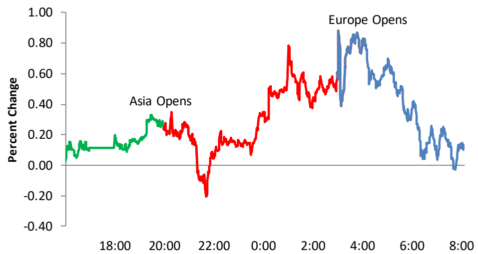
Morning Lineup

September 30, 2021

Today's Events

Overnight Trading



Other Markets

			%
Japan		↓	-0.3
China		↑	0.7
Germany		↓	-0.3
UK		↑	0.2
Oil	74.18	↓	-$0.7
Gold	1725.7	↑	$4.2
$/Euro	0.863	↑	0.00
$/Yen	111.97	↑	0.0
Bitcoin	43,274	↑	2,149
10-Yr	1.54	↑	0.02

Noteworthy Macro Events

- Futures Higher But Off Overnight Highs; Europe Modestly Lower.
- Chinese Manufacturing PMI Drops Below 50 For First Time Since COVID Outbreak.

Overnight Trading

Trading Up ($):

MSTR (14.92), AMZN (13.12), OPRX (9.59), PRGO (6.58), NFLX (5.94), INMD (4.43)

Trading Down ($):

RH (-12.81), KMX (-10.95), CVNA (-6.43), WSM (-4.66), BBBY (-4.16), KSS (-4.01)

Stock Specific News of Note

Ticker	News
AZN	Says that COVID vaccine was just 74% effective at preventing symptomatic disease.
BBBY	Reported weaker than expected EPS and sales; lowered guidance; comps down 1%.
DEO	Company says it is seeing 'net sales momentum' across all regions, but uncertainty remains.
KMX	Reported weaker than expected EPS on stronger revenues.
LSPD	Company issues statement saying short seller report is full of inaccuracies.
MKC	Reported better that expected EPS on stronger revenues; guided inline.
MLHR	Reported weaker than expected EPS on stronger revenues; changing name to MillerKnoll.
MO	US trade agency says company must halt all imports of IQOS heated devices.
MRK	Formally announces deal to acquire XLRN for $180 in cash.
PRGO	Announces tax settlement in dispute with Irish government.
REGN	Releases data that REGEN-COV trials met primary endpoints in hospitalized patients.
VWE	Announces that it will delay filing of 10-K citing weakness in internal controls.
XLRN	Will be acquired by MRK for $180 per share in cash.

Analyst Actions

Upgrades

Ticker	Firm	From	To
ABG	Truist	Hold	Buy
BKI	Ray James	Mkt Perf	Outperf
FDS	UBS	Sell	Neutral
FOLD	JP Morgan	Neutral	Overwgt
JBL	Stifel	Hold	Buy
PRGO	Jefferies	Hold	Buy

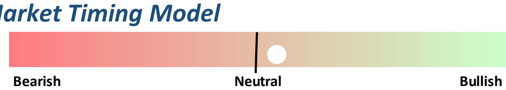
Downgrades

Ticker	Firm	From	To
APA	Citigroup	Buy	Neutral
KSS	B of A	Buy	Underperf

Initiations/Reiterations

Ticker	Firm	Action	Rating
ACCD	Berenberg	Initiated	Buy
AFMD	Stifel	Initiated	Buy
FL	B of A	Initiated	Underperf
ITRI	Wells Fargo	Initiated	Mkt Wgt
PANW	BMO	Reiterated	Outperf
ZS	Daiwa	Initiated	Neutral

Market Timing Model



	Expected S&P 500 Return (%)		
Category	One Week	Two Weeks	One Month
Sentiment	0.15	0.35	0.69
Technicals	0.21	0.44	0.64
Fundamental	0.18	0.40	0.72
Overall	0.18	0.37	0.69
Average (all days)	0.16	0.33	0.66

