales growth down from 3.9% to 2.8%. Margins rebounded marginally in 2018 but beginning to inflect negatively last quarter as the level of promotions rises. They're also entering a new investment cycle with the launch of their clothing rental service against tough, well established competition, investments in China, and revamped digital platform. URBN has also been working on reducing their exposure to tariffs but still widely exposed to the upcoming tranche. Analysts have an average target for shares of \$37.50 with 7 buy ratings, 9 hold, and 1 sell. MKM negative on 5-22 lowering their PT to \$28 noting that the recent earnings have been worse than appears given lower SG&A and lower tax rates have obscured weakening comps and operating margins in their retail segment. URBN's outlook is likely remain murky as they face tough comps into the volatile Fall season selling. Short interest is 9.4%. Hedge Fund ownership rose 15.8% in Q1. Samlyn Capital a buyer of put options. Holocene, Shellback Capital, and Buckingham all selling their stakes.

AFTER HOURS MOVERS

Gainers: PODD 10%, WPX 8%, HIIQ 7.2%, TTWO 6.6%, SHAK 4%

Losers: IFF -8%

MARKET SENTIMENT / INTERNALS

INDICATOR	READING	SIGNAL
CBOE Equity Put/Call Ratio	0.643	Rising – Cautious
CBOE Index Put/Call Ratio	1.13	Neutral
CBOE Skew Index	117.07	Sharp Drop
VIX Curve	Backwardation	Fear
CNN Fear & Greed Index	36	Fear
NYMO	-41.16	Near an Extreme
NYSE New Highs – New Lows	-105	Near an Extreme
McClellan Summation	658.04	Below 8-EMA
Univ. of Michigan Consumer Sentiment	98.4 (July)	+0.5% Y/Y

SMART MONEY (13g/13d Filings)

IPO MONITOR

AMTD International (HKIB) issuing 20.8M shares at \$8-\$8.50; Hong Kong headquartered financial institution

SECONDARY MONITOR

Ameren (AEE) prices 7.55M secondary at \$74.30

Allakos (ALLK) announces \$200M offering

TRADE

WEEKLY TECHNICAL BREAKOUT

VMC:



Vulcan Materials (VMC) showing relative strength last week holding up near 52-week highs and above its rising 50-day MA. A breakout over the \$140 resistance targets a move up to \$147.50. RSI is holding up well while MACD is near a bullish crossover.

FUNDAMENTAL TRADE OF THE WEEK

Stock: Madison Square Garden (MSG)

Price: \$289.5

Valuation: Undervalued

Key Ratios:

	Fwd. PE	P/S	P/B	EV / EBITDA	P/FCF
Stock	163X	4.1X	2.6X	33.1X	100X
Industry Avg.	23.6X	2.5X	2.8X	12.6X	28.3X

Analysis: MSG is a \$6.88B company which focuses on both live sports and entertainment. They own two professional sports franchises in NY but also promote, present, and produce events for boxing, college basketball, hockey, MMA, eSports and more. MSG has been exploring splitting their two businesses which would allow for more aggressive growth plans like adding music venues.

IDEAS

WEEKLY TECHNICAL BREAKDOWN

BIDU:



Baidu (BIDU) shares are consolidating in a bear flag near new 1-year lows with a breakdown under \$106 targeting \$91. MACD is back near zero and rolling over while RSI is crossing back under 40.

PAIR TRADE OF THE WEEK

Industry: Casinos

Long/Short: Long **Melco (MLCO)**, Short **Las Vegas Sands (LVS)**

Analysis: MLCO is coming off a strong quarter driven by mass market gains and tailwinds from higher visitation from the mainland. They're renovating properties and adding non-gaming revenue at a quick pace. LVS was a laggard in Macau and growth likely not until 2020/2021 when they add expansions.

SMALL CAP TRADE OF THE WEEK

Natera (NTRA) is a \$1.95B company which focuses on diagnostics including preconception and prenatal genetic testing. NTRA reports this week, 8/7, and strong history closing higher four of the last five. NTRA has a 3,000 patient study ongoing to evaluate their Prospera test for kidney transplanted rejection, a potential to add their transplant portfolio.

