

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Oil jumped on the United States' move to further clampdown on Iranian crude exports. **Stocks** were little changed as investors braced for corporate results in a busy earnings week. **Treasury yield curve** steepened, with the kick-off of a busy auction week. The **dollar** eased against a basket of currencies in thin holiday-impacted trading, while **gold** held above a near four-month low.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26511.05	-48.49	-0.18	26951.81	21712.53
Nasdaq	8015.27	17.21	0.22	8052.40	6457.13
S&P 500	2907.97	2.94	0.10	2918.00	2443.96
Toronto	16577.28	-35.53	-0.21	16615.08	13776.88
FTSE	7459.88	-11.44	-0.15	7485.93	6599.48
Eurofirst	1534.11	3.54	0.23	1534.04	1308.86
Nikkei	22217.90	17.34	0.08	22345.19	19241.37
Hang Seng	29963.26	-161.42	-0.54	30280.12	24896.87

TREASURIES	Yield	Price
10-year	2.5885	-9/32
2-year	2.3887	0/32
5-year	2.3863	-3/32
30-year	2.9919	-21/32

FOREX	Last	% Chng
Euro/Dollar	1.1256	0.09
Dollar/Yen	111.93	0.02
Sterling/Dollar	1.2979	-0.07
Dollar/CAD	1.3346	-0.33
TR/HKEX RMB	96.03	0.02

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	65.66	1.66	2.59
Spot gold (NY/oz)	1274.82	-0.19	-0.01
Copper U.S. (front month/lb)	0.0291	-0.0002	-0.56
CRB Index Total Return	196.20	0.88	0.45

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Marathon Oil Corp	18.78	1.16	6.58
Kimberly-Clark Corp	130.23	6.68	5.41
Devon Energy Corp	35.20	1.65	4.92
LOSERS			
Intuitive Surgical Inc	491.06	-37.00	-7.01
Mattel Inc	11.77	-0.72	-5.76
Tapestry Inc	30.68	-1.87	-5.75

Coming Up

Procter & Gamble Co is expected to report a rise in third-quarter revenue, driven by demand for its beauty products. Investors will also pay close attention to any comments the company makes on how higher transportation and commodity costs are affecting the company's profit margins this year.

Verizon Communications Inc is expected to report a rise in first-quarter revenue, as the largest U.S. wireless carrier added more net new phone subscribers who pay a monthly bill.

Coca-Cola Co is expected to report a growth in first-quarter sales, as its signature Coca-Cola soda, Diet Coke and new flavors of the drink gain popularity in North America. Sales from Costa Coffee, a coffeehouse Coca-Cola bought earlier this year, are also expected to boost revenue for the beverage maker. Investors will keep an

eye on the performance of its water and energy drink segments, which may have taken a hit due to increased competition.



Twitter Inc is expected to report a rise in first-quarter revenue, helped by growth in its video advertising business.

Photo-messaging app **Snapchat's** parent Snap Inc is expected to post flat daily active users in its first quarter. Snapchat, known for its disappearing messages and filters that turn people

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Build permits R number for March	0800	--	1.269 mln
Build permits R change MM for March	0800	--	-1.7 pct
Monthly home price mm for Feb	0900	--	0.6 pct
Monthly home price yy for Feb	0900	--	5.6 pct
Monthly Home Price Index for Feb	0900	--	272
New home sales-units for March	1000	0.650 mln	0.667 mln
New home sales change mm for March	1000	-2.5 pct	4.9 pct
Rich Fed Composite Index for April	1000	--	10
Rich Fed, Services Index for April	1000	--	5
Rich Fed Manufacturing Shipments for April	1000	--	2

into dogs or even tacos, has struggled since going public in March 2017, as Instagram has replicated many of its novel features.

Centene Corp will report results for the first quarter, which will be its first earnings report since it announced a \$15.3 billion deal for smaller rival WellCare Health Plans Inc. The health insurer is expected to comment on strategy going forward, given recent consolidation in the sector, as well as discuss potential healthcare policy changes that have worried investors.

Pentagon's No.1 weapons supplier, **Lockheed Martin Corp**, is expected to post a rise in first-quarter profit and revenue, helped by higher sales in its Aeronautics unit that makes F-35 fighter jets. Investors will look for updates on the company's financial forecast.



The aero parts maker, **United Technologies Corp**, is expected to report higher first-quarter revenue, boosted by increased demand for air travel. Investors will look for an update on its full-year financial forecast.

