

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Indexes ended mixed, with technology shares falling ahead of Apple's quarterly report. The **pound** slipped after British lawmakers rejected a bid to prevent no-deal Brexit. Most **Treasury yields** fell and the **dollar** edged higher ahead of an impending Federal Reserve decision on interest rates. **Oil** prices gained following U.S. sanctions on Venezuela. **Gold** hit an eight-month high.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	24560.23	32.01	0.13	26951.81	21712.53
Nasdaq	7028.29	-57.40	-0.81	7185.38	6457.13
S&P 500	2640.00	-3.85	-0.15	2675.47	2443.96
Toronto	15463.14	84.52	0.55	16586.46	13776.88
FTSE	6833.93	86.83	1.29	7001.94	6599.48
Eurofirst	1402.15	11.09	0.80	1408.77	1308.86
Nikkei	20664.64	15.64	0.08	20892.68	19241.37
Hang Seng	27531.68	-45.28	-0.16	27790.22	24896.87

TREASURIES	Yield	Price
10-year	2.7080	10 /32
2-year	2.5685	1 /32
5-year	2.5402	-1 /32
30-year	3.0400	13 /32

FOREX	Last	% Chng
Euro/Dollar	1.1434	0.01
Dollar/Yen	109.33	-0.01
Sterling/Dollar	1.3074	-0.67
Dollar/CAD	1.3281	0.14
TR/HKEX RMB	94.64	0.08

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	53.20	1.21	2.33
Spot gold (NY/oz)	1311.40	7.94	0.61
Copper U.S. (front month/lb)	0.0273	0.0004	0.00
Reuters/CRB Index Total Return	186.04	1.78	0.97

S&P 500	Price	\$ Chng	% Chng
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GAINERS			
Xerox Corp	27.06	2.76	11.36
Corning Inc	33.76	3.40	11.20
Whirlpool Corp	136.48	12.02	9.66
Harris Corp	155.30	12.61	8.84

LOSERS			
Allergan plc	144.99	-13.70	-8.63
Harley-Davidson Inc	34.77	-1.84	-5.03
NVIDIA Corp	131.60	-6.41	-4.64
Advanced Micro Devices Inc	19.25	-0.93	-4.61

Coming Up



U.S. Federal Reserve Board Chairman Jerome Powell attends a luncheon discussion hosted by the Economic Club in Washington, U.S., January 10. REUTERS/Jim Young

The **Federal Reserve** concludes its two-day monetary policy meeting. Chairman **Jerome Powell** is likely to acknowledge growing risks to the U.S. economy as global momentum weakens. Investors expect the Fed to adopt a more cautious stance on policy than it did in 2018, pressured by signs of better corporate earnings in the United States and concerns on a slowdown both at home and across the globe.

Facebook Inc is expected to report a rise in its fourth-quarter revenue, led by the social networking giant's mobile ad

business. Investors would focus on the fallout from its recent controversies over data and privacy.

Tesla Inc is expected to post a fall in profit in its fourth-quarter as it struggles to rein in costs while ramping Model 3 production.

Microsoft Corp is expected to post a rise in its second-quarter profit, as the technology giant signed up more businesses to its Azure cloud computing services and Office 365 productivity suite.

Boeing Co is expected to report higher

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
ADP national employment for Jan	0815	178,000	271,000
Pending Homes Index for Dec	1000	--	101.4
Pending sales change mm for Dec	1000	0.5 pct	-0.7 pct
Fed funds target rate for 30 Jan	1400	2.25-2.5 pct	2.25-2.5 pct



fourth-quarter profit and revenue, helped by robust demand for air travel. Investors will look for comments on cash flow forecast for 2019, as the planemaker is expected to further ramp up aircraft deliveries. Further, aerospace and defense company General Dynamics Corp is expected to report a rise in fourth-quarter profit.

McDonald's Corp's results are expected to show a rise in fourth-quarter comparable store sales, boosted by new delivery initiatives and low-price "value" meals. However, investors will keep a close eye on McDonald's U.S. sales, which missed forecasts in the previous quarter due to fierce competition in the fast food industry.

