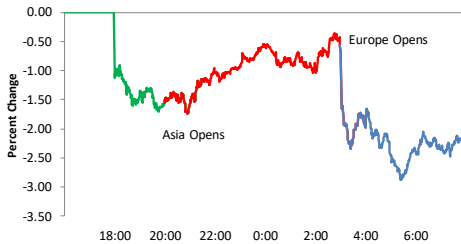




## Today's Events

### Overnight Trading



### Other Markets

Japan	↑	Closed %
China	↑	Closed
Germany	↓	-3.5
UK	↓	-0.2
Oil	19.22 ↓	-\$0.6
Gold	1716.7 ↑	\$15.8
\$/Euro	0.914 ↑	0.00
\$/Yen	106.78 ↓	-0.1
10-Yr	0.61 ↓	-0.01

### Noteworthy Macro Events

- US Futures Lower Again; On Pace For 3rd Straight Down Day.
- Buffett Says There Have Been no "Attractive" Deals to Do.
- US/China Tensions Flare on Blame for COVID Outbreak.

### Overnight Trading

Trading Up (\$):  
STML (7.25), TDOC (3.57), APDN (3.1), VIR (1.11), CODX (0.93), GILD (0.85)

Trading Down (\$):  
AMZN (-23.04), TSLA (-8.32), BA (-5.46), TTD (-4.9), TSN (-4.23), GS (-3.33)

### Stock Specific News of Note

Ticker	News
GILD	Confirms that FDA granted EUA for remdesivir; to donate entire stockpile to US government.
PBI	Missed EPS forecasts by 2 cents (0.05 vs 0.07) on stronger revenues; withdraws guidance.
PEG	Beat EPS forecasts by 1 cent (1.03 vs 1.02) on weaker revenues; reaffirmed guidance.
PETS	Beat EPS forecasts by 6 cents (0.35 vs 0.29) on stronger revenues.
RACE	Beat EPS forecasts by 4 cents (0.90 vs 0.86) on inline revenues; lowered guidance.
SRE	Beat EPS forecasts by 1.23 (3.08 vs 1.85) on weaker revenues.
STZ	Exercises warrants to increase stake in CGC to 38.6%.
TSN	Missed EPS forecasts by 35 cents (0.77 vs 1.12) on weaker revenues.
WAB	Beat EPS forecasts by 2 cents (0.97 vs 0.95) on weaker revenues.
WEC	Beat EPS forecasts by 11 cents (1.43 vs 1.32) on weaker revenues.

*Barron's positiv on MSGE and MSGS following spinoff into two separate companies.*  
*Airlines weaker after Berkshire sells stakes in entire sector during April.*

### Analyst Actions

#### Upgrades

Ticker	Firm	From	To
BIG	Telsey	Mkt Perf	Outperf
CONE	Jefferies	Hold	Buy
HFC	Mizuho	Neutral	Buy
OLED	Cowen	Mkt Perf	Outperf
TOL	Evercore	Underperf	Inline
VLO	Mizuho	Neutral	Buy

#### Downgrades

Ticker	Firm	From	To
CI	Bernstein	Outperf	Mkt Perf
CTSH	BMO Capital	Outperf	Mkt Perf
DIS	Moffett	Buy	Neutral
DOW	Merrill	Buy	Underperf
HON	Deutsche	Buy	Hold
LYB	Merrill	Neutral	Underperf

#### Initiations/Reiterations

Ticker	Firm	Action	Rating
CVX	Goldman	Reiterated	Buy
NVO	Cowen	Initiated	Mkt Perf
QCOM	Wells Fargo	Initiated	Underwgt

## Tomorrow

### Economic Indicators & Events

Time	Event	Estimate	Last Report		
			Date	Act.vs. Est.	S&P
9:45	Markit Services PMI	27.0	4/23	-3.0	-0.05
10:00	ISM Services	37.8	4/3	9.5	-1.51

### Earnings Reports

Ticker	Date	TOD	Estimate	
			EPS	Revs.
ACM	5/5/20	AM	0.50	3,319.1
ADNT	5/5/20	AM	0.12	3,496.6
ALK	5/5/20	AM	-1.14	1,708.3
ITW	5/5/20	AM	1.68	3,288.9
LDOS	5/5/20	AM	1.20	2,890.1
NEM	5/5/20	AM	0.42	2615
RCL	5/5/20	AM	-0.48	2016
REGN	5/5/20	AM	6.08	1825
TDG	5/5/20	AM	4.28	1446
W	5/5/20	AM	-2.60	2303
ATVI	5/5/20	PM	0.38	1319
DIS	5/5/20	PM	0.90	17493
DVA	5/5/20	PM	1.47	2837
EA	5/5/20	PM	0.97	1180
OXY	5/5/20	PM	-0.61	5485

### Conferences & Meetings

- 10:00 Fed's Evans Speaks to Media
- 14:00 fed's Bullard Speaks in Economy
- Wells Fargo Industrials Conference