Indicators/Events

			Last Report						
Time	Event	Estimate	Date	Est	Act.	Diff.	S&P	Best	Worst
8:30	Initial Claims	336	9/23	320	351	31	1.21	Ener	Util
8:30	Continuing Claims	2825	9/23	2600	2845	245	1.21	Ener	Util
8:30	GDP	6.6	8/26	6.7	6.6	-0.1	-0.58	Util	Ener
8:30	GDP Price Index	6.2	8/26	6.1	6.1	0.0	-0.58	Util	Ener
8:30	Core PCE	6.2	8/26	6.1	6.1	0.0	-0.58	Util	Ener
8:30	Personal Consumption	10.8	8/26	12.2	11.9	-0.3	-0.58	Util	Ener
9:45	Chicago PMI	65.7	8/31	68.0	66.8	-1.2	-0.13	C Disc	Ener
10:00	Fed's Williams Discusses Fed's Pandemic Response								
10:30	EIA Natural Gas								
11:00	Fed's Bostic Discusses Economy								

Tomorrow

Economic Indicators & Events

			Last Report		
Time	Event	Estimate	Date	Act.vs. Est.	S&P
8:30	Personal Income	0.3	8/27	0.8	0.88
8:30	Personal Spending	0.7	8/27	-0.1	0.88
8:30	PCE Core Deflator	0.3	8/27	0.0	0.88
9:45	Markit Manufact PMI	50.3	9/23	-0.5	1.21
10:00	Michigan Confidence	70.9	9/17	-1.0	-0.91
10:00	Construction Spendin;	0.0	9/1	0.1	0.03
10:00	ISM Manufact.	59.7	9/1	1.4	0.03

Earnings Reports

			Beat Rate		Raised	Price Reaction
Ticker	Date	TOD	EPS	Sales	Guid.	(Last 8 Reports)
None						

Dividends & Splits

AVB	1.59
NRZ	0.25

Conferences & Meetings

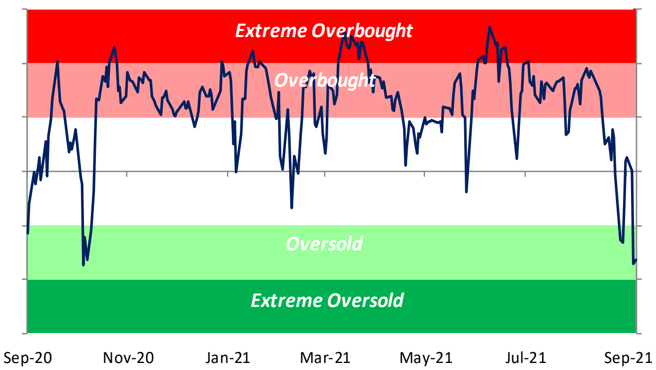
11:00	Harker Discusses Economic Outlook
13:00	Baker Hughes Rig Count
11:00	Total Vehicle Sales
KDP	Investor Meeting

Index Changes

OPRX	Will replace LDL in the S&P 600 effective 10/4.

September 30, 2021

S&P 500 50-Day Moving Average Spread



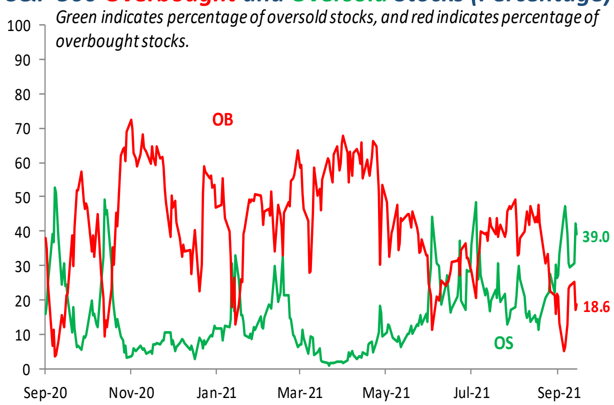
S&P 500 Internals

Indicator	Change	Current	One Week Ago
50-Day Moving Avg Spread	↓	-1.9 %	-0.9 %
10-Day A/D Line	↑	-507	-837
# of Overbought Stocks	↑	93	65
# of Oversold Stocks	↓	195	196
P/E Ratio			
Trailing	↓	26.10	26.32
Forward	↓	21.54	21.74
Dividend Yield	↑	1.36 %	1.35 %
Credit Spreads (bps)			
High Yield	↑	313	309
Corporate Bonds	↓	87	90