DAILY OPTIONS REPORT

<u>Unusual Call Activity</u>	<u>Unusual Put Activity</u>	<u>Implied Volatility Riser</u>
Lab Corp (LH)	Taubman (TCO)	Telaria (TLRA)
Alamos Gold (AGI)	Career Education (CECO)	JC Penney (JCP)
Host Hotels (HST)	Diodes (DIOD)	Office Depot (ODP)
Gannet (GCI)	Allakos (ALLK)	Cloudera (CLDR)
Beazer Homes (BZH)	Fidelity (FIS)	Pareteum (TEUM)
Trinity (TRN)	Ensco (VAL)	Cytokinetics (CYTK)
<u>Lowest Put/Call Ratio</u>	<u>Highest Put/Call Ratio</u>	<u>Implied Volatility Decliner</u>
Cytokinetics (CYTK)	Accuray (ARAY)	Allakos (ALLK)
Pampa Energia (PAM)	Nvent (NVT)	Gannett (GCI)
Alamost (AGI)	Magnolia (MGY)	GlycoMimetics (GLYC)
Host Hotels (HST)	Taubman (TCO)	Cypress (CY)
Crown Holdings (CCK)	Clovis Oncology (CLVS)	L Brands (LB)
Ocwen (OCN)	Old Dominion (ODFL)	Sohu (SOHU)
<u>OTM Calls on Offer</u>	<u>OTM Puts on Offer</u>	<u>Elevated IV30</u>
Nexstar (NXST)	AK Steel (AKS)	Athenex (ATNX)
Encana (ECA)	Cenovus (CVE)	Deciphera (DCPH)
Sony (SNE)	Golar (GLNG)	Beyond Meat (BYND)
Blackberry (BB)	Steel Dynamics (STLD)	Uniqure (QURE)
Fitbit (FIT)	Automatic Data (ADP)	Health Insurance Innv. (HIIQ)
<u>Positive Net Delta</u>	<u>Negative Net Delta</u>	<u>Option Volume Gainers (%)</u>
Transocean (RIG)	Apple (AAPL)	Allakos (ALLK)
Capri (CPRI)	Twitter (TWTR)	Fidelity (FIS)
Sony (SNE)	Alibaba (BABA)	Ensco (VAL)
Dell Tech (DELL)	Microsoft (MSFT)	Beazer Homes (BZH)
Intel (INTC)	Beazer (BZH)	Trinity (TRN)
<u>Bullish Call Flow</u>	<u>Bearish Put Flow</u>	<u>Large Spread Trades</u>
Xilinx (XLNX)	Cameco (CCJ)	TGTm 2,250 September \$80/\$70 put spreads
Nvidia (NVDA)	PluralSight (PS)	ZTS, August \$115/\$120 call spreads vs \$110 short puts 500X
Sony (SNE)	Target (TGT)	ALGN, 800 September \$200/\$180 bull risk reversals
Take-Two (TTWO)	Albemarle (ALB)	HAE, 400 August \$120/\$130 call spreads
Abbott (ABT)	Hasbro (HAS)	DE, October \$155/\$170 call ratio spreads open 1300X2600

Extras

Host Hotels (HST) with 10,000 January \$18 calls opening \$0.53 as the \$20 calls adjust

Capri (CPRI) late trade ahead of earnings 8-7 with 5000 January 2021 \$25 ITM calls bought \$10.80

Cisco (CSCO) with 15,000 September \$50 puts opening as the \$52.5 puts adjust

JP Morgan (JPM) afternoon buyer of 2500 October \$105 puts \$3.05 to \$3.10

Dell (DELL) afternoon opening seller of 2500 January \$50 puts near \$5.30

Adobe (ADBE) with September \$290/\$310 call ratio spreads active 1,250X2,500

Amarin (AMRN) with 4000 September \$17 straddles opening for \$3.43

Petrobras (PBR) late day buyer of 3500 October \$14 calls \$1.05

Sage Therapeutics (SAGE) trade opened 175 November \$120 synthetic long positions adjusting out of August \$120 calls into earnings