Qualcomm Inc is expected to report a fall in first-quarter revenue, hurt by a loss of chip sales to major customer Apple Inc and a general slowdown in the smartphone industry.

Alibaba Group Holding Ltd, China's biggest e-commerce company, will report its third-quarter results. The company has lowered sales forecast for the quarter amid sluggish economic conditions due to ongoing trade dispute between China and the United States.

AT&T Inc is expected to post a rise in its fourth-quarter revenue as the second

largest U.S. wireless carrier by subscribers continues to bundle media content from Time Warner into new wireless plans.

Chief Executive **Vas Narsimhan** has been busy remaking **Novartis AG** into a maker of gene therapies and novel cancer drugs as he sheds eyecare businesses, over the counter products and price-pressure vulnerable generics businesses in the United States. As he announces the fourth-quarter results, Narasimhan will give an update on progress, including the approval outlook for his gene therapy AVXS-101, which will cost millions of dollars per patient.

Health insurer **Anthem Inc** is expected to report a rise in fourth-quarter profit. Given recent deals in the health insurance sector, investors will focus on commentary regarding industry trends, the company's forecast for the year, and pointers on what to expect during its investor day coming up in March.

Visa Inc is expected to report a rise in its first-quarter profit on higher volumes as people spent more in the holiday season. Investors would be interested in the company's performance in European market, which rival **Mastercard** is trying to poach through acquisitions. Investors will also keep a close eye on Visa's expenses as network processors are spending more on

partnerships to offer users with access to luxury airport lounge, loyalty programs of airlines and attractive discounts at hotels.

Mondelez International Inc is expected to report another quarter of declining sales, even as the company has refreshed its brand portfolio by launching healthier options and buying nutritious snack brands. As far as the fourth quarter is concerned, focus will be on the company's profit margins. They are expected to have improved slightly, helped by the company's cost-saving initiatives and price hikes of its biscuits, gums and candies.

Royal Caribbean Cruises is expected to report a rise in its fourth-quarter revenue and profit, helped by higher ticket prices and on-board spending. However, fluctuating fuel prices and a strong U.S. dollar will put attention on the company's profit outlook for 2019.

Hess Corp is expected to report a smaller loss in its fourth-quarter. In the year-ago quarter, the company had recorded a \$1.70 billion non-cash accounting charge related to the reduction in value of some of its Gulf of Mexico assets. Investors will be looking for any further comments on the development of its offshore Guyana projects and the impact of oil prices.

Nasdaq Inc is expected to report its fourth-quarter revenue before the markets open. Investors are looking to see how the exchange operator performed in a highly volatile fourth quarter and will look to see if fee revenue and average daily volumes have risen.

On the U.S. economic front, the **ADP national employment report** is expected to show private payrolls increased by 178,000 jobs in January after surging 271,000 in December. Also, the National Association of Realtors will publish its December **pending home sales** report.

LIVECHAT – EQUITIES WATCH

Join our Reuters correspondents in London and New York for a discussion on the stock markets and company earnings. (0800 ET/1300 GMT) To join the conversation, [click here](#)



The AT&T logo is pictured during the Forbes Forum 2017 in Mexico City, Mexico, September 18, 2017. REUTERS/Edgard Garrido

Market Monitor

Wall Street was mixed, with technology shares dipping ahead of Apple's quarterly report while a rebound in 3M and other industrials elevated the Dow Jones Industrial Average. **Apple** slipped 1.06 percent as investors awaited the iPhone maker's results after it warned earlier this month about soft demand in China, whose economy has been damaged by a tariff war with the United States. The **S&P technology index** lost 1.01 percent to 1130.30. The **S&P industrials index** rebounded 1.37 percent to 591.81, helped by better-than-expected reports from 3M and defense companies. **Harley-Davidson** dropped 5.03 percent while **Pulte Group's** shares rose 0.78 percent. Analysts on average expect S&P 500 companies' aggregate earnings per share to rise 14.2 percent in the fourth quarter. But with U.S. corporate tax cuts now a year old, 2019 earnings are seen rising a more moderate 5.6 percent. The **Dow** was up 0.13 percent at 24,560.23, while the **S&P 500** lost 0.15 percent to 2,640.0. The **Nasdaq Composite** dropped 0.81 percent to 7,028.29.

