

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Major stock indexes pared losses to end higher as investors digested mixed earnings. **Oil** prices tumbled and **Treasuries** gained on mounting worries over the coronavirus outbreak in China. The **dollar** rose against the **euro** after the ECB held interest rates steady. **Gold** prices rose.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	29159.82	-26.45	-0.09	29373.62	24244.31
Nasdaq	9402.48	18.71	0.20	9439.29	8943.50
S&P 500	3325.51	3.76	0.11	3337.77	3214.64
Toronto	17621.78	21.92	0.12	17666.45	15141.54
FTSE	7507.67	-64.25	-0.85	7689.67	7524.96
Eurofirst	1642.43	-10.20	-0.62	1661.93	1614.20
Nikkei	23795.44	-235.91	-0.98	24115.95	22951.18
Hang Seng	27909.12	-431.92	-1.52	29174.92	27857.73

TREASURIES	Yield	Price
10-year	1.7342	11 / 32
2-year	1.5138	1 / 32
5-year	1.5469	4 / 32
30-year	2.1817	27 / 32

FOREX	Last	% Chng
Euro/Dollar	1.1056	-0.32
Dollar/Yen	109.49	-0.31
Sterling/Dollar	1.3121	-0.14
Dollar/CAD	1.3125	-0.07
TR/HKEX RMB	93.14	0.09

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	55.58	-1.16	-2.04
Spot gold (NY/oz)	1561.89	3.27	0.21
Copper U.S. (front month/lb)	0.0273	-0.0004	-1.25
CRB Index Total Return	189.14	-1.58	-0.83

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Citrix Systems Inc	128.48	9.25	7.76
Netflix Inc	349.60	23.60	7.24
American Airlines Group Inc	28.80	1.48	5.42
LOSERS			
VF Corp	85.40	-9.17	-9.70
Raymond James Financial Inc	91.27	-5.97	-6.14
Travelers Companies Inc	134.12	-7.22	-5.11

Coming Up



Credit cards of American Express photographed in this illustration picture at an office in Frankfurt, Germany, March 17, 2016. REUTERS/Kai Pfaffenbach

American Express Co is scheduled to report its fourth-quarter results before markets open. It is expected to post gains in profit, as unemployment rates remain low and consumers spend more during the U.S. holiday season. Investors will keep an eye on expenses, which have grown rapidly in recent years due to rewards programs that are expected to fend off competition.

A report from Markit Economics is expected to show **U.S. manufacturing PMI** for January edged up to 52.5 from 52.4 in the previous month. **Services PMI** will likely show a reading of 52.9 in January from 52.8 in December.

Mexican statistics agency is scheduled to release **GDP** data. The country's economy is expected to have contracted 0.7% in November after shrinking 0.8% in October.

LIVECHAT- DAVOS

Moderated by experienced Reuters journalists, join us in the GMF as we bring you to the heart of the Davos debate and on-location coverage of one of the biggest global events of the year. **Peter Lochbihler**, Global Director of Public Affairs, Booking.com will join us for a discussion. (1500 ET/ 2000 GMT) To join the conversation, [click here](#)

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Markit Composite Flash PMI for Jan	0945	--	52.7
Markit Manufacturing PMI Flash for Jan	0945	52.5	52.4
Markit Services PMI Flash for Jan	0945	52.9	52.8

Market Monitor

The **S&P 500** ended slightly higher and the **Nasdaq** eked out a record high close, helped by a jump in Netflix, while news about the coronavirus outbreak spreading from China and mixed earnings results kept a lid on the market. Gilead Sciences was assessing its experimental Ebola drug as a possible treatment for the virus helped stocks pare their losses, and pushed the Nasdaq into positive territory. Health officials in China put millions of people on lockdown in efforts to contain a coronavirus outbreak that has so far claimed 18 lives, but the World Health Organization (WHO) announced it was "a bit too early" to declare the virus a global health emergency. Netflix was up 7.24%. The **Dow Jones Industrial Average** closed down 0.09%, to 29,159.82, the **S&P 500** up 0.11%, to 3,325.50 and the **Nasdaq Composite** added 0.20%, to 9,402.48.