Earnings Preview

Inspire Medical (INSP) will report earnings tonight after the close with the Street looking for a \$0.43 loss on \$16.67M in sales, a 52.4% increase Y/Y. Next quarter is guided to a \$0.45 loss on \$18.39M with the FY at a \$1.69 loss on \$72.6M. Shares have closed higher four of the last five with an average closing move of 5.3%. 30-day IV is 64.5% and in the 75th percentile of its range. Skew is slightly bearish at 0.9% vs 0.6%. The \$1.55B med-tech company trades 27.25X sales and 8.75X cash with limited debt. They see 37% and 33.4% revenue growth the next two years with strong and expanding gross margins. INSP currently has the first and only FDA-approved neurosimulation treatment for obstructive sleep apnea, a condition which impacts more than 100M people worldwide. INSP is building share in the \$10B annual US market as they build out sales staff and awareness of the public health problem of OSA. They see a huge opportunity to grow as an alternative for the 35-65% of non-CPAP compliant patients as well as those who either find CPAP ineffective. Invasive surgery success rates also vary widely. INSP recently announced coverage from United Health, effective August 1. Analysts have an average target for shares of \$56.75 with limited coverage, 2 buy ratings, 1 hold and 1 sell. BAML raising their PT to \$75 on 7-8 noting the UNH approval will greatly speed up the wait-time for patients to get set up with the sleep apnea therapy. They see potential upside to the Street estimates in 2020 and 2021. Leerink positive on the name citing its high-growth, high-gross margin product with a lot of potential for share gains where current therapies have drawbacks. Short interest is 3.5% and down from around 7% in late 2018. Hedge Fund ownership rose 5.39% in Q2. Orbimed Advisors a top holder with 1.47M shares. On the chart, shares have been trending higher since May and pulling back to the 50-day MA yesterday with the overall weakness in the market. The recent move out of a big multi-month range targets \$80.

Insider Focus

Agilisys (AGYS) name holding up well despite the weakness recently and notable insider buy last week from President/CEO Ramesh Srinivasan of \$270,490 at \$24.59. Srinivasan bought \$367,000 in stock at \$18.40 in February and another \$1M in buys between 2018 and 2017. Shares are up 72.5% in 2019

and closed yesterday 0.2% off of 52-week highs. Shares have been in a strong trend with a longer-term trend. The \$583.8M software company trades 15.6X cash and 3.77X EV/sales with 22.9% and 12.4% sales growth through the next two years. AGYS sees profitability by FY22. AGYS focuses on hospitality software and a long-term name in the space with 40 years of experience. They've got exposure to hotels, cruises, restaurants, universities, and hospitals. Gaming and casinos is their largest percentage at 56% while hotels/resorts are at 26%. On the product-side, they're a legacy-leader in reservations systems, payments, self-service, and other guest-facing software. New management is helping spearhead a mix shift towards more recurring subscription revenue with 33% subscription revenue and 54% of their mix now recurring. AGYS sees a \$4.8B market opportunity. They're targeting 10-20% CAGR through the next four years. Analysts have an average target for shares of \$27, although limited coverage. Northland started coverage in March with a \$26 PT. They note that new management has reinvested in the on-premise line and stabilized its customer base and revenues and leverage will continue to improve over time. Maxim with a \$25 PT citing their mix shift helping produce a higher EBITDA and margins. They also expect AGYS to continue benefiting from efficiencies and improved productivity from its Indian development center. Short interest is 1.7% and up from around 0.5% in early 2018. Hedge Fund ownership fell 37.9% in Q1. Archon Capital and G2 Investment partners notable holders.