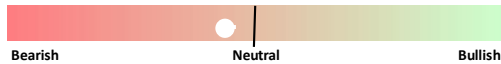
### Dividends & Splits

Ticker	Dividend	Yield	Ex-Dividend
WBS	0.40		EIG
MDC	0.33		

### Index Changes

None

### Market Timing Model



#### Expected S&P 500 Return (%)

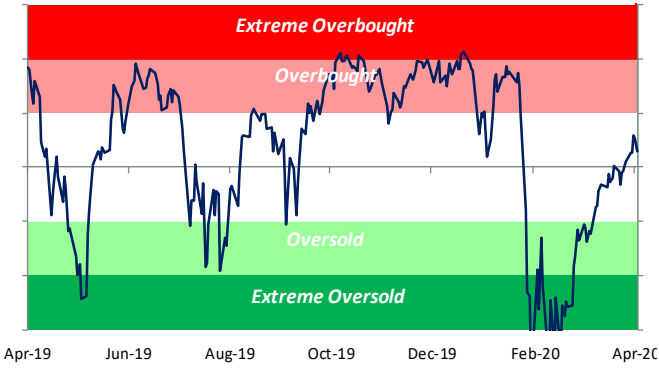
Category	One Week	Two Weeks	One Month
Sentiment	0.14	0.36	0.43
Technicals	0.04	0.19	0.36
Fundamental	0.14	0.18	0.00
<b>Overall</b>	<b>0.13</b>	<b>0.28</b>	<b>0.38</b>
Average (all days)	0.13	0.25	0.51

### Indicators/Events

Time	Event	Estimate	Last Report						
			Date	Est	Act.	Diff.	S&P	Best	Worst
10:00	Factory Orders	-8.7	4/2	0.2	0.0	-0.2	2.28	Ener	C Disc
10:00	Durable Goods	n/a	4/24	-12.0	-14.4	-2.4	1.39	Tech	Ener



### S&P 500 50-Day Moving Average Spread



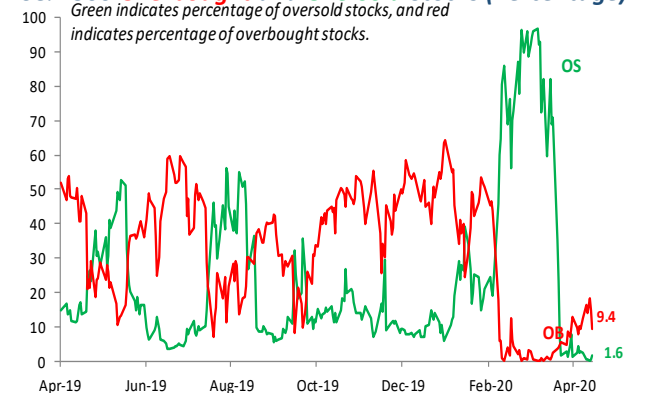
### S&P 500 Internals

Indicator	Change	Current	One Week Ago
50-Day Moving Avg Spread	↑	2.6 %	1.0 %
10-Day A/D Line	↓	-79	-76
# of Overbought Stocks	↓	47	63
# of Oversold Stocks	↓	8	11
P/E Ratio			
Trailing	↓	19.05	19.10
Forward	↑	22.47	21.66
Dividend Yield	↑	2.14 %	2.13 %
Net Earnings Revisions		-17.5 %	-17.5 %
<b>Credit Spreads (bps)</b>			
High Yield	↓	763	803
Corporate Bonds	↓	217	236

### Yesterday's Movers

Ticker	% Chg.	Occ.	Average Return (%)			
			Next Day		Next Week	
			Chg.	Percent Up	Chg.	Percent Up
BELFB	33.9	10	-3.1	30.0	-3.4	40.0
SLCA	21.9	15	1.2	46.7	9.0	53.3
VRTS	14.4	4	-0.1	50.0	-1.2	50.0
ASGN	14.2	4	-7.8	0.0	-5.7	25.0
GPOR	-22.5	16	-3.6	37.5	34.4	43.8
NR	-19.6	10	-5.2	50.0	-4.0	50.0
OII	-19.1	11	-5.5	27.3	-4.8	54.5
SM	-18.3	17	-2.5	47.1	3.8	64.7

### S&P 500 Overbought and Oversold Stocks (Percentage)



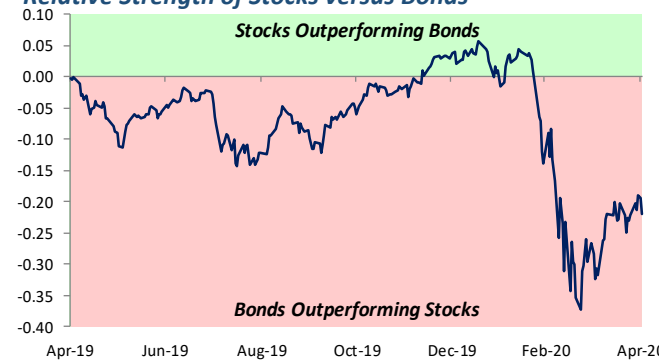
### Trading Ranges: Sectors

Index/Sector	Current	1 Wk Ago	OS	N	OB
S&P 500	N	N	█	●	█
Cons Discret.	N	N	█	●	█
Cons Staples	N	N	█	●	█
Energy	N	N	█	●	█
Financials	N	N	█	●	█
Health Care	N	N	█	●	█
Industrials	N	N	█	●	█
Materials	N	N	█	●	█
Technology	N	N	█	●	█
Comm. Svcs	N	N	█	●	█
Utilities	N	N	█	●	█

