

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Equities surged and the **dollar** slipped, after the Federal Reserve pledged to be patient with future interest rate hikes, while **Treasury yields** fell. **Oil** rose on supply concerns and **gold** rebounded.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	25012.20	432.24	1.76	26951.81	21712.53
Nasdaq	7183.08	154.79	2.20	7185.38	6457.13
S&P 500	2681.05	41.05	1.55	2675.47	2443.96
Toronto	15484.55	21.41	0.14	16586.46	13776.88
FTSE	6941.63	107.70	1.58	7001.94	6599.48
Eurofirst	1407.95	5.80	0.41	1408.77	1308.86
Nikkei	20556.54	-108.10	-0.52	20892.68	19241.37
Hang Seng	27642.85	111.17	0.40	27790.22	24896.87

TREASURIES	Yield	Price
10-year	2.6882	7 / 32
2-year	2.5161	3 / 32
5-year	2.4950	8 / 32
30-year	3.0453	0 / 32

FOREX	Last	% Chng
Euro/Dollar	1.1477	0.41
Dollar/Yen	108.96	-0.38
Sterling/Dollar	1.3103	0.28
Dollar/CAD	1.3145	-0.90
TR/HKEX RMB	94.86	0.01

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	54.25	0.94	1.76
Spot gold (NY/oz)	1319.21	7.35	0.56
Copper U.S. (front month/lb)	0.0277	0.0005	2.22
Reuters/CRB Index Total Return	187.02	0.98	0.53

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Advanced Micro Devices Inc	23.09	3.84	19.95
Stryker Corp	179.41	18.34	11.39
Anthem Inc	297.57	24.86	9.12
Royal Caribbean Cruises Ltd	120.96	8.91	7.95
LOSERS			
Juniper Networks Inc	25.83	-2.12	-7.59
Franklin Resources Inc	29.10	-2.09	-6.70
Illumina Inc	272.57	-12.69	-4.45
AT&T Inc	29.37	-1.33	-4.33

Coming Up



U.S. President Donald Trump speaks after competing measures to end the partial U.S. government shutdown fell short in the Senate, in the Cabinet Room of the White House in Washington, U.S., January 24. REUTERS/Kevin Lamarque

U.S. President **Donald Trump** meets Chinese Vice Premier **Liu He** during his visit to Washington for high-level trade talks.

Amazon.com Inc is expected to report a rise in fourth-quarter sales and profit as the world's largest online retailer benefits from strong holiday demand and continued growth in its cloud computing and advertising businesses. Investors will look closely at the company's current-quarter forecast.

Mastercard Inc is expected to report an increase in fourth-quarter revenue as more people swipe their credit cards during the holiday season. Investors will also watch the performance of the company's EMEA business which is almost as big as its U.S. unit, and listen in for comments on any developments in China.

Blackstone Group LP, the world's largest alternative asset manager, reports earnings for the final three months of 2018, a quarter marked by market volatility.

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Challenger layoffs for Jan	0730	--	43,884
Initial jobless claims	0830	215,000	199,000
Jobless claims 4-week average	0830	--	215,000
Employment wages QQ for Q4	0830	--	0.9 pct
Employment costs for Q4	0830	0.8 pct	0.8 pct
Chicago PMI for Jan	0945	61.5	65.4
New Home Sales for Nov - Units	1000	0.560 mln	0.544 mln
New Home Sales for Nov	1000	2.9 pct	-8.9 pct



U.S. package delivery company **United Parcel Service Inc** is expected to report higher profit and revenue for the fourth quarter, as a rapid rise in online shopping boosts domestic package volume. Investors will also look for any comments on the potential impact of slowing global economic growth.

DowDuPont Inc is expected to post a fourth-quarter profit compared with a loss a year earlier when it took a merger-related charge. Investors will watch for any developments in the company's agriculture unit, which took a \$4.6 billion charge in October, hit by the U.S.-China trade dispute. Any comments on Dow's plan to launch genetically modified Enlist E3 soybeans will also be of interest, along with commentary on soybean demand.

General Electric Co is expected to report that its fourth-quarter earnings and free cash flow fell in 2018 as new CEO Larry Culp sells businesses to pay off debt. Investors are watching for GE's 2019 forecast, unexpected charges and updates on regulatory probes of its accounting.