Treasuries rallied, pushing **yields** lower, boosted by safe-haven demand on persistent concerns about the impact of the latest coronavirus, which recently broke out in China. At the same time, the yield curve flattened after steepening last week, as sentiment soured amid the Chinese coronavirus. "The coronavirus is adding a bid to Treasuries because of the uncertainty of how widespread it could become and whether it would inhibit businesses such as airlines and hotel, said Lou Brien, market strategist at DRW Trading in Chicago. "Obviously, there is the concern for the loss of life as well." **Benchmark 10-year notes** rose 11/32 to yield 1.734%. **Two-year notes** were up 1/32 to yield 1.513%. **30-year bonds** were 27/32 higher, yielding 2.181%.

The **dollar** rose against the **euro** after the European Central Bank held interest rates steady and launched a broad review of its policy that was likely to see new President Christine Lagarde redefine the ECB's main goal and how



Traders work on the floor at the New York Stock Exchange (NYSE) in New York, U.S., January 14. REUTERS/Brendan McDermid

to achieve it. "The ECB left policy and guidance unchanged at today's meeting, with the ECB still arguing that the overall situation justifies the negative interest rate environment and still stressing that it remains ready to adjust all measures if necessary, with the balance of risks still tilted to the downside," Natascha Gewaltig, director of European economics at Action Economics, said in a note. The **euro** was 0.32% lower against the greenback at \$1.1055. The **dollar** gained 0.25% versus the offshore **Chinese yuan** to 6.9262 yuan. The **dollar index** was up 0.16% at 97.69.

Oil prices fell 2% on concern that the spread of a virus from China could lower fuel demand if it stunts economic growth, but losses were limited by a drawdown in U.S. crude inventories. Two Chinese cities were put in lockdown as health authorities around the world scrambled to prevent a global pandemic. The coronavirus outbreak has killed 18 people and infected nearly 630. "The market continues to retreat under demand concerns and shake off the rally after the OPEC production cuts," said Gene McGillian,

vice president of market research at Tradition Energy in Stamford, Connecticut. With coronavirus cases detected as far as away as the United States, global stock markets also felt the effects of fears that the virus could spread further as millions of Chinese prepare to travel for the Lunar New Year this weekend. **Brent crude futures** fell 1.87% to \$62.03 a barrel. **U.S. crude futures** were 2.03% lower at \$55.59 a barrel.

Gold rose as scaling concerns over a coronavirus outbreak in China and its impact on global economy soured sentiments for riskier assets, propping up demand for the safe-haven asset. "Coronavirus has led people to gold because there is an anticipation of a lot of potential turmoil in the economies that are affected," said Jeffrey Sica, founder of Circle Squared Alternative Investments. "It is adding a level of uncertainty to the overall market that is forcing people to consider more of safe haven in the event that this does become a greater epidemic." **Spot gold** was up 0.2% at \$1,561.75 per ounce. **U.S. gold futures** were 0.37% higher at \$1,562.5 per ounce.

In Focus: Davos 2020

REUTERS/Denis Balibouse



Oil industry in Davos: torn between Greta and Trump

Oil majors are at the sharp end of the climate debate and face a bewildering balancing act to secure their futures. On one hand, they must satisfy the big investors who are rewarding companies with progressive climate policies and dumping heavy polluters; yet on the other, they can't risk cutting the generous dividends that keep shareholders sweet. How energy companies navigate this maze could determine the winners and losers in a lower-carbon future, and help govern whether the world can rein in warming. So no pressure, then. While climate activists, notably Greta Thunberg, have called for all fossil fuel production to be halted to avert catastrophe, U.S. President Donald Trump has decried "prophets of doom" and hailed the economic importance of oil and gas. "If you listen to Davos speeches, you've got some people who say only economic growth and energy matter. Others ask to stop oil and gas immediately. We need to find a way to balance this but the challenge is that you cannot always be popular with either side," Al Cook, executive vice-president of Norway's energy giant Equinor told Reuters.

