

# THE DAY AHEAD

## MARKET RECAP at 4 pm ET

Amazon.com and Facebook weighed on the **S&P 500** and the **Nasdaq**, while the **Dow** ended higher, supported by a rise in Apple. **Treasury yields** fell, as investors focused on the widely-expected interest rate cut by the Federal Reserve, while the **dollar index** inched up. The rate-cut bet supported both **oil** and **gold**.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	27221.41	28.96	0.11	27398.68	21712.53
Nasdaq	8293.33	-36.88	-0.44	8339.64	6457.13
S&P 500	3020.97	-4.89	-0.16	3027.98	2443.96
Toronto	16492.17	-38.87	-0.24	16672.71	13776.88
FTSE	7686.61	137.55	1.82	7622.58	6599.48
Eurofirst	1538.32	0.89	0.06	1554.34	1308.86
Nikkei	21616.80	-41.35	-0.19	22362.92	19241.37
Hang Seng	28106.41	-291.33	-1.03	30280.12	24896.87

TREASURIES	Yield	Price
10-year	2.0615	6/32
2-year	1.8539	1/32
5-year	1.8420	3/32
30-year	2.5914	7/32

FOREX	Last	% Chng
Euro/Dollar	1.1145	0.18
Dollar/Yen	108.77	0.10
Sterling/Dollar	1.2225	-1.25
Dollar/CAD	1.3156	-0.08
TR/HKEX RMB	93.98	0.06

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	57.02	0.82	1.46
Spot gold (NY/oz)	1425.88	7.57	0.53
Copper U.S. (front month/lb)	0.0271	0.0003	0.54
CRB Index Total Return	186.77	0.71	0.38

S&P 500	Price	\$ Chng	% Chng
<b>GAINERS</b>			
Mylan NV	20.78	2.32	12.57
Chipotle Mexican Grill Inc	805.32	25.46	3.26
Cigna Corp	172.26	4.96	2.96
<b>LOSERS</b>			
Nektar Therapeutics	29.27	-1.85	-5.94
National Oilwell Varco Inc	20.69	-1.03	-4.74
Pfizer Inc	41.44	-1.65	-3.83

## Coming Up

**Apple Inc** is expected to report a slight rise in third-quarter revenue. The company had signaled that iPhone sales were starting to stabilize in China, one of its key markets, helped by price adjustments. Investors will also focus on the numbers from Apple's services business, which is expected to fuel growth as iPhone sales slow.

The **U.S. Federal Open Market Committee (FOMC)** begins its monetary policy meeting. At the end of the two-day meeting, U.S. central bankers are expected to lower borrowing costs for the first time since the depths of the financial crisis more than a decade ago.

U.S. Treasury Secretary **Steven Mnuchin** and Trade Representative



**Robert Lighthizer** meet with Chinese Vice Premier **Liu He** for two days of talks in Shanghai. It would be their first face-to-face meeting since Presidents Donald Trump and Xi Jinping agreed to revive talks to end their year-long trade war.

**Gilead Sciences Inc** will report second-quarter earnings after market close. Investors will watch for updates on the company's forecast for 2019 and the

## KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Personal income mm for Jun	0830	0.4%	0.5%
Personal consumption real mm for Jun	0830	--	0.2%
Consumption, adjusted mm for Jun	0830	0.3%	0.4%
Core PCE price index mm for Jun	0830	0.2%	0.2%
Core PCE price index yy for Jun	0830	1.7%	1.6%
PCE price index mm for Jun	0830	--	0.2%
PCE price index yy for Jun	0830	--	1.5%
Caseshiller 20 mm SA for May	0900	0.2%	0.0%
Caseshiller 20 mm NSA for May	0900	--	0.8%
Caseshiller 20 yy for May	0900	2.4%	2.5%
Consumer Confidence for Jul	1000	125.0	121.5
Pending Homes Index for Jun	1000	--	105.4
Pending sales change mm for Jun	1000	0.5%	1.1%
Texas Service Sector Outlook for Jul	1030	--	3.2
Dallas Fed Services Revenues for Jul	1030	--	13.6

performance of its HIV and Hepatitis C franchises. **Amgen Inc** will also report second-quarter results after the market close. Investors will be looking for sales trends for key growth products including new migraine treatment Aimovig and cholesterol fighter Repathak, as well as updates on U.S. biosimilar launches and patent litigation involving arthritis drug Enbrel. Also, **Merck & Co Inc** is expected to report higher second-quarter profit, as its drug Keytruda remains the market leader as an initial treatment for lung cancer. Investors will focus on any clinical updates on the blockbuster immunotherapy, and comments on business development and Merck's plans for future M&A. Meanwhile, **Eli Lilly & Co** is expected to post a drop in second-quarter profit as it takes a hit from pricing pressures in the United States and generic competition for its older drugs such as Cialis.

