

THE DAY AHEAD

MARKET RECAP at 4 pm ET

Wall Street ended lower and **Treasury yields** fell after UK lawmakers voted against Prime Minister Boris Johnson's timetable to approve his deal for Britain to exit the European Union. The **dollar** rose against the **sterling** and **euro**. **Oil** gained on prospects of a U.S.-China trade deal. **Gold** prices were up.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	26788.98	-38.66	-0.14	27398.68	21712.53
Nasdaq	8104.30	-58.69	-0.72	8339.64	6457.13
S&P 500	2995.99	-10.73	-0.36	3027.98	2443.96
Toronto	16391.52	-26.93	-0.16	16947.23	13776.88
FTSE	7212.49	48.85	0.68	7727.49	6599.48
Eurofirst	1548.37	3.73	0.24	1554.53	1308.86
Nikkei	22548.90	56.22	0.25	22649.85	19241.37
Hang Seng	26786.20	60.52	0.23	30280.12	24896.87

TREASURIES	Yield	Price
10-year	1.7659	8 /32
2-year	1.6006	1 /32
5-year	1.5891	2 /32
30-year	2.2528	22 /32

FOREX	Last	% Chng
Euro/Dollar	1.1129	-0.17
Dollar/Yen	108.47	-0.11
Sterling/Dollar	1.2897	-0.47
Dollar/CAD	1.3096	0.09
TR/HKEX RMB	91.26	0.05

COMMODITIES (\$)	Price	Chng	% chng
Front Month Crude /barrel	54.21	0.90	1.69
Spot gold (NY/oz)	1487.26	3.01	0.20
Copper U.S. (front month/lb)	0.0262	-0.0001	-0.28
CRB Index Total Return	185.19	0.82	0.45

S&P 500	Price	\$ Chng	% Chng
GAINERS			
Biogen Inc	281.68	58.15	26.02
Harley-Davidson Inc	40.04	2.96	7.98
Under Armour Inc	19.42	1.25	6.85
LOSERS			
Hasbro Inc	100.07	-20.10	-16.72
Travelers Companies Inc	130.59	-11.32	-7.98
Kimberly-Clark Corp	129.79	-9.40	-6.75

Coming Up



A file photo of Facebook Chairman and CEO Mark Zuckerberg addressing the audience on at a forum hosted by Georgetown University's Institute of Politics and Public Service and the McCourt School of Public Policy in Washington, October 17. REUTERS/Carlos Jasso

Facebook Inc CEO **Mark Zuckerberg** is scheduled to testify before the U.S. House Financial Services Committee, as the social media company faces growing scrutiny from U.S. lawmakers over planned cryptocurrency and other issues including advertising policies.

Microsoft Corp is likely to report a higher first-quarter profit, driven by increased sales from Azure, its flagship cloud product. Since Chief Executive Satya Nadella took over in 2014, Microsoft has been shifting away from its Windows operating system software and toward cloud services. Cloud

growth powered Microsoft's market value past \$1 trillion for the first time in April.

Boeing Co is expected to report lower profit and revenue for the third quarter, as its best-selling 737 MAX jets remain grounded. Investors await comments on the timing of the jet's return to service.

Tesla Inc is scheduled to report its third-quarter results after market close. Analysts are expecting another loss - although the electric-vehicle maker had earlier forecast a break-even

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Monthly home price mm for Aug	0900	--	0.4%
Monthly home price yy for Aug	0900	--	5.0 %
Monthly Home Price Index for Aug	0900	--	276.9

performance. The focus will be on the company's strategy to turn a profit in the fourth quarter. Separately, Ford Motor Co is scheduled to report third-quarter results, which are expected to be hit by the No. 2 U.S. automaker's ongoing restructuring and a slowdown in the world's largest auto market, China.

Eli Lilly and Co is likely to report a drop in third-quarter earnings, as the drugmaker faces generic competition for its erectile dysfunction drug, Cialis. Investors will focus on commentary related to the uptake of its migraine treatment Emgality and updates on experimental cancer therapy LOXO-292.

Caterpillar Inc is expected to report a lower third-quarter profit, as its customers turn wary of making large capital expenditures amid slowing global economic growth. Investors will look for evidence to gauge the depth of slowdown in the manufacturing sector.