Earnings

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
AEIS	Advanced Energy	\$0.45	\$0.35	\$134.81	\$135.78	-31.20%	FY Below
ATSG	Air Transport Services Group	\$0.27	\$0.23	\$334.60	\$333.05	64.30%	
ANSS	ANSYS	\$1.61	\$1.28	\$370.51	\$338.31	20.00%	FY In Line
AVID	Avid Tech	\$0.02	\$0.05	\$98.70	\$101.29	0.10%	
CAR	Avis Budget		\$0.73		\$2,347.24		
BKH	Black Hills Corp	\$0.24	\$0.43	\$333.90	\$399.87	-6.10%	
BHF	Brighthouse Financial	\$2.21	\$2.27		\$2,033.33		
BKD	Brookdale Senior Living	-\$0.30	-\$0.28	\$1,019.50	\$1,013.68	-11.70%	
BWXT	BWX Technologies	\$0.58	\$0.52	\$471.00	\$440.45	7.30%	
CBT	Cabot		\$1.00		\$858.86		
XEC	Cimarex	\$0.82	\$1.15	\$546.46	\$594.90	-1.80%	
COHU	Cohu	\$0.02	\$0.01	\$150.01	\$152.50	50.30%	FY Below
CYH	Community Health	-\$0.47	-\$0.51	\$3,302.00	\$3,196.65	-7.30%	FY In Line
CLR	Continental Resources	\$0.59	\$0.61	\$1,208.38	\$1,162.85	6.30%	
CXW	CoreCivic	\$0.69	\$0.40	\$490.29	\$483.78	9.00%	FY In Line
CSOD	Cornerstone OnDemand	\$0.21	\$0.21	\$141.90	\$138.83	7.10%	FY In Line
DRH	Diamondrock Hospitality	\$0.32	\$0.31	\$257.92	\$253.67	8.40%	
DIOD	Diodes	\$0.77	\$0.74	\$322.00	\$320.20	5.90%	FY Below

DEI	Douglas Emmett	\$0.54	\$0.53	\$230.50	\$226.45	5.00%	
DCO	Ducommun	\$0.66	\$0.57	\$180.50	\$167.92	16.60%	
ENDP	Endo Intl	\$0.52	\$0.48	\$699.71	\$694.60	-2.10%	FY In Line
EVBG	Everbridge	-\$0.07	-\$0.08	\$48.40	\$47.99	35.20%	FY In Line
FRPT	Freshpet	-\$0.16	-\$0.07	\$60.10	\$59.59	26.30%	FY Above
GPRE	Green Plains	-\$1.13	-\$0.83	\$895.90	\$822.77	-9.20%	
HIIQ	Health Insurance Innovations	\$0.71	\$0.40	\$58.36	\$76.76	-18.70%	FY In Line
PODD	Insulet	\$0.02	\$0.03	\$177.10	\$163.63	42.50%	FY Above
IPAR	Inter Parfums	\$0.39	\$0.38	\$166.20	\$166.20	11.20%	
IFF	Intl Flavors	\$1.61	\$1.60	\$1,300.00	\$1,312.75	41.30%	FY Below
IVC	Invacare	-\$0.31	-\$0.29	\$235.90	\$238.32	-4.20%	
ITRI	Itron	\$0.87	\$0.46	\$635.04	\$598.59	8.40%	FY Above
KMT	Kennametal	\$0.84	\$0.85	\$603.95	\$643.95	-6.50%	FY Below
KLAC	KLA Corporation	\$1.78	\$1.75	\$1,258.00	\$1,259.69	17.60%	
RAMP	LiveRamp	-\$0.24	-\$0.29	\$83.00	\$78.34	33.90%	
MAR	Marriott	\$1.56	\$1.56	\$5,305.00	\$5,498.66	-1.90%	FY Below
DOOR	Masonite International	\$1.09	\$1.17	\$562.94	\$577.81	-0.70%	FY Below
MIME	Mimecast	\$0.08	\$0.07	\$99.23	\$97.32	26.60%	FY In Line
NCMI	National Cinemedia	\$0.11	\$0.10	\$110.20	\$113.07	-3.10%	
NPTN	NeoPhotonics	-\$0.03	-\$0.10	\$81.69	\$76.91	0.70%	FY Above
LASR	nLIGHT	\$0.05	\$0.06	\$48.05	\$47.79	-7.10%	FY Below
OFIX	Orthofix	\$0.28	\$0.42	\$115.85	\$115.17	3.90%	
OUT	OUTFRONT Media	\$0.35	\$0.41	\$459.90	\$451.73	14.50%	
PRMW	Primo Water	\$0.08	\$0.09	\$79.30	\$78.01	4.60%	
O	Realty Income	\$0.82	\$0.81	\$365.50	\$344.42	11.10%	
RBC	Regal-Beloit	\$1.52	\$1.62	\$873.70	\$903.84	-9.00%	FY Below
RYI	Ryerson	\$0.43	\$0.78	\$1,204.90	\$1,193.50	14.00%	
SHAK	Shake Shack	\$0.27	\$0.23	\$152.71	\$149.77	31.30%	FY Below
SWAV	ShockWave Medical	-\$0.38	-\$0.53	\$10.00	\$8.29	334.80%	
STE	Steris	\$1.23	\$1.11	\$696.80	\$674.12	9.10%	
STRL	Sterling Construction	\$0.29	\$0.31	\$264.09	\$280.00	-1.70%	FY Below
SNCR	Synchronoss Tech	-\$0.28	-\$0.47	\$77.80	\$80.19	1.40%	
TCMD	Tactile Systems	\$0.14	\$0.08	\$45.20	\$42.60	32.40%	FY Above
TTWO	Take-Two	\$0.41	\$0.79	\$422.24	\$356.65	46.40%	