France, U.S. agree to push global 'digital tax' talks forward

France and the United States agreed how to press ahead with a global rewrite of cross-border tax rules for the digital era, French Finance Minister Bruno Le Maire said. "We had long talks this morning with the U.S.

Treasury Secretary and the OECD Secretary General, and I am happy to announce to you that we have found an agreement between France and the United States, providing the basis for work on digital taxation at the OECD," Le Maire said at the World Economic Forum. "It's good news, because it reduces the risk of American sanctions and opens up the prospect of an international solution on digital taxation," he added. Other countries including Italy and Britain are also pursuing or imposing their own national digital-tax regimes. Le Maire said it was preferable to have an international framework rather than a proliferation of national digital taxes. France has said it will scrap its own tax if an international accord can be reached.

EU's 'Green Deal' guru detects hints of U.S. climate shift

There are signs U.S. President Donald Trump is starting to engage more seriously on climate change and listening to the concerns of corporations, the European Commission's vice-president and head of its 'Green Deal' said. Frans Timmermans, who is driving the Commission's work on a multi-year, trillion-euro plan to make the European Union's 27 member states carbon-neutral by 2050, said the science could not be ignored, even by the U.S. president. "I would assume, as a politician myself, that Donald Trump is thinking about the next election and he's looking at American society. And if you see how much support there is in American society to act upon climate change, he's probably doing the math and thinking that if I want to be reelected, I have to take this seriously," said Timmermans, a former Dutch foreign minister. "That gives me hope because the people want this. Corporations in the U.S. are on the same page as we are. States are. Cities are." During his 36 hours in Davos, Trump met U.S. chief executives, with climate part of the

discussion, and agreed that the United States would join a plan to plant one trillion trees.

Ahead of Uber exit, Colombian president calls for tech level playing field

Colombia's President Ivan Duque said technology companies were welcome in his country, but they had to operate on a level playing field with local firms. "It's smart regulation to level the field and to ... not ... have unfair competition among parties," he told Reuters at the annual meeting of the World Economic Forum. Duque's comments follow a court order late last year against Uber. The country has ordered Uber to cease operations after a judge said it violated competition rules. Uber said it will stop operating in Colombia at the end of January, but has called the legal ruling "arbitrary" and a violation of its right to due process. It has also said it will use all legal avenues to defend the rights of its 2 million users and 88,000 drivers in the country.

CITIC Capital bidding for 22% McDonald's China stake -chief

CITIC Capital is actively bidding for a 22% stake in McDonald's mainland China and Hong Kong businesses, its chairman and chief executive said. The stake is being sold by CITIC, which together with CITIC Capital and Carlyle Group bought 80% of McDonald's China business in 2017. Zhang Yichen, talking to Reuters Global Markets Forum participants on the sidelines of the World Economic Forum meeting said the final result of the sale should be known in early February. "Getting an additional stake will consolidate the control of the company in the hands of CITIC Capital which will facilitate (the) long-term stability of the company," said Zhang, who is also chairman of McDonald's China and Hong Kong.

Top News

American, Southwest say demand helping competitors while 737 MAX sits parked

Healthy travel demand is cushioning results for American Airlines Group and Southwest Airlines, the two said, while warning they are losing customers as their Boeing 737 MAX jets remain parked in a global grounding. Both airlines have canceled flights into early June as they operate slimmer fleets but said that cancellations would likely extend into the summer or fall after Boeing signaled this week that it does not expect to win regulatory approval for the jets to fly again until mid-year. Southwest CEO Gary Kelly said the airline is losing 6 million to 7 million customers a year due to the 737 MAX grounding, but said he expects to "aggressively recapture" lost market share once the jets return. Even without the MAX, both airlines reported solid quarterly profits and pointed to strong first-quarter bookings. For 2020, American said it expects 2020 full-year adjusted earnings between \$4 and \$6 per share, an estimate some analysts said they thought was conservative. Separately, JetBlue Airways said it had shaved \$314 million from its cost base over the past three years, delivering on a cost-cutting drive designed to enable budget-friendly airfares over the next decade. To read more, [click here](#)