Hasbro Inc is expected to report a fall in first-quarter sales due to the loss of a major retailer in Toys 'R' Us. However, investors will pay more attention to the company's outlook for its toys based on big movie franchises, with this year promising multiple Disney blockbusters



A file photo of the logo of U.S. motorcycle company Harley-Davidson seen on one of their models at a shop in Paris, France, August 16, 2018. REUTERS/Philippe Wojazer

in new Avengers, Star Wars and Frozen films.

Harley-Davidson Inc is expected to report lower first-quarter earnings, hurt by higher tariff costs as well as a continued slide in sales in the United States. Investors will watch out for comments on the measures to mitigate the impact of President Donald Trump's trade wars. The motorcycle maker is also expected to provide an update on the launch of its first electric bike, LiveWire, which is now available for pre-order in the United States, with delivery expected this fall.

U.S. homebuilder **PulteGroup Inc** is expected to post a fall in first-quarter profit and revenue, hit by lower deliveries in the quarter. Investors will look for 2019 forecast on deliveries and average selling price.

eBay Inc is expected to report a rise in first-quarter profit, as it benefits from tweaks to its website and more advertising on its platform. Investors

will be on the lookout for its sales forecast as well as any update on its announcement in March that it would review its StubHub and eBay Classifieds businesses.

Sales of new **U.S. single-family homes** are likely to have dropped to a seasonally adjusted annual rate of 650,000 units in March, from 667,000 units in February.

Federal Reserve Board holds open meeting to discuss a proposal to simplify and increase the transparency of the Board's rules for determining control of a banking organization in Washington.

LIVECHAT - FED WATCH

Reuters reporters and editors tracking the Federal Reserve take questions on the economics, politics, trade matters and rates policies facing America's central bank and others whose decisions drive markets day in and day out. (0930 ET/1330 GMT) To join the conversation, [click here](#)

Market Monitor

Stocks ended a low-volume trading session little changed, as investors stayed on the sidelines ahead of quarterly earnings reports from major companies. "Uncertainty is part of the equation here. We have major earnings coming up and some traders are waiting to see how that goes before making any big moves," said Everett Millman, precious metals specialist at Gainesville Coins in Lutz, Florida. "We're seeing a trend where markets are looking for direction. If big companies come out and caution about the pace going forward that could be a concern for markets," said Scott Brown, chief economist at Raymond James in St. Petersburg, Florida. The **S&P energy index** jumped 2.2 percent to xx, as oil prices surged. The **Dow Jones Industrial Average** was closed 0.18 percent down at 26,511.05, the **S&P 500** was ended 0.10 percent up at 2,907.97, and the **Nasdaq Composite** was closed 0.22 higher at 8,015.27.

The **Treasury yield** curve steepened, with the kick-off of a busy auction week that will see \$237 billion of new debt sold. The **spread** between the **2-year and 10-year government note yields** widened by as much as 2 bps from the last close to 20 basis points.

"In the last several months, there has typically been a bit of a concession going into the auction," said Subadra Rajappa, head of U.S. rates strategy at Societe Generale in New York.

Increased supply can dampen prices, leading investors to sell off Treasury holdings ahead of auctions.

Benchmark notes were down 9/32 to yield 2.5885 percent and 30-year bonds were down 21/32 to yield 2.9919 percent. **Short-dated 2-year notes** were flat.

The **dollar** edged lower against a basket of currencies in thin holiday-impacted trading, while a jump in the price of oil on news Washington plans to tighten a clampdown on Iranian oil exports in May boosted the **Canadian dollar** and the **Russian ruble**. Financial markets in Australia, Hong Kong and many major countries in Europe were closed for the Easter holiday. Currency trading continued globally but volume was expected to be light. "With much of the market still out on Easter and Passover related holidays there is not a whole lot to chew on to start the week," said Brad Bechtel, global head of FX at Jefferies, in New York. The dollar found little support from data that showed U.S. home sales fell more than expected in March amid supply constraints. The **dollar index** was 0.19 percent lower at 97.29. The **ruble** was up 0.38 percent against the dollar at 63.7785.