THC	Tenet Healthcare	\$0.56	\$0.44	\$4,560.00	\$4,479.73	1.20%
VECO	Veeco Instruments	-\$0.06	-\$0.09	\$97.80	\$101.43	-38.00%
WWD	Woodward	\$1.30	\$1.16	\$752.01	\$699.59	27.90%
WPX	WPX Energy	\$0.09	\$0.07	\$695.00	\$566.34	61.60%

CZR – Missed on EPS and Beat on Revenues - Caesars delivered solid financial results in the second quarter driven by the contribution from Centaur and strength from our Las Vegas hotel and food and beverage businesses. Our Las Vegas performance was the result of strong group and leisure demand, which produced an all-time quarterly record for hotel cash revenue and occupancy for the second consecutive quarter. These results were partially offset by competitive pressures in Atlantic City and other parts of our regional portfolio as well as unfavorable hold predominately at Caesars Palace. As we work toward successful completion of the proposed merger with Eldorado Resorts, the management team and I remain focused on improving the company's operations and financial profile through incremental revenue opportunities and operating efficiencies. I'm confident that the proposed transaction will create an industry leading platform poised to succeed in our dynamic industry.

SHAK – Beat on EPS and Revenues - More than halfway through 2019, we are pleased to report continued strong momentum into the second quarter across all areas of the business. System-wide sales increased 33.2%, total revenue grew by 31.3% and adjusted EBITDA increased 18.5%, driven by positive same-Shack sales of 3.6% with traffic growth of 1.3%. Our digital channels, including delivery, were a key contributor to these results, in conjunction with a benefit from the shift in Easter timing within the second quarter. To further strengthen our ongoing digital evolution, and as a part of our focus on accessibility and convenience for our guests, we're pleased to announce an integrated delivery partnership with Grubhub, which will be rolled out across the system over the remainder of this year and into early next.

TTWO – Beat on EPS and Revenues - Recurrent consumer spending (which is generated from ongoing consumer engagement and includes virtual currency, add-on content and in-game purchases) increased 31% and accounted for 58% of total GAAP net revenue. The largest contributors to GAAP net revenue in fiscal first quarter 2020 were NBA(R) 2K19, Grand Theft Auto(R) Online and Grand Theft Auto V, Red Dead Redemption 2 and Red Dead Online, the Borderlands franchise, Social Point's mobile offerings, WWE(R) SuperCard and WWE 2K19, and Sid Meier's Civilization(R) VI. Digitally-delivered GAAP net revenue grew 36% to \$427.8 million, as compared to \$315.0 million in last year's fiscal first quarter, and accounted for 79% of total GAAP net revenue. The largest contributors to GAAP digitally-delivered net revenue in fiscal first quarter 2020 were NBA 2K19, Grand Theft Auto Online and Grand Theft Auto V, Red Dead Redemption 2 and Red Dead Online, the Borderlands franchise, Social Point's mobile offerings, and Sid Meier's Civilization VI