P&G sales growth shy of forecasts as slowing birthrate hurts diaper sales

Procter & Gamble posted quarterly sales that missed analysts' expectations for the first time in five quarters, hurt by weakness in baby and feminine care products such as Pampers diapers and Tampax tampons. A slowing global birthrate has hit P&G and competitors like Huggies diapers maker Kimberly-Clark, particularly in China and the United States. To boost sales, both companies have invested in higher-priced premium products. The company said net sales rose 4.6% to \$18.24 billion, which

missed the average analyst estimate of \$18.37 billion, according to IBES data from Refinitiv. The company raised its fiscal 2020 forecast for core earnings per share growth to between 8% and 11% from a prior range of a rise of 5%-10%. Net earnings attributable to P&G rose 16.4% to \$3.72 billion in the quarter. Excluding one-time items, profit of \$1.42 per share beat the average estimate of \$1.37.

Comcast results beat forecasts on broadband growth; 'Cats' hits NBC Universal unit

Comcast beat Wall Street's revenue and profit estimates due to growth in broadband customers, but the company lost more cable TV subscribers than Wall Street expected and its NBC Universal unit revenues were hurt as the film "Cats" bombed at the box office. "With the rate adjustments that we are implementing in 2020 as well as the ongoing changes in consumer behavior, we expect higher video subscriber losses this year," said Chief Financial Officer Michael Cavanagh. It gained 442,000 broadband subscribers in the quarter, beating analysts' average estimate of 378,000 net additions, according to

FactSet. Revenue from that business grew 8.8% to \$4.79 billion. The company reported fourth-quarter revenue of \$28.4 billion, beating the Wall Street consensus estimate of \$28.17 billion, according to IBES data from Refinitiv. Net income attributable to Comcast rose to \$3.16 billion, or 68 cents per share, from \$2.51 billion, or 55 cents per share, a year earlier.

VF Corp cuts forecast on weak Timberland, slowing Vans; shares fall

VF Corp trimmed its full-year forecasts, as the apparel maker struggles with waning demand for its Timberland outerwear and slowing growth at Vans. Vans, the company's biggest brand, posted its slowest revenue growth in two years at 12% in the third quarter. Timberland, a brand VF calls one of its "top four," was particularly hit, falling 5% globally due to weakness in online sales, leading the company to cut its full-year revenue forecast for the business. Sales fell in the Americas, and Europe and Middle East, while they were flat in the Asia-Pacific region. VF now expects full-revenue at the brand to decline 1% to 2%, compared with a 1% to 2% rise expected earlier.



A file photo of bottles of Procter & Gamble's Tide laundry detergent seen in a store in Manhattan, New York, U.S., August 1, 2016. REUTERS/Andrew Kelly

Revenue growth in The North Face brand near halved from a year earlier. The company estimated annual revenue of \$11.75 billion, compared with its prior forecast of \$11.8 billion. It projected adjusted profit per share to be about \$3.30, lower than its prior range of \$3.32 to \$3.37. Net revenue rose 4.6% to \$3.38 billion, but fell short of the average analyst estimate of \$3.43 billion, according to IBES data from Refinitiv. Shares of the company ended down 9.7% to \$85.40.