Yesterday's Movers

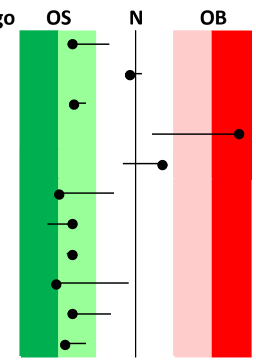
			Average Return (%)			
			Next Day		Next Week	
Ticker	% Chg.	Occ.	Chg.	Percent Up	Chg.	Percent Up
DLTR	16.5	3	-4.6	66.7	0.0	66.7
UNFI	8.3	75	2.2	57.3	5.7	58.7
HAIN	6.9	13	0.4	46.2	1.1	53.8
TBK	6.8	43	0.0	48.8	0.6	51.2
NAVI	-13.9	6	2.2	66.7	4.1	50.0
CENX	-6.9	95	0.0	48.4	1.4	48.4
UCTT	-6.8	52	0.8	57.7	0.9	48.1
JYNT	-6.3	36	1.7	66.7	3.1	66.7

S&P 500 Overbought and Oversold Stocks (Percentage)



Trading Ranges: Sectors

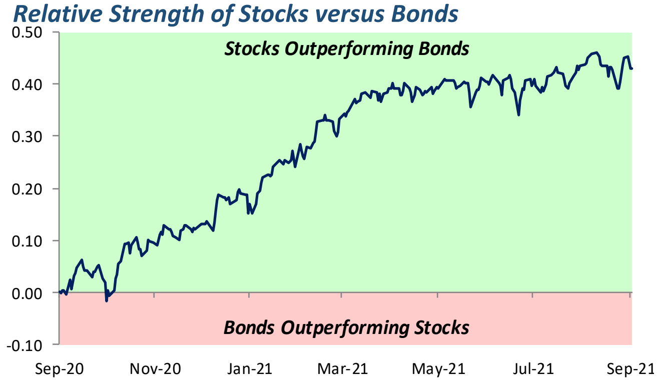
Index/Sector	Current	1 Wk Ago
S&P 500	OS	N
Cons Discret.	N	N
Cons Staples	OS	OS
Energy	OB	N
Financials	N	N
Health Care	OS	N
Industrials	OS	OS
Materials	OS	OS
Technology	OS	N
Comm. Svcs	OS	N
Utilities	OS	OS



S&P 500 Overbought Stocks Most Likely to Fall

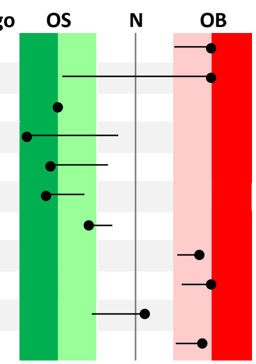
Ticker	Price	Standard Deviations Above 50-Day Avg	Avg % Return (One Week)	Percent of Time Positive
WMB	26.29	2.60	-1.52	29.8

Relative Strength of Stocks versus Bonds



Trading Ranges: Bonds/Commodities

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

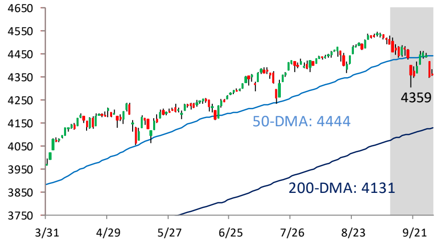


S&P 500 Oversold Stocks Most Likely to Rise

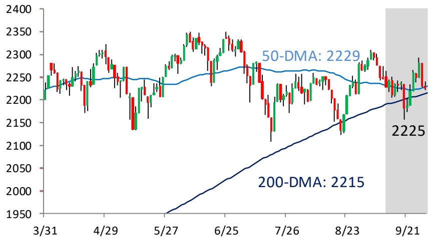
Ticker	Price	Standard Deviations Below 50-Day Avg	Avg % Return (One Week)	Percent of Time Positive
CCI	175.77	-2.92	6.90	100.0

For an explanation of the first two pages of this report, please click here.