Oil prices jumped on growing concern about tight global supplies after the United States announced a further clampdown on Iranian oil exports. Washington said it will eliminate in May all waivers allowing eight economies to buy Iranian oil without facing U.S. sanctions. U.S. Secretary of State Mike

Pompeo reiterated that Washington's goal was to bring down exports of Iranian oil to zero and said there were no plans for a grace period beyond May 1. "The geopolitical risk premium is back in the oil market, in a big way," said John Kilduff, a partner at Again Capital LLC in New York. "Most, if not all, legitimate commercial interests will avoid Iran oil purchases. Iran's flow will be reduced to a trickle." **Brent futures** rose 2.97 percent to \$74.11 a barrel. **U.S. light crude futures** climbed 2.59 percent to \$65.66 a barrel.

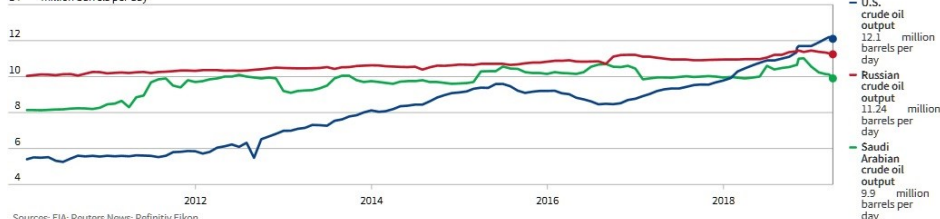
Gold steadied, holding above a nearly four-month low touched the previous session on support from a weaker dollar and expectations the United States would put further restrictions on Iran's oil exports. On Thursday, spot gold touched \$1,270.63, its lowest since Dec. 27. The United States has "taken an aggressive move by not extending the (sanctions) waivers. There are some geopolitical risks and a bit of safe-haven demand" for gold, said Bob Haberkorn, senior market strategist at RJO Futures. **Spot gold** was up 0.01 percent at \$1,274.87 per ounce. **Gold futures** were 0.09 percent higher at \$1,277.10 an ounce.

Russian, U.S. and Saudi crude oil production

The United States became the world's biggest crude oil producer as rivals Russia and Saudi Arabia withhold supply to tighten the market and prop up prices.

RUSSIA, U.S. & SAUDI OUTPUT

14 million barrels per day



Sources: EIA; Reuters News; Refinitiv Eikon
Henning Gloystein | REUTERS GRAPHICS

Click on the chart for a detailed and interactive graphic.

Top News

Model S fire video adds to Tesla woes pre-results

Video of a parked Tesla Model S exploding and a Wall Street downgrade of the electric carmaker's stock pushed shares down, as it prepared to issue results for a troubled first quarter. Brokerage Evercore cut its recommendation on shares of the Silicon Valley company to "sell", becoming the twelfth brokerage to ask investors to abandon billionaire Elon Musk's venture and raising bearish sentiment to its highest ever. The company said it has sent a team to investigate the video on Chinese social media apparently showing the latest in a string of fires involving its cars. "We immediately sent a team onsite and we're supporting local authorities to establish the facts. From what we know now, no one was harmed," Tesla said in a statement. Shares of Tesla ended down 3.85 percent at \$262.75. Separately, Tesla broadcast a web presentation to update investors about its self-driving strategy as Chief Executive Elon Musk tries to show that the electric car maker's massive investment in the sector will pay off. To read more [Click here](#)

Kraft Heinz hires global brand expert Patricio as CEO

Kraft Heinz named Miguel Patricio as its next chief executive, hoping the 30-year marketing veteran will revitalize brands such as Planters nuts and Oscar Mayer bacon at one of the world's largest packaged food companies. Patricio will take over the top job in July after two decades at Anheuser-Busch InBev, where he rose to become the company's global head of marketing, building sales of beer brands Corona, Budweiser and others. He succeeds Bernardo Hees, who was made CEO in 2015 when Kraft Foods and H.J. Heinz merged. His appointment comes two months after

Kraft Heinz slashed its quarterly dividend, wrote down the value its marquee Kraft and Oscar Mayer brands and other assets by more than \$15 billion. It also disclosed that it had been subpoenaed by the U.S. Securities and Exchange Commission. "Great companies are the ones that have the costs in control, that grow the top line, and grow the bottom line – it's not one or the other, Patricio said in an interview. "I have very good experience on that - on being more efficient every year, which doesn't mean cutting costs. It means to be more efficient."