S&P Global places Boeing's rating on credit watch negative

S&P Global Ratings placed Boeing's 'A-' credit rating on 'credit watch' with negative implications, citing a rise in costs and cash outflows at the U.S. planemaker due to a further delay in the grounded 737 MAX's recertification. The ratings agency said it expects Boeing's funds from operations (FFO) to debt ratio to fall below 30% in 2020, following the plane manufacturer's announcement earlier this week that the 737 MAX will not win approval for a return service until mid-year. The agency said it could lower Boeing's rating below 'A-' if FFO to debt did not rise above 30% within the next 12-24 months, or if the 737 MAX grounding permanently damages Boeing's reputation with customers and regulators. Separately, Boeing's new chief executive has sent the aerospace giant back to the drawing board on proposals for a new mid-market aircraft, effectively shelving in their current form plans worth \$15 billion-\$20 billion that had been overtaken by the 737 MAX crisis. To read more, [click here](#)

Union Pacific shares rise as CEO says U.S.-China trade pact should help end rail slump

Union Pacific shares rose after executives at the railroad operator said the U.S.-China trade pact should help reverse slumping volumes in the second half of 2020. "It turns a headwind into a tailwind," Union Pacific Chief Executive Officer Lance Fritz said of the partial cease fire that will cut some U.S. tariffs on Chinese goods in

exchange for Chinese pledges to buy significantly more American farm, energy and manufactured goods. Union Pacific's volume fell every quarter in 2019, capped by an 11% drop in the latest quarter that was driven by declines in coal and sand, grains and fertilizer, and finished vehicles. Net income fell 9.7% to \$1.40 billion, or \$2.02 per share, from \$1.55 billion. Total operating revenue fell 9.5% to \$5.21 billion. Shares of the company closed 3.45% higher at \$187.17.

Gilead assessing potential use of Ebola drug as China virus treatment

Gilead assessing potential use of Ebola drug as China virus treatment
Gilead Sciences said it was assessing whether its experimental Ebola treatment could be used against the new coronavirus that has sickened hundreds of people in China and led to at least 18 deaths. "Gilead is in active discussions with researchers and clinicians in the United States and China regarding the ongoing Wuhan coronavirus outbreak and the potential use of remdesivir as an investigational treatment," a company spokesman said. Dr. Anthony Fauci, director of the U.S. National Institute of Allergy and Infectious Diseases told Reuters his agency was working with Gilead to test the company's antiviral drug in people infected with the new coronavirus.

Travelers profit beats on higher premiums, strong underwriting

Travelers beat analysts' estimates for quarterly profit, boosted by a rise in premiums and strong underwriting. New York-based Travelers, often seen as a bellwether for the insurance sector as it typically reports before its industry peers, said net written premiums rose nearly 6% to \$7.08 billion for the reported quarter. The insurer's underwriting gains more than tripled to \$513 million. Catastrophe losses fell to \$85 million. Net income rose to \$873 million, in the fourth quarter, from \$621 million, a year earlier. Total revenue rose 3.4% to \$8.06 billion. Separately, the company has set aside a "modest" amount of additional money to cover its