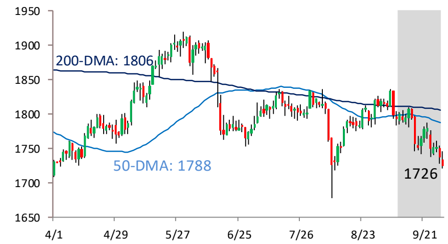
S&P 500: Last Six Months



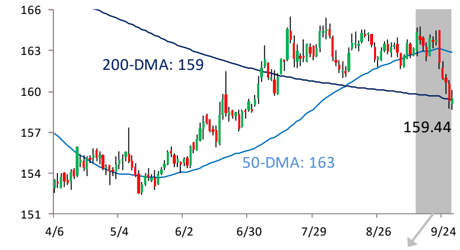
Russell 2000: Last Six Months



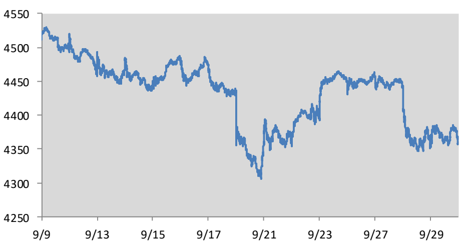
Gold Future: Last Six Months



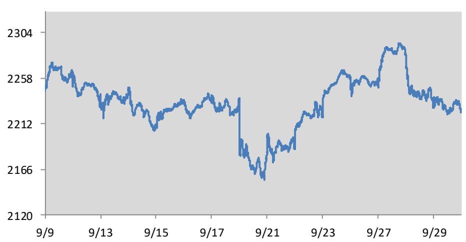
Long Bond Future: Last Six Months



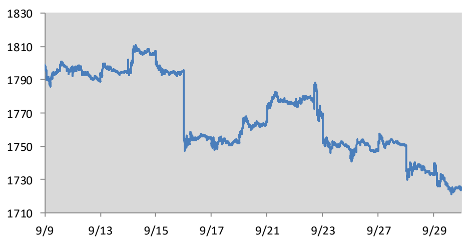
S&P 500: Last 15 Trading Days



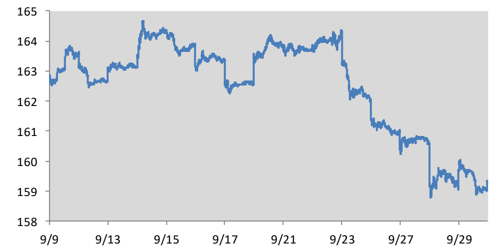
Russell 2000: Last 15 Trading Days



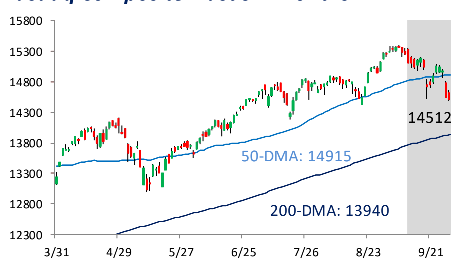
Gold Front Month Future: Last 15 Trading Days