Oilfield services provider **Baker Hughes**, which is owned by GE, is expected to post a profit in its fourth quarter, compared with a loss a year earlier, when it faced higher costs. Investors will be interested in the company's outlook for 2019 as a decline in global crude prices along with output cuts threaten to slow down international activity.

ConocoPhillips is expected to post a fall in its fourth quarter profit, hurt by a drop in oil prices. Investors will watch if Conoco will stick to its 2019 outlook as crude prices continue to be volatile.

Valero Energy Corp's fourth-quarter profit is expected to fall, compared with the year-ago period, when it gained \$1.9 billion due to U.S. tax reforms. Investors will watch for any comments on imports from Venezuela



The logo of United Parcel Service is seen at the new package sorting and delivery UPS hub in Corbeil-Essonnes and Evry, southern Paris, France, June 26, 2018. REUTERS/Charles Platiau

after the United States imposed sanctions on heavy crude shipments from the South American country.

Celgene Corp is expected to post a rise in fourth-quarter revenue. As the drugmaker reports quarterly results for the first time since Bristol-Myers Squibb announced it was buying the company for \$74 billion, investors will focus on Celgene's drug pipeline, particularly its main revenue driver, Revlimid. They will also watch for any comments related to hiking product prices.

Hershey Co is expected to report a more than 20 percent rise in fourth-quarter profits on the back of price hikes and cost-cutting initiatives. Investors will watch for any comments on pricing strategy and its marketing efforts behind the launch of Reese's Thins, expected in March. Also of interest would be whether Hershey has felt any business impact from the ongoing U.S.-China trade dispute.

Sprint Corp is expected to report a rise in third-quarter revenue helped by efforts to undercut larger competitors on price.

Norton antivirus maker **Symantec Corp** is expected to post a fall in second-quarter revenue, hurt by weaker demand from companies.

On the U.S. economic tap, data from the Labor Department is expected to show **initial claims** for unemployment benefits increased to a seasonally adjusted 215,000 in the week ended Jan. 26 from a 49-year low of 199,000 in the prior week. The Labor Department will also publish **wages** and **benefits** data for the fourth quarter.

LIVECHAT – FX OUTLOOK

We will sit down with Christopher Vecchio, Senior FX Strategist with IG Group's DailyFX, to discuss what lies in store for the currency markets in the wake of a global slowdown. (0600/1100) To join the conversation, [click here](#)

Market Monitor

Stocks ended sharply higher after the Federal Reserve said it would be patient in lifting borrowing costs further this year, reassuring investors worried about a slowing economy. Along with better-than-feared quarterly results from Apple, the Fed's comments helped Wall Street reverse two down days triggered by profit warnings from U.S. bellwethers that signaled a bigger impact from a slowdown in China. **Apple** shares jumped 6.7 percent after reporting a sharp growth in services business, easing concerns after the iPhone maker earlier this month cut current-quarter sales forecast. **Boeing** rose 6.43 percent. The **Philadelphia Semiconductor index** surged 2.87 percent to 1,271.76, while the **S&P technology index** jumped 3.03 percent to 1,164.52. **Anthem** jumped 9.12 percent. The **Dow Jones Industrial Average** was up 1.76 percent at 25,012.20, while the **S&P 500** gained 1.56 percent to 2,681.06. The **Nasdaq Composite** added 2.2 percent to 7,183.08.

Treasury yields fell after the Federal Reserve held interest rates steady but said it would be patient in lifting borrowing costs further this year as it pointed to rising uncertainty about the U.S. economic outlook. **Two-year notes** rose 3/32 to yield 2.51 percent. The **benchmark 10-year notes** rose 7/32, yielding 2.69 percent. "The statement was definitely dovish. In response, we've seen the Treasury curve steepen with two-year prices bid up," said Justin Lederer, Treasury analyst at Cantor Fitzgerald, referring to a policy statement from the Fed's rate-setting committee after a two-day meeting. The spread between the two- and 10-year yields rose to 17 basis points.