World's No. 2 payments processor **Mastercard Inc** is expected to post a rise in quarterly profit, helped by higher consumer spending. Investors will be looking at growth in payments volume and cross-border volume.

U.S. homebuilder **D.R. Horton Inc** is expected to post a fall in third-quarter profit, hit by expensive materials and land and labor shortages constraints. Investors will look for updates on financial forecast and comments around demand.

The Commerce Department is expected to say U.S. **consumer spending** rose 0.3% in June after rising 0.4% in May. Additionally, the Conference Board's **consumer confidence index** likely increased to a reading of 125.0 in July from a reading of 121.5 in June.

**Procter & Gamble Co** is expected to post a rise in fourth-quarter sales and profit, boosted by higher demand for its beauty, fabric and home care products. Investors will watch out for any commentary on margins which have been under pressure from higher freight and raw material costs.



**Mondelēz International Inc**, the maker of Oreos and Chips Ahoy cookies, is expected to report improved organic sales growth in the second quarter, buoyed by higher product prices and demand for its healthier snacks.

**Advanced Micro Devices Inc** is likely to report a drop in second-quarter revenue and profit, as the semiconductor industry grapples with slowing demand. Investors will be looking at the company's forecast after positive commentary by industry bellwether Texas Instruments allaying some concerns of a continued chip slowdown as well as upbeat quarterly PC shipment numbers.

**Ralph Lauren Corp** is expected to report a growth in first-quarter sales and profit, as the apparel retailer can attract customers through its social media platforms and celebrity endorsements. Investors will watch out for the company's marketing plans for the summer, a key fashion season for apparel retailers.

Sportswear maker **Under Armour Inc's** move to a direct-to-consumer market from an off-price environment is expected to boost second-quarter sales. Investors will watch out for the company's forecast for the rest of the year, especially after it topped Wall Street's estimates for sales and profit in the last five quarters.

Video game publisher **Electronic Arts Inc** is expected to report a fall in first-quarter revenue, as it faces continued competition from free-to-play digital games such as "Fortnite" and "PlayerUnknown's Battlegrounds". Analysts and investors will look for numbers on its battle-royale "Apex Legends" after its hugely successful launch.

Online food delivery company **GrubHub Inc** is expected to post a drop in quarterly profit when it reports its second-quarter results before markets open.

**Xerox Corp** is expected to report a fall in second-quarter revenue, hurt by declining demand for office printing equipment.

**FireEye Inc** is expected to post a smaller second-quarter loss as the cybersecurity firm's shift to a subscription-based model and cost cutting continues to pay off.

Independent oil and gas producer **ConocoPhillips** is expected to post a fall in second-quarter profit, hit by lower realized crude prices. Shareholders will be looking for any commentary on capital spend as U.S. energy investors press companies for buybacks and dividends.

# Market Monitor

**Stocks** stepped back from peak levels as investors took a breather as they anticipated a U.S. Federal Reserve interest rate cut this week and looked for signs of progress from U.S.-China trade negotiations, currently under way in Shanghai. A rise in shares of Apple ahead of its quarterly report after markets close on Tuesday helped support the blue-chip Dow Industrials index. "Apple's results will be a good read into trade and the situation with China and if Apple has a good number it would be a stabilizing force for the technology sector," said Craig Hodges, portfolio manager with Hodges Funds in Dallas, Texas. **Apple** shares were up 0.93%. **Facebook** shares were down 1.91% and **Amazon** shares fell 1.57%. The **Dow Jones Industrial Average** was up 0.11% at 27,221.41, the **S&P 500** was down 0.16% at 3,020.90. The **Nasdaq Composite** was down 0.44% at 8,293.33.

**Treasury yields** fell, in line with government bond markets around the world amid global economic uncertainty, as investors await a widely-expected interest rate cut by the Federal Reserve this week. "I think we could drift sideways between now and the Fed's decision on Wednesday," said Tom Simons, senior money market strategist at Jefferies LLC in New York. "There's some building in that the Fed may disappoint."

