

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Wall Street ended higher, boosted by optimism for a U.S.-China trade deal, shrugging off downbeat economic data, while **Treasuries** slipped. The **dollar** rose against the **yen** on improved risk appetite, while **gold** lost ground. **Oil** fell on demand concerns

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26050.25	134.25	0.52	26951.81	21712.53
Nasdaq	7595.35	62.82	0.83	7602.69	6457.13
S&P 500	2803.77	19.28	0.69	2813.49	2443.96
Toronto	16068.25	69.24	0.43	16586.46	13776.88
FTSE	7106.73	32.00	0.45	7261.63	6599.48
Eurofirst	1469.79	5.22	0.36	1470.41	1308.86
Nikkei	21602.69	217.53	1.02	21610.88	19241.37
Hang Seng	28812.17	178.99	0.63	29014.19	24896.87

TREASURIES	Yield	Price
10-year	2.7658	-15 /32
2-year	2.5587	-3 /32
5-year	2.5646	-8 /32
30-year	3.1349	-31 /32

FOREX	Last	% Chng
Euro/Dollar	1.1366	-0.04
Dollar/Yen	111.96	0.53
Sterling/Dollar	1.3206	-0.41
Dollar/CAD	1.3294	0.97
TR/HKEX RMB	95.57	-0.11

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	55.78	-1.44	-2.52
Spot gold (NY/oz)	1291.18	-21.48	-1.64
Copper U.S. (front month/lb)	0.0293	-0.0002	-0.81
Reuters/CRB Index Total Return	188.83	-1.29	-0.68

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Dentsply Sirona Inc	49.13	7.37	17.65
Gap Inc	29.52	4.12	16.22
Masco Corp	40.01	2.45	6.52
Foot Locker Inc	63.06	3.54	5.95
LOSERS			
Walgreens Boots Alliance Inc	66.61	-4.58	-6.43
Nektar Therapeutics	38.13	-2.41	-5.94
Kroger Co	28.04	-1.29	-4.40
Simon Property Group Inc	175.48	-5.68	-3.14

Coming Up - On Monday

The annual **RSA cyber security conference** begins in San Francisco, an event attended by tens of thousands of industry experts, government and academia.

The Commerce Department is scheduled to report **construction spending** data for the month of December. Total

construction spending is expected to have risen 0.2 percent in December, compared with 0.8 percent in November.

LIVECHAT- FX WEEK AHEAD

FX Buzz analyst **Jeremy Boulton** analyses G7 currencies. (0730 ET/1230 GMT) To join the conversation [click here](#)

Coming Up - Week Ahead



A file photo of a "Help Wanted" sign on the window of a shop in Harvard Square in Cambridge, February 11. REUTERS/Brian Snyder

In closely watched monthly employment report, due for release on Friday, the Labor Department is expected to say the **unemployment rate** dipped to 3.9 percent in February from a reading of 4 percent in January. **Non-farm payrolls** are expected

to have fallen to 180,000 in February, from 304,000 in January. The Institute of Supply Management will report on Tuesday its **non-manufacturing activity index** rose to 57.2 in February, from a reading of 56.7 in January. Same day, the

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
ISM-New York Index for Feb	0945	--	855.1
ISM New York Business Conditions for Feb	0945	--	63.4
Construction spending mm for Dec	1000	0.2 pct	0.8 pct



Commerce department is expected to report **new home sales** fell to a seasonally adjusted rate of 590,000 units in December from 657,000 units in November. On Wednesday, the ADP National Employment Report is expected to show **private payrolls** rose by 190,000 in February, after rising 213,000 in January. Separately, on the same day, the Commerce Department is expected to report **trade deficit** widened to \$57.3 billion in December, from \$49.3 billion in November. **Initial claims for state unemployment benefits** likely rose to 225,000 in the week ended March 2, the Labor Department is scheduled to report on Thursday. **Permits for future home construction** are expected to have fallen to 1,285,000 units in January, down from 1,326,000 units in December, the Commerce Department is expected to report on Friday.