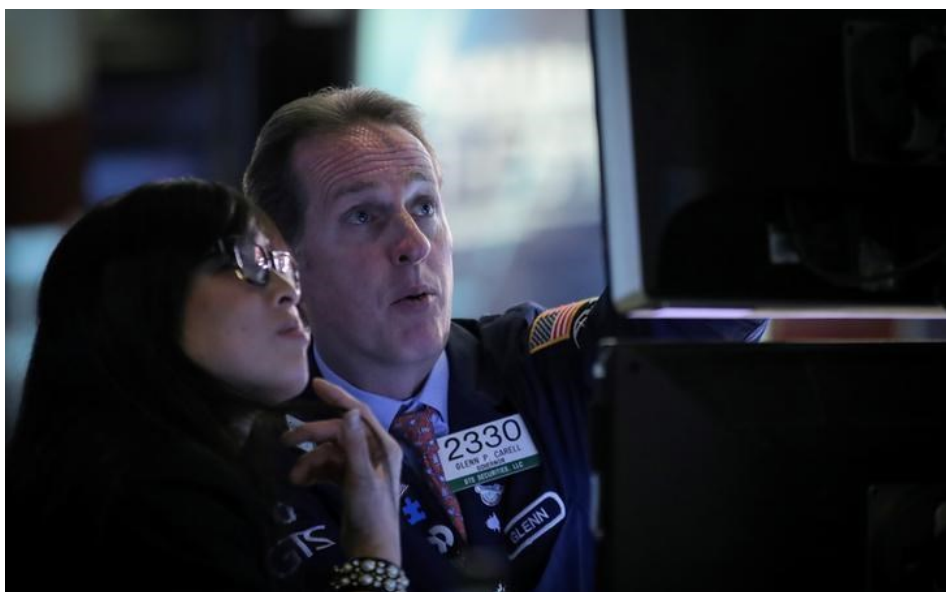
The price of **seven-year Treasury notes** jumped after strong demand at auction for \$32 billion of new issues, with **yields** down across maturities ahead of the Federal Reserve's policy statement on Wednesday. The U.S. Treasury Department auctioned seven-year government notes at a yield of 2.625 percent, the lowest at an auction of this debt maturity since January 2018. The bid-to-cover ratio was 2.54. The seven-year yield was last down 2.61 percent, the largest drop in bonds yields from the two-year to the 30-year. **Benchmark 10-year notes** rose 10/32 to yield 2.71 percent. The **two-year notes** were 1/32 up, yielding 2.57 percent.

Sterling fell after British lawmakers voted against a bid in parliament to prevent a potentially disorderly no-deal Brexit, while the **dollar** was little changed ahead of a Federal Reserve two-year policy meeting. With two months left until Britain is due by law to leave the European Union, parliament was trying to find a way forward by voting on different amendments, though none of the first five

that were voted on were approved. **Sterling** fell 0.66 percent to \$1.3075. Meanwhile, investors expect the Fed to adopt a more cautious stance, pressured by signs of a peak in U.S. corporate earnings and the threat of an economic slowdown both at home and globally. The **dollar index** edged up 0.08 percent at 95.82.

Oil prices gained after the United States imposed sanctions on state-owned Venezuelan oil company PDVSA, a move likely to reduce the OPEC member's crude exports and relieve some global oversupply worries. **International Brent crude oil futures** were up at \$61.17 a barrel, a 2.07 percent rise, while **U.S. West Texas Intermediate (WTI) crude futures** increased to \$53.18 a barrel, or 2.29 percent. The Trump administration's restrictions on Venezuelan crude, aimed at driving President Nicolas Maduro from power, stop short of banning U.S. companies from buying oil from the Latin American country. However, proceeds from such sales will be put in a "blocked account" that should deter PDVSA from shipping crude to the United States.