**Benchmark 10-year notes** were up 5/32 to yield 2.06%. The **30-year bonds** were up 6/32 to yield 2.59%.

The **dollar** inched higher ahead of what is expected to be the first U.S. interest rate cut since the financial crisis, while the rising risk that Britain



Traders work on the floor at the New York Stock Exchange in New York, U.S., July 29. REUTERS/Brendan McDermid

will exit the European Union without a deal weighed on the pound. "It is quiet as the market is waiting for the Fed. The dollar is generally well-supported. It seems like the market is expecting the Fed to struggle to be very dovish relative to expectations," said Daniel Katzive, head of foreign exchange strategy for North America at BNP Paribas. The **dollar index** was last up 0.01% to 98.02. The **pound** fell 1.26% to \$1.2224.

**Oil** prices were higher as the prospect of an expected interest rate cut by the U.S. Federal Reserve overshadowed pessimism over U.S.-China trade talks and worries about slower global economic growth. "Prices appear to be treading water ahead of this week's events," said John Kilduff, partner at

Again Capital Management. **Brent crude** rose 0.57% to \$63.82 a barrel, while **U.S. West Texas Intermediate crude** was up 1.42% to \$57 a barrel.

**Gold** prices firmed on expectations of a rate cut by the Federal Reserve this week, while investors awaited cues on the future trajectory of monetary easing by the U.S. central bank. "Clearly, the gold market is going to be somewhat on hold awaiting Fed commentary on Wednesday. We know that we are getting a 25 basis-point (bps) cut. (But) on Wednesday, the question will be what to look ahead for from there," said David Meger, director of metals trading at High Ridge Futures. **Spot gold** inched up 0.52% to \$1,425.74 per ounce. **U.S. gold futures** were up 0.52% at \$1,426.70 per ounce.



# Top News

## **Pfizer to spinoff, merge off-patent drugs unit with Mylan**

Pfizer has agreed to spin off its off-patent branded drugs business and combine it with generic drugmaker Mylan, a move that leaves Pfizer with its more profitable innovative drugs, including cancer treatment Ibrance and pneumonia vaccine Prevnar. The move, which brings blockbuster treatments Viagra and Lipitor under one umbrella with Mylan's EpiPen, is part of a years-long effort by Pfizer to split into three parts - innovative medicines, lower margin off-patent drugs facing generic competition and consumer healthcare. Pfizer agreed in December to combine its consumer health business with GlaxoSmithKline Plc's. The combined company, which will get a new name, is expected to have 2020 revenue of \$19 billion to \$20 billion, with free cash flow expected to be more than \$4 billion. The new company, to be based in the United States and incorporated in Delaware, will be led by Michael Goettler, president of Pfizer's Upjohn unit, which sells Pfizer's older drugs that have lost patent protection.

## **LSE's \$27 billion Refinitiv takeover plan lifts its shares to record**

London Stock Exchange shares rose more than 15% to a record high after it said it was in talks to buy financial data firm Refinitiv, in a deal worth \$27 billion including debt. The proposed deal, which would turn LSE into a global player in financial data and expand its footprint in foreign exchange and fixed income, comes less than a year after Blackstone bought a majority stake in Refinitiv from Thomson Reuters, which valued it at \$20 billion. Thomson Reuters, the parent company of Reuters, holds a 45% stake in Refinitiv. A person familiar with the matter told Reuters that if the negotiations conclude successfully, a deal could be

announced this week. LSE shareholder Royal London Asset Management (RLAM) said it was right the exchange expanded further into data, but that it wanted more information about Refinitiv's business lines. Refinitiv had \$12.2 billion in debt as of the end of December as a result of its leveraged buyout by Blackstone, which LSE would assume under the proposed deal.

## **Diagnostic company Exact Sciences to buy Genomic Health in \$2.8 billion deal**

Exact Sciences said it will buy peer Genomic Health for about \$2.8 billion in cash and stock, expanding the cancer diagnostic company's testing capabilities to breast and prostate cancers. The deal will bring together Exact Sciences' non-invasive stool screening test for colorectal cancer Cologuard, and Genomic Health's Oncotype diagnostic tests for various cancers. Genomic Health would help expand Exact Sciences' focus from screening into treatment selection as well as monitoring, which are highly

attractive markets, Canaccord Genuity analyst Mark Massaro said. Under terms of the deal, Genomic Health stockholders will receive \$27.50 in cash and \$44.50 in Exact Sciences stock, for a total value of \$72 per share. Massaro said while the merger makes sense over time, investors may not like the deal right away due to the lack of commercial synergies. That is because Exact Sciences caters primarily to primary care physicians, while Genomic Health targets oncologists, surgeons, pathologists, and urologists, he added.