PayPal Holdings Inc is likely to post a higher third-quarter profit, as more customers use its payment processing platform to transact. Investors will look for commentary on the company's China entry with the acquisition of Gopay.

Thermo Fisher Scientific Inc is expected to report a rise in third-quarter profit, powered by the strength in its life sciences segment. Investors will look out for updates on the company's restructuring actions and potential charges.

Anthem Inc's Medicaid business, which caters to low-income customers, will be a focus of attention when the

health insurer reports its third-quarter earnings. Investors will watch for comments on medical costs and the company's outlook for the year, as political uncertainty tied to the 2020 presidential election continues to weigh on the sector.

General Dynamics Corp is expected to post an increased year-over-year revenue and profit for the third-quarter, helped by higher defense spending by the U.S. government.

eBay Inc is expected to post a decline in third-quarter revenue, just a month after the exit of its CEO Devin Wenig, who cited differences with the e-commerce firm's revamped board. Investors will look for details related to company's ongoing review of certain businesses.

Freeport-McMoRan Inc, the world's largest publicly traded copper producer, is likely to post weak third-quarter numbers, as it struggles with higher costs and lower output at its Grasberg mine. Updates on the company's plans of spending billions of dollars at the mine and expected dividend hikes will be closely watched.

Exchange operator **Nasdaq Inc** is expected to post a rise in its third-quarter profit, when it reports before markets open.

LIVECHAT- EQUITIES FOCUS

Reuters stocks correspondents in London and New York sift through a heavy corporate earnings week and discuss trends for indices across the U.S. and Europe. (0900 ET/1300 GMT) To join the conversation, [click here](#)



A file photo of an eBay sign seen at an office building in San Jose, California, May 28, 2014. REUTERS/Beck Diefenbach

Market Monitor

U.S. stocks ended lower, giving up early gains after British lawmakers rejected the government's proposed timetable for passing legislation to ratify its deal to exit the European Union. Earlier, U.S. stocks were mixed amid split corporate earnings reports. "With a lower bar, earnings aren't really coming in that great," said Matthew Miskin, co-chief market strategist at John Hancock Investment Management in Boston. "They're not going to cut it to get the market popping out of its trading range." The Nasdaq was pressured by **Facebook**, which dropped 3.91%. The **Dow Jones Industrial Average** declined 0.14%, to 26,788.98, the **S&P 500** lost 0.35%, to 2,996.07 and the **Nasdaq Composite** dropped 0.72%, to 8,104.30.

Treasury yields dropped as investors bought safe-haven debt after UK lawmakers voted against Prime Minister Boris Johnson's extremely tight timetable to approve his deal for Britain to exit the European Union. "Treasuries are following sterling directionally," said Jon Hill, vice president, rates strategy at BMO Capital Markets in New York. "The latest Brexit vote perpetuates more uncertainty." U.S. yields fell further after U.S. existing home sales came in below the consensus forecast, although details suggested a more stable housing market than headlines indicated. The Treasury Department sold **two-year notes** worth \$44.18 billion at a high yield of 1.594% with a bid-to-cover ratio of 2.7%. **Benchmark 10-year notes** were up 8/32 to yield 1.77% and the **30-year bonds** were up



Reuters/Brendan McDermid
Traders work on the floor at the New York Stock Exchange in New York, October 21.

22/32 to yield 2.25%.

The **dollar** rose against the pound and euro after British lawmakers rejected the government's proposed timetable for passing legislation to ratify a deal over Britain's exit from the European Union. **Sterling** was down 0.49% at \$1.294. The **euro** was down 0.16% at \$1.1130 versus the dollar. The **dollar index** was last up 0.13% to 97.45.

Oil prices rose buoyed by prospects of a trade deal, but concerns about demand limited the gains. China and the United States have achieved some progress in their trade talks, Vice Foreign Minister Le Yucheng said on Tuesday, and any problems could be

resolved as long as both sides respected each other. "While the encouraging mood across financial markets will remain stimulated by trade optimism, risk aversion could still make an abrupt return should talks drag on or turn sour," said Lukman Otunuga, analyst at FXTM. **Brent futures** gained 1.12% to \$59.62 a barrel, while **U.S. West Texas Intermediate crude** was up 1.69% to \$54.21 per barrel.