Gold rose, on doubts surrounding U.S.-China trade relations and ahead of a Federal Reserve meeting with increasing expectations for a pause to the central bank's rate hike trajectory. **Spot gold** was up 0.61 percent to \$1,311.41 per ounce, having hit its highest since May 15 at \$1,311.67 in the session. **Gold futures** were up 0.51 percent at \$1,309.80 per ounce. "There's plenty of reason to still look at gold as a means to have some protection" given expectations that other markets will continue to struggle, especially stocks, Saxo Bank analyst Ole Hansen said. "The momentum in gold has been established now. We just need to work out how strongly the momentum has been backed by speculative interest."



Traders work on the floor of the New York Stock Exchange (NYSE) in New York, U.S., January 28. REUTERS/Brendan McDermid



Top News

PG&E files for bankruptcy as California wildfire liabilities loom

PG&E filed for bankruptcy protection in anticipation of liabilities in excess of \$30 billion from the deadliest wildfires in California's history. PG&E vowed to keep the lights on and continue with critical investments it said were needed in its system's safety and maintenance. PG&E faced no immediate cash crunch. Its decision to file for bankruptcy was driven by its assessment of upcoming legal liabilities. While state investigators cleared PG&E this month of liability in a 2017 wildfire in California's wine country, the company is expected to be found liable for a fire that killed at least 86 people in northern California in November. The company faces lawsuits from owners of homes and businesses that burned during that and other fires. Filing for bankruptcy temporarily shields PG&E from these claims, allowing it to negotiate settlements in bankruptcy court. PG&E's bankruptcy attracted criticism from some California politicians, shareholders and wildfire victim advocates. California Senate President Toni Atkins called PG&E's decision disappointing and said the bankruptcy was not the optimum solution for Californians.

Huawei lawyer says CFO Meng a "hostage" after U.S. presses charges

Huawei's CFO "should not be a hostage" in Sino-U.S. relations, her lawyer said, after the United States announced criminal charges against herself and the Chinese firm just days before crunch trade talks with Beijing. The Justice Department charged Huawei Technologies and its chief financial officer with conspiring to violate U.S. sanctions on Iran by doing business through a subsidiary it tried to hide and that was reported on by Reuters in 2012 and 2013. In a separate case, the Justice Department charged the telecommunications equipment maker with stealing robotic technology from T-Mobile US. Huawei has said the companies settled their dispute in 2017. CFO Meng Wanzhou, the daughter of Huawei's founder, was arrested in Vancouver on

Dec. 1, a move which was followed by China arresting two Canadians on national security grounds. She is scheduled in court on Tuesday to discuss her bail terms, and is subject to a U.S. extradition request. Her lawyer Reid Weingarten, partner at Steptoe & Johnson, pointed to "complex" Sino-U.S. relations.

Harley expects 2019 shipments to slump, shares sink; will boost Thai investment

Harley-Davidson reported worse-than-expected quarterly profit and forecast a slump in global shipments of its motorcycles in 2019, sending shares sinking. Still, to avoid the fallout of a tariff war waged by U.S. President Donald Trump, the American company said it would boost investment at its Thailand plant to serve European markets. Such a move would allow its motorbikes to avoid retaliatory tariffs by the European Union on U.S. imports. The company expects to ship up to 222,000 motorcycles globally in 2019, the lowest number since 2010. The motorbike maker said tariffs alone, including import duties imposed by the

European Union on its motorcycles, would amount to between \$100 million and \$120 million in 2019 and contribute to a 6-percentage-point drop in operating margins in the first quarter of this year. Harley-Davidson reported an adjusted profit of 17 cents per share in the fourth quarter, lower than the 28 cents estimated by analysts polled by Refinitiv.