Federal Reserve Bank of Boston President **Eric Rosengren** speaks on the current economic landscape in the United States and abroad before the National Association of Corporate Directors' New England Chapter on Tuesday. Separately, Federal Reserve Bank of Richmond President **Thomas Barkin** speaks on "Moving the Needle in Rural Communities" before the Virginia Governor's Conference on Agricultural Trade. Federal Reserve Bank of New York President **John Williams** speaks on "The Economic Outlook: the 'New Normal' is Now" before the Economic Club of New York Signature Luncheon, in New York on Wednesday. Meanwhile, Federal Reserve Bank of Cleveland President **Loretta Mester** participates in moderated question-and-answer session hosted by the Columbus Partnership. On Thursday, Federal Reserve Governor **Lael Brainard** participates in a lecture series at Princeton University in New Jersey.

Bank of Canada will announce a decision on **interest rates** on Wednesday. The central bank is widely expected to hold interest rates steady. A day later, Deputy Governor **Lynn Patterson** will provide an economic progress report to the Hamilton Chamber of Commerce.

Statistics Canada is expected to report **trade deficit** data for the month of December on Wednesday. The deficit is expected to have widened to C\$2.39 billion from C\$2.06 billion in November.



Target Corp is expected to post a rise in fourth-quarter same-store sales on Tuesday, benefiting from its investments on store remodeling and focus on its private label brands. Holiday period sales at Target came slightly ahead of other U.S. retailers such as Macy's and Kohl's. Investors will be on the lookout for the Minneapolis-based company's forecast for 2019.

Kohl's Corp is expected to report a growth in quarterly same-store sales on Tuesday, as more customers shopped during the holiday-quarter, which is said to have recorded the strongest sales in six years. Investors will keep an eye on the company's profit forecast for the year, especially after an uptick in promotions was observed in stores in January.

Kroger Co is likely to report a growth in quarterly sales on Thursday, at stores open for more than a year, as its initiative to revamp stores and stock shelves with more popular products is helping draw more shoppers.

Costco Wholesale Corp is expected to report a rise in second-quarter sales on Thursday, boosted by higher membership fees and revenue from e-commerce channels. However, rising expenses and competitive grocery space creating pricing pressure may dent the company's profit margins.

American Eagle Outfitters Inc is expected to report a rise in fourth-quarter same-store sales on Wednesday, boosted by its Aerie line of lingerie. However, investors will likely pay more attention to the apparel retailer's current-quarter profit forecast as it ramps up expenditure on marketing and employee incentives.

U.S. teen apparel retailer **Abercrombie & Fitch Co** is expected to post a fall in holiday-quarter sales and profit, hurt by lower demand for its namesake brand apparels amidst intense competition. The company has been revamping its stores and launching sophisticated designs, while doing away with risque advertising, in a bid to renew its image and boost sales. Investors and analysts will look out for performance of Hollister brand as well as its full-year outlook.

Discount store operator **Dollar Tree Inc** is expected to post a rise in same-store sales during the fourth quarter on Wednesday, benefiting from higher sales at its namesake stores. All eyes, however, will be on the performance of its Family Dollar business, which has come under spotlight after activist investor Starboard Value LP called for a sale of the underperforming unit in January. Investors will look out for any comments on the company's plan for the Family Dollar business and full-year outlook.

Canada's oil and gas producer **Crescent Point Energy Corp** is expected to post a smaller loss in the fourth quarter on Thursday. Discounts on the country's heavy crude have narrowed since Alberta's mandated output cuts. Investors will look out for any change to its production and capital forecast given the change in pricing environment.

WestJet Airlines Chief Financial Officer **Harry Taylor** to speak at J.P. Morgan Aviation, Transportation & Industrials Conference.

Market Monitor

The **S&P 500** and **Dow** snapped three-day losing streaks as optimism about the prospects for a U.S.-China trade agreement overshadowed downbeat U.S. and Chinese manufacturing data. A private survey showed China's factory activity contracted for a third straight month in February, though at a slower pace, indicating a marginal improvement in domestic demand as a flurry of policy stimulus kicked in from late last year. The **Dow Jones** rose 0.59 percent, to 26,068.99; the **S&P 500** was up 0.78 percent, to 2,806.31; and the **Nasdaq** gained 0.93 percent, to 7,602.50. For the week, the **S&P 500** rose 0.4 percent, the **Dow** fell 0.02 percent, the **Nasdaq** rose 0.9 percent.