Long Bond Future Intraday: Last 15 Trading Days

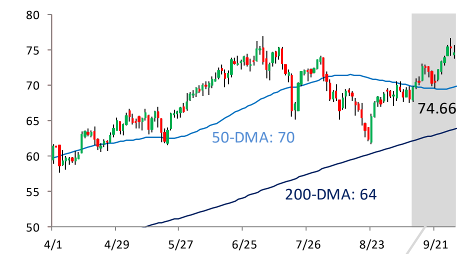


Nasdaq Composite: Last Six Months

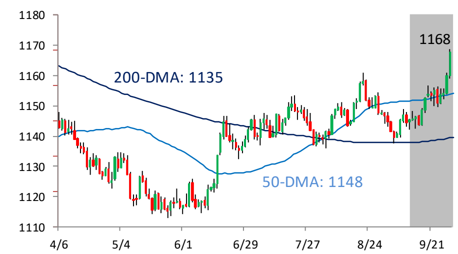


DJ Transports: Last Six Months

Oil Future: Last Six Months

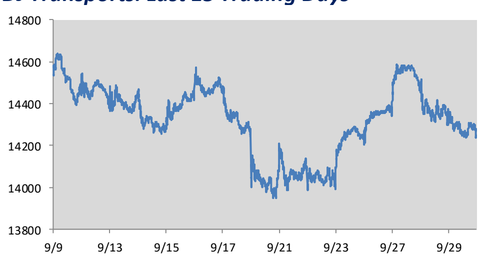


BBG US Dollar Index: Last Six Months

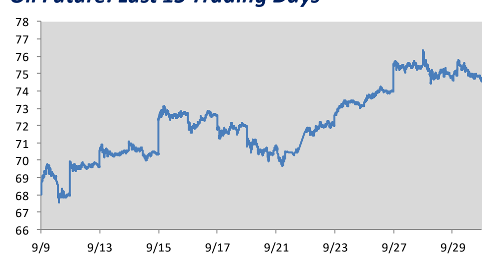


Nasdaq Composite: Last 15 Trading Days

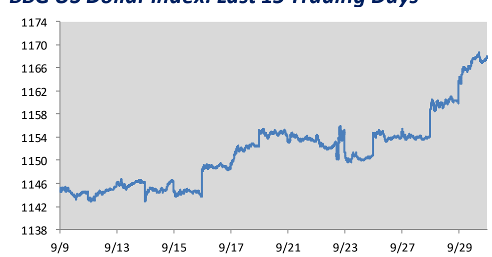
DJ Transports: Last 15 Trading Days



Oil Future: Last 15 Trading Days



BBG US Dollar Index: Last 15 Trading Days



Morning Commentary

Overview: US equity index futures are pointing to modest gains at the open with the S&P 500 set to open up 37 bps and outperformance from both small caps and the NASDAQ 100. Crypto is benefitting from the sentiment swing as well with prices up from lows around the US equity market close yesterday. WTI crude is down slightly while industrial commodities more generally fell 1.3%. Global energy scarcity (coal in China, natural gas in Asia, Europe, and South America) remains top of mind with natural gas futures reversing most of yesterday's fall. Rates are slightly higher and the USD is flat.

Washington Today: Last night, Majority Leader Schumer announced a deal with the rest of the Senate to pass a continuing resolution that will keep the government open until December 3rd (a shutdown had been scheduled for Friday). If all goes to plan, the Senate will vote on government funding by 11am and the House will then pass the bill a few hours later, with President Biden signing the bill into law this evening. Government funding is a separate matter from the debt ceiling, reconciliation bill, and infrastructure bill challenges, all of which remain uncertain. The bipartisan infrastructure bill is scheduled to hit the floor of the House today, but it's totally unclear weather it can pass, either via Democratic or Republican votes. An uncertain but likely material number of progressives will vote against the bill in protest against the perceived effort by Senate moderates to pare back the reconciliation spending bill. Some GOP House members may join GOP Senators in their support of the infrastructure bill, but whether their votes could offset progressives' defections is unclear. Meanwhile, the GOP is filibustering efforts to raise the debt limit in a clean bill, forcing Democrats to either get rid of the filibuster to pass a debt limit increase or include it in the reconciliation bill. That latter step was ruled out by Speaker Pelosi last night. We apologize this summary can't be more concise, but there are many moving pieces in a complicated legislative calendar.