Halliburton sees signs of price recovery

Halliburton sought to convince investors that weak pricing which has undermined oilfield services providers over four years was on the verge of turning a corner. Analysts and investors were unconvinced by a post-earnings conference call with management, which gave little hard evidence and left doubts over future pricing at a time when oil producers have been cutting investments. The company said it expects second

quarter margins to rise 50 to 150 basis points from the first in both its drilling and evaluation units, as well as in its completion and production business. The company also reiterated its expectation of high single-digit growth for 2019 in international markets. On an adjusted basis, it earned 23 cents per share in the first quarter, edging past an average estimate of 22 cents. Revenue of \$5.74 billion also beat a consensus of \$5.53 billion. The company's shares closed 0.13 percent down at \$31.09.

Bed Bath & Beyond shakes up board amid investor pressure, co-founders step down

Bed Bath & Beyond said it appointed five new independent members to its board, replacing some directors including co-founders Warren Eisenberg and Leonard Feinstein, after facing pressure from a trio of activist investors. Last month, activist investors Legion Partners Asset Management, Macellum Advisors and Ancora Advisors urged Bed Bath & Beyond to replace its entire board and oust Chief Executive Steven Temares, citing the



A file photo of various Heinz sauces of U.S. food company Kraft Heinz are offered at a supermarket of Swiss retail group Coop in Zumikon, Switzerland December 13, 2016.

company's inability to grow sales and margins. The company's latest board shake-up, however, did not please the trio, which declined an invitation to participate in the transformation of the board. Legion Partners said it was "disappointed" with the fact that the CEO would continue in his post. Following the changes effective May 1, the board will comprise 10 directors, nine of whom are independent and six women, the company said.

Starbucks' China challenger Luckin Coffee files for U.S. listing

Luckin Coffee, the Chinese challenger to Starbucks, filed for an initial public offering with the U.S. Securities and Exchange Commission, after being valued at nearly \$3 billion in its latest round of funding. The coffee chain set a placeholder amount of \$100 million to indicate the size of the IPO and did not disclose the number of shares it would offer, a filing with the regulator showed. In its latest round of funding, Luckin raised \$150 million from investors including BlackRock, valuing the company at \$2.9 billion. Luckin said it would continue to spend on increasing its brand awareness, expand its customer base and store network, and invest heavily in offering discounts and deals to keep bringing in more customers through its doors. It, however, cautioned that revenues may not grow at the rate it expects that would offset higher expenses in the near future due to changes in regulation and increasing competition.

Vegan burger maker Beyond Meat plans to raise up to \$183.8 million in IPO

Plant-based meat maker Beyond Meat is planning to raise up to \$183.8 million from an initial public offering, looking to tap into the growing popularity of veganism. The company said it expects to offer 8.75 million shares, priced between \$19 and \$21 per share in the IPO, its latest filing with the U.S. Securities and Exchange Commission showed. The higher end of the

indicative price range gives the company a market value of \$1.21 billion, based on 57.4 million outstanding shares, excluding the underwriters' option. Investors in Beyond Meat include Tyson Foods, actor Leonardo DiCaprio and Bill Gates. Beyond Meat expects to receive gross proceeds of about \$175.0 million from the offering, excluding the underwriters' option. Beyond Meat's existing stockholders will not sell any shares in the offering.

Merck's Keytruda wins FDA approval as combination therapy for kidney cancer

The U.S. Food and Drug Administration has approved Merck's cancer therapy, Keytruda, as part of a combination therapy for previously untreated patients with the most common type of kidney cancer, the company said. The drug was approved in combination with Pfizer's Inlyta to treat advanced renal cell carcinoma. The approval allows this combination therapy to get an early launch ahead of other rival products, Cowen analyst Yaron Werber said, after the company received FDA approval on Friday. The Keytruda/Inlyta combination could provide serious competition for Bristol-Myers Squibb's immunotherapy combination of Opdivo and Yervoy, currently considered a gold standard for previously untreated advanced kidney cancer patients. Keytruda's sales have surged past Opdivo's, and the drug is expected to bring more than \$10 billion for Merck this year, according to IBES data from Refinitiv.