The **dollar** fell, after the Federal Reserve held interest rates steady, as expected,

and struck a cautious tone on its outlook for the economy and future interest rate increases. "The press statement was reassuringly dovish, but it wasn't hugely unexpected. The place where there was more surprise...is that we got a shift, it seems, around the balance sheet," said James McCann, senior economist, at Aberdeen Standard Investments in Boston. "The language was very, very vague, and probably deliberately so. But the preparedness for the Fed to be more accommodative around the balance sheet seems to be a little new," he added. The **dollar index** fell 0.43 percent to 95.41. The **dollar** dropped 0.37 percent against the yen to 108.97 **yen**. The **euro** rose 0.41 percent to \$1.1477.

Oil prices rose, as U.S. government data that showed signs of tightening supply and investors remained concerned about supply disruptions following U.S. sanctions on Venezuela's oil industry. **U.S. crude futures** rose to \$54.25 a barrel, a

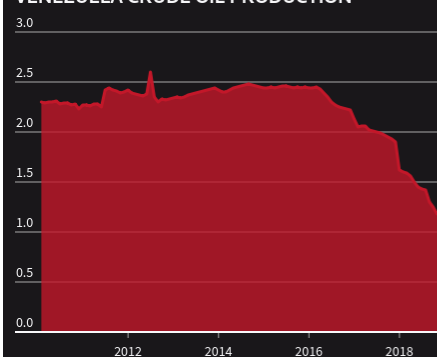
1.76 percent gain. **Brent crude futures** rose 0.67 percent, to \$61.73 a barrel. Prices extended gains after government data showed U.S. crude oil stockpiles rose less than expected last week due to a drop in imports, while gasoline inventories fell from record highs as refiners slowed production. Crude inventories rose by 919,000 barrels, the Energy Information Administration said, compared with analysts' expectations in a Reuters poll for an increase of 3.2 million barrels. After eight straight weeks of builds to a record high, gasoline stocks fell 2.2 million barrels last week, versus forecasts for a 1.9 million-barrel gain.

Gold rose as the dollar fell after the Federal Reserve kept benchmark U.S. interest rates steady and said it would be patient in lifting borrowing costs further this year. **Spot gold** added 0.55 percent at \$1,319.12 per ounce and **gold futures** rose 0.71 percent to \$1,318.20 an ounce.

Venezuela vs U.S. crude oil production

Venezuela's crude oil production has more than halved since 2016. U.S. crude oil output soared by more than 2 million barrels per day in 2018 alone.

VENEZUELA CRUDE OIL PRODUCTION

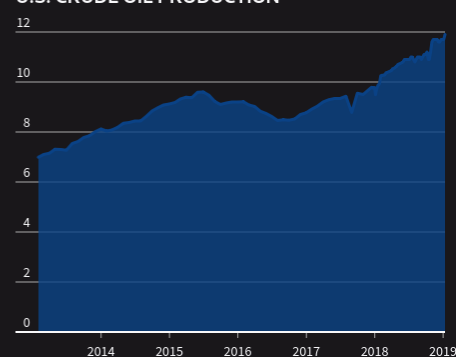


(million barrels per day)

Source: Refinitiv

Henning Gloystein | REUTERS GRAPHICS

U.S. CRUDE OIL PRODUCTION



[Click on the chart for a full-size image](#)



Top News

Fed leaves rates unchanged, says will be 'patient' on future hikes

The Federal Reserve held interest rates steady but said it would be patient in lifting borrowing costs further this year as it pointed to rising uncertainty about the U.S. economic outlook. While the Fed said continued U.S. economic and job growth were still "the most likely outcomes," it removed language from its December policy statement that risks to the outlook were "roughly balanced" and struck language that projected "some further" rate hikes would be appropriate in 2019. In a separate release from its policy statement, the U.S. central bank also said while it was continuing its monthly balance sheet reduction, it was prepared to alter the pace "in light of economic and financial developments" in the future. The Fed said in that same document that it had decided to continue managing policy with a system of "ample" reserves, a signal that its balance sheet rundown may end sooner than expected.