### S&P 500 Overbought Stocks Most Likely to Fall

Ticker	Price	Standard Deviations		Avg % Return (One Week)	Percent of Time Positive
		Above 50-Day Avg	Below 50-Day Avg		
ALXN	103.91	1.12		-0.10	49.2

### Relative Strength of Stocks versus Bonds



### Trading Ranges: Bonds/Commodities

Commodity	Current	1 Wk Ago	OS	N	OB
\$/Euro	N	N	█	●	█
\$/Yen	N	N	█	●	█
2-Year	N	N	█	●	█
10-Year	N	N	█	●	█
Gold	N	OB	█	●	█
Silver	N	N	█	●	█
Copper	N	N	█	●	█
Crude Oil	N	N	█	●	█
Heating Oil	OS	OS	█	●	█
Gasoline	N	N	█	●	█
Natural Gas	OB	N	█	●	█

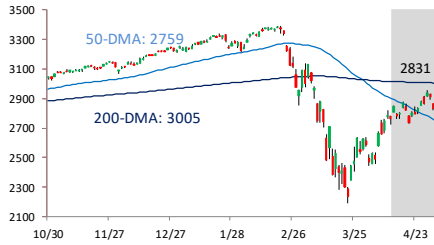
### S&P 500 Oversold Stocks Most Likely to Rise

Ticker	Price	Standard Deviations		Avg % Return (One Week)	Percent of Time Positive
		Below 50-Day Avg	Above 50-Day Avg		
None					

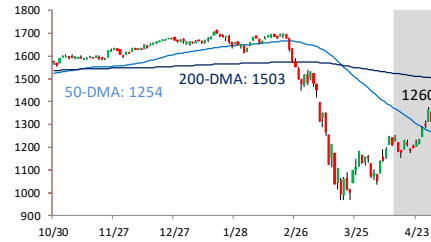
For an explanation of the first two pages of this report, please click [here](#).



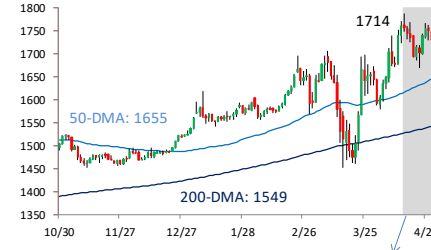
**S&P 500: Last Six Months**



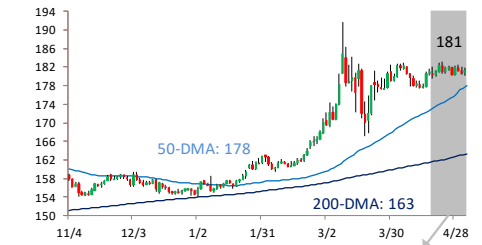
**Russell 2000: Last Six Months**



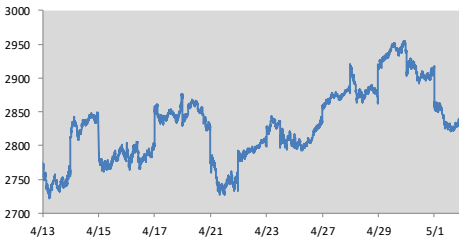
**Gold Future: Last Six Months**



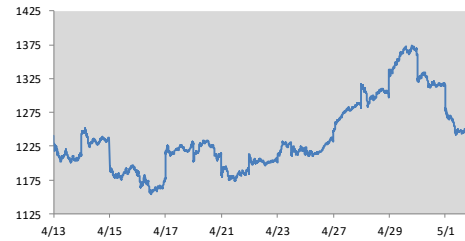
**Long Bond Future: Last Six Months**



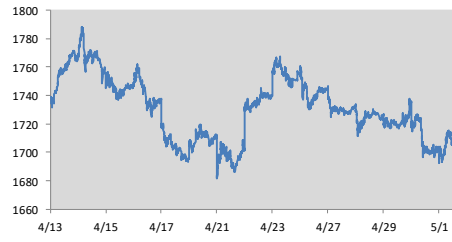
**S&P 500: Last 15 Trading Days**



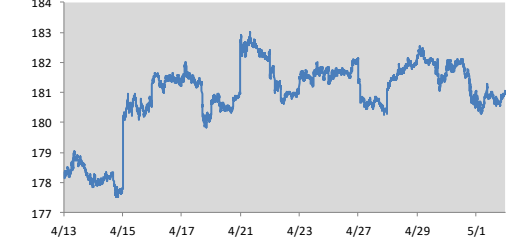
**Russell 2000: Last 15 Trading Days**



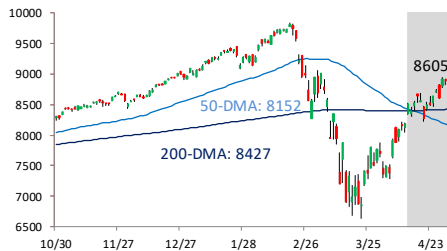
**Gold Front Month Future: Last 15 Trading Days**