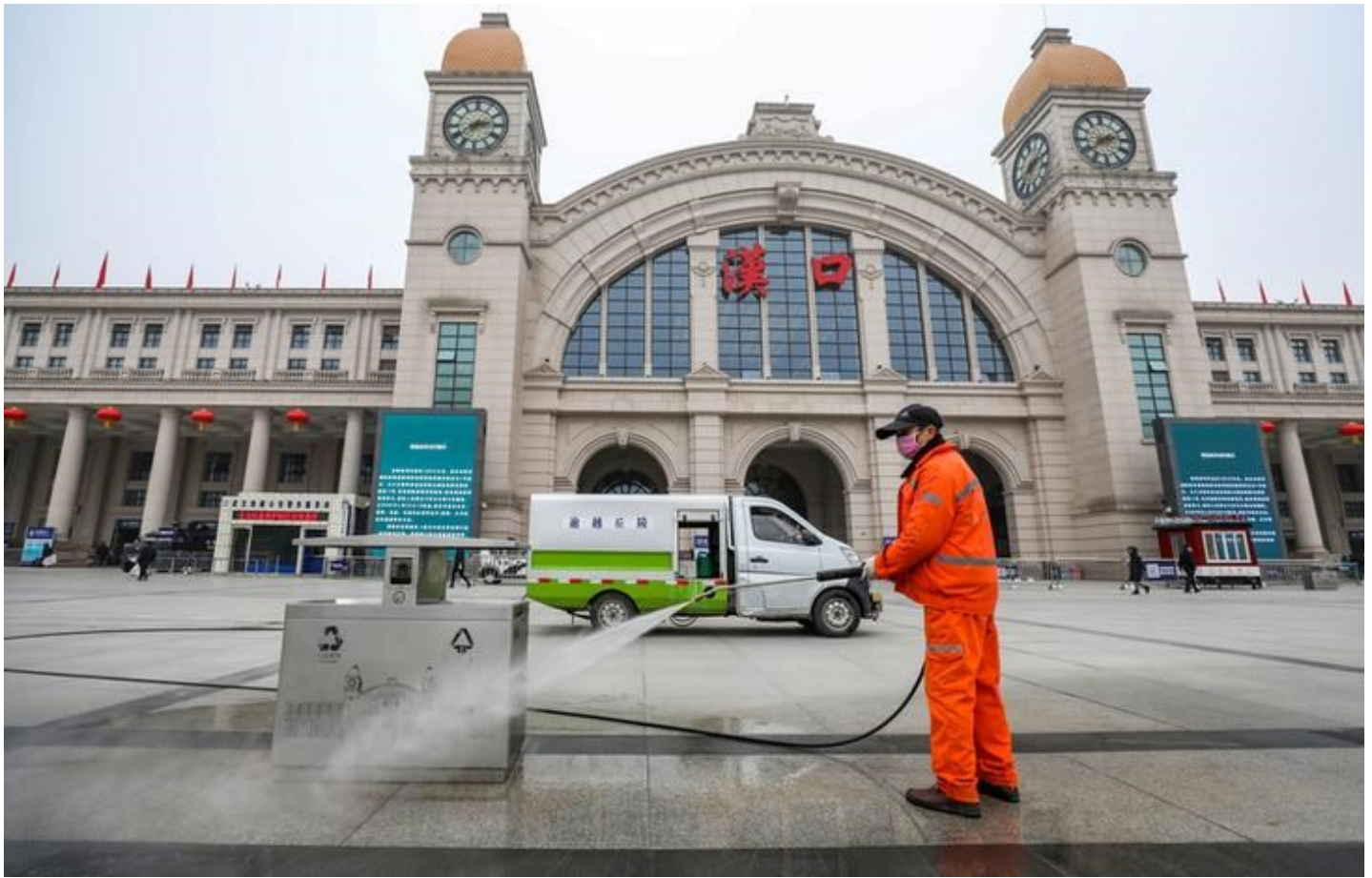
possible exposure to child sex-abuse claims, the insurer's finance chief, Daniel Frey, told analysts during an earnings call. To read more, [click here](#)

Freeport shares dented by output drop, higher 2020 spending

Freeport-McMoRan reported a fall in fourth-quarter copper output and said it expected higher spending in 2020 as it transitions its giant Grasberg copper mine in Indonesia to underground mining. Copper production at Grasberg fell 14% in the fourth quarter, while total production of the metal dropped 1.7% to 827 million pounds. The company said it expects capital expenditure for 2020 to be about \$2.8 billion, higher than last year, including \$1.8 billion for major projects. It has also earmarked another \$500 million for the development of a new smelter in Indonesia. Net income attributable to shareholders fell to \$9 million from \$485 million in the three months ended Dec. 31, as the company booked a tax provision of \$329 million, compared with a benefit of \$552 million in the year-ago period.