Treasury yields rose, as investors sold off safe-haven assets on hopes for a U.S. trade deal with China and shrugged off soft economic data reports whose release was delayed by the government shutdown. The United States had been poised to hike tariffs on some \$200 billion in Chinese imports to 25 percent from 10 percent after Friday if no deal was reached by then. That progress has strengthened investor appetite for risk, pushing prices on Treasuries and other safe-haven assets down as money has flowed into U.S. equities. The **10-year notes** fell 15/32, yielding 2.76 percent. The **2-year notes** fell 3/32, yielding 2.56 percent. The **30-year bonds** dropped 31/32, yielding 3.13 percent.

The **dollar** rose against the **yen**, as risk appetite improved amid a more upbeat outlook on some major economies of the world and the prospect of a trade deal between China and the United States. "Looking at the whole G10 (Group of 10



Traders work on the floor of the New York Stock Exchange in New York, February 27.
REUTERS/Brendan McDermid

major currencies) space, there has been more follow-through from U.S.-China trade optimism that was already in the process of getting priced in during the month of February," said Stephen Gallo, European head of FX strategy, at BMO Capital Markets in London. Against the Japanese yen, the **dollar** rose 0.53 percent to 111.96 **yen**. The **euro**, meanwhile, was down 0.04 percent at \$1.1366. The **dollar index** rose 0.36 percent to 96.51.

Oil prices fell as concerns over global demand growth after weak U.S. manufacturing data overshadowed OPEC-led supply cuts and sanctions on Venezuela and Iran. "We have been the island of prosperity, globally, so if the economic slowdown is coming our way that is bad news for oil prices," said John

Kilduff, a partner at Again Capital in New York. "We were up all morning until that data hit," he said. Fuel consumption, especially in Asia's developing economies which are key drivers of global oil demand, is so far holding up. **Brent crude** fell 2.05 percent, at \$64.95 a barrel. **U.S. crude** was down 2.52 percent, to \$55.78 a barrel.

Gold prices fell more than 1 percent, as the dollar strengthened and global stock advances spurred risk-taking. "Better sentiment on the stock markets and a reluctance by the physical gold investors are weighing on its price," Commerzbank analysts said. **Spot gold** fell 1.65 percent to \$1,291.05 per ounce. **U.S. gold futures** was down 1.81 percent at \$1,292.30 an ounce.

Top News

Amazon plans new grocery-store business - WSJ

Amazon.com plans to open dozens of grocery stores across the United States as it looks to expand in the food business, the Wall Street Journal reported, citing people familiar with the matter. Amazon is also exploring an acquisition strategy to strengthen its new supermarket brand by purchasing regional grocery chains, which have at least a dozen stores under operation, according to the report. The company, which bought the upscale Whole Foods chain for \$13.7 billion in 2017, is now in talks to open grocery stores in shopping centers in San Francisco, Seattle, Chicago, Washington, D.C., and Philadelphia, the WSJ report said. The online retail giant plans to open its first store in Los Angeles as early as the end of the year, and has already signed leases for at least two other grocery locations with openings planned for early next year, the Journal reported.



A file photo of the logo of Amazon seen on the door of an Amazon Books retail store in New York City, February 14. REUTERS/Brendan McDermid

Gap shares surge 24 percent as Wall Street praises split

Gap Inc shares surged as much as 24 percent as a number of Wall Street analysts lauded the company's decision to separate its better-performing Old Navy brand. Old Navy has been the only bright spot for the company in the past few years, cushioning it from the weak performance of its namesake Gap and Banana Republic brands, where sales have also taken a hit from fewer additions of new designs. At least four brokerages raised their price target on the stock, with Telsey making the most bullish move by raising its price by \$6 to \$40, well above the median of \$30. The company also said it would close hundreds of underperforming Gap stores in the next two years and would increase investments in its online business as they try to adapt to a more modern retail environment. Gap's shares ended 15.94 percent higher at \$29.45.