Boeing shares soar on profit, aircraft forecast

Boeing raised its profit and cash flow expectations for 2019, sending shares up amid a boom in air travel and faster

production, though it was still fighting supplier delays on its cash-cow 737 jetliners. The planemaker said it expects to deliver between 895 and 905 commercial aircraft in 2019, up from 806 aircraft it delivered last year, which - although just below company targets - kept it ahead of arch-rival Airbus for a seventh year. Boeing also raised its full-year core earnings per share forecast to \$19.90-\$20.10 from \$14.90-\$15.10, and revenue to a range of \$109.5 billion to \$111.5 billion, from \$98 billion to \$100 billion, fueled by strong volume across its commercial, military and services businesses. The company forecast operating cash flow between \$17 billion and \$17.5 billion in 2019, compared with cash flow of \$15.32 billion in 2018, and above analysts' average estimate of \$16.73 billion, according to IBES data from Refinitiv. It expects 2019 core earnings between \$19.90 per share and \$20.10 per share, and revenue between \$109.5 billion and \$111.5 billion.

McDonald's warns of headaches in 2019 as overseas business booms

McDonald's warned higher labor costs, expenses for remodeling stores and a stronger dollar would weigh on its earnings in 2019, after a strong

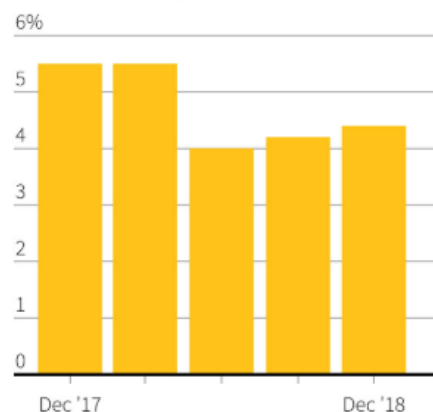
performance outside the United States powered better-than-expected fourth quarter results. The world's biggest fast-food chain is still struggling in its home market, where it is battling a barrage of promotions from rival chains with offers ranging from \$1 coffees to Uber Eats deliveries. That is being countered by the strength of a global operation which the company has modernized faster and that generated same-store sales growth of 4.4 percent in the fourth-quarter, above expectations of 3.9 percent - and almost twice the figure of its 14,000 U.S. outlets. Same-store sales in the United States, however, are still lagging. They rose just 2.3 percent in the fourth quarter, the slowest pace in nearly two years and missed Wall Street estimates for the third straight quarter. Total revenue fell 3 percent to \$5.16 billion in the quarter, which was in line with estimates, but dipped largely due to the company selling restaurants to franchisees.

AT&T's wireless customer growth slows, revenue misses estimates

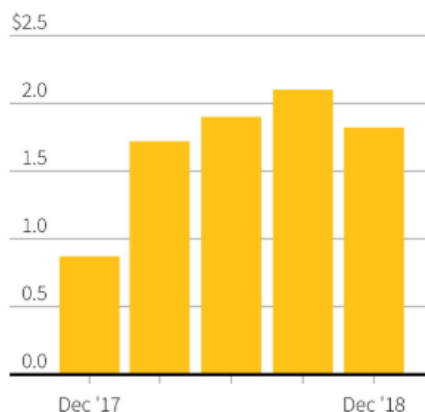
AT&T reported slower wireless customer growth and larger declines in its pay-TV business than Wall Street expected. The second-largest U.S. wireless carrier by subscribers has turned its focus to paying down debt after spending \$85 billion to buy media company Time Warner. It has also pulled back on promotional pricing for phone and television plans, sacrificing new customer gains. The company's debt was \$171 billion at the end of 2018, after paying off some \$9 billion since the Time Warner merger closed in June. In communications, AT&T's largest business, the carrier gained a net 134,000 phone subscribers who pay a monthly bill, falling far short of analysts' estimates of 208,000, according to research firm FactSet. AT&T has 153 million total phone subscribers. Churn, or the rate of customer defections, was 1 percent during the fourth quarter, up from 0.89 percent the previous year. Net income fell to \$4.86 billion, or 66 cents per share, from \$19.04 billion, or \$3.08 per share, a year earlier, when the company had a big one-time benefit from the U.S. tax overhaul.