Apple pushes back against EU common charger, warns of innovation risks

iPhone maker Apple pushed back against EU lawmakers' call for a common charger, warning the move could hamper innovation, create a mountain of electronic waste and irk consumers. A move to a common charger would affect Apple more than any other companies as its iPhones and most of its products are powered by its Lightning cable, whereas Android devices are powered by USB-C connectors. "We believe regulation that forces conformity across the type of connector built into all smartphones stifles innovation rather than encouraging it, and would harm consumers in Europe and the economy as a whole," Apple said in a statement. It said regulation was not needed as the industry is already moving to USB-C through a connector or cable assembly.



A worker sanitizes the square in front of the Hankou Railway Station, closed after the city of Wuhan was locked down following the outbreak of a new coronavirus, in Wuhan, Hubei province, China, January 23. China Daily via REUTERS

Insight and Analysis

GRAPHIC-Tesla overtakes VW as world's 2nd most valuable carmaker

Tesla has overtaken Volkswagen as the world's second most valuable carmaker behind Japan's, as the meteoric rise in the U.S. electric vehicle maker's shares reshuffles the global market. Tesla's stock has more than doubled in value in the last three months, with its market capitalisation piercing \$100 billion on Wednesday, a first for a listed U.S. automaker, eclipsing VW's \$99.4 billion value. The recent gains have been fueled by a surprise third-quarter profit, progress at a new factory in China and better-than-expected car deliveries in the fourth quarter.

Mexico goes ghost as its oil hedge bill spirals

Mexico is playing a risky game of hide and seek with the oil market. To frustrate speculators and contain an annual bill of more than \$1 billion, Mexico is going to new lengths to mask its attempts to insure its revenue from oil sales against falling prices - no mean feat for a hedging program known as Wall Street's biggest oil trade. Getting the hedge right is crucial for Mexico as it offers stability at a time the government is planning to boost social welfare and security spending, the economy is stagnating and the country's credit-worthiness is under intense scrutiny.

More central banks look to issue own digital currencies – BIS

A rising number of central banks are likely to issue their own digital currencies in the next few years, research by the Bank for International Settlements (BIS) showed on, as interest in the technology heats up. Some 20% of 66 central banks surveyed by the BIS said they were likely to issue a digital currency within the next six years, up from around 10% a year earlier. One in ten said they were likely to do so within the next three years. In all, 80% of central banks said they were looking at the technology, up from seven in ten surveyed last year.

CANADA

Market Monitor

Canada's main stock index ended higher with the **Toronto Stock Exchange's S&P/TSX composite index** rising 0.12% to 17,621.78.

The **U.S. dollar** fell 0.04% against its **Canadian counterpart** to C\$1.3129.



REUTERS/Chris Helgren

COMING UP

Statistics Canada is expected to show **retail sales** rose 0.4% in November after unexpectedly falling 1.2% in October. **Core retail sales** is expected to have risen 0.4% in November, following a 0.5% fall in October.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Alamos Gold Inc	8.16	0.37	4.75
NovaGold Resources Inc	12.12	0.46	3.95
Maple Leaf Foods Inc	25.76	0.95	3.83
Lightspeed POS Inc	45.60	1.68	3.83
LOSERS			
Ballard Power Systems Inc	11.72	-1.41	-10.74
Alacer Gold Corp	6.32	-0.46	-6.78
Baytex Energy Corp	1.62	-0.10	-5.81
First Quantum Minerals Ltd	12.01	-0.55	-4.38

Top News

First phase of Huawei CFO Meng's U.S. extradition hearing set to wrap up in Canada

Huawei Chief Financial Officer Meng Wanzhou arrived in a Vancouver courtroom to wrap up the first phase of a U.S. extradition hearing where her lawyers will respond to the Canadian prosecutor's arguments calling for Meng to be extradited to the United States on bank fraud charges. Legal experts have said it could be years before a final decision is reached in the case, since Canada's justice system allows many decisions to be appealed. On Wednesday, prosecutors argued that Meng should be extradited on fraud charges, and that contrary to her defence argument, the case is not solely about violation of U.S. sanctions against Iran. "Fraud, not sanctions violations is at the heart of this case," prosecutor Robert Frater told the judge on Wednesday. Although the courts had set aside two full days for the prosecution to present its case, the prosecution took only half of a day, and closed its arguments before lunch on Wednesday. "In reality, sanctions