Lyft IPO filing shows surging revenue, widening losses

Lyft Inc inched closer to becoming the first ride-hailing company to make a stock market debut by releasing its filing for an

initial public offering, revealing to the public a detailed look at its financial performance. The filing with U.S. securities regulators makes it all but certain that Lyft will hold its IPO ahead of larger rival Uber, as it was one of the few remaining tasks before the company can launch a roadshow to pitch prospective investors. Lyft's revenue was \$2.16 billion for 2018, double the previous year and up 528 percent from 2016, according to the documents. But the company has been operating with heavy losses. It posted a loss of \$911 million for 2018, which climbed from \$688 million in 2017 and \$682 million in 2016, according to the filing. And losses could continue, Lyft cautioned, as the seven-year-old company continues to invest and expand. Lyft has so far kept its businesses confined to the United States and Canada. Sources say Lyft has been plotting an expansion to Australia and Mexico, which would increase its cash burn. The company expects to be valued at between \$20 billion and \$25 billion in its IPO, up from its current \$15 billion valuation, sources have told Reuters.

Tesla shares down after surprise Model 3 price drop, store cuts

Wall Street reacted nervously to Tesla's move to shut its network of high-end showrooms and launch a long-awaited cheaper version of its Model 3 sedan, as shares fell and most analysts expressed concern over the company's long-term margins. The arrival of the \$35,000 Model 3 had been largely anticipated - although it came months earlier than expected - but news that Tesla planned to dismantle its network of stores, a hallmark of its upscale sales strategy, caught many off-guard. In Thursday's announcement, Elon Musk-led Tesla said prices on all of its cars would be lowered by up to 6 percent. It was the third cut this year for the Model 3 after a \$2,000 price-cut in January and a \$1,100 reduction last month. "Taken in conjunction with the introduction of the \$35k Model 3, we view this (price cuts) as confirmation that demand for Tesla vehicles has softened," RBC Capital Markets analyst Joseph Spak wrote in a client note. Tesla said it now expects to record a loss in the first quarter. Tesla shares ended down 7.83 percent at \$294.82.

WPP shares stage relief rally after better than feared outlook

WPP gained some respite as the world's biggest advertising firm delivered results and forecasts that were not as bad as feared after a year of turmoil, lifting its shares. Rival Publicis alarmed investors with a weak showing last month and WPP warned that its underlying 2019 net sales would fall by up to 2 percent, after dropping 0.4 percent in 2018. "We are at the beginning of a three-year turnaround plan, but WPP's new positioning as a creative transformation company with stronger, more integrated, more tech-enabled agencies is already proving effective, having driven several of our recent new business successes," Chief Executive and company veteran Mark Read told Reuters. Read said that the group would see particularly strong headwinds in the first half of 2019, with the whole year expected to be down between 1.5 and 2 percent. Under his plan he hopes to bring WPP back in line with peers by the end of 2021. U.S. listed shares of the company ended up 4.13 percent at \$57.26.



Another Kroger unit to stop accepting Visa credit cards due to high fees

Kroger said its Smith's Food and Drug Stores division will stop accepting Visa's credit cards, starting April 3, because of excessive transaction fees. The company added it is going to continue to explore other options to reduce the cost of accepting credit cards and keep prices low for customers. "It is unfair and disappointing that Kroger is putting shoppers in the middle of a business dispute," a Visa spokeswoman said, adding that the company has put forward a number of solutions to allow its cardholders to continue using their credit

cards at Foods Co and Smith's "without Kroger-imposed restrictions." The dispute between Kroger and Visa is the latest between payments processors and merchants over transaction fees. Card companies have said in the past that expenses for ramping up anti-fraud/anti-theft security measures to make payment processing safer have resulted in a fee hike.

Wells Fargo officials enter \$240 million settlement over bogus accounts

Wells Fargo executives and directors have reached a \$240 million settlement with U.S. shareholders over the creation by bank employees of millions of unauthorized customer accounts. The settlement was filed late Thursday with the federal court in San Francisco, and requires a judge's approval. It resolves claims that the officials breached their fiduciary duties by knowing about or consciously disregarding the bogus accounts, and failing to stop their creation. Insurers for 20 current and former Wells Fargo executives and directors, including Chief Executive Tim Sloan and his predecessor John Stumpf, will pay the \$240 million to the bank. The officials denied wrongdoing.