McDonald's earnings

WORLD SAME-RESTAURANT SALES



EARNINGS



Source: Thomson Reuters Datastream; company filings
By Jiachuan Wu and Stephen Culp | REUTERS GRAPHICS

[Click on the chart for a full-size image](#)



Alibaba sales grow at weakest pace in three years as slowing China bites

Alibaba Group's quarterly revenue grew at its weakest pace since 2016, as the impact of a slowing Chinese economy and a crippling Sino-U.S. trade war kept buyers away during its top-sale season. The result is likely to add to investor worries as it highlights the mounting pressures facing the e-commerce behemoth, whose sales are often seen as a yardstick of consumer spending in the world's second-largest economy. Alibaba posted third-quarter revenue of 117.28 billion yuan, compared with 83 billion yuan a year earlier. That compares with an estimate for revenue of 118.9 billion yuan from 31 analysts polled by Refinitiv. Net income rose 33 percent to 30.96 billion yuan, however, beating estimates and sending Alibaba's stock up by about 1.6 percent in pre-market trade. Alibaba typically posts its highest revenue in the December quarter due to its mega "Singles' Day" in November - the world's biggest online sales event that outstrips the sales of U.S. shopping holidays Black Friday and Cyber Monday combined.

UAE used cyber super-weapon to spy on iPhones of foes

A team of former U.S. government intelligence operatives working for the United Arab Emirates hacked into the iPhones of activists, diplomats and rival foreign leaders with the help of a sophisticated spying tool called Karma, in a campaign that shows how potent cyber-weapons are proliferating beyond the world's superpowers and into the hands of smaller nations. The cyber tool allowed the small Gulf country to monitor hundreds of targets beginning in 2016, from the Emir of Qatar and a senior Turkish official to a Nobel Peace laureate human-rights activist in Yemen, according to five former operatives and program documents reviewed by Reuters. The sources interviewed by Reuters were not Emirati citizens. Karma was used by an offensive cyber operations unit in Abu Dhabi comprised of Emirati security officials and former American intelligence operatives working as contractors for the UAE's intelligence services. The existence of Karma and of the hacking unit, code

named Project Raven, haven't been previously reported.

General Dynamics 2019 outlook disappoints, 4th-quarter profit rises

General Dynamics forecast 2019 profits lower than analysts estimated and said margins in its critical business jet unit would not improve substantially until 2020. The U.S. aerospace and defense company said the cost of ramping up production of next-generation Gulfstream business jets has sapped profits in its highest margin unit, overshadowing a strong fourth-quarter performance, led by information technology services. The company forecast 2019 earnings in the range of \$11.60 to \$11.70 per share, below the average analyst estimate of \$12, according to data from Refinitiv Eikon. Margins at the aerospace unit, the company's most profitable, fell to 14.1 percent during the quarter, compared with 17 percent a year ago, pulling down the overall margins as well. Revenue from the business jet unit rose 36.4 percent to \$2.7 billion as jet deliveries, another important metric, increased to 42 from 30 in the same quarter a year ago. Net earnings rose to \$909 million, or \$3.07 per share, from \$636 million, or \$2.10 per share, a year earlier.

Anthem speeds up pharmacy benefits launch, shares jump

Anthem surprised Wall Street by moving up the launch of its in-house pharmacy benefits management business, sending shares higher as investors welcomed the decision after rival health insurers signed multibillion-dollar deals joining forces with PBMs. The company also forecast higher-than-expected 2019 profit and handily beat fourth-quarter earnings estimates. Rival health insurers Aetna and Cigna closed deals with the biggest U.S. pharmacy benefits managers last year to bolster profits, cut costs and better manage patient prescriptions. Anthem, however, had initially planned to launch its own pharmacy benefits business, IngenioRx, in 2020. The company said it would instead launch the business in the second quarter, after the sector witnessed its biggest shakeup in years. Excluding

items, Anthem posted a quarterly profit of \$2.44 per share, beating analysts' estimates by 24 cents, according to IBES data from Refinitiv. Anthem forecast 2019 adjusted earnings per share of over \$19, well ahead of Wall Street forecasts of \$17.61.