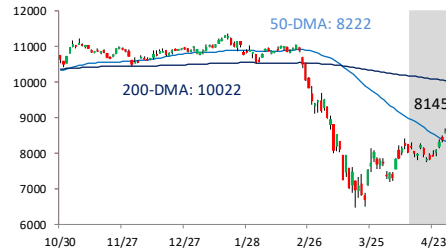
**Long Bond Future Intraday: Last 15 Trading Days**



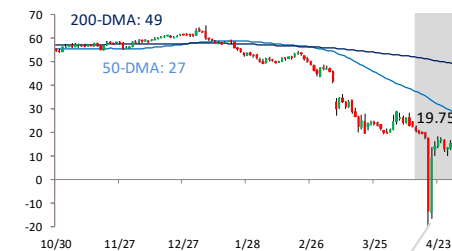
**Nasdaq Composite: Last Six Months**



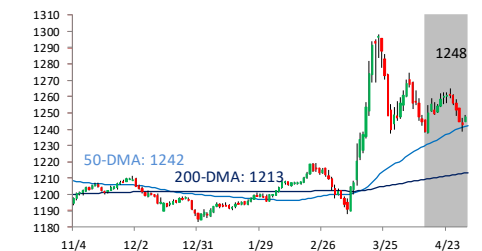
**DJ Transports: Last Six Months**



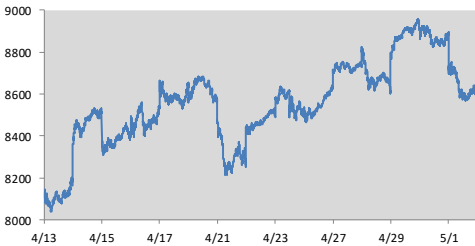
**Oil Future: Last Six Months**



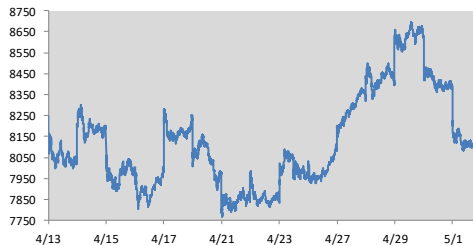
**BBG US Dollar Index: Last Six Months**



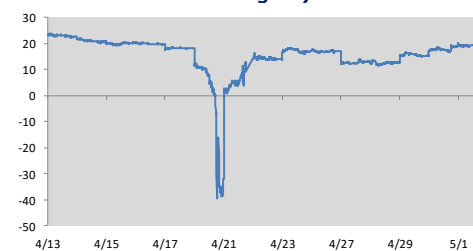
**Nasdaq Composite: Last 15 Trading Days**



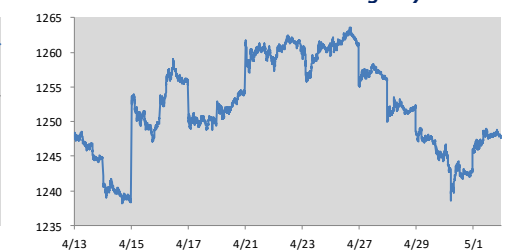
**DJ Transports: Last 15 Trading Days**



**Oil Future: Last 15 Trading Days**



**BBG US Dollar Index: Last 15 Trading Days**





## Morning Commentary

**Overview:** As optimism about the trajectory of US COVID reopening loses ground, negative economic and earnings data points pile up, and the policy support from March and April start to fade into the rearview mirror, the equity rally has lost some steam. The S&P 500 is set to open down nearly 1% this morning, almost 5% below the closing high from the middle of last week and on pace for its 3rd down day in a row. The VIX is still below 40, the dollar has gapped up, credit markets are wider in spread across the US and Europe, and June WTI (the current front-month) is down for the first time in a week this morning. [Global Economic Scorecard](#)

**Berkshire:** We don't see The Oracle of Omaha as an actual oracle, but it's impossible to avoid the sentiment implications of Berkshire-Hathaway's (**BRK/B**) annual meeting this weekend. We suggest [this write-up](#) from Myles Udland of *Yahoo Finance* to paint the full picture of Buffett's comments. Whether Buffett has special insight into the trajectory of the economy or not is debatable, but his wide following means that relatively subdued comments will have at least some short term impact on sentiment.

**Earnings:** Japan and China are still closed, along with a few other markets, and there are no material earnings announcements in Europe this morning, giving investors a bit of a respite.

**APAC Markets:** With many major markets still shuttered, the brutal price action this morning (catching up with US declines Friday) has been relatively narrow but very painful. Hong Kong was down the third-most of the year, and virtually all of April's gains have now been wiped out. Taiwan and Korea were both down over 2.5%, while India plunged almost 6% in the fourth-worst day for the SENSEX this year. Australia broke the mold with a 1.4% gain thanks to Health Care, Consumer Staples, and Tech rallying. AUD has rallied off the worst levels of the session and is now flat, while other regional crosses are broadly lower.

**Europe Markets:** In addition to Markit PMIs (discussed later), domestic surveys in Switzerland and Sweden sent almost the identical message; Sweden's weakness is notable because their approach to managing COVID-19 hasn't involved the same sort of strict lockdowns as other countries and yet the result is still a huge hit to activity. We also note Sentix investor confidence only *barely* improved versus last month's record low reading for the Eurozone; economists were expecting much more improvement given the move in stock prices off the lows around the world.