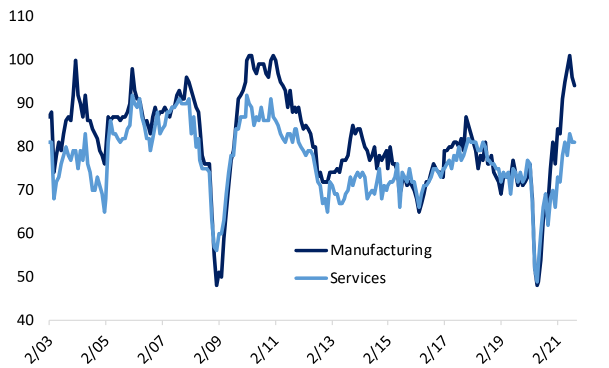
APAC Markets: Evergrande made payments to some wealth management product creditors last night, while banks in general have been instructed by PBoC Governor Yi Gang to "to jointly maintain the steady and healthy development of the real estate market and safeguard the legitimate rights and interests of housing consumers", a set of instructions to support the property market which is cooling as manufacturing PMI slipped into contraction (more on the next page). Onshore stocks rallied while Hong Kong fell, and other regional equities were mixed. Australia gained almost 2% amidst big gains for miners. Iron ore gained for second day in Singapore and surged 6.4% in Chinese futures trading, while copper fell over 1% for a third straight session dropping 1.8% and below its 200-DMA. The dollar was mixed versus local FX.

Europe Markets: European stocks are 0.2% higher on positive single-stock breadth led by Resources names which are up 1.4% on prospects of property market support from China, following the move from Australia's session. Travel & Leisure names are down 1.4%, led by a 7.2% decline in gambling play Kindred Group (OTC KNDGF); the stock is down 21.3% in five sessions to the lowest levels since March. Airlines are also sharply lower. Shipping giant Maersk (ADR AMKBY) is down 4.3% for a fifth-straight decline that has cut 10% off of its lofty share price. Weekly shipping rate benchmarks from WCI showed a small decline in Shanghai-LA route costs; Rotterdam-NY routes are still slightly below recent highs. EURUSD is now at 52-week lows, while Eurozone sovereign bond market yields have edged up. Credit spreads are little-changed on the session.

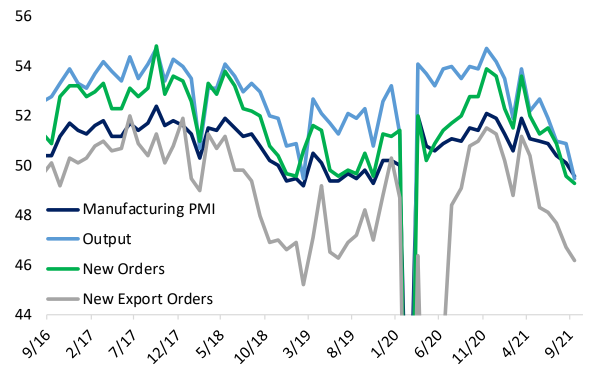
Morning Commentary

Overnight Data: There was a lot of overnight data last night. Business surveys in Korea have hit a cyclical peak, while Chinese manufacturing PMI continues to decline amidst weak orders at home and abroad. Swiss leading indicators data is also in steady retreat. German unemployment claimants fell for the fifth consecutive month as the German labor market recovers. Inflation numbers for Italy and France were mixed with Italian HICP rising 3.7% annualized in September preliminary estimates versus France up a more modest 2.4% annualized. Finally, UK GDP was revised up substantially thanks to slower imports and much stronger business investment, with business confidence shrugging off energy prices in September.