Verizon sees no increase in 2019 profit, misses Q4 revenue estimate

Verizon Communications said it does not expect profit growth in 2019 due to a higher tax rate and interest expense, and missed Wall Street estimates for fourth quarter revenue. The largest U.S. wireless carrier by subscribers said 5G will not have a large impact on Verizon's financials until 2020, foreshadowing a year of flat growth for the major U.S. carriers. Verizon Chief Financial Officer Matt Ellis said during the earnings call with analysts that the company expects earnings per share growth to be reduced by between 24 cents and 28 cents, due to the higher effective tax rate and increased interest expense. The company forecast an increase in 2019



Logo of Huawei is seen in front of the local offices of Huawei in Warsaw, Poland January 11. REUTERS/Kacper Pempel



capital spending to a range of \$17 billion to \$18 billion, including expansion of the commercial launch of its 5G wireless technology, up from \$16.7 billion last year. Net income fell to \$1.94 billion, or 47 cents per share, in the quarter, from \$18.78 billion, or \$4.56 per share, a year earlier, when it recorded a \$16.8 billion one-time benefit from the U.S. tax overhaul.

REUTERS/Arnd Wiegmann



Pfizer quarterly profit in line, touts pipeline of future products

Pfizer reported fourth-quarter profit and sales that edged past Wall Street estimates, helped by higher sales of breast cancer medicine Ibrance and pain drug Lyrica. The largest U.S. drugmaker also touted its pipeline of drugs in development. On a call with analysts, new Chief Executive Albert Bourla said Pfizer had "the best pipeline in our history," and predicted that the company would return to sustained growth beginning in the middle of 2020. "Our job now is to stay the course," said Bourla, who took over as CEO to start the year. Pfizer forecast 2019 adjusted earnings of \$2.82 to \$2.92 per share, while analysts were estimating \$3.04 per share, according to IBES data from Refinitiv. Its revenue forecast of \$52 billion to \$54 billion, which takes into account the impact of a stronger dollar and the loss of U.S. patent exclusivity on Lyrica around mid-year, also fell short of analysts' estimates of \$54.25 billion.

Lockheed forecasts 2019 profit below view, but sees higher cash flow

Lockheed Martin forecast 2019 profit below estimates and reported that quarterly margins slipped at the unit that makes the radar-evading F-35 fighter jet and C-130 transport plane. Operating margins at the aeronautics division fell to 10.6 percent in the fourth quarter from 11.6

percent a year earlier. The company planned to invest as much as \$1.7 billion in 2019 to support growth in its space unit as well as several classified business lines, Tanner said, citing hypersonic weapons as a growing area of investment. Lockheed expects full-year profit to range between \$19.15 and \$19.45 per share, below the average analyst estimate of \$19.55, according to IBES data from Refinitiv. The company finished the year delivering 91 F-35 jets in 2018, up from 66 jets a year earlier. Lockheed has said it aims to deliver more than 130 F-35s in 2019. The company earned \$4.39 per share from continuing operations, just short of estimates of \$4.40 per share. Net sales rose 4.1 percent to \$14.41 billion.

U.S. senator asks J&J for documents on talc, baby powder safety

U.S. Democratic Senator Patty Murray sent a letter to Johnson & Johnson seeking information related to allegations in a Reuters Special Report that the healthcare company knew about the presence of asbestos in its talc-based baby powder. The letter addressed to J&J Chief Executive Alex Gorsky asks for documents and information related to testing of its talc products for the presence of carcinogens and "how it presented that information to regulators and consumers." Reuters on Dec. 14 published a Special Report detailing that the company knew that the talc in its raw and finished powders sometimes tested positive for cancer-causing asbestos from the 1970s into the early 2000s - test results the company did not disclose to regulators or consumers. While exposure to asbestos has been linked to mesothelioma, J&J has repeatedly said that its talc products are safe, and that decades of studies have shown them to be asbestos-free and that they do not cause cancer.

Xerox profit, forecast beat estimates

Xerox beat analysts' expectations for profit in the fourth quarter and forecast full-year profit above estimates, suggesting moves to refocus under new management were paying off. The company is streamlining its business and scaling up operations under a new regime installed by activist investors Carl Icahn and Darwin Deason last year. The company said it expected to report

2019 profit of between \$3.70 and \$3.80 per share on an adjusted basis, well above analysts' average expectation of \$3.53, according to IBES data from Refinitiv. Net income attributable to Xerox was \$137 million, or 56 cents per share, compared to a loss of \$190 million, or 76 cents per share, a year earlier.