Huawei Chief Financial Officer Meng Wanzhou leaves her home to attend her extradition hearing at B.C. Supreme Court in Vancouver, Canada January 23.

violation is the essence of the alleged misconduct ... the United States has a global interest in enforcing its Iran sanctions. Sanctions drive this case," Richard Peck, one of Meng's lawyers added. Court proceedings show the United States issued the arrest

warrant, which Canada acted on in December 2018, because it believes Meng covered up attempts by Huawei-linked companies to sell equipment to Iran, breaking U.S. sanctions against the country.

WEALTH NEWS

TRADE AGREEMENT

U.S. officials see EU, British trade deals in 2020, not India

The Trump administration expects to secure trade deals with the European Union and Britain this year, but not India, top U.S. officials said.

ECONOMIC DATA

U.S. weekly jobless claims rise modestly; labor market tight

The number of Americans filing for unemployment benefits increased less than expected last week, suggesting the labor market continues to tighten even as job growth is slowing. Initial claims for state unemployment benefits rose 6,000 to a seasonally adjusted 211,000 for the week ended Jan. 18, the Labor Department said. Claims had declined for five straight weeks, resulting in the unwinding of the surge seen in early December, which was blamed on a later-than-normal Thanksgiving Day. The claims report also showed the number of people receiving benefits after an initial week of aid dropped 37,000 to 1.73 million for the week ended Jan. 11. The so-called continuing claims had surged to 1.80 million at the end of 2019.

U.S. jobless claims



Source: Refinitiv Datastream — Reuters graphic/Stephen Culp 23/01/2020

REGULATORY CHARGE

Bank regulator charges ex-Wells Fargo executives for role in sales scandal

Wells Fargo's regulator announced it had brought civil charges against eight former executives, including former CEO John Stumpf, marking the first federal action against individuals for their role in the bank's three-year sales practices scandal.

WORKPLACE DIVERSITY

Goldman Sachs to companies: Hire at least one woman director if you want to go public

From June 30, Goldman Sachs will only help take a company public if it has at least one diverse board member, as such companies perform better after listing, Chief Executive David Solomon said on CNBC.

TAKEOVER BID

Xerox nominates new HP board after buyout rebuffs

Xerox said it plans to nominate 11 independent candidates to HP Inc's board, seeking to take control of the personal computer maker after several rejections of its \$33.5 billion buyout offer.

DRUG PRICING

Blues health insurers put up \$55 million to take on generic drug makers

A group of Blue Cross Blue Shield insurers is investing \$55 million in a new venture with a non-profit generic drug manufacturer to try to offer cheaper prices on pharmacy drugs to their members, the companies said.

ACQUISITION

Bain Capital plans to buy Japan's Showa Aircraft for \$633 million

Bain Capital plans to buy Showa Aircraft Industry, a Japanese maker of transportation equipment from heavy industry firm Mitsui E&S Holdings for \$633 million, it said.



KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Air Products and Chemicals	Q1	BMO	\$2.08	\$2.08	\$1.86	\$2,294.95
American Express Co	Q4	BMO	\$2.01	\$2.01	\$1.74	\$11,362.15
Nextera Energy	Q4	BMO	\$1.48	\$1.49	\$1.49	\$4,630.75
Synchrony Financial	Q4	BMO	\$1.09	\$1.07	\$1.09	\$4072.16

**Includes companies on S&P 500 index. **Estimates may be updated or revised; release times based on company guidance or past practice.*

I/B/E/S EPS and revenue estimates, and StarMine Smart Estimates, provided by Refinitiv.

The Financial and Risk business of Thomson Reuters is now Refinitiv.

The Day Ahead - North America is compiled by Siddharth Athreya V and Samritha Arunasalam in Bengaluru.

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