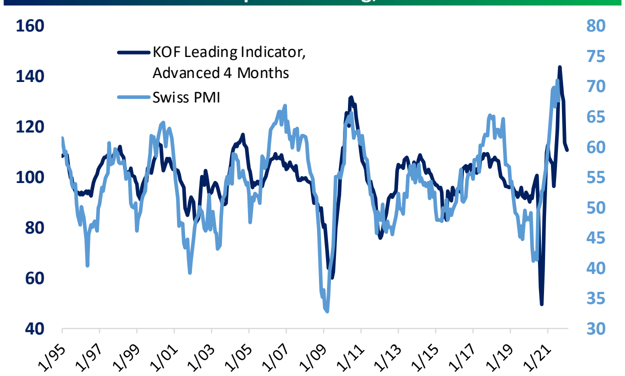
South Korea Business Activity Surveys: Peaked And Falling



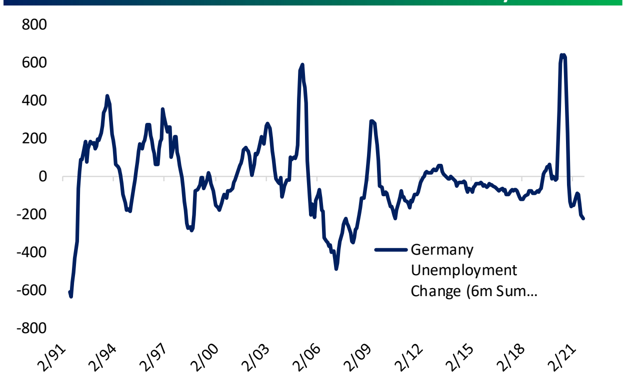
Broad Demand Weakness Per Official China PMI Data



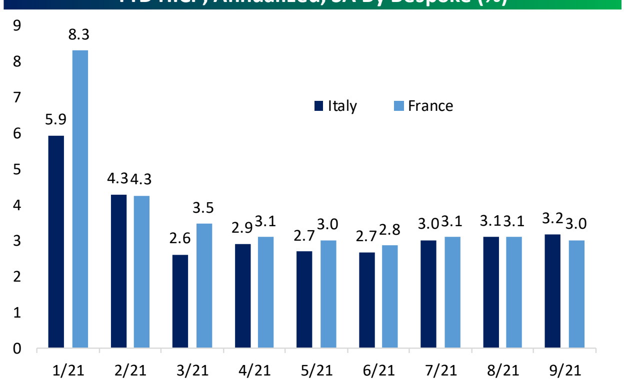
Swiss KOF Keeps Retreating; PMI To Follow



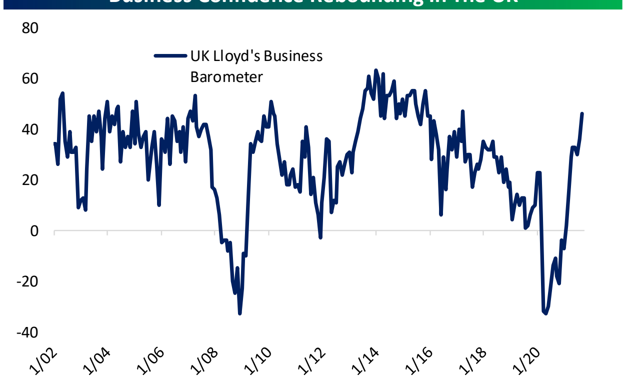
German Labor Market Momentum Remains Firmly Positive



YTD HICP, Annualized, SA By Bespoke (%)