Blackstone buys majority stake in Indian packaging firm Essel Propack

Blackstone Group agreed to buy a 51 percent stake in Essel Propack, India's largest rigid plastic packaging provider said. Blackstone will buy the stake from the Ashok Goel Trust at 134 rupees per share, representing a premium of 1.1 percent over the company's Monday closing price. Under India's takeover rules, the transaction triggered a

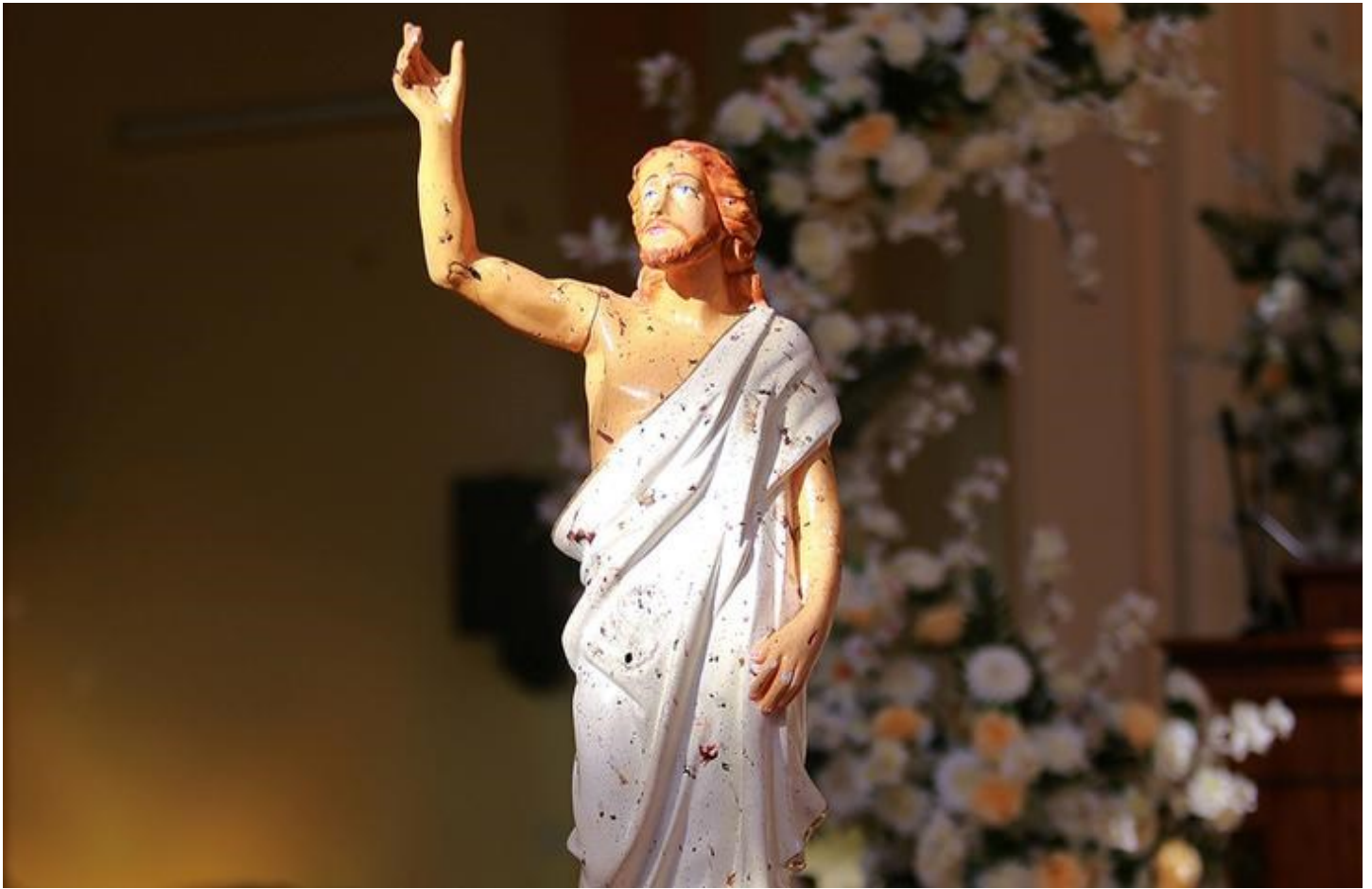
mandatory open offer in which Blackstone, along with Epsilon BidCo Pte, offered to buy an additional 26 percent stake in Essel for 11.42 billion rupees. The total deal value will range from \$310 million to \$462 million, based on the open offer. The Trust will retain a 6 percent stake in the company, Essel Propack said.