Gold gained after lawmakers rejected Brexit law timetable, while focus shifted to the U.S. Federal Reserve's stance on interest rate cuts. **Spot gold** edged up 0.24 to \$1,487.81 per ounce, while **U.S. gold futures** were slightly up 0.19% at \$1,491.

Top News

Biogen resurrects Alzheimer's drug; shares jump

Biogen revived plans to seek U.S. approval for Alzheimer's treatment aducanumab, surprising investors and saying data from more patients in two discontinued studies showed the drug reduced the decline of patients suffering from the disease. The drugmaker's shares soared in response to the decision, recouping almost all of the \$18 billion lost from the company's market value when it said in March it was abandoning the two studies. The company also reported a better-than-expected third-quarter profit, helped by higher demand for rare muscle disease drug, Spinraza. The company's shares ended 26.11% higher at \$281.87. Separately, Centene earned 96 cents per share, narrowly beating the consensus estimate of 95 cents. It also said its deal for WellCare Health Plans could close sooner than previously expected and posted a profit that edged past Street estimates. To read more, [click here](#)

McDonald's misses profit target as competition delivers breakfast, plant burgers

McDonald's missed Wall Street estimates for profit for the first time in two years as more investment to spruce up U.S. restaurants and speed up service weighed on the world's biggest fast food chain. The company posted a smaller-than-expected profit of \$2.11 per share versus an average estimate of \$2.21 per share. Total revenue rose to \$5.43 billion, slightly below analysts' expectations of \$5.49 billion. Chief Executive Officer Steve Easterbrook said, "We're keenly aware we have to be ahead of these changes, investing, executing and growing with a deep sense of urgency and purpose." McDonald's has been remodeling its 14,000 U.S. restaurants to include digital ordering kiosks, mobile ordering as well as pay-and-pickup services. McDonald's expects delivery to drive



A file photo of a sign marking a Biogen facility in Cambridge, Massachusetts, U.S., January 26, 2017. REUTERS/Brian Snyder

\$4 billion, or roughly 4%, of global sales.

Facebook probe by U.S. states expands to 47 attorneys general

A New York-led probe of Facebook into allegations that the company put consumer data at risk and pushed up advertising rates has expanded to include attorneys general from 47 U.S. states and territories, New York Attorney General Letitia James said in a statement. The investigation of Facebook announced in September had included Colorado, Florida, Iowa, Nebraska, North Carolina, Ohio, Tennessee and the District of Columbia. It now includes most U.S. states as well as the U.S. territory of Guam. The statement provided a list of states involved in the probe and added that other states "cannot confirm their participation in pending investigations." California, the largest state, was not on the list. Separately, Facebook Chief Executive Mark Zuckerberg plans to acknowledge before Congress that Facebook is not the "ideal messenger" for its Libra cryptocurrency project, given ongoing criticism of the company. To read more, [click here](#)

P&G raises full-year forecast after beauty, healthcare brands drive profit beat

Procter & Gamble raised its full-year sales and profit forecasts after a better-than-expected first quarter, as it sold more toothpaste and expensive face cream. The company's net sales climbed 6.6% to \$17.80 billion, beating analysts' average estimate of \$17.42 billion. Net income attributable to the company rose 1 to \$.36 per share from \$1.22 per share a year earlier. Excluding items, P&G earned \$1.37 per share, beating estimates of \$1.24. P&G forecast full-year core earnings growth in the range of 5% to 10%, compared with its prior estimate of 4% to 9% growth. The company expects full-year sales to grow as much as 5%, compared with earlier expectation of 4%. P&G retained its lower-end sales growth forecast of 3%. Chief Financial Officer Jon Moeller said that P&G was trying to raise awareness about new Gillette products.

Boeing makes progress on 737 MAX, but FAA needs weeks to review

Boeing is making progress toward getting its 737 MAX aircraft in the air



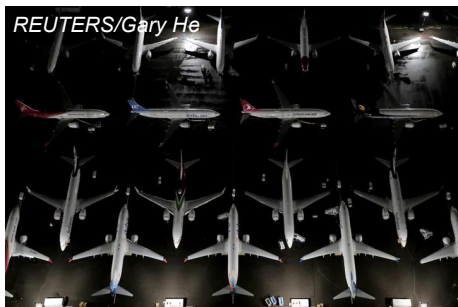
again, but the U.S. Federal Aviation Administration (FAA) will need at least several more weeks for review, FAA Administrator Steve Dickson said. Boeing has said it hopes to resume 737 MAX flights later this year, although major U.S. and Canadian airlines have cancelled MAX flights into January or February. Dickson said at a conference of air traffic controllers in Washington that the agency had received the "final software load" and "complete system description" of revisions to the plane, which was grounded in March. Separately, Boeing's top commercial airplanes executive, Kevin McAllister, is leaving the company as the planemaker grapples with the fallout from two fatal crashes of its 737 MAX, the company said. To read more, [click here](#)