U.S. auto sales fall in February on weak SUV demand

Automakers reported a decline in U.S. sales for February as demand for SUVs slows after years of rapid growth, pointing to a drop in overall sales in 2019. Toyota Motor said its sales fell 5.2 percent to 172,748 vehicles due to declining sales of its flagship Camry sedan as well as its Tundra pickup trucks and Sienna minivans. Fiat Chrysler Automobiles said sales fell 2 percent to 162,036 vehicles, hurt by lower demand for its Jeep Compass and Renegade sport utility vehicles. "The overall industry is starting off slower due in part to weather, the U.S. government shutdown, and concern over tax refunds," Reid Bigland, Fiat Chrysler's U.S. head of sales, said in a statement. Japan's Honda Motor reported a 0.4 percent dip in U.S. vehicles sales to 115,159 units, while Nissan Motor's sales in the United States

plummeted 12 percent to 114,342. Top two automakers General Motors and Ford Motor have stopped reporting monthly auto sales numbers.

Versum Materials rejects Merck KGaA's unsolicited offer

Electronic materials maker Versum Materials formally rejected a \$5.9 billion unsolicited cash offer from Merck KGaA, saying it was committed to the agreed merger with U.S. rival Entegris. German drugs and lab supplies maker Merck said on Wednesday it would pay \$48 per Versum share - or \$5.9 billion in total including debt - in a takeover proposal to the U.S. group's management. That was designed to scotch a \$4 billion all-stock takeover from Entegris, which agreed to buy Versum in January. At Entegris' current share price, that deal would translate into a value per Versum share of about \$40. To deter Merck from building a stake, Versum on Thursday announced a plan to give shareholders the right to purchase stock at a reduced price if a potential bidder buys 12.5 percent or more of Versum's stock.

Linde Plc targets 8-12 percent EPS growth in 2019 on cost cuts

Linde, the industrial gases group created from the merger of Linde AG and Praxair, is targeting 8-12 percent growth in 2019 earnings per share thanks to cost cuts, even as revenue growth slows, it said. In presentation slides on its website, Linde also said 2018 adjusted pro-forma income from continued operations rose to \$3.44 billion, up 8.3 percent from \$3.17 billion in 2017. Pro-forma revenues for the combined group advanced 4.7 percent to \$28.15 billion last year, according to the slides. "Cost and capital structure synergies, combined with a lower share count, will all contribute to the improvement and profit margins should steadily increase through the year," Finance Chief Matt White said on a conference call. Linde said earlier today that antitrust restrictions requiring it to hold the two businesses separately were lifted, allowing it to start integrating globally.



Venezuelan teenager Astrid Prado, 17, who is 7 months pregnant, holds her 1-year-old child Jesuanny as she observes her husband and fellow Venezuelans looking for recyclables at a garbage deposit in Pacaraima, Brazil February 28. REUTERS/Ricardo Moraes

Insight and Analysis

Wall Street Week Ahead-U.S. stock reign may not last over other regions

U.S. stock prices are outpacing those in most other regions to start 2019, but the gap is narrow and some investors are eyeing potential catalysts to tip the scales to the rest of the world. Investors say several factors could sway performance in favor of other developed or emerging markets, including slowing U.S. profit growth, a weaker U.S. dollar, improving economies in China and Europe and resolution of global trade tensions. The 11 percent gain this year for the S&P 500 is helping the U.S. benchmark index expand its global edge since the U.S. equities bull run began a decade ago. U.S. stocks are near 70-year highs relative to other global developed markets, according to BAML.

POLL-Bank of Canada to hike once this year; small chance of cut

The Bank of Canada may be closer to a policy turning point, as it is still set to hike its key interest rate once more later this year but there is now a small chance of a cut, according to economists polled by Reuters. Although the BoC still aims to take the overnight rate, currently at 1.75 percent, up closer to what it says is the neutral range, the latest Reuters poll showed that it will not reach the lower end anytime soon. "There is absolutely no evidence that the economy is trending faster than potential with rates below 2 percent," said Avery Shenfeld, chief economist at CIBC. Inflation is currently hovering at 1.4 percent and shows little sign of a sudden upturn.

COLUMN-NOPEC bills provide useful leverage for the White House: Kemp

For a proposed statute still at the first stage of the legislative process, with only a handful of sponsors in the U.S. Congress, the "No Oil Producing and Exporting Countries Act of 2019" (NOPEC) is generating a lot of comment. The amount of attention being paid to the proposed legislation is out of all proportion to its probability of being enacted into law - unless oil prices spike higher at some point during the remainder of 2019 and 2020. Similar NOPEC bills were introduced into the House of Representatives (HR 948) and the Senate (S 370) early last month, where they were referred to the respective judiciary committees for detailed consideration.