IFF – Missed on EPS and Revenues - "I am pleased to report that we delivered on our profitability objective for the second quarter in light of a softer top-line dynamic, as expected," said Andreas Fibig, IFF Chairman and CEO. "Through our core productivity program, as well as acquisition related synergies, we achieved an 80 basis point improvement in adjusted operating profit margin excluding amortization - a marked acceleration versus our first quarter performance. Our integration efforts are well underway and we are making excellent progress. For those businesses where we have aligned our go-

to-market approach, growth was strong, increasing high single-digits. We are also executing well against our cost synergy plan as our realized savings were \$15 million for the first half of 2019. Based on our performance to date and our outlook for the remainder of the year, we have increased our expected 2019 savings to approximately \$40 million -- above our previous \$30 to \$35 million estimate. For the full year, we remain confident in our ability to achieve an improvement in adjusted operating profit as productivity initiatives and integration-related synergies largely offset a modest revision in sales expectation. We also revised our adjusted EPS excluding amortization to be \$6.15 to \$6.35, driven by a change in the average effective tax rate on the amortization of intangible assets and a change in redeemable non-controlling interests. To reflect our confidence in our long-term strategy and strong cash flow generation, we are pleased to announce we are raising our quarterly dividend. This marks a decade of consecutive dividend increases and underscores our future growth prospects and strong financial position."

DOOR – Missed on EPS and Revenues - CEO Howard Heckes says: "We are pleased we have driven year-on-year adjusted EBITDA margin expansion for the second consecutive quarter, despite weaker than anticipated volumes. Since joining Masonite in early June, I have immersed myself in the business and witnessed our employees' commitment to delivering results and this quarter is no exception. The organization is on target with previously communicated restructuring initiatives and remains focused on operational excellence. As markets remain softer than anticipated, we are reducing our full year net sales outlook accordingly. While we are tightening the adjusted EBITDA range provided in our original outlook to account for this lower revenue growth, we are seeing solid execution operationally and continue to expect year-on-year adjusted EBITDA margin improvement in line with our original outlook."

ATSG – Beat on EPS and Revenues - ATSG's commercial customers are also expected to increase compared with first-half levels. Costs to prepare for heavier second-half flight schedules will continue to affect results for the third quarter, as they did in the second. In addition to these ramp-up costs, ATSG expects aircraft lease transitioning costs to increase in the third quarter. As a result, more of the second-half Adjusted EBITDA growth is expected to occur in the fourth quarter than in the third quarter. Capital expenditures are still projected to be approximately \$475 million in 2019, principally to purchase and modify Boeing 767 aircraft for freighter deployments. The plan includes the purchase of six passenger 767s in the second half of 2019. One earlier purchased passenger 767 has been leased internally to Omni Air and entered charter service in July. CAM has commitments to lease more 767 freighters in 2020, including four for Amazon. ATSG projects FAA approval by mid-2020 of the certificate application to produce a converted freighter variant of the Airbus A321-200. ATSG expects to invest \$6 million in this joint venture with Precision Aircraft Solutions in the second half of 2019. "Our growth investments are continuing to pay off in both revenue and cash flow in 2019, and will continue to do so in the years to come," Hete said. "More than 80 percent of our 767 freighter fleet is deployed under long-term external leases, and our CMI, ACMI and charter flying will continue to grow through our key relationships with large commercial and government customers. Compared with air carriers with more payload-sensitive business models, the outlook for the e-commerce-driven regional air networks that drive our cash flow, remains very bright."