Hasbro shares plunge as toymaker battles tariff costs

Hasbro fell well below Wall Street estimates for quarterly profit, as the toy maker wrestled with higher shipping and warehousing costs due to U.S. tariffs on Chinese imports. Hasbro, which sources more than two-thirds of its U.S. products from China, is also looking at other countries for suppliers, while raising prices to combat increased costs from tariffs. "Obviously, the tariff and tariff environment has created some short-term disruption to our growth trajectory," Hasbro Chief Executive Officer Brian Goldner said on a post earnings call. Hasbro also warned of price hikes if the Dec. 15 tariffs go into effect. Hasbro posted smaller-than-expected revenue of \$1.58 billion and earned \$1.84 per share excluding items in the third quarter, well below expectation of \$2.21. Shares of the company ended 16.76% lower at \$100.02.

Harley-Davidson beats forecasts as international sales rebound

Harley-Davidson beat expectations for profit and stuck to its full-year shipment forecast, allaying fears of another major hit from European import tariffs and a further slump in sales in its main U.S. market. Excluding items, the



company earned 70 cents per share, beating Wall Street expectations of 52 cents while revenue from motorcycles and related products overall fell 4.9% to \$1.07 billion. Sales in Asia, which Harley has targeted with smaller bikes that go against its traditional profile, rose 8.7% in the quarter and are up about 1.6% this year overall. The company plans to source half of its revenue from overseas by 2027 and international retail sales rose 2.7% to 23,619 motorcycle in the quarter.

UTC says Boeing 737 MAX production could remain at current levels

United Technologies believes Boeing will still make 737 MAX planes at its current rate for the rest of 2019, Chief Financial Officer Akhil Johri said, allaying some fears of a complete halt in production. He added that UTC "continues to work on a daily basis with Boeing" and expects to get more clarity on the planemaker's 2020 production plan by January. UTC reported quarterly adjusted earnings per share of \$2.21 and beat analyst average estimate of \$2.03. The company also raised its 2019 adjusted profit outlook to a range of \$8.05 to \$8.15 per share, up from prior forecast of between \$7.90 and \$8.05. Separately, Lockheed Martin raised its estimate for 2019 earnings as quarterly profit climbed 9.2% amid improved sales of its F-35 fighter jets, but it forecast a lower cash flow for next year and shares dipped in afternoon trading. To read more, [click here](#)

UPS COO's retirement eclipses e-commerce gains

United Parcel Service's (UPS) e-commerce fueled quarterly profit beat was overshadowed by news that Jim Barber, widely viewed as the world's biggest parcel delivery firm's next leader, would retire at year-end. Shares in UPS fell on news of the departure of Chief Operating Officer Barber. Barber's retirement comes just months after similar news from Chief Financial Officer Richard Peretz, ushering in big changes to the UPS C-suite. "We have a strong bench. Succession planning is something we constantly focus on," Chief Executive David Abney said. UPS said Barber and Peretz will guide UPS through the key holiday peak shopping and shipping season, when the company's daily volumes can double. Profit was up 16% to \$1.75 billion for the third quarter. UPS earned \$2.07 per share, excluding items, to top analysts' average forecast by a penny.

Homebuilder Pulte lifts annual home sales outlook on lower mortgage rates

Homebuilder PulteGroup raised its full-year forecast for home sales, after it posted a better-than-expected quarterly profit as lower mortgage rates boosted demand. "Given a broadly favorable macroeconomic backdrop and expectations for interest rates to remain low, we see the opportunity for housing demand to continue moving higher over time," Chief Executive Officer Ryan Marshall said. Marshall added that he expects a modest expansion in purchase of homes by first-time buyers through 2020 and beyond. Pulte now expects home sales of between 23,000 and 23,200 homes for 2019, up from a previous forecast of 22,300 to 22,800 homes. It sold 6,186 homes in the quarter, 2.6% higher than last year. The company's net income fell 5.7% to 99 cents per share, in the quarter ended September 30. Total revenue rose 2.3% to \$2.71 billion.