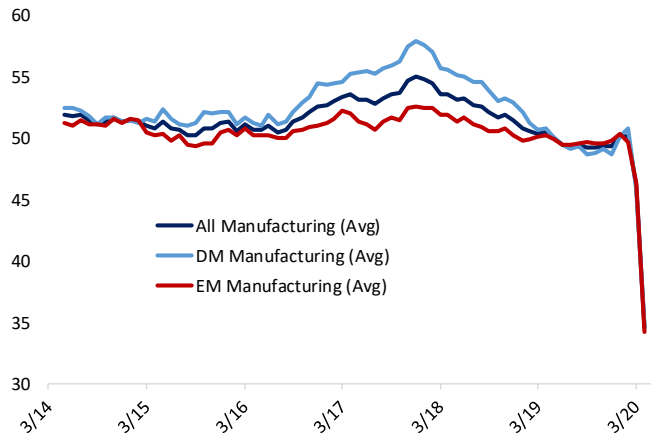
Notable headline risk for tomorrow: a German court is set to rule on the legality of the ECB's Public Sector Purchase Program. Results are not expected to go for a conservative group of businessmen and academics who brought suit in order to stop ECB QE, but even a small chance is a material risk. Eliminating QE would be a massive blow to European markets and economies in general.

While European equities are down sharply, most of that is Friday's move, as the FTSE 100 (traded Friday) is barely lower. Autos are off over 5% after French and Spanish sales data showed 40% declines in sales versus March and -94% versus February. Germany's decision to postpone a car sales incentive program hasn't helped either as Daimler falls 7.5%. Credit markets are sharply wider in spread across cash and synthetic, sectors, and ratings buckets. For equities, the sharp rejection of the 50-DMA by the STOXX 600 and elimination of last week's breakout is just downright cruel to bulls.



**Morning Commentary**

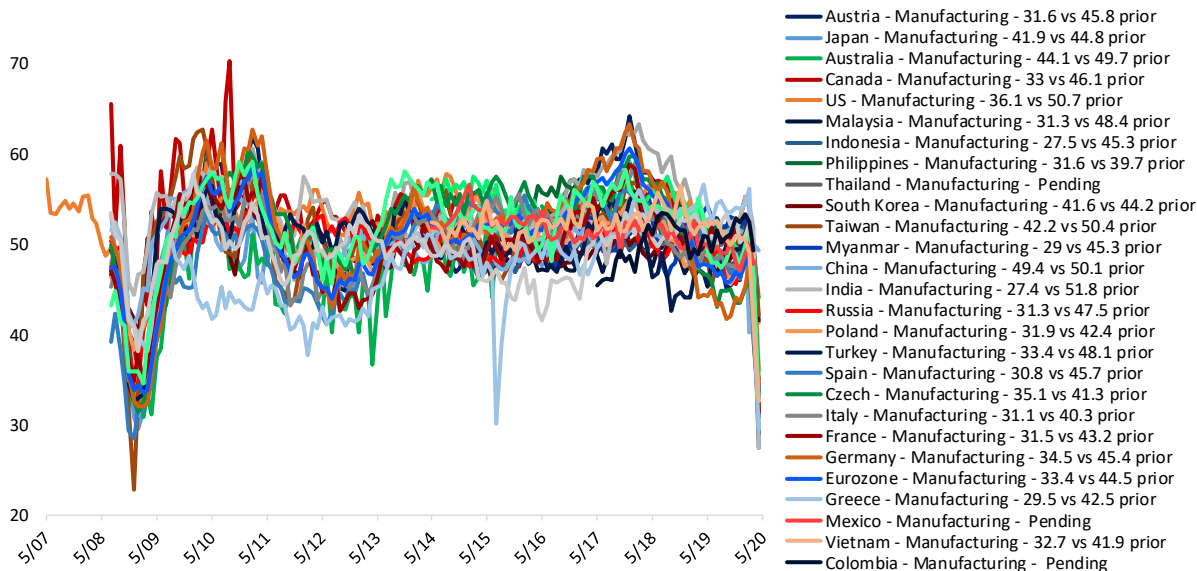
**Global Flash PMIs: As Bad They Could Have Been**



**Global PMIs:** Markit’s April manufacturing activity indices from around the world were released today after the (mostly) global holiday Friday. As shown in the chart at left, the results were absolutely brutal, with gauges plunging in unison towards 30. A number of countries did come in below 30 including Indonesia, Myanmar, India, and Greece. Japan, Australia, China, South Korea, and Taiwan all delivered readings over 40, with major European countries for the most part in the mid-30s like the United States was when Markit reported US numbers Friday.

Taking a look at some survey-specific details, the Eurozone, Austria, France, Italy, and Greece all reported record low readings for headline Manufacturing PMIs in April. Record declines were recorded for output, new orders, export orders, and purchases from suppliers, while confidence in the outlook hit a record low. Even countries that have managed COVID outbreaks well versus the global consensus and modestly beat estimates still delivered brutal details. In Taiwan “severe disruptions in supply chains” while new orders and output came in at the lowest levels since early 2009. South Korean respondents noted the fastest decline in new export orders on record thanks to the rapid decline in foreign factory activity and consumer demand; there were also specific call-outs for shipping difficulties. In short, the global manufacturing sector is reeling, and that's despite less specific impact from COVID than Services data.