## **Companies using Facebook 'Like' button liable for data - EU court**

Companies that embed Facebook's "Like" button on their websites must seek users' consent to transfer their personal data to the U.S. social network, in line with the bloc's data privacy laws, Europe's top court said. Website plugins such as Facebook's "Like" button are a common feature of online retail as companies seek to promote their products on popular social networks, but critics fear the data



A file photo of the entrance sign to Facebook headquarters seen in Menlo Park, California, October 10, 2018. REUTERS/Elijah Nouvelage

transfer may breach privacy laws. The ruling from the Luxembourg-based Court of Justice of the European Union (ECJ) came after a German consumer body sued German online fashion retailer Fashion ID for breaching personal data protection rules via its use of the button on its site. A German court subsequently sought guidance. ECJ judges said websites and Facebook share joint responsibility.

## **BlackRock in talks to take over Cofense after U.S. security concerns**

### **-sources**

BlackRock, an investor in Cofense Inc, is in advanced talks to take over the U.S. cyber security firm, after a U.S. national security panel asked buyout firm Pamplona Capital Management LLP to sell its stake, people familiar with the matter said on Sunday. The Committee on Foreign Investment in the United States (CFIUS), which scrutinizes deals by foreign acquirers for potential national security concerns, has not disclosed why it asked Pamplona to sell its 47% stake in Leesburg, Virginia-based Cofense, which helps protect email users from phishing attacks. The development represents one of the rare, high-profile examples of CFIUS undoing a deal that had already been completed.

## **Amazon plans imminent launch of online food delivery service in India**

### **-sources**

Amazon.com is planning a foray into the burgeoning online food delivery business in India this year, two sources aware of the development said, in a move that could raise competition in an increasingly crowded market. The Seattle-based company is working with local partner Catamaran, founded by IT industrialist Narayana Murthy, and has begun hiring staff for the new operation, the sources said, declining to be named because the plans had yet to be made public. Amazon is aiming to launch the new service delivering from restaurants ahead of India's month-long festive season, which starts in September, one of the sources said.

Indian daily newspaper Business Standard reported that Amazon was in talks to buy Uber Eats. Reuters could not verify the news independently.

## **U.S. college education could be pricier with textbook merger**

The skyrocketing cost of a U.S. college education could get even more expensive if two top college textbook companies combine as planned, especially if they succeed in starving off a scrappy competitor: used textbooks. The proposed merger of textbook publishers McGraw-Hill Education and Cengage Learning Holdings II, announced in May, would reduce the number of major textbook publishers from four to three. McGraw-Hill is owned by Apollo Global Management. Sources close to the two companies say their combined market share is 30% at most. That differs from figures by market research firm Simba Information, which puts Cengage at 22% and McGraw-Hill at 21%, behind leader Pearson with 40% of the market by revenue, and ahead of Wiley at 7%.

## **NiSource settles Massachusetts gas explosion lawsuits for \$143 million**

NiSource said it will pay \$143 million to resolve class action lawsuits brought by residents and businesses that suffered losses caused by a series of gas explosions in three Massachusetts communities last year. NiSource and its Columbia Gas of Massachusetts unit said the accord will resolve claims by thousands of residents and businesses affected by the disaster, which killed one person, injured at least 21 others and destroyed multiple buildings. The settlement is separate from an \$80 million accord that the company reached with the three communities in May and a recent settlement between Columbia and the family of a teenager killed during the gas explosions. The company said the class action settlements require court approval and are part of the \$1 billion Merrillville, Indiana-based NiSource has dedicated to addressing the needs of customers, residents and

communities affected by the disaster.

## **U.S. ethanol industry nearing breaking point -Green Plains CEO**

The U.S. ethanol industry is about to break under the weight of the Trump Administration's trade war with China and the surge in the number of small refineries exempted from the nation's biofuel laws, Green Plains Chief Executive Officer Todd Becker said. The U.S. ethanol industry was preparing for growth in recent years, but the momentum has stalled in the face of President Donald Trump's trade war with China, a major buyer, and his administration's decision to align itself with the oil industry on demand-cutting waivers from biofuel laws, Becker said. The sustained downturn in margins will finally begin taking its toll as some producers run out of money and begin a host of austerity measures to weather the storm. "Some plants will slow down, some will shut down, some will shut down forever," Becker said late last week in an interview with Reuters.

## **Russia's Yandex shares bounce after criticism of draft foreign ownership law**

Shares in Yandex bounced after Deputy Prime Minister Maxim Akimov called a draft law on limiting foreign ownership in major Russian IT companies "destructive". Shares in Yandex were up 3.6% in New York after declining more than 3% on Friday, when the draft law proposing to limit foreign ownership in "significant" IT companies to 20% was submitted. If the law is introduced, Yandex and Mail.ru are among those companies most likely to be affected, due to their ownership structures and size. Analysts now see little possibility of the law being implemented. "The proposal is unlikely to become law in our view, given that major internet companies in Russia have more than 20% foreign ownership," HSBC said in a note. Shares of the company were up 6.21% at \$39.34 for the day.