Japan's Emperor Naruhito and Empress Masako attends the enthronement ceremony where he officially proclaims his ascension to the Chrysanthemum Throne at the Imperial Palace in Tokyo, Japan, October 22. Kazuhiro Nogi/Pool via REUTERS

Insight and Analysis

U.S. companies facing worker shortage race to automate

U.S. companies are responding to the lowest unemployment rate in almost 50 years by increasing their focus on automation to maintain healthy margins as labor costs tick higher, a Reuters analysis of corporate earnings transcripts shows. The attempt to save money through technology does not come down to just installing more robots in factories. Instead, companies appear to be confronting the lack of low-cost workers by investing in software and machines that can perform tasks ranging from human resources management to filling prescriptions. Citigroup, for instance, said that it is expanding its cloud infrastructure to replace routine tasks that used to require human labor.

FOCUS-Diaper rush: conquering a \$9 billion market no-one wants to talk about

The time may not be far off when more adults need diapers than babies as the population grows older, potentially a huge opportunity for manufacturers of incontinence products - if they can lift the stigma that has long constrained sales. The market for adult diapers, disposable underwear and absorbent pads is growing fast, up 9% last year to \$9 billion, having doubled in the last decade, according to Euromonitor. But manufacturers like market leaders Essity and Kimberly-Clark reckon only half of the more than 400 million adults likely to be affected by weak bladders, are buying the right products, because they are too embarrassed.

How a major U.S. farm lender left a trail of defaults, lawsuits

After completing a credit review in a half-hour phone call, a BMO Harris Bank underwriter cleared \$12 million in loans for Ohio corn and soybean producer Greg Kruger in 2013. Kruger had initially asked for a \$2 million loan to build a grain elevator. But the Chicago-based bank, one of the largest U.S. farm lenders, ended up selling him a \$5 million loan for the elevator and another \$7 million to finance crops, machinery and debt consolidation, according to documents in the Ohio foreclosure case the bank filed to seize Kruger's farm. When Kruger offered to supply receipts of sold grain and other standard documentation, his loan officer told him not to bother. "Don't worry. We'll make the numbers work'," Kruger, 67, recalled the officer saying.



CANADA

Market Monitor

Canada's main stock index ended lower.

The Toronto Stock Exchange's S&P/TSX composite index ended 0.16% lower at 16,391.52.

The U.S. dollar rose 0.09% against its Canadian counterpart at C\$1.3096.



REUTERS/Mark Blinch

COMING UP

Statistics Canada is expected to release **wholesale trade data**. It is expected to have declined to 0.3% in August after a gain of 1.7% the previous month.

TSE's S&P/TSX composite	Price	C\$ chng	% chng
GAINERS			
SNC-Lavalin Group Inc	20.12	2.44	13.77
Gran Tierra Energy Inc	1.45	0.09	6.62
Crescent Point Energy Corp	5.31	0.24	4.73
LOSERS			
Shopify Inc	392.70	-25.34	-6.06
Parkland Fuel Corp	44.62	-2.15	-4.60
Hexo Corp	3.37	-0.15	-4.26

Top News



Liberal leader and Canadian Prime Minister Justin Trudeau waves to supporters after the federal election at the Palais des Congress in Montreal, Quebec, October 22. REUTERS/Carlo Allegri

Canada's Trudeau keeps the wheel but prepares for left turn

Canadian Prime Minister Justin Trudeau hung onto power, after a tight election reduced his Liberal government to a minority, a result that will likely push his agenda to the left

while alienating energy producing provinces. The Liberals won or were leading in 157 of the country's 338 electoral districts, a drop of 20 from where they stood going into the election, preliminary results showed. The party also trailed the main

opposition Conservatives in the popular vote by just over a percentage point. The election was a disappointment for Conservative leader Andrew Scheer, who had promised to balance the federal budget and eliminate a "carbon tax" on fossil fuels. Trudeau looks set to govern with support from the left-leaning New Democratic Party, which also lost seats but managed to do well enough to hold the balance of power. Together, the parties would control a comfortable majority of 181 seats.