**Global Manufacturing PMIs Plunging**

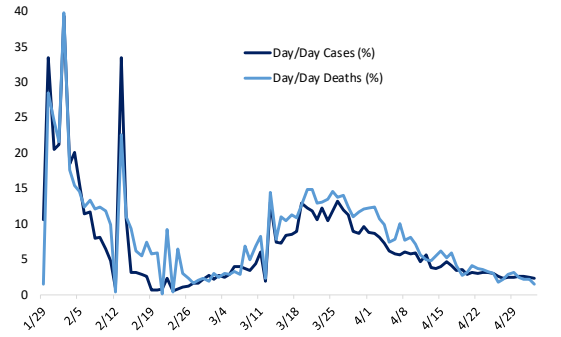




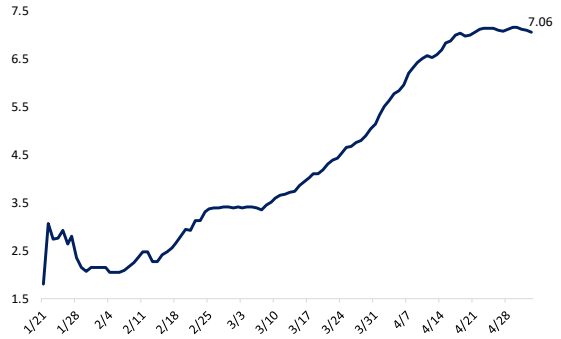


## Morning Commentary

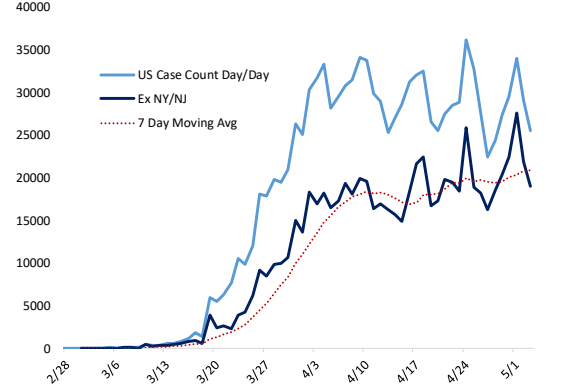
Global Cases & Deaths



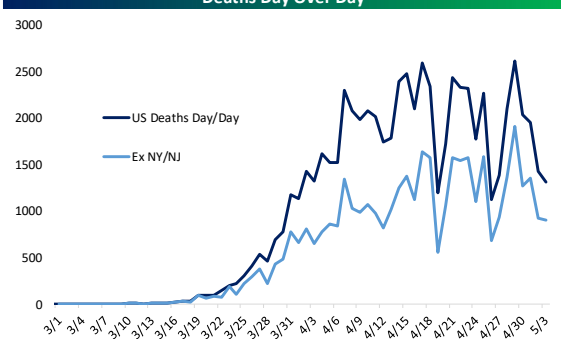
Global Deaths % of Global Confirmed Cases



New Confirmed Cases Per Day

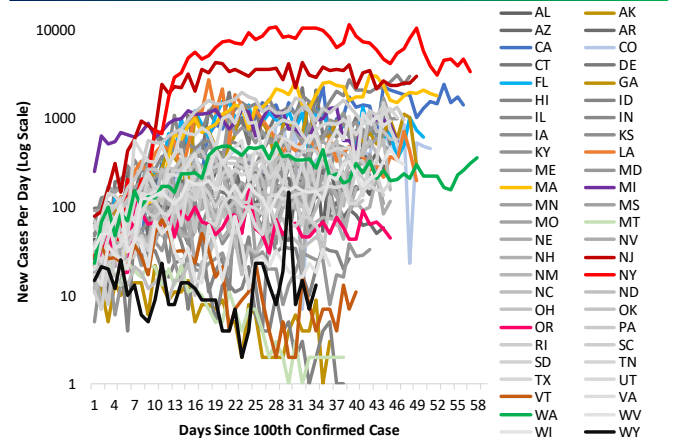


Deaths Day Over Day

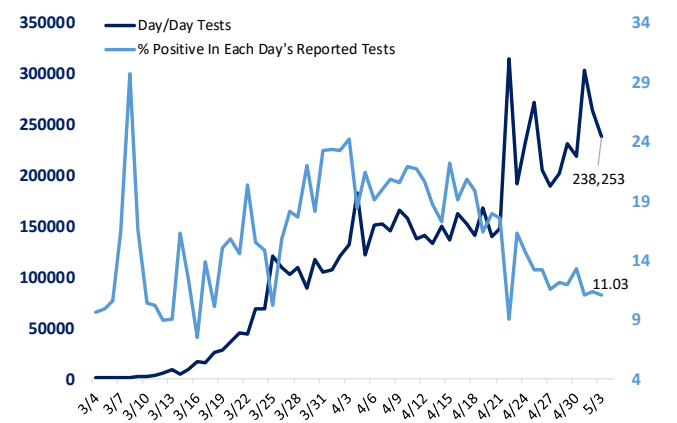


**Coronavirus:** In New York and New Jersey, the general trend remains for lower case counts and improved conditions related to COVID. Nationally, the last two weeks have seen a material ramp up in the testing regime that has slowly brought the positive rate down to just 11%. Outside of New York and New Jersey, though, new counts continue to rise in the US *outside* those areas. On Sunday, new cases were down 2130 (-7.7%) nationally, but after removing New York and New Jersey from the equation new cases were up 822 (+4.5%) in the past week. To be sure, *there is no exponential growth and hospitals are not overwhelmed* thanks to social distancing efforts; the worst has been avoided! But cases are still rising, and there has been no major retreat.