SK Hynix eyeing part of MagnaChip Semiconductor- source

South Korea's SK Hynix is looking at buying part of logic chip maker MagnaChip Semiconductor, a source familiar with the matter told Reuters, adding nothing had been decided. South Korea's Maeil Business Newspaper said that SK Hynix was considering bidding for Magnachip's foundry business and its factory in South Korean city of Cheongju, citing chip industry sources. In February, MagnaChip said it "has undertaken a strategic evaluation of the Company's Foundry business and Fab 4," with options including "joint ventures, strategic partnerships as well as M&A possibilities." MagnaChip said it has retained financial and legal advisors to assist in the evaluation.

Chevron tells Petrobras to prove Texas refinery operational -sources

Chevron has told Petrobras it wants proof a Pasadena, Texas, refinery will function as promised before it will take possession of the facility, said Gulf Coast market sources. Chevron announced in January it would buy the 112,229 barrel-per-day (bpd) Pasadena Refining System Inc (PRSI) refinery owned by Petrobras for \$350 million. The transfer of ownership to Chevron was put on hold on April 2, one day after planned overhauls began on the refinery, the sources said. PRSI filed a notice on Friday with the Texas Commission on Environmental Quality (TCEQ) that it was restarting the 56,000 bpd gasoline-producing Fluidic Catalytic Cracking Unit. But, also over the weekend the catalytic reformer was shut at the refinery, the sources said.



Blood stains are seen on a statue of Jesus Christ after a bomb blast inside a church in Negombo, Sri Lanka April 21. REUTERS/Stringer

Insight and Analysis

Financial market 'pause party' makes Fed rate cut less likely

Risk-taking has been the rage since the Federal Reserve quit hiking interest rates at the end of last year. U.S. stocks are back near record highs and investors are stockpiling the lowest-grade corporate bonds with only a smidgen of extra compensation for the added risk. That rebounding mood on Wall Street may be welcomed by a president that has been demanding the Fed cut rates after markets fell sharply last year, and complaining that even pausing at the current level is the wrong call. But if anything the 'pause party' on Wall Street makes it even less

likely that the U.S. central bank will cut rates. Recent positive news on retail sales and exports, which have eased concerns of a sharply slowing economy, makes the case for a rate cut even weaker.

Strong stock and bond markets at odds over global growth

It looks like something has to give in global markets. Stocks and bonds around the world have rallied atypically together since the start of the year, rewarding investors both bullish and bearish on the direction of global growth. The main catalyst for the gains was the Federal Reserve's surprise

decision in early January to pause its tightening policy, after four interest rate increases in 2018 raised fears it was being too aggressive as the economy cooled and inflation remained minimal. Yet with the S&P 500 near a record level and corporate junk bonds notching new highs, the question stock and bond investors are asking is whether the Fed's next move will be a rate cut that further propels risk assets or a rate hike that cuts into the stock market's momentum. "The Fed is between a rock and a hard place," said Kathleen Gaffney, a portfolio manager at Eaton Vance Management in Boston.



CANADA

Coming Up

Diversified miner **Teck Resources Ltd** is expected to report lower first-quarter profit, partly due to lower sales of copper and higher costs. Analysts also expect an additional supplemental dividend to be announced due to the recent closing sale of 30 percent of Quebrada Blanca copper mine to Sumitomo and will also look for more clarity on the company's expansion plans and capital allocation.

Canada's second-biggest railroad operator, **Canadian Pacific Railway**

Ltd, is expected to report a rise in first-quarter profit partly driven by higher shipments of commodities like crude oil, grains and potash. Investors will look out for the any updates on its crude shipments outlook as Alberta's forced output cuts and subsequent rise in Canadian crude prices have made crude-by-rail shipments expensive for oil producers.

A Statistics Canada report is likely to show **Canadian wholesale trade** edged up by 0.1 percent in February.

MARKET MONITOR

Canada's main stock index ended lower, with the **Toronto Stock Exchange's S&P/TSX Composite index** closing 0.21 percent down at 16,577.28.