Hundreds of hot air balloons take part in the Great Line at the Mondial Air Ballons festival, in an attempt to break the 2017 record of 456 balloons aligning in an hour during the biggest meeting in the world, in Chambley, France, July 29. REUTERS/Charles Platiau

## Insight and Analysis

### **FOCUS-As rural India develops taste for chocolate, a dominant Mondelez extends its reach**

Two years ago, Satish P., a bakery owner in the small village of Harohalli near Bengaluru, had his doubts about stocking Mondelez's Cadbury Silk bars. Priced between 70 and 170 rupees, they seemed out of reach for customers. But he took a chance and now rings up to 3,500 rupees in Silk bar sales a month. As Satish and other Harohalli shopkeepers have found chocolate sales in India are taking off, helped by growth in disposable incomes that extends to the country's 650,000 poorer villages where more than two-thirds of the population reside.

### **COLUMN-Hedge funds dump oil as fragile calm settles on Mideast**

Hedge funds sold oil last week, reversing most of the purchases made the week before, as tensions in the Middle East reached a fragile equilibrium and prospect of armed conflict receded. Hedge fund and other money managers were net sellers of 65 million barrels of futures and options linked to petroleum prices in the week to July 23, after buying 84 million barrels in the week to July 16. The United Kingdom and Iran have now each detained a tanker and show signs of trying to negotiate a face-saving swap, which makes further seizures by either side unlikely for the time being.

### **From Belarus to Bahrain, the small states going big on cryptocurrency**

When Belarusian President Alexander Lukashenko met entrepreneur Viktor Prokopenya in March 2017, their discussion was scheduled to last for an hour but went on for three times that long. The meeting, Prokopenya said, ended with Lukashenko asking him to propose regulations to boost the country's tech sector. Prokopenya worked with IT firms and lawyers to draft guidelines to cash in on an emerging digital industry: cryptocurrencies. Some two years later, the rules are in place. "The idea was to create everything from scratch," Prokopenya told Reuters.



# CANADA

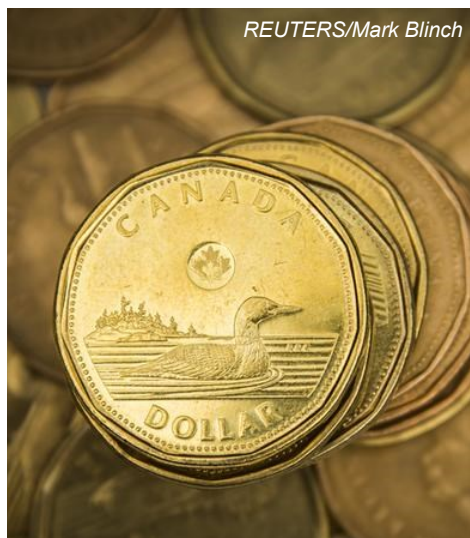
## Market Monitor

**Canada's main stock index** ended lower, ahead of this week's U.S. Federal Reserve meeting where investors widely expect an interest rate cut.

The **Toronto Stock Exchange's S&P/TSX composite index** was down 0.24% at 16,492.17.

The **energy sector** dropped 1.75% to 129.21.

The **U.S. dollar** was down 0.10% against its Canadian counterpart at C\$1.3153.



### COMING UP

Airline operator **Air Canada** is expected to report an increase in second-quarter profit on the back of higher fares and company's ability to weather the impact of Boeing 737 MAX grounding. Investors will look out for any commentary on the Transat deal and 2019 forecast, as some analysts have highlighted cost concerns on MAX grounding.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
<b>GAINERS</b>			
Hexo Corp	5.72	0.48	9.16
MAG Silver Corp	15.54	0.62	4.16
TFI International Inc	42.02	1.65	4.09
<b>LOSERS</b>			
Vermilion Energy Inc	22.51	-1.78	-7.33
Methanex Corp	52.16	-2.88	-5.23
Shopify Inc	420.47	-22.52	-5.08

## Top News

### Canadian greenhouse labor shortages worsened by growing cannabis producers

Canada's labor-strapped greenhouse vegetable and flower growers are ramping up efforts to keep and recruit more workers in the face of pressure from the country's budding cannabis industry, farm groups say. Canada's greenhouse, nursery and floriculture sectors employ 16% of all workers in Canadian agriculture. Even before cannabis was legalized, the horticulture industry lost C\$100 million after 2,800 jobs went unfilled in 2014, the Canadian Agriculture Human Resource Council (CAHRC) said, citing the latest data available. That gap is expected to grow to 7,500 workers by 2025, CAHRC said. The lure of cannabis is not only a higher wage, but also the fact that it is a rapidly growing new industry, said Justine Taylor, the head of the Ontario association that represents tomato, cucumber and pepper growers. The most acute labor



gaps are in middle management, Taylor said, so greenhouse operators are "putting a lot more resources into recruiting," including overseas.