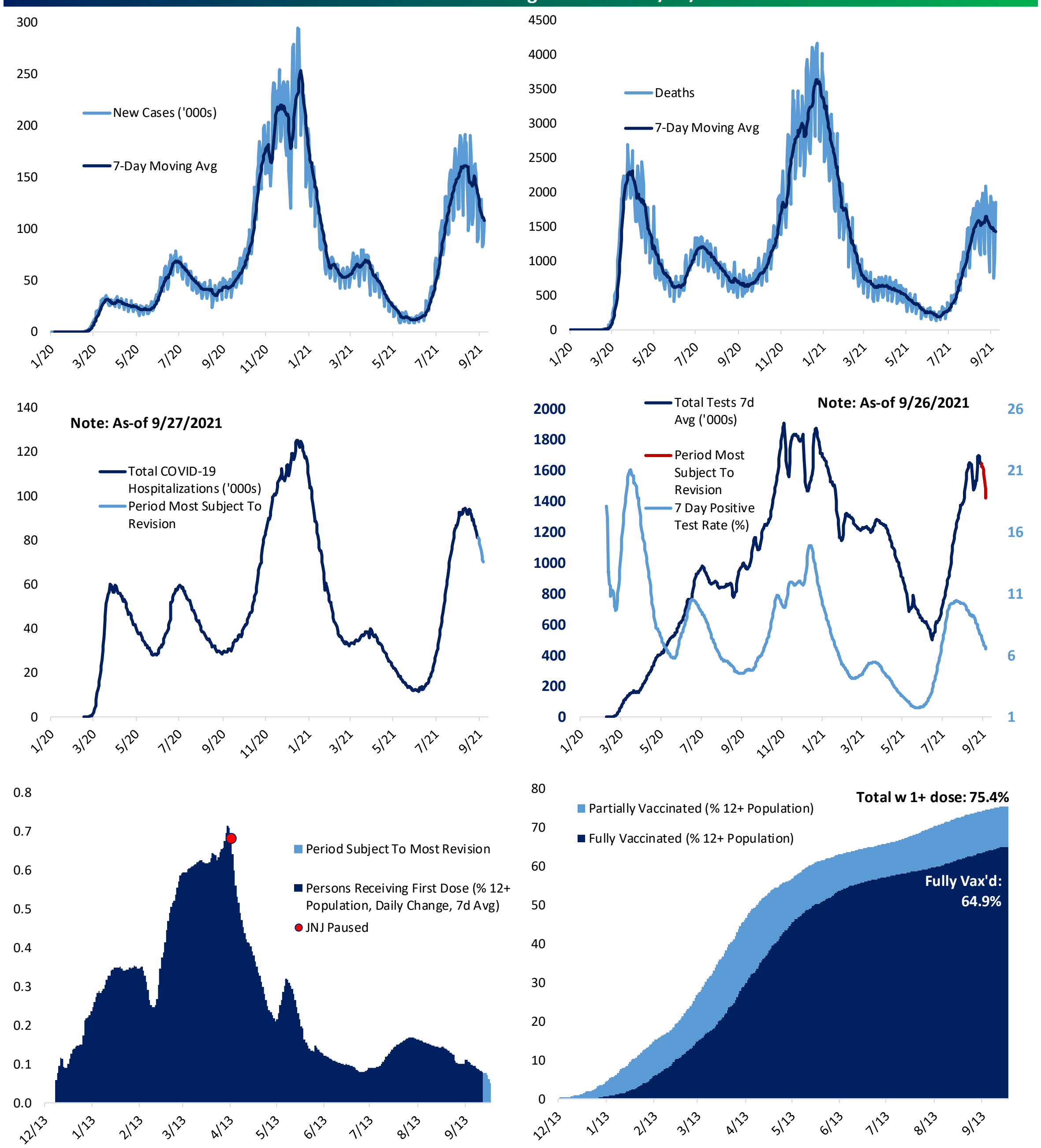
Business Confidence Rebounding In The UK



Morning Commentary

Coronavirus: The Delta wave may have crested as case and hospitalization growth has at least slowed. On Monday morning, **Pfizer** (**PFE**) reported results from a large-scale pediatric (age 5-11) trial, showing a large antibody response in kids. The company will seek EUA for pediatric approval "soon" it what will be a relief for parents given sharply higher child disease burden for the Delta variant. Pfizer booster shots have also now been approved for those over 65 and front-line workers.

COVID-19 National Tracking Data: As-Of 9/28/2021



Morning Commentary

Global New Cases Per Day Per mm Population (7d Avg)