Pulte says spring home demand least certain in years

PulteGroup reported its worst quarterly fall in orders since 2013 and said it was having to spend heavily on incentives for buyers, weakening its margins, in the face of the shakiest outlook for spring sales in years. Shares in the country's third biggest housebuilder fell after an earnings release and conference call which showed orders had fallen 11 percent year-on-year in the fourth quarter and forecast first quarter margins below analysts' expectations. Pulte forecast first-quarter gross margins to be between 22 percent and 22.5 percent, falling short of analysts' estimates of 23 percent, according to IBES data from Refinitiv. The company had gross margins of 23.2 percent in the first quarter of 2017. Pulte said it had increased incentive compensation and sales commissions in the reported quarter, with sales discounts now about 3.3 pct of its average sales price.

Nucor profit jumps on higher steel tariff, strong demand

Nucor handily beat fourth-quarter profit estimates, boosted by hefty tariffs on imported steel, and the company forecast first-quarter 2019 earnings to be stronger despite a fall in sheet prices and margins. Nucor's profit jumped 68 percent in the fourth quarter as robust economic growth and the 25-percent tariff imposed in March last year boosted shipments compared to a year ago, besides pushing its steel prices 21 percent higher. Nucor posted earnings per share of \$2.07 in the quarter, beating analysts estimate of \$1.94 per share, according to IBES data from Refinitiv. The steelmaker's net earnings in the same quarter a year ago included a gain of \$175.2 million due to the impacts of U.S. federal tax legislation. Revenue rose to \$6.29 billion from \$5.09 billion.





French climber Alain Robert, also known as "The French Spiderman", scales the 47-storey GT International Tower in Makati City, Metro Manila, Philippines January 29. REUTERS/Eloisa Lopez

Insight and Analysis

Fed's Powell works Congress as Trump stewes over rate hikes

U.S. Federal Reserve Chairman Jerome Powell has been meeting with lawmakers at a faster clip than his two predecessors, a push that appears to be earning him allies as he navigates tricky monetary policy waters and vocal White House criticism. In his first 10 months on the job, and beginning well before President Donald Trump began publicly chastising him and the U.S. central bank for raising interest rates, Powell logged more than 40 hours on the phone or in person with Republican and Democratic lawmakers, his calendars show. That's roughly equal to the combined total from Janet Yellen and Ben Bernanke through the same point during their tenures.

GRAPHIC-Sanctions on Venezuela's oil sends U.S. refiners scrambling

Venezuela's revenues from oil sales to the United States have come under severe threat as sweeping sanctions on Venezuelan state-owned oil firm has sent U.S. buyers scrambling for replacements. The United States on Monday imposed sanctions on Petróleos de Venezuela, S.A., known as PDVSA, to cripple the OPEC member's oil shipments, which account for nearly all of Venezuela's exports, in response to the reelection of socialist President Nicolas Maduro, a vote widely viewed as fraudulent. Washington has recognized opposition leader Juan Guaido as Venezuela's head of state.

'We know how to survive,' but U.S. shutdown cut deep for Native Americans

The Pawnee Nation of Oklahoma used a GoFundMe page and its own money to feed its many members who were furloughed or worked without pay during the U.S. government shutdown. On their reservation in Eagle Butte, South Dakota, the Cheyenne River Sioux used third-party funds and dipped into tribal funds to provide food assistance. The 35-day partial government shutdown affected 800,000 federal workers, but Native Americans were especially vulnerable because they rely mostly on federal contracts for services and jobs in the Bureau of Indian affairs for incomes.

CANADA

Market Monitor

Canada's **main stock index gained**, as energy shares were buoyed by higher crude prices and precious metal mining stocks were supported by rising gold prices. The **energy sector** rose 0.89 percent to 148.9. The **materials sector** rose 1.97 percent to 229.87. **Iamgold** gained 5.8 percent after brokerage BMO

upgraded the shares to "outperform" from "market perform." The **Toronto Stock Exchange's S&P/TSX composite index** was up 0.55 percent, at 15,463.14.

The **U.S. dollar** was 0.11 percent higher against the **Canadian dollar** to C\$1.3277.