### Court ruling against Venezuela in Crystallex case puts Citgo at risk

A U.S. federal appeals court rejected an appeal by Venezuela's state-owned oil company to set aside an order allowing a Canadian gold mining company to seize shares in its U.S. refining unit, Citgo Petroleum. Crystallex International had won the \$1.4 billion judgment as compensation for the expropriation of its assets in

Venezuela under late leftist President Hugo Chavez. The 3rd U.S. Circuit Court of Appeals in Philadelphia said a lower court was right to attach Petroleos de Venezuela's shares of its U.S. unit, which owns Citgo. It was not immediately clear whether PDVSA will ask the court to reconsider the decision, or appeal to the U.S. Supreme Court.

### Canada's WestJet Airlines schedule without Boeing 737 MAX until Nov. 4

Canada's WestJet Airlines said it has removed the Boeing 737 MAX jet from its network schedule through Nov. 4, as the plane's grounding drags on longer than carriers previously expected. The country's second-largest carrier, which operated 13 MAX jets, said in a blog post it would reduce frequencies, and suspend certain domestic and international routes like Halifax to Paris for the rest of the summer season.

# WEALTH NEWS

## FED DECISION IN FOCUS

### A Fed interest rate cut is in the bag. What then?

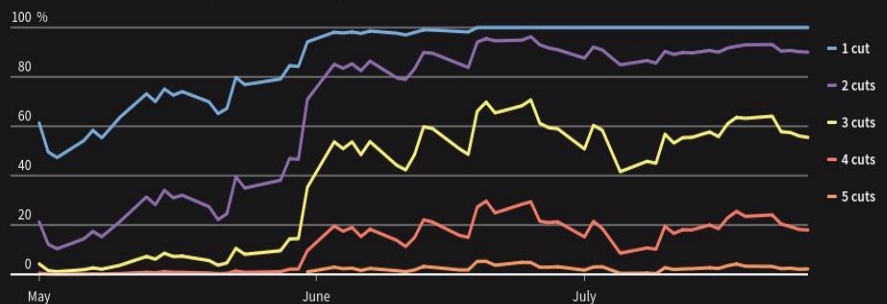
U.S. central bankers are expected to lower borrowing costs this week for the first time since the depths of the financial crisis more than a decade ago. That's the easy part. Whether that inaugurates a series of quarter-percentage-point interest rate cuts that could stretch deep into next year, as financial markets are betting, or something more limited, is by far the harder decision facing Federal Reserve policymakers. One reason: No clear consensus from Fed officials about why they need to cut rates in the first place, particularly with the U.S. unemployment rate near a 50-year low and the American economy pattering along as the best-in-class performer among developed nations.

## Trade tensions boost U.S. rate-cut expectations

U.S.'s trade spats especially with China have caused traders to bet the Federal Reserve decreasing rates multiple times by the end of 2019

### U.S. FEDERAL FUNDS FUTURES

N.Y. Fed gave conflicting signals about a possible 50 bps rate-cut in July



Note: CME federal fund futures prices  
Source: CME Group's FedWatch  
Richard Leong | REUTERS GRAPHICS

## TRADE NEGOTIATIONS

### U.S., China move trade talks to Shanghai amid deal pessimism

U.S. and Chinese trade negotiators shift to Shanghai this week for their first in-person talks since a G20 truce last month, a change of scenery for two sides struggling to resolve deep differences on how to end a year-long trade war.

## CLASS ACTIONS

### Barclays, JP Morgan among banks facing UK class action over forex-rigging

Barclays, JP Morgan, RBS, UBS and Citigroup are being sued by investors over allegations they rigged the global foreign exchange market, in a test of U.S.-style class actions in Britain.

## MEGA DEAL

### Takeaway.com lands \$10 billion Just Eat deal in food delivery race

Amsterdam-based Takeaway.com has agreed to buy Just Eat in a \$10.1 billion deal to create the world's largest online food delivery firm outside China in a race to rule the \$100 billion market.