Earnings Before the Open

Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
ADNT	Adient	\$0.38	\$0.34	\$4,219.00	\$4,112.92	-6.10%	
ACM	Aecom Tech	\$0.69	\$0.75	\$4,980.20	\$5,248.84	-3.30%	FY In Line
AES	AES	\$0.26	\$0.28	\$2,483.00	\$2,432.66	-2.10%	
AYR	Aircastle		\$0.53		\$212.47		
AGN	Allergan	\$4.38	\$4.34	\$4,090.10	\$3,930.40	-0.80%	
ALNY	Alnylam Pharma		-\$1.86		\$42.24		
ARMK	Aramark	\$0.47	\$0.45	\$4,010.80	\$3,994.00	1.00%	
AFI	Armstrong Flooring	\$0.36	\$0.15	\$177.70	\$194.45	-11.70%	
AVNS	Avanos Medical	\$0.28	\$0.25	\$172.20	\$172.02	7.00%	FY In Line
AVTR	Avantor	\$0.14	\$0.17	\$1,532.00	\$1,516.20	3.70%	FY In Line
BHC	Bausch Health	\$1.07	\$1.06	\$2,152.00	\$2,150.83	1.10%	FY In Line
BDX	Becton Dickinson	\$3.08	\$3.06	\$4,350.00	\$4,374.36	1.70%	FY In Line
BIOS	Bioscrip		-\$0.06		\$190.92		
TECH	Bio-Techne	\$1.25	\$1.34	\$191.66	\$196.37	6.30%	
BKI	Black Knight	\$0.49	\$0.48	\$294.90	\$296.52	6.60%	FY In Line
APRN	Blue Apron	-\$0.59	-\$1.08	\$119.20	\$138.13	-33.60%	
BMCH	BMC Stock Holdings	\$0.59	\$0.53	\$946.38	\$934.39	-5.20%	
CJ	C&J Energy		-\$0.07		\$535.43		
CBM	Cambrex		\$0.53		\$166.44		
CAMT	Camtek	\$0.18	\$0.18	\$34.35	\$34.25	12.80%	
CRCM	Care.com	\$0.09	\$0.08	\$51.00	\$52.20	10.90%	FY Below
CHK	Chesapeake Energy	-\$0.10	-\$0.07	\$2,370.00	\$1,168.15	5.10%	
IMOS	ChipMOS	\$1.75	\$1.50	\$4,905.30	\$4,827.06	9.20%	
CHH	Choice Hotels		\$1.14		\$304.70		
CWEN	Clearway Energy	-\$0.22	\$0.63	\$284.00	\$316.49	-7.50%	
CFX	Colfax	\$0.64	\$0.61	\$908.65	\$1,254.72	62.00%	
CEIX	CONSOL Energy	\$1.56	\$1.14	\$350.62	\$379.90	-5.40%	
DF	Dean Foods	-\$0.36	-\$0.17	\$1,843.50	\$1,880.73	-5.50%	
DISCA	Discovery	\$1.61	\$0.99	\$2,885.00	\$2,891.03	1.40%	

DUK	Duke Energy	\$1.12	\$0.98	\$5,873.00	\$5,764.08	4.10%	
EPC	Edgewell Personal Care	\$1.11	\$0.95	\$609.20	\$610.26	-1.80%	FY In Line
ERI	Eldorado Resorts	\$0.24	\$0.47	\$637.10	\$658.74	39.50%	
EMR	Emerson	\$0.94	\$0.94	\$4,684.00	\$4,820.52	5.10%	
ENR	Energizer	\$0.37	\$0.46	\$647.20	\$673.50	64.80%	
AQUA	Evoqua Water	\$0.03	\$0.14	\$360.30	\$359.07	5.20%	
EXPD	Expeditors Intl		\$0.81		\$2,072.53		
FIS	Fidelity Nat'l Info	\$1.78	\$1.77	\$2,112.00	\$2,107.28	0.30%	FY In Line
FI	Frank's International	-\$0.07	-\$0.05	\$155.65	\$147.60	17.80%	
GWR	Genesee & Wyoming		\$1.06		\$591.14		
GSKY	GreenSky	\$0.19	\$0.22	\$138.70	\$140.76	31.20%	
HAE	Haemonetics	\$0.81	\$0.64	\$238.50	\$236.82	4.00%	FY In Line
HLNE	Hamilton Lane	\$0.45	\$0.49	\$65.00	\$71.21	2.60%	
HSIC	Henry Schein	\$0.84	\$0.83	\$2,447.00	\$2,480.40	5.70%	
IPHS	Innophos Holdings		\$0.37		\$196.55		
NSIT	Insight Enterprises		\$1.39		\$1,810.25		
INAP	InterNAP	-\$0.78	-\$0.48	\$73.13	\$76.75	-10.80%	FY Below
IPI	Intrepid Potash	\$0.04	\$0.04	\$62.51	\$55.68	13.30%	
JCOM	j2 Global		\$1.53		\$320.25		
JLL	Jones Lang LaSalle		\$2.33		\$2,277.16		
LCII	LCI Industries	\$1.89	\$1.67	\$629.10	\$643.70	-8.10%	
LGIH	LGI Homes	\$1.82	\$1.63	\$461.83	\$465.08	10.00%	
LPX	Louisiana-Pacific	\$0.14	\$0.23	\$588.00	\$641.63	-27.50%	
MDGL	Madrigal		-\$1.22				
MNK	Mallinckrodt plc	\$2.53	\$2.08	\$823.30	\$817.55	-0.30%	FY Above
MGP	MGM Growth Properties		\$0.53		\$233.62		
MOS	Mosaic	\$0.12	\$0.29	\$2,176.00	\$2,307.38	-1.30%	FY Below
EYE	National Vision	\$0.20	\$0.21	\$429.50	\$423.27	11.40%	
NJR	NJ Resources	-\$0.20	\$0.12	\$434.94	\$592.80	-20.00%	
NWN	Northwest Natural	\$0.04	-\$0.07	\$123.44	\$125.08	-0.90%	
NOVT	Novanta	\$0.54	\$0.54	\$155.10	\$154.47	3.10%	
OCN	Ocwen Fincl	\$0.67	-\$0.29	\$274.34	\$288.00	8.20%	FY In Line
OXFD	Oxford Immunotec	\$0.02	-\$0.03	\$19.60	\$19.32	17.70%	
PEGI	Pattern Energy	-\$0.07	\$0.04	\$135.00	\$137.90	-0.70%	