COMING UP

No major events are scheduled.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
SNC-Lavalin Group Inc	37.30	2.29	6.54
Iamgold Corp	4.74	0.26	5.80
First Quantum Minerals Ltd	13.71	0.68	5.22
LOSERS			
Canopy Growth Corp	62.54	-4.68	-6.96
Cascades Inc	9.91	-0.45	-4.34
Aurora Cannabis Inc	9.09	-0.32	-3.40

Top News

EU-Canada trade deal is lawful - EU court adviser

The EU-Canada free trade deal's provisions on investor protection are in line with EU law, a senior court adviser said in a recommendation to the European Court of Justice (ECJ) about terms seen by critics as favouring multinationals. The view of Advocate General Yves Bot, if backed by the court, would be a major relief for proponents of the Comprehensive Economic and Trade Agreement (CETA), which came into force on a provisional basis in September 2017. Investor protection, and in particular a system of tribunals to settle disputes between foreign investors and states, became a focal point of protests against CETA when EU countries were deciding whether to back it in 2016. Critics of the deal said that its provisions on investor protection give too much power to multinationals, letting them sue public authorities in special courts and effectively allowing them to dictate public policy. Belgium asked the court whether the section in the CETA text about investment dispute settlement was compatible with EU law. Critics said the special courts undermined the supremacy of the ECJ and the right of access to an



Shipping containers are unloaded at Roberts Bank Superport in Delta, British Columbia, Canada January 15, 2018. EUTERS/Ben Nelms

independent judiciary and also only allowed foreign investors to bring cases. Advocate General Bot said that CETA did not affect the ECJ's role as the ultimate arbiter of EU law and that dispute settlement tribunals could grant

compensation, but not order the annulment of measures deemed contrary to the agreement. He added that CETA did not infringe the principle of equal treatment and that dispute settlement tribunals had procedural safeguards.



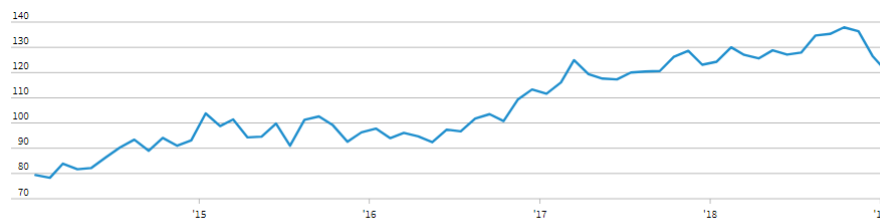
WEALTH NEWS

ECONOMIC DATA

U.S. consumer morale at 1-1/2 year-low; house price gains slow

U.S. consumer confidence fell to a 1-1/2 year-low in January as a partial shutdown of the government and financial markets turmoil left households a bit nervous about the economy's prospects. The Conference Board's consumer confidence index dropped 6.4 points to 120.2 this month, the lowest reading since July 2017. It blamed the third straight monthly decline in confidence to "financial market volatility and the government shutdown." The survey's so-called labor market differential, derived from data about respondents who think jobs are hard to get and those who think jobs are plentiful, rose to 33.7 in January from 33.3 in December but was below its peak of 34.2 in November. That measure closely correlates to the unemployment

U.S. consumer confidence



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

[Click on the chart for an interactive graphic](#)

rate in the Labor Department's employment report. Other data showed the S&P CoreLogic Case-Shiller composite index of home prices in 20 metropolitan areas rose 4.7 percent in November on a year-on-year basis, the smallest gain since January 2015, after advancing 5.0 percent in October. House price inflation is slowing as demand cools and housing inventory rises. The moderation in house prices, together with an easing in mortgage rates should help support demand and lift the housing market this year after struggling for much of 2018.

VENEZUELA SANCTIONS

U.S. warns of 'serious consequences' after Venezuela moves against Guaido

The Trump administration warned of "serious consequences" after Venezuela's government moved to freeze the bank accounts of self-proclaimed interim president Juan Guaido, while state-run oil company PDVSA sought to sidestep U.S. sanctions.

FED'S BALANCE SHEET

Powell faces early reckoning on Fed's \$4-trillion question

Federal Reserve Chairman Jerome Powell has a problem: how to explain that the Fed may soon begin to taper its ongoing asset-shedding operation without looking like he's hunkering down for a coming recession, or caving to U.S. President Donald Trump.