Progress In Slowing Case Counts For A Number of States



US Test Count Versus Positive Test Rate





## Morning Commentary

**COVID By State:** The table below includes a wide range of COVID-19 data points by state, as a reference. We will update it daily on this page.

**COVID-19 Outbreak Statistics By State: Level, Growth, and Per Capita (As-Of 5/3/2020)**

State	Raw Count						Positive	Per 1mm Population					
	Deaths		Cases		Tests	Tests	Test Rate	Deaths		Cases		Tests	Tests
	Day/Day	Day/Day	Day/Day	Day/Day	Day/Day	Day/Day	(%)	Day/Day	Day/Day	Day/Day	Day/Day	Day/Day	Day/Day
AK	9	0	368	3	21,578	179	1.68	12.30	0.00	503.04	4.10	29,496.48	244.69
AL	290	2	7,725	291	92,500	291	100.00	59.15	0.41	1,575.51	59.35	18,865.29	59.35
AR	76	3	3,431	59	52,890	1,308	4.51	25.18	0.99	1,136.91	19.55	17,525.87	433.42
AZ	362	14	8,640	276	81,119	3,122	8.84	49.73	1.92	1,187.02	37.92	11,144.68	428.92
CA	2,215	44	53,616	1,419	715,751	28,948	4.90	56.06	1.11	1,356.95	35.91	18,114.67	732.63
CO	832	12	16,225	457	79,906	2,957	15.45	144.48	2.08	2,817.46	79.36	13,875.61	513.48
CT	2,436	97	29,287	523	102,493	2,236	23.39	683.25	27.21	8,214.49	146.69	28,747.48	627.16
DE	177	9	5,208	170	23,737	625	27.20	181.77	9.24	5,348.32	174.58	24,376.54	641.84
FL	1,403	15	36,078	615	429,415	13,403	4.59	65.32	0.70	1,679.79	28.63	19,993.49	624.04
GA	1,177	3	28,602	296	175,096	296	100.00	110.86	0.28	2,693.87	27.88	16,491.38	27.88
HI	16	0	620	1	32,950	965	0.10	11.30	0.00	437.89	0.71	23,271.88	681.56
IA	184	9	9,169	528	53,186	6,837	7.72	58.32	2.85	2,906.12	167.35	16,857.31	2,166.99
ID	63	0	2,061	26	29,807	317	8.20	35.15	0.00	1,150.07	14.51	16,632.77	176.89
IL	2,618	59	61,499	2,994	319,313	19,417	15.42	206.60	4.66	4,853.21	236.27	25,198.67	1,532.30
IN	1,246	17	19,933	638	108,859	4,718	13.52	185.08	2.53	2,960.84	94.77	16,169.85	700.81
KS	134	3	5,030	284	36,778	1,836	15.47	46.00	1.03	1,726.56	97.48	12,624.11	630.21
KY	248	0	4,879	0	57,649	0	n/a	55.51	0.00	1,092.07	0.00	12,903.59	0.00
LA	1,969	19	29,340	200	176,160	3,302	6.06	423.55	4.09	6,311.31	43.02	37,893.70	710.29
MA	4,004	158	68,087	1,824	314,646	15,652	11.65	576.16	22.74	9,797.39	262.46	45,276.04	2,252.25
MD	1,281	30	25,462	989	132,794	7,272	13.60	211.89	4.96	4,211.60	163.59	21,965.11	1,202.84
ME	57	1	1,185	33	20,731	33	100.00	42.40	0.74	881.56	24.55	15,422.42	24.55
MI	4,049	29	43,754	547	212,532	10,823	5.05	405.43	2.90	4,381.16	54.77	21,281.17	1,083.72
MN	419	24	6,663	435	82,632	3,625	12.00	74.30	4.26	1,181.46	77.13	14,652.02	642.77
MO	352	1	8,386	232	82,976	232	100.00	57.35	0.16	1,366.37	37.80	13,519.67	37.80
MS	303	12	7,550	109	77,593	3,118	3.50	101.81	4.03	2,536.84	36.62	26,071.61	1,047.66
MT	16	0	455	0	15,007	372	0.00	14.97	0.00	425.72	0.00	14,041.27	348.06
NE	76	3	5,326	488	31,262	1,914	25.50	39.29	1.55	2,753.30	252.27	16,161.02	989.45
NC	422	2	11,664	155	143,835	4,360	3.56	40.24	0.19	1,112.12	14.78	13,714.14	415.71
ND	25	1	1,191	38	33,353	1,806	2.10	32.81	1.31	1,562.86	49.86	43,766.78	2,369.89
NH	84	3	2,429	119	28,613	4,105	2.90	61.78	2.21	1,786.41	87.52	21,043.44	3,019.02
NJ	7,871	129	126,744	3,027	275,707	12,719	23.80	886.16	14.52	14,269.45	340.79	31,040.43	1,431.97
NM	139	8	3,732	219	74,944	3,826	5.72	66.29	3.82	1,779.83	104.44	35,741.59	1,824.66
NV	257	3	5,426	115	45,269	882	13.04	83.44	0.97	1,761.60	37.34	14,696.98	286.35
NY	19,189	280	316,415	3,438	985,911	26,840	12.81	986.40	14.39	16,265.15	176.73	50,680.23	1,379.70
OH	1,038	17	19,914	579	150,166	4,347	13.32	88.80	1.45	1,703.64	49.53	12,846.67	371.88
OK	238	0	3,972	121	63,776	121	100.00	60.15	0.00	1,003.80	30.58	16,117.38	30.58
OR	109	0	2,680	45	62,054	1,918	2.35	25.84	0.00	635.41	10.67	14,712.63	454.75
PA	2,444	26	49,267	962	240,641	5,265	18.27	190.91	2.03	3,848.39	75.14	18,797.16	411.26
RI	320	24	9,477	188	71,927	1,999	9.40	302.07	22.66	8,945.96	177.47	67,896.59	1,886.99
SC	275	8	6,626	137	64,188	2,572	5.33	53.41	1.55	1,286.92	26.61	12,466.80	499.54
SD	21	0	2,631	43	18,417	326	13.19	23.74	0.00	2,974.03	48.61	20,818.19	368.50
TN	210	1	13,177	516	204,607	8,331	6.19	30.73	0.15	1,928.39	75.51	29,943.19	1,219.20
TX	867	20	31,548	1,026	390,560	9,912	10.35	29.90	0.69	1,088.02	35.38	13,469.50	341.84
UT	50	1	5,175	194	122,102	4,298	4.51	15.60	0.31	1,614.18	60.51	38,085.96	1,340.63
VA	660	44	18,671	940	108,467	0	n/a	77.32	5.15	2,187.45	110.13	12,707.72	0.00
VT	52	1	897	11	16,954	363	3.03	83.33	1.60	1,437.53	17.63	27,170.35	581.74
WA	830	6	15,003	366	207,315	8,591	4.26	109.00	0.79	1,970.22	48.06	27,224.94	1,128.18
WI	339	5	7,964	304	86,192	2,731	11.13	58.22	0.86	1,367.81	52.21	14,803.43	469.05
WV	50	2	1,191	22	51,638	2,492	0.88	27.98	1.12	666.43	12.31	28,894.10	1,394.40
WY	7	0	579	13	10,219	190	6.84	12.09	0.00	1,000.42	22.46	17,656.74	328.29
USA	61,509	1,145	1,144,952	26,287	7,016,215	238,253	11.03	187.76	3.50	3,495.03	80.24	21,417.36	727.28