Bank of Canada rate cut bets sink as investors eye post-election spending

Investors are ditching bets that the Bank of Canada will cut interest rates over the coming months as the domestic economy shows resilience and the federal election result adds to prospects of growth-boosting fiscal spending next year. Canadian Prime Minister Justin Trudeau's Liberal government, already planning to run longer and deeper deficits, will need to



cater to left-leaning parties, such as the New Democratic Party (NDP), in return for support after it lost its majority in Parliament in Monday's election. "The resulting higher spending and larger deficits may give a temporary lift to growth next year but will also likely keep the Bank of Canada on hold for longer," said Doug Porter, chief economist at BMO Capital Markets. Trudeau's election platform planned to nearly double the deficit to C\$27.4 billion in the next fiscal year, including higher spending on measures such as old age security and an increase in the amount of money that Canadians would be able to earn before paying tax.

Canadian election clears path for universal drug plan

Canada's Liberal government is more likely to pass a universal prescription drug plan after losing its majority in Monday's election, setting the stage for what would be the biggest shakeup of the country's public healthcare system since it was created in the 1960s. Canada is the only developed country with a universal health care system that does not cover prescription drugs for all, though a patchwork of provincial programs support the elderly and people with low income or very high drug costs. Most Canadians rely on employer-funded drug plans. Steve Morgan, a University of British Columbia health economist and leading advocate for a universal drug plan, or pharmacare, said the election results created a "window of opportunity" to change the system. "I think this is our best chance, the best opportunity we've ever had to bring pharmacare into the healthcare system," said Eric Hoskins, who led a federal advisory council on the issue.

Bank of Canada Q3 survey says business sentiment improving slightly

Canadian firms expect a moderate increase in sales growth over the

coming year but regional differences are more pronounced and foreign demand continues to be weighed down by trade tensions, a Bank of Canada survey said. Results of the central bank's quarterly business outlook survey points to "positive views" in sentiment in central Canada and "widespread weakness" in the Prairie provinces of Alberta, Saskatchewan and Manitoba following a slight improvement in sentiment in the previous June survey, it said. Businesses' expectations about U.S. economic growth have also weakened somewhat, the survey found, with some now expecting a "small U.S. recession over the next 12 months." Meanwhile, investment and hiring plans "are healthy," mainly outside Canada's energy-producing regions, the bank said.

Canada's currency, energy shares fall as new government relies on left-leaning parties

The Canadian dollar weakened against the greenback and its heavily weighted energy sector fell on the Toronto stock market, as investors worried that a minority government would make building of new oil pipelines more difficult. Canada's energy industry saw its worst-case election result materialize on Monday as the Liberals failed to secure a majority government, leaving them in need of support from left-leaning parties that are opposed to new oil pipelines. "The market will be watching closely for signs on how a minority government will manage the resource sector and how energy companies will react to the results," said Adam Button, chief currency analyst at ForexLive. "In the short term, there are some downside risks for the Canadian dollar but the rule of thumb on every election is to buy the dip and that will prove true again."

Canada's Husky lays off workers as energy sector struggles

Canadian oil and gas producer Husky

Energy laid off a number of employees, a company spokeswoman said, the latest sign of how Canada's energy sector is struggling with declining capital investment and sluggish growth. Calgary, Alberta-based Husky declined to say how many jobs were affected by the cuts. "Husky has been taking steps to better align the organization and workforce with our capital plan and strategy," spokeswoman Kim Guttormson said in a statement. The layoffs come a day after Canada's federal election, in which Liberal Prime Minister Justin Trudeau failed to secure an outright majority of seats, leaving him in need of support from left-leaning parties that are opposed to new oil pipelines.

Trans Mountain pipe expansion in question after Trudeau minority

Analysts questioned the fate of the long-delayed Trans Mountain pipeline expansion after Canadian Prime Minister Justin Trudeau retained power but failed to win a majority, forcing him to seek the support of left-leaning parties opposed to new oil pipelines. Trudeau's Liberals will most likely need the support of the New Democratic Party and possibly the Green Party to enact key legislation - both of which are firmly opposed to the expansion of the pipeline, which will triple the flow of oil sands crude to the British Columbia coast. The Trans Mountain pipeline was bought by the Trudeau government last year for C\$4.5 billion, but its expansion has run into legal battles, even as construction started last month. Energy brokerage Tudor, Pickering, Holt & Co analysts said that if Canada's Federal Court of Appeal decides there was insufficient consultation with indigenous groups on the expansion and the project goes back to the cabinet for approval, it could become a hot-button issue as the Liberals seek support from the other-left leaning parties.

