From: Ike Groff
Sent: Mon 4/14/2014 10:10:20 AM
Subject: Early Tour 4.14.14

Good Morning … European Markets down ~1% (periphery underperforming)… NKY -0.36%, SHCOMP +0.05%, HSI +0.15%, KOSPI -0.02%, TWSE -0.57%, ASX -1.28%

EUR 1.3824 (-0.44%) JPY 101.68 (-0.07%) EUR/JPY 140.56 (-0.41%) AUD -0.11% RUB -0.89% GBP -0.09% US 10yr 2.626%

Futures: **Dow -26, Nasdaq -10, S&P -3** DXY $79.73 (+28c) Crude $103.83 (+9c) Gold $1325.00 (+$6.00) Copper +0.21% Silver -0.38% Nat Gas -0.37%

Most Asian markets were lower overnight, following the US moves on Friday - volumes were very light as we begin the holiday shortened week. Shanghai and Hong Kong outperform ahead of China's 1Q GDP release this coming Wednesday. Japan closed on the lows as Yen strength continues and the Nikkei failed to break through the 14k level. The KOSPI ended flat after failing to get through 2,000 – foreigners were net sellers for the first time in thirteen sessions. India and Thailand were closed for holidays. European markets opened down and have continued to trade lower. Over the weekend Draghi has indicatd that the ECB may unleash an unconventional monetary policy in a effort to fight low inflation (FT), possibly as soon as June meeting to adopt a negative deposit rate. Also suggesting any ECB QE policy would include a mix of government and private assets. Tensions between Ukraine and Russia escalated over the weekend as Ukraine ordered troops east and one Ukrainian officer was killed in a skirmish near the Russian border. Russia called an urgent session of the United Nations Security Council as officials from US & Moscow blamed each other & members from Ukraine/Russia/US & EU are scheduled to hold talks in Geneva April 17 to resolve the crisis. Eurozone Industrial Production numbers are in line with estimates at 0.2%. L'Oreal numbers after the close tonight. US Earnings season kicks in this week with Banks, tech & industrials to be in focus (Citigroup reports pre-market) & Retail Sales data today will give first look at April trends. SPAs -3 handles = 1808.40 last.

Retail Sales @ 8:30am, Business Inventories @ 10am

C reports pre-open / JBHT #'s post close

- Glencore sells Peruvian copper mine to Minmetals Group for $5.85B
- UBS to approach 50% dividend payout ratio this year according to CEO Ermotti (FT)
- Telecom Italia may get $2B investment from Naguib Sawiris if Telefonica exits (trading -1.8%)
- Peugeot releases new competitiveness plan – plans to halve model lineup (trading -3.3%)

- Standard Chartered could see bid from Orix for its Hong Kong credit unit (trading +0.4%)
- Kuehne & Nagel 1