## Morning Commentary

**US Markets:** US data this morning includes revisions to durable goods orders, sales, and inventories as well as nondurable factory data for March and PMIs from Mexico. To stay on top of all the latest reports, make sure to check out our [Interactive Earnings Calendar](#). You can also follow US and Global data with our [Economic Scorecard](#).

### Bespoke Major Asset Class Dashboard

Asset	Level	Change	5d Chg	3m Chart	Asset	Level	Change	5d Chg	3m Chart		
<b>Equity Futs</b>	S&P 500	2799.75	-78.0	-234.6		<b>Commodity</b>	Gold	1716.00	88.8	-47.6	
	Russell	1242.80	-120.0	-261.7			Silver	15.12	118.5	-204.1	
	VIX Fut	38.20	227.6	1251.8			WTI	18.67	-561.2	4439.3	
	TSX	876.30	-17.1	-51.1			Copper	229.90	-56.2	-208.7	
<b>Trsy Yields</b>	2 Year	18.61	-0.4	-3.6		<b>Int'l Equity</b>	Nikkei	19619.35	0.0	-82.8	
	5 Year	34.34	-0.6	-6.0			CSI 300	3912.58	0.0	234.9	
	10 Year	60.52	-0.7	-5.5			ASX 200	5319.85	141.0	-3.0	
	30 Year	123.55	-1.3	-2.0			STOXX 600	329.28	-240.4	-183.6	
<b>Curves/BE</b>	2s10s	41.72	-0.3	-1.9		<b>FX</b>	BBG USD	1250.75	28.0	-39.6	
	5s30s	89.00	-0.6	4.0			EURUSD	1.0940	-37.3	102.5	
	5 Yr BE	69.48	-0.5	68.7			USDJPY	106.79	-11.2	-42.9	
	10 Yr BE	106.16	-0.6	105.0			EM FX	52.80	-1.3	94.3	
<b>Eurodollars</b>	Jun '20	99.65	1.5	2.5		<b>Credit</b>	CDX IG	91.44	1.2	-1.7	
	Sep '20	99.70	1.0	2.5			iTraxx IG	86.61	5.1	5.1	
	Dec '20	99.68	1.0	2.5			CDX HY	659.57	1.2	-3.1	
	Mar '21	99.73	1.0	1.5			iTraxx HY	522.00	4.0	28.0	