WEALTH NEWS

BREXIT HANGING IN THE BALANCE

Over to EU on Brexit delay, Johnson says after parliament rejects swift decision

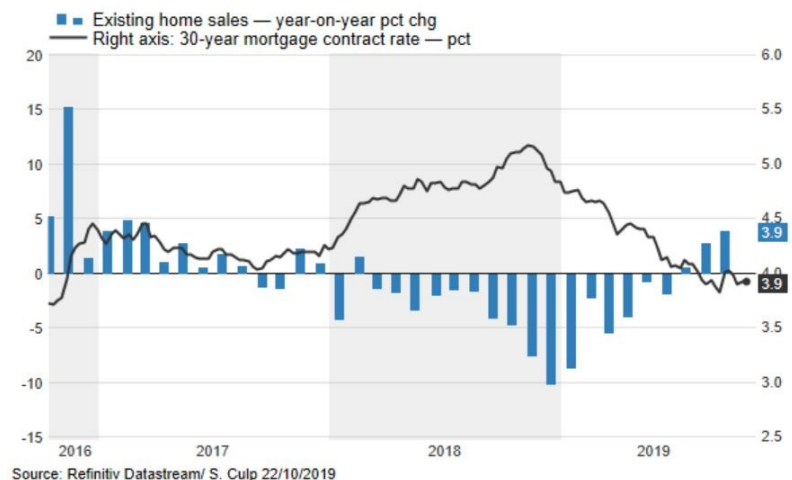
British Prime Minister Boris Johnson said it was up to the EU to decide whether it wanted to delay Brexit and for how long, after a defeat in parliament made ratification of his deal by the Oct. 31 deadline almost impossible.

U.S. ECONOMY

U.S. existing home sales drop more than expected in September

U.S. home sales fell more than expected in September as the market continues to struggle with a dearth of properties for sale, especially for cheaper homes. The National Association of Realtors said on Tuesday that existing home sales fell 2.2% to a seasonally adjusted annual rate of 5.38 million units last month, reversing two straight months of gains. August's sales pace was upwardly revised to 5.50 million units. "We had hoped price increases would be in line with wages...but that is not the case," said NAR Chief Economist Lawrence Yun. Existing home sales rose 3.9% from one year ago, the NAR said. Sales fell across the nation's four regions last month. They dropped 3.1% in the Midwest and 2.8% in the Northeast.

U.S. existing home sales



TRADE NEGOTIATIONS

Chinese vice foreign minister says progress made in trade talks with U.S.

China and the United States have achieved some progress in their trade talks, Vice Foreign Minister Le Yucheng said, and any problem could be resolved as long as both sides respected each other.

PAYSAFE IPO

Blackstone, CVC seek to take Paysafe public -sources

Private equity firms Blackstone and CVC are seeking to hire underwriters for an initial public offering of Paysafe Group that could value the payments processing firm at more than \$10 billion, including debt, according to people familiar with the matter.

DEAL SCRAPPED

Investor revolt torpedoes Swiss Sunrise's \$6.4 billion Liberty Global deal

Sunrise Communications bowed to investor pressure and scrapped its \$6.39 billion acquisition of Liberty Global's Swiss cable business UPC.

SOFTBANK INVESTMENT

SoftBank clinches deal to take over WeWork -sources

SoftBank agreed to spend more than \$10 billion to take over WeWork, doubling down on an ill-fated investment and paying off its co-founder Adam Neumann to relinquish control, people familiar with the matter said.

OIL DEMAND

OPEC, allies to mull deeper oil cut amid worries over demand growth

OPEC and its allies will consider whether to deepen cuts to crude supply when they next meet in December due to worries about weak demand growth in 2020, sources from the oil-producing club said.