The **U.S. dollar** fell 0.35 percent against its **Canadian counterpart** to C\$1.3343.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
Canopy Growth Corp	64.11	4.47	7.49
Crescent Point Energy Corp	5.88	0.40	7.30
Baytex Energy Corp	2.99	0.19	6.79
LOSERS			
Interfor Corp	14.85	-1.26	-7.82
Canfor Corp	13.18	-0.78	-5.59
OceanaGold Corp	3.76	-0.21	-5.29

Top News

Bombardier eyes higher sales from retrofitting trains

Canada's Bombardier sees higher sales from modernizing existing rail cars as the company works to further diversify its largest division as measured in revenue, a spokesman said this month. The company has wrestled with execution problems and delays on rail contracts that led earlier this year to the temporary halting of car deliveries in New York because of air compressor software defects, and in Switzerland because of faulty doors. New York deliveries have since resumed. As it pursues retrofitting contracts, Bombardier is eyeing a possible plan by the largest U.S. rapid transit system to modernize around 1,000 subway cars made by the company in the late 1990s and early 2000s, according to two sources familiar with the matter. The New York City Transit Authority is weighing a plan to retrofit its R142 subway car fleet with modern technology like Wi-Fi, but has not formally called for bids, one of the sources said. Sources declined to be

identified as the discussions are confidential. Transit agencies, which have traditionally bought new cars, are considering retrofits to respond to customer demand for amenities like Wi-Fi and accommodations for disabled riders.



Thai CPF to acquire Canadian pork producer HyLife for \$372 million

Charoen Pokphand Foods said it would acquire Canadian pork producer HyLife Investments for \$372.7 million to expand its North American business. The acquisition would make CPF a 50.1 percent owner of HyLife, with the remainder held by its Japanese partner, Itochu Corp, CPF said in a

statement. CPF said the investment would give it access to a pork production base and opportunity to expand in North America and premium markets such as Japan. CPF, which has livestock, aquaculture, animal feed, and restaurants businesses across 17 countries, is owned by Thailand's richest man, Dhanin Chearavanont. Dhanin's other businesses span convenience stores, insurance and telecommunications. CPF's purchase of HyLife will improve its product portfolio of cooked pork products for the Chinese market and expand its presence in the United States. HyLife, which has processing plants in Canada and Mexico, has businesses including feed manufacturing, hog production and distribution of pork products. CPF previously said that it expects up to 10 percent sales growth in 2019 and targets sales of over \$18.2 billion over the next five years. The purchase is the latest overseas acquisition for CPF, which bought U.S. frozen-food producer Bellisio Parent LLC for \$1 billion in 2016.

WEALTH NEWS

U.S. ENDS OIL IMPORTS WAIVER

U.S. to end all waivers on imports of Iranian oil, crude price jumps

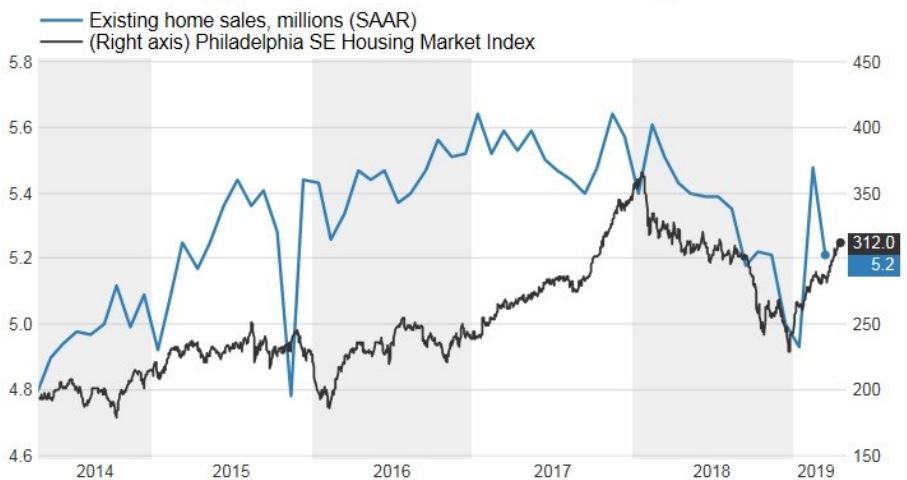
The United States demanded a cut off of Iranian oil exports to major importers like China and India who had been granted exemptions from sanctions, sending crude prices to six-month highs on fears the U.S. action could lead to a supply crunch.

U.S. HOME SALES FALL

U.S. home sales tumble as supply constraints linger

U.S. home sales fell more than expected in March, pointing to continued weakness in the housing market despite declining mortgage rates and slowing house price gains. Existing home sales dropped 4.9 percent to a seasonally adjusted annual rate of 5.21 million units last month. February's sales pace was revised down to 5.48 million units from the previously reported 5.51 million units. Existing home sales, which make up about 90 percent of U.S. home sales, declined 5.4 percent from a year ago. The median existing house price increased 3.8 percent from a year ago to \$259,400 in March.