Hess production tops estimates on Bakken, Gulf of Mexico strength

Hess' fourth-quarter production beat Wall Street estimates, driven by higher output from the Bakken shale region and the Gulf of Mexico. Total production for the quarter ended Dec. 31, excluding its Libyan operations, was 267,000 barrels of oil equivalents per day (boe/d), while analysts were expecting 265,000 boe/d, according to Wells Fargo Securities. Hess stuck to its plan of spending \$2.9 billion in 2019, up 38 percent from its projected spending plan for 2018. Net loss attributable to Hess narrowed to \$4 million, or 5 cents per share, in the fourth quarter ended Dec. 31, from \$2.68 billion, or \$8.57 per share, a year earlier. In the year-ago quarter, the company had recorded a non-cash charge of \$1.70 billion, related to the reduction in value of some of its Gulf of Mexico assets.

Royal Caribbean starts 2019 with record bookings, sees strong China demand

Royal Caribbean Cruises said it was heading into 2019 with record bookings for cruises and seeing higher demand from Chinese tourists. A slowdown in the world's second-biggest economy which has been flagged by several U.S. companies over the past few weeks, did not dampen demand, Royal Caribbean said. The company said 75 percent more Chinese guests opted for a non-China itinerary in 2019, compared to three years ago. The company said it expects adjusted first-quarter earnings of \$1.10 per share, above analysts' estimates of \$1.06, according to IBES data from Refinitiv. The company's total revenue rose 16.4 percent to \$2.33 billion in the fourth quarter ended Dec. 31, edging past analysts' average estimate of \$2.31 billion. On-board spending, an increasingly more important part of Royal Caribbean's overall revenue, rose 16.5 percent as passengers spent more on entertainment activities like laser tag and dance classes.





Man moves luggage in snow during a winter storm in Buffalo, New York, U.S., January 30. REUTERS/Lindsay Dedario

Insight and Analysis

Global oil industry braces for turmoil from U.S. crackdown on Venezuela

More than 24 hours after the United States announced large-scale sanctions on Venezuela's nationally owned oil company, merchant trading firms and refiners were still deciphering what the measures prohibited. The sanctions, announced on Monday, are aimed at driving President Nicolas Maduro from power, the strongest U.S. measures yet against the socialist president who has overseen economic collapse and an exodus of millions of Venezuelans in recent years. The sanctions froze assets of state-run PDVSA and require U.S. firms to pay for oil using accounts controlled by the country's opposition party head and self-proclaimed interim president, Juan Guaido.

SPECIAL REPORT-Inside the UAE's secret hacking team of U.S. mercenaries

Two weeks after leaving her position as an intelligence analyst for the U.S. National Security Agency in 2014, Lori Stroud was in the Middle East working as a hacker for an Arab monarchy. She had joined Project Raven, a clandestine team that included more than a dozen former U.S. intelligence operatives recruited to help the United Arab Emirates engage in surveillance of other governments, militants and human rights activists critical of the monarchy. Stroud and her team, working from a converted mansion in Abu Dhabi known internally as "the Villa," would use methods learned from a decade in the U.S. intelligence community to help the UAE hack into the phones and computers of its enemies.

COLUMN-Working to 70 is not an easy fix to the retirement crisis

It may seem a simple solution to the brewing U.S. retirement crisis: Get people to work until 70 before retiring and 85 percent will have the money they need for retirement. They will save more during additional years in jobs and leave existing savings untouched while getting paychecks; plus they have fewer years in retirement to cover living expenses with their savings, noted Alicia Munnell, director of Center for Retirement Research at Boston College. But despite the math that attracts economists and lawmakers worried about funding Social Security and Medicare, it turns out that it is not so easy. James Poterba, an MIT economics professor, pointed to the problem at a Brookings Institution forum on the topic last week.

CANADA

Coming Up

Statistics Canada is scheduled to release **GDP** data for November. Economists in a Reuters poll forecast a drop of 0.1 percent for the month compared with a 0.3 percent expansion in October. Data on **producer prices** is also on the radar.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Precision Drilling Corp	2.79	0.34	13.88
Labrador Iron Ore Royalty Corp	29.27	3.25	12.49
Ivanhoe Mines Ltd	2.60	0.21	8.79
CES Energy Solutions Corp	3.44	0.22	6.83
LOSERS			
Nexgen Energy Ltd	2.28	-0.17	-6.94
Cameco Corp	15.84	-0.52	-3.18
CI Financial Corp	17.62	-0.46	-2.54
Centerra Gold Inc	6.67	-0.17	-2.49

MARKET MONITOR

Canada's **main stock index** rose, as energy shares were boosted by a gain in crude oil prices.