MOODY'S WARNS

Another shutdown spells deeper pain for U.S. economy

Another government shutdown could inflict greater harm on the U.S. economy, especially it were to happen only three weeks after the end of the longest ever such closure, Moody's Investors Service said.

3M'S FORECAST

3M warns of slowdown in China, trims sales forecast

3M became the latest major U.S. manufacturer to warn that a slowdown at its Chinese business was hurting revenue, as it tempered its overall sales projections.

HOUSING FINANCE OVERHAUL

Trump expects Congress to help overhaul Fannie Mae, Freddie Mac

The administration of U.S. President Donald Trump intends to include Congress in any effort to pull back on its control over mortgage finance firms Fannie Mae and Freddie Mac, a White House official said.

GOLD'S OUTLOOK

Gold back on upward path as global growth slows

Jitters over global growth and a possible pause to U.S. monetary tightening are expected to set gold prices up for gains in 2019, a Reuters poll showed, but the metal will struggle to break above recent highs.



KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Ameriprise Financial	Q4	AMC	\$3.59	\$3.58	\$3.26	\$3,174.93
Anthem	Q4	06:00	\$2.21	\$2.20	\$1.29	\$23,348.51
AT&T	Q4	BMO	\$0.85	\$0.86	\$0.78	\$48,494.94
Automatic Data Processing	Q2	BMO	\$1.19	\$1.18	\$0.99	\$3,441.51
Avery Dennison	Q4	06:45	\$1.50	\$1.50	\$1.33	\$1,789.26
Boeing Co	Q4	BMO	\$4.61	\$4.57	\$3.06	\$26,868.06
Duke Realty	Q4	AMC	\$0.13	\$0.12	\$0.52	\$200.57
Essex Property Trust	Q4	AMC	\$1.13	\$1.13	\$1.57	\$349.68
Facebook	Q4	AMC	\$2.23	\$2.19	\$2.21	\$16,399.76
Franklin Resources	Q1	BMO	\$0.65	\$0.65	\$0.88	\$1,440.58
General Dynamics	Q4	BMO	\$3.00	\$2.99	\$2.50	\$10,357.45
Hess	Q4	BMO	-\$0.42	-\$0.40	-\$1.01	\$1,479.21
Hologic	Q1	AMC	\$0.57	\$0.57	\$0.55	\$817.94
Ingersoll-Rand	Q4	BMO	\$1.29	\$1.29	\$1.02	\$3,855.27
Invesco	Q4	06:55	\$0.54	\$0.55	\$0.73	\$920.25
Juniper Networks	Q4	AMC	\$0.57	\$0.57	\$0.53	\$1,224.97
Mcdonald's	Q4	BMO	\$1.89	\$1.89	\$1.71	\$5,162.18
Microsoft	Q2	AMC	\$1.11	\$1.09	\$0.96	\$32,514.28
Mid-America Apartment Communities	Q4	AMC	\$0.49	\$0.49	\$0.48	\$399.67
Mondelez International	Q4	16:05	\$0.63	\$0.63	\$0.57	\$6,767.98
Nasdaq	Q4	BMO	\$1.27	\$1.27	\$1.05	\$642.69
Qualcomm	Q1	AMC	\$1.09	\$1.09	\$0.98	\$4,897.54
Royal Caribbean Cruises	Q4	BMO	\$1.53	\$1.51	\$1.34	\$2,313.47
T. Rowe Price Group	Q4	BMO	\$1.59	\$1.60	\$1.65	\$1,323.95
Thermo Fisher Scientific	Q4	BMO	\$3.18	\$3.18	\$2.79	\$6,230.31
Visa	Q1	AMC	\$1.25	\$1.25	\$1.08	\$5,411.31
Wynn Resorts	Q4	AMC	\$1.36	\$1.35	\$1.40	\$1,603.94

*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 grey heron walks on a partly frozen lake on the outskirts of Minsk, Belarus January 29. REUTERS/Vasily Fedosenko

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