U.S. existing home sales and housing stocks



Source: Thomson Reuters Datastream / S. Culp 4/22/2019

CAIN WITHDRAWS CANDIDATURE

Herman Cain withdraws from consideration for Fed seat, Trump says

Herman Cain, facing resistance from his own political party, has withdrawn from consideration for a seat on the Federal Reserve Board, U.S. President Donald Trump said on Monday.

RISE IN HEALTHCARE COST

Medicare hospital fund reserves likely to be exhausted in 2026 -U.S. report

Medicare's hospital insurance fund will be depleted in 2026, as previously forecast, and Social Security program costs are likely to exceed total income in 2020 for the first time since 1982, according to a government report released.

IMPACT OF U.S. SANCTIONS

EXCLUSIVE-New York Fed cracks down on Puerto Rico banks following Venezuela sanctions

U.S. sanctions on Venezuela have led the New York Federal Reserve to crack down on Puerto Rico's \$50 billion offshore banking industry, according to four sources and a document seen by Reuters.

STUDENT LOAN WAIVER

Elizabeth Warren proposes canceling billions in student loan debt

U.S. Senator Elizabeth Warren, who is seeking the Democratic nomination for the 2020 presidential election, wants to cancel billions of dollars in student loan debt and make college cheaper for students going forward.

DIVESTITURE

French retailer Casino sells assets to Apollo Global

French retailer Casino said it agreed to sell a portfolio of 12 Casino hypermarkets and 20 supermarkets to U.S. asset management firm Apollo Global Management in a deal worth up to \$529.03 million.



KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Centene	Q1	BMO	\$1.34	\$1.34	\$1.09	\$17,468.98
Coca-Cola	Q1	BMO	\$0.46	\$0.46	\$0.47	\$7,880.43
eBay	Q1	AMC	\$0.63	\$0.63	\$0.53	\$2,579.73
Edwards Lifesciences	Q1	AMC	\$1.23	\$1.22	\$1.22	\$989.61
Fifth Third Bancorp	Q1	BMO	\$0.58	\$0.58	\$0.53	\$1,743.93
FirstEnergy	Q1	AMC	\$0.67	\$0.68	\$0.67	\$2,911.41
Harley-Davidson	Q1	BMO	\$0.65	\$0.65	\$1.03	\$1,194.09
Hasbro	Q1	BMO	-\$0.13	-\$0.10	\$0.10	\$661.33
Lockheed Martin	Q1	BMO	\$4.36	\$4.34	\$4.02	\$12,585.16
Nextera Energy	Q1	BMO	\$2.02	\$2.05	\$1.94	\$4,301.74
Northern Trust	Q1	BMO	\$1.47	\$1.47	\$1.55	\$1,474.63
Nucor	Q1	BMO	\$1.50	\$1.50	\$1.17	\$6,066.01
Procter & Gamble	Q3	BMO	\$1.03	\$1.03	\$1.00	\$16,365.09
PulteGroup	Q1	BMO	\$0.47	\$0.47	\$0.59	\$1,927.19
Quest Diagnostics	Q1	BMO	\$1.36	\$1.36	\$1.52	\$1,871.37
Robert Half International	Q1	AMC	\$0.95	\$0.95	\$0.80	\$1,502.65
Sherwin-Williams	Q1	BMO	\$3.65	\$3.67	\$3.57	\$4,090.99
State Street	Q1	BMO	\$1.19	\$1.19	\$1.62	\$2,918.73
Stryker	Q1	16:05	\$1.84	\$1.83	\$1.68	\$3,516.20
Texas Instruments	Q1	AMC	\$1.13	\$1.13	\$1.35	\$3,481.78
Total System Services	Q1	AMC	\$1.17	\$1.16	\$1.13	\$999.27
Twitter	Q1	BMO	\$0.16	\$0.15	\$0.16	\$775.69
United Technologies	Q1	BMO	\$1.73	\$1.71	\$1.77	\$17,984.63
Verizoncommunications	Q1	07:30	\$1.16	\$1.17	\$1.17	\$32,155.86
Waters	Q1	BMO	\$1.73	\$1.72	\$1.59	\$545.33

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

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

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

For questions or comments about this report, email us at: TheDay.Ahead@thomsonreuters.com.

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