The **Toronto Stock Exchange's S&P/TSX composite index** was up 0.14 percent, at 15,484.55. The **energy sector** rose 1.03 percent to 150.43. **Precision Drilling** surged 13.88 percent.

The **U.S. dollar** was 0.91 percent down against the **Canadian dollar** to C\$1.3144.

Top News

Senate finance chair says tariffs on steel, aluminum should go

Republican U.S. Senator Chuck Grassley called on the Trump administration to lift tariffs on steel and aluminum imports from Canada and Mexico before Congress begins considering legislation to implement the new U.S.-Mexico-Canada trade deal. The three countries on Nov. 30 signed the pact replacing the North American Free Trade Agreement, which governs more than \$1.2 trillion in trade. The agreement must be approved by the U.S. Congress and Canadian and Mexican legislators before becoming law.

"Unfortunately, our producers are unlikely to realize the market access promises of USMCA while the Section 232 tariffs on steel and aluminum imports from Canada and Mexico remain," Grassley, chairman of the Senate Finance Committee, said in a statement. His committee is in charge of shepherding the pact to approval in the Senate. "Before Congress considers legislation to implement USMCA, the Administration should lift tariffs on steel



U.S. Senate Judiciary Committee Chairman Senator Chuck Grassley (R-IA) leaves the Senate Chamber during the debate over the U.S. Supreme Court nomination of judge Brett Kavanaugh on Capitol Hill in Washington, U.S., October 5, 2018. REUTERS/Yuri Gripas

and aluminum imports from our top two trading partners and secure the elimination of retaliatory tariffs that stand

to wipe out gains our farmers have made over the past two and a half decades," Grassley said.



WEALTH NEWS

ECONOMIC DATA

U.S. private payrolls rise strongly; housing market struggling

Private payrolls increased solidly in January, pointing to sustained labor market strength despite a recent easing in consumer and business confidence that has suggested a loss of momentum in the economy. The strong hiring shown in the ADP National Employment Report also suggested there had been minimal impact on the labor market from the just-ended 35-day partial shutdown of the federal government. The ADP National Employment Report showed private payrolls increased by 213,000 in January after surging 263,000 in December. Economists polled by Reuters had forecast private payrolls advancing 178,000 in January. Separately, the National Association of Realtors said its pending home sales index dropped 2.2 percent to 99.0, the weakest reading since April 2014.

ADP vs. the U.S. Labor Department



[Click on the chart for a full-size image](#)

TRADE TALKS TO RESUME

U.S., China launch high-level trade talks amid deep differences

The United States and China opened a pivotal round of high-level talks aimed at digging out from their months-long trade war amid deep differences over Chinese practices on intellectual property and technology transfer.

CITI AVOIDS FINE

U.S. regulator drops fine against Citi over fair-lending claims-sources

A top U.S. bank regulator has decided not to fine Citigroup for discriminating against minority mortgage borrowers, dropping the public rebuke that some officials had sought, two people familiar with the matter told Reuters.

BUYOUT OFFER

Nasdaq bids for Oslo Bors as revenues rise

Nasdaq made a takeover bid for Norway's Oslo Bors, a move that could boost the transatlantic exchange operator's market services, technology and data segments, all of which Nasdaq said boosted fourth-quarter revenues.

GENERAL ELECTRIC RESTRUCTURING

GE to combine renewable, grid assets into single unit

General Electric said it would fold its battery storage and electrical grid units into its wind turbine and hydropower business to cut costs, speed decision-making and cater to surging demand for renewable power.

JUUL TO ENTER INDIA

Juul plans India e-cigarette entry with new hires, subsidiary

Juul Labs is hoping to launch its products in India by late 2019, a person familiar with the strategy told Reuters, marking one of its boldest bets to expand away from its home turf.

BANK EXCESS RESERVES

J.P. Morgan sees Fed leaving \$1 trillion in bank reserves

J.P. Morgan raised its estimate on the amount of excess reserves that the U.S. Federal Reserve would leave in the U.S. banking system to \$1 trillion, double what it had previously projected.



KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
AmerisourceBergen	Q1	BMO	\$1.51	\$1.50	\$1.55	\$43,839.85
Abiomed	Q3	BMO	\$0.95	\$0.94	\$0.70	\$195.97
Aflac	Q4	AMC	\$0.95	\$0.94	\$0.82	\$5,361.98
Altria Group	Q4	07:00	\$0.95	\$0.95	\$0.91	\$4,811.09
Arthur J Gallagher & Co	Q4	AMC	\$0.52	\$0.52	\$0.82	\$1,212.10
Amazon.com	Q4	AMC	\$6.08	\$5.68	\$2.16	\$71,874.40
Aptiv PLC	Q4	BMO	\$1.20	\$1.21	\$1.28	\$3,526.63
Baxter International	Q4	BMO	\$0.73	\$0.73	\$0.64	\$2,804.14
Baker Hughes A GE	Q4	06:45	\$0.26	\$0.26	\$0.15	\$6,046.34
Ball	Q4	BMO	\$0.56	\$0.56	\$0.60	\$2,660.20
Celgene	Q4	BMO	\$2.34	\$2.32	\$2.00	\$3,988.21
Charter Communications	Q4	07:00	\$1.50	\$1.43	\$1.14	\$11,136.21
CMS Energy	Q4	BMO	\$0.40	\$0.40	\$0.51	\$1,587.62
ConocoPhillips	Q4	BMO	\$0.98	\$1.00	\$0.45	\$9,997.95
DowDuPont	Q4	BMO	\$0.88	\$0.87	\$0.81	\$20,914.97
Eastman Chemical	Q4	AMC	\$1.59	\$1.61	\$1.62	\$2,366.74
Eatonoration PLC	Q4	BMO	\$1.43	\$1.43	\$1.29	\$5,419.27
Edwards Lifesciences	Q4	16:15	\$1.18	\$1.17	\$0.94	\$976.00
Fortune Brands Home & Security	Q4	AMC	\$0.93	\$0.93	\$0.80	\$1,468.14
General Electric	Q4	BMO	\$0.22	\$0.22	\$0.27	\$32,609.35
Hershey	Q4	BMO	\$1.27	\$1.27	\$1.03	\$2,003.16
International Paper	Q4	BMO	\$1.56	\$1.59	\$1.27	\$5,950.42
Kimco Realty	Q4	BMO	\$0.16	\$0.15	\$0.17	\$278.60
Mastercard	Q4	BMO	\$1.53	\$1.52	\$1.14	\$3,797.07
McKesson	Q3	AMC	\$3.16	\$3.16	\$3.41	\$55,100.74
Marsh & McLennan Companies	Q4	BMO	\$1.04	\$1.04	\$1.05	\$3,749.46
MSCI	Q4	BMO	\$1.29	\$1.30	\$1.15	\$359.37
Northrop Grumman	Q4	BMO	\$4.08	\$4.32	\$2.82	\$8,122.64
Parker-Hannifin	Q2	BMO	\$2.41	\$2.42	\$2.15	\$3,463.31
PerkinElmer	Q4	AMC	\$1.16	\$1.16	\$0.97	\$746.61
Raytheon	Q4	07:00	\$2.90	\$2.89	\$2.03	\$7,458.06
Sherwin-Williams	Q4	BMO	\$3.55	\$3.55	\$3.16	\$4,077.94
Symantec	Q3	AMC	\$0.39	\$0.39	\$0.49	\$1,177.22
Tractor Supply	Q4	BMO	\$1.08	\$1.09	\$0.91	\$2,098.66
United Parcel Service	Q4	BMO	\$1.89	\$1.90	\$1.67	\$19,965.99
Valero Energy	Q4	BMO	\$1.08	\$1.07	\$1.16	\$25,046.27
Xcel Energy	Q4	BMO	\$0.42	\$0.42	\$0.42	\$2,845.32
Xylem	Q4	06:55	\$0.88	\$0.88	\$0.76	\$1,365.66

*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.





A boy plays on the decoration showing the imperial celebrations of Spring Festival in Qing Dynasty, during a museum exhibition to mark the upcoming Chinese Lunar New Year in the Forbidden City in Beijing, China January 30. REUTERS/Jason Lee

The Day Ahead - North America is compiled by Nachiket Tekawade and Sourav Bose in Bengaluru.

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