CANADA

Market Monitor

Canada's main stock index rose, boosted by gains in the heavy-weight financial sector as well as energy shares, which increased on the back of a rise in oil prices.

The **Toronto Stock Exchange's S&P/TSX composite index** was up 0.44 percent at 16,069.60.

The **financial sector** rose 0.26 percent to 300.37.

Meanwhile, the **energy sector** increased 0.68 percent to 158.62.

The **U.S. dollar** rose 0.94 percent against the **Canadian dollar** to C\$1.3290.

COMING UP- ON MONDAY

No major events are scheduled.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Martinrea International Inc	13.81	1.54	12.55
Parkland Fuel Corp	40.07	3.25	8.83
Gran Tierra Energy Inc	3.10	0.13	4.38
LOSERS			
Kinaxis Inc	76.32	-6.41	-7.75
First Majestic Silver Corp	8.44	-0.44	-4.95
Whitecap Resources Inc	4.61	-0.21	-4.36

Top News



A file photo of shipping containers pictured in St John's, Newfoundland and Labrador, Canada, October 17, 2018. REUTERS/Chris Wattie

Canada economic growth slows in Q4, rate hike unlikely

Canada's economic growth slowed more than expected in the fourth quarter on plunging Canadian crude oil export prices, underpinning market expectations that the Bank of Canada will not hike interest rates next week. Statistics Canada said that annualized growth between October and December was 0.4 percent, its slowest pace since the second quarter of 2016 and down from 2.0 percent in the third quarter. The pace of growth was below analyst forecasts of 1.2 percent. "It was softer than

expected obviously... It looks like a lot of the weakness can be attributed to softening of the oil patch," said Nathan Janzen, senior economist with the Royal Bank of Canada. Crude oil and bitumen export prices plunged 34.3 percent. Household spending slowed for the second consecutive quarter, edging up 0.2 percent in the fourth compared with 0.3 percent in the third, Statistics Canada said.

Canada PM speaks to Trump about tariffs, sources see little progress

Canadian Prime Minister Justin Trudeau spoke to U.S. President Donald Trump on

Thursday about American tariffs on steel and aluminum, Trudeau's office said, but well-placed sources said there was little sign of progress. Ottawa strongly objects to the tariffs, which Trump imposed last year citing security concerns, and has pressed many times for them to be removed. "The Prime Minister raised the issue of steel and aluminum tariffs and expressed the need for the removal of tariffs," a statement from Trudeau's office said. U.S. Agriculture Secretary Sonny Perdue said on Thursday he was working hard to persuade Trump that the U.S. steel industry could be adequately protected by tariff rate quotas, rather than plain tariffs, on imports from Canada and Mexico.

Canada approves extradition proceedings against Huawei executive

The Canadian government cleared the way for extradition proceedings against the chief financial officer of Huawei, who faces charges in the United States. Meng Wanzhou was arrested in Vancouver last December and is currently under house arrest. She will appear in a Vancouver court at 10 a.m. Pacific time (1800 GMT) on March 6, when a date will be set for her extradition hearing. "Today, department of Justice Canada officials issued an authority to proceed, formally commencing an extradition process in the case of Ms. Meng Wanzhou," the government said. Meng's lawyers said they were disappointed and described the U.S. charges as politically motivated.



WEALTH NEWS

ECONOMIC DATA

U.S. consumer spending, factory data point to weak first quarter GDP growth

U.S. personal income fell for the first time in more than three years in January and consumer spending dropped by the most since 2009 in December, putting the economy on a weak growth path early in the first quarter. The Commerce Department said personal income slipped 0.1 percent in January, after jumping 1.0 percent in December. Consumer spending dropped 0.5 percent in December. The personal consumption expenditures (PCE) price index excluding the volatile food and energy components rose 0.2 percent after a similar gain in November. That left the year-on-year increase in the so-called core PCE price index at 1.9 percent.