PAYS	PaySign		\$0.02		\$8.48		
PBI	Pitney Bowes	\$0.21	\$0.17	\$860.78	\$861.66	-0.50%	
PLUG	Plug Power	-\$0.12	-\$0.10	\$57.07	\$52.47	62.00%	
PPL	PPL Corp		\$0.56		\$1,863.45		
PRIM	Primoris Services	\$0.35	\$0.29	\$789.90	\$749.23	21.70%	
RCM	R1 RCM	-\$0.09	\$0.04	\$295.00	\$294.11	41.90%	
REGN	Regeneron Pharma	\$6.02	\$5.42	\$1,933.70	\$1,802.22	20.30%	
RHP	Ryman Hospitality		\$1.89		\$399.41		
SAGE	SAGE Therapeutics	-\$3.28	-\$3.35	\$0.87	\$0.27	-99.00%	
SEAS	SeaWorld Entertainment	\$0.64	\$0.55	\$406.00	\$411.77	3.60%	
SERV	ServiceMaster	\$0.50	\$0.47	\$560.00	\$549.25	7.70%	FY Above
SSTK	Shutterstock	\$0.33	\$0.31	\$161.74	\$171.93	3.30%	FY Below
FLOW	SPX FLOW	\$0.27	\$0.48	\$385.40	\$500.94	-5.20%	FY Below
SYNH	Syneos Health	\$0.74	\$0.70	\$1,166.83	\$1,148.82	8.80%	
TGNA	TEGNA		\$0.32		\$534.10		
TLRA	Telaria	-\$0.03	-\$0.02	\$18.20	\$15.98	46.80%	FY In Line
TEN	Tenneco	\$1.20	\$0.93	\$4,484.00	\$4,467.40	76.70%	FY In Line
TDG	Transdigm Group	\$4.95	\$4.32	\$1,658.32	\$1,578.63	69.10%	FY Above
UNT	Unit		\$0.11		\$185.61		
USFD	US Foods	\$0.64	\$0.63	\$6,443.00	\$6,363.56	4.60%	
USAC	USA Compression	\$0.01	-\$0.02	\$173.70	\$172.87	4.00%	
VNTR	Venator Materials	\$0.13	\$0.18	\$578.00	\$585.27	-7.70%	
VCEL	Vericel	-\$0.05	-\$0.22	\$26.15	\$24.13	37.60%	
VRTV	Veritiv		\$0.12		\$2,035.59		
VSM	Versum Materials		\$0.59		\$351.13		
VPG	Vishay Precision		\$0.52		\$73.71		
VG	Vonage	\$0.08	\$0.04	\$298.00	\$291.52	14.60%	FY In Line
WBT	Welbilt	\$0.22	\$0.19	\$426.30	\$427.07	1.30%	FY In Line
WLK	Westlake Chemical	\$0.92	\$0.84	\$2,144.00	\$2,150.79	-4.10%	
ZTS	Zoetis	\$0.90	\$0.82	\$1,547.00	\$1,514.97	9.30%	FY Above