THE DAY AHEAD

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Align Technology	Q3	AMC	\$1.14	\$1.14	\$1.24	\$593.97
Alexion Pharmaceuticals	Q3	BMO	\$2.47	\$2.47	\$2.02	\$1,238.79
Ameriprise Financial	Q3	AMC	\$4.09	\$4.10	\$4.05	\$2,987.48
Anthem	Q3	06:00	\$4.80	\$4.82	\$3.81	\$25,875.35
Amphenol	Q3	BMO	\$0.87	\$0.87	\$0.99	\$1,980.46
Avery Dennison	Q3	06:45	\$1.59	\$1.61	\$1.45	\$1,745.70
Boeing	Q3	BMO	\$2.06	\$2.09	\$3.58	\$19,667.11
Boston Scientific	Q3	BMO	\$0.38	\$0.38	\$0.35	\$2,646.74
Caterpillar	Q3	06:30	\$2.85	\$2.88	\$2.86	\$13,572.01
eBay	Q3	AMC	\$0.65	\$0.64	\$0.56	\$2,643.73
Equifax	Q3	AMC	\$1.45	\$1.44	\$1.41	\$871.22
Essex Property Trust	Q3	AMC	\$1.35	\$1.34	\$1.22	\$364.21
Edwards Lifesciences	Q3	AMC	\$1.22	\$1.22	\$1.07	\$1,037.11
Ford Motor	Q3	16:05	\$0.25	\$0.26	\$0.29	\$33,983.78
Fortune Brands Home & Security	Q3	AMC	\$0.98	\$0.98	\$0.93	\$1,488.76
Freeport-McMoRan	Q3	BMO	-\$0.01	\$0.00	\$0.35	\$3,534.42
F5 Networks	Q4	AMC	\$2.55	\$2.55	\$2.90	\$582.39
TechnipFMC	Q3	AMC	\$0.50	\$0.50	\$0.31	\$3,520.14
General Dynamics	Q3	BMO	\$3.07	\$3.06	\$2.89	\$9,756.70
Globe Life	Q3	AMC	\$1.70	\$1.70	\$1.59	\$1,132.87
W W Grainger	Q3	08:00	\$4.37	\$4.40	\$4.19	\$2,947.33
Hilton Worldwide Holdings	Q3	BMO	\$1.02	\$1.02	\$0.77	\$2,385.95
Invesco	Q3	06:55	\$0.57	\$0.57	\$0.66	\$1,229.65
Eli Lilly and Co	Q3	BMO	\$1.42	\$1.41	\$1.39	\$5,496.85
Lam Research	Q1	AMC	\$3.02	\$3.01	\$3.36	\$2,159.68
Las Vegas Sands	Q3	AMC	\$0.74	\$0.75	\$0.77	\$3,284.99
Marketaxess Holdings	Q3	BMO	\$1.41	\$1.39	\$1.02	\$127.05
Microsoft	Q1	AMC	\$1.26	\$1.25	\$1.14	\$32,229.80
Nasdaq	Q3	07:00	\$1.21	\$1.21	\$1.15	\$629.35
Nielsen Holdings	Q3	BMO	\$0.41	\$0.42	\$0.27	\$1,606.00
Norfolk Southern	Q3	BMO	\$2.59	\$2.59	\$2.52	\$2,845.31
Northern Trust	Q3	BMO	\$1.63	\$1.63	\$1.58	\$1,516.35
O'Reilly Automotive	Q3	AMC	\$4.79	\$4.79	\$4.50	\$2,640.93
Packaging Corp of America	Q3	AMC	\$1.90	\$1.90	\$2.23	\$1,780.95
Pentair	Q3	BMO	\$0.55	\$0.55	\$0.54	\$718.86
PayPal Holdings	Q3	AMC	\$0.52	\$0.52	\$0.58	\$4,351.26
Robert Half International	Q3	AMC	\$1.01	\$1.00	\$0.95	\$1,548.19
Raymond James Financial	Q4	AMC	\$1.91	\$1.91	\$1.68	\$1,985.48
Rollins	Q3	BMO	\$0.18	\$0.19	\$0.21	\$547.98
Thermo Fisher Scientific	Q3	BMO	\$2.88	\$2.87	\$2.62	\$6,182.09
Varian Medical Systems	Q4	AMC	\$1.21	\$1.21	\$1.16	\$858.46
Waste Management	Q3	BMO	\$1.15	\$1.14	\$1.15	\$4,001.34
Xilinx	Q2	AMC	\$0.89	\$0.90	\$0.87	\$824.84

*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.



A convoy of U.S. vehicles is seen after withdrawing from northern Syria, in Erbil, Iraq, October 21. REUTERS/Azad Lashkari

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

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

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