## EXCLUSIVE

### First big U.S. offshore wind project hits snag due to fishing-industry concerns

Trump administration infighting is holding up approval of the first major U.S. offshore wind energy project, with agencies sparring over whether the proposal does enough to protect the fishing industry, according to interviews and agency documents.

## HARRIS RELEASES MEDICARE PLAN

### Kamala Harris releases Medicare-for-all plan ahead of second 2020 U.S. Democratic debate

U.S. Senator Kamala Harris released a Medicare-for-all proposal ahead of the second Democratic presidential debate, when candidates' differing approaches to giving Americans greater access to affordable health insurance are expected to feature prominently.

## BIOFUEL LAW WAIVERS

### U.S. EPA set to rule on refinery biofuel waivers requests in coming weeks

The Environmental Protection Agency hopes to rule in the next few weeks on 2018 petitions to obtain small refinery waivers from the nation's biofuel laws, administrator Andrew Wheeler said.



## ON THE RADAR

Events	ET	Poll	Prior
<b>Wed:</b> ADP national employment for Jul	0815	150,000	102,000
Employment wages QQ for Q2	0830	--	0.7%
Employment benefits QQ for Q2	0830	--	0.7%
Employment costs for Q2	0830	0.7%	0.7%
Chicago PMI for Jul	0945	50.5	49.7
Fed funds target rate Jul	1400	2.25%-2.50%	2.25%-2.50%
Fed int on excess reserves 31 Jul	1400	--	2.35%
<b>Thu:</b> Challenger layoffs for Jul	0730	--	41,977
Initial jobless claims	0830	214,000	206,000
Jobless claims 4-week average	0830	--	213,000
Continued jobless claims	0830	1.678mIn	1.676 mIn
Markit Manufacturing PMI Final for Jul	0945	--	50.0
Construction spending mm for Jun	1000	0.3%	-0.8%
ISM Manufacturing PMI for Jul	1000	52.0	51.7
ISM Manufacturing Prices Paid for Jul	1000	49.6	47.9
ISM Manufacturing Employment Index for Jul	1000	53.4	54.5
ISM Manufacturing New Orders Index for Jul	1000	--	50.0
<b>Fri:</b> Non-farm payrolls for Jul	0830	165,000	224,000
Private payrolls for Jul	0830	160,000	191,000
Manufacturing payrolls for Jul	0830	5,000	17,000
Government payrolls for Jul	0830	--	33,000
Unemployment rate for Jul	0830	3.6%	3.7%
Average earnings mm for Jul	0830	0.2%	0.2%
Average earnings yy for Jul	0830	3.2%	3.1%
Average workweek hours for Jul	0830	34.4 hrs	34.4 hrs
Labor force participation for Jul	0830	--	62.9%
U6 underemployment for Jul	0830	--	7.2%
International trade for Jun	0830	-\$54.6 bln	-\$55.5 bln
Goods trade balance (R) for Jun	0830	--	-74.17 bln
ISM-New York Index for Jul	0945	--	882.1
ISM New York Business Conditions for Jul	0945	--	50.0
Durables ex-defense, R mm for Jun	1000	--	3.1%
Durable goods, R mm for Jun	1000	--	2.0%
Factory orders mm for Jun	1000	0.8%	-0.7%
Durables ex-transport R mm for Jun	1000	--	1.2%
Nondefense cap ex-air R mm for Jun	1000	--	1.9%
Factory ex-transport mm for Jun	1000	--	0.1%
U Mich Sentiment Final for Jul	1000	98.5	98.4
U Mich Conditions Final for Jul	1000	--	111.1
U Mich Expectations Final for Jul	1000	--	90.1
U Mich 1 year inflation final for Jul	1000	--	2.6%
U Mich 5-year inflation final for Jul	1000	--	2.6%

## KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
A. O. Smith	Q2	BMO	\$0.62	\$0.63	\$0.66	\$810.59
Advanced Micro Devices	Q2	AMC	\$0.08	\$0.08	\$0.14	\$1,524.19
Akamai Technologies	Q2	AMC	\$1.01	\$1.00	\$0.83	\$695.82
Allstate	Q2	AMC	\$1.45	\$1.54	\$1.90	\$8,971.71
Altria Group	Q2	BMO	\$1.11	\$1.11	\$1.01	\$5,086.21
Ametek	Q2	BMO	\$1.02	\$1.02	\$0.83	\$1,314.17
Amgen	Q2	AMC	\$3.56	\$3.59	\$3.83	\$5,676.97
Apple	Q3	AMC	\$2.12	\$2.10	\$2.34	\$53,404.39
Boston Properties	Q2	AMC	\$0.75	\$0.75	\$0.83	\$728.31
C.H. Robinson Worldwide	Q2	AMC	\$1.22	\$1.22	\$1.13	\$4,015.52
Celgene	Q2	BMO	\$2.65	\$2.63	\$2.16	\$4,233.96
Cincinnati Financial	Q2	AMC	\$0.64	\$0.65	\$0.81	\$1,518.77
ConocoPhillips	Q2	BMO	\$1.04	\$1.03	\$1.09	\$9,270.44
Corning	Q2	BMO	\$0.44	\$0.44	\$0.38	\$2,982.23
Cummins	Q2	BMO	\$4.47	\$4.41	\$3.29	\$6,356.91
D.R. Horton	Q3	BMO	\$1.06	\$1.07	\$1.18	\$4,518.30
Digital Realty Trust	Q2	AMC	\$0.28	\$0.27	\$0.32	\$806.41
Eaton Corporation	Q2	BMO	\$1.51	\$1.51	\$1.39	\$5,630.75
Ecolab	Q2	BMO	\$1.41	\$1.41	\$1.27	\$3,792.77
Electronic Arts	Q1	AMC	\$0.04	\$0.01	\$0.13	\$719.18
Eli Lilly and Co	Q2	BMO	\$1.46	\$1.45	\$1.50	\$5,589.38
Equity Residential	Q2	AMC	\$0.34	\$0.33	\$0.31	\$667.47
Extra Space Storage	Q2	AMC	\$0.75	\$0.75	\$0.75	\$300.83
FMC	Q2	AMC	\$1.65	\$1.65	\$1.78	\$1,197.47
Franklin Resources	Q3	BMO	\$0.63	\$0.62	\$0.75	\$1,487.03
Gartner	Q2	BMO	\$1.18	\$1.18	\$1.03	\$1,069.15
Gilead Sciences	Q2	AMC	\$1.75	\$1.72	\$1.91	\$5,529.73
Global Payments	Q2	BMO	\$1.46	\$1.46	\$1.29	\$1,106.41
HCA Healthcare	Q2	BMO	\$2.50	\$2.46	\$2.29	\$12,612.45
Incyte	Q2	07:00	\$0.49	\$0.48	\$0.26	\$498.46
Ingersoll-Rand	Q2	BMO	\$2.05	\$2.05	\$1.85	\$4,578.32
IPG Photonics	Q2	BMO	\$1.38	\$1.39	\$2.21	\$353.63
Marsh & McLennan Companies	Q2	BMO	\$1.13	\$1.13	\$1.10	\$4,303.78
Martin Marietta Materials	Q2	BMO	\$3.15	\$3.11	\$3.04	\$1,201.20
Mastercard	Q2	BMO	\$1.83	\$1.83	\$1.66	\$4,080.64
Maxim Integrated Products	Q4	AMC	\$0.57	\$0.57	\$0.73	\$559.98
Mondelez International	Q2	16:05	\$0.57	\$0.57	\$0.56	\$6,032.13
ONEOK	Q2	AMC	\$0.70	\$0.71	\$0.68	\$2,909.03
Procter & Gamble	Q4	BMO	\$1.06	\$1.05	\$0.94	\$16,858.34
Public Service Enterprise Group	Q2	BMO	\$0.61	\$0.61	\$0.64	\$2,308.98
Public Storage	Q2	AMC	\$1.82	\$1.83	\$2.00	\$709.20
Ralph Lauren	Q1	BMO	\$1.66	\$1.66	\$1.54	\$1,417.65

\*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.

## KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
UDR	Q2	AMC	\$0.08	\$0.08	\$0.07	\$274.51
Under Armour	Q2	06:55	-\$0.05	-\$0.05	-\$0.08	\$1,198.82
Unum Group	Q2	AMC	\$1.35	\$1.35	\$1.30	\$2,989.54
Verisk Analytics	Q2	AMC	\$1.10	\$1.10	\$1.06	\$642.33
Waters	Q2	BMO	\$2.11	\$2.11	\$1.95	\$601.37
WellCare Health Plans	Q2	06:00	\$4.17	\$4.16	\$3.69	\$6,621.82
Westinghouse Air Brake Technologies	Q2	BMO	\$0.97	\$0.98	\$0.93	\$2,234.60
Xerox	Q2	06:30	\$0.89	\$0.88	\$0.80	\$2,319.18

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

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

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

The Day Ahead - North America is compiled by Sourav Bose and Pathikrit Bandyopadhyay in Bengaluru.

For questions or comments about this report, email us at: [TheDay.Ahead@thomsonreuters.com](mailto:TheDay.Ahead@thomsonreuters.com).

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