U.S. PCE price index and the Fed funds target rate



COPING WITH TARIFFS

U.S. companies adapt to 'endless' China tariffs

U.S. manufacturers are accelerating their shift out of China, coming to terms with a new reality: the Trump administration's tariffs will not go away any time soon.

STAKE IN CLEARWAY

Apollo bets on Clearway Energy, defying PG&E bankruptcy fallout

Private equity firm Apollo Global has amassed a 6 percent stake in Clearway Energy, a renewable energy producer whose shares were hit after one of its customers filed for bankruptcy, people familiar with the matter said.

LOW OIL SUPPLY

In rebuff to Trump, OPEC oil output drops further in February

OPEC oil supply fell to a four-year low in February, a Reuters survey found, as top exporter Saudi Arabia and its Gulf allies over-delivered on the group's supply pact while Venezuelan output registered a further involuntary decline.

BOSTIC SPEAKS

Bostic: Markets may doubt Fed's inflation commitment

Markets may be losing faith about the Fed's commitment to meeting its 2 percent inflation target, given years of operating below that threshold, Atlanta Federal Reserve bank president Raphael Bostic said.

NEGOTIATING DEAL

Caesars bows to Icahn demands on board, sale still eyed

U.S. casino operator Caesars Entertainment has struck a deal with investor Carl Icahn that appoints three new directors to its board, although the billionaire hedge fund manager continues to press for a sale of the company.

MANAGEMENT CHANGES

BlueMountain names slate for PG&E board

PG&E Corp investor BlueMountain Capital Management named 13 people it hopes to install as directors at the embattled power utility weeks after the company filed for bankruptcy in the wake of California's catastrophic wildfires.



ON THE RADAR

Events	ET	Poll	Prior
Tue: Build permits number for Dec	0800	--	1.326 mln
Build permits R change mm for Dec	0800	--	0.3 pct
Markit Composite Final PMI for Feb	0945	--	55.8
Markit Services PMI Final for Feb	0945	--	56.2
ISM N-Manufacturing PMI for Feb	1000	57.2	56.7
ISM N-Manufacturing Business Activity for Feb	1000	59.9	59.7
ISM N-Manufacturing Employment Index for Feb	1000	--	57.8
ISM N-Manufacturing New Orders Index for Feb	1000	--	57.7
ISM N-Manufacturing Price Paid Index for Feb	1000	--	59.4
New home sales-units for Dec	1000	0.590 mln	0.657 mln
New home sales change mm for Dec	1000	-9.1 pct	16.9 pct
Federal budget,\$ for Jan	1400	--	-14 bln
Wed: ADP national employment for Feb	0815	190,000	213,000
International trade \$ for Dec	0830	-57.3 bln	-49.3 bln
Goods trade balance (R) for Dec	0830	--	-79.49 bln
Thu: Challenger layoffs for Feb	0730		52,988
Initial jobless claims	0830	225,000	225,000
Jobless claims 4-week average	0830		229,000
Continued jobless claims	0830		1,805
Labor costs revised for Q4	0830	1.6 pct	--
Productivity revised for Q4	0830	1.7 pct	--
Consumer credit for Jan	1500	15.50 bln	16.55 bln
Fri: Non-farm payrolls for Feb	0830	180,000	304,000
Private payrolls for Feb	0830	170,000	296,000
Manufacturing payrolls for Feb	0830	10,000	13,000
Government payrolls for Feb	0830		8,000
Unemployment rate for Feb	0830	3.9 pct	4 pct
Average earnings mm for Feb	0830	0.3 pct	0.1 pct
Average earnings yy for Feb	0830	3.3 pct	3.2 pct
Average workweek hours for Feb	0830	34.5 hrs	34.5 hrs
Labor force partic for Feb	0830	--	63.2 pct
Building permits: number for Jan	0830	1.285 mln	--
Build permits: change mm for Jan	0830	--	--
Housing starts number for Jan	0830	1.190 mln	1.078 mln
House starts mm: change for Jan	0830	--	-11.2 pct

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Salesforce.Com	Q4	AMC	\$0.56	\$0.55	\$0.35	\$3,561.51

*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.





"Chomper," a semi-autonomous, GPS-guided snow blower designed and built by MIT research engineer Dane Kouttron, clears snow following an overnight storm in Cambridge, Massachusetts, February 28. REUTERS/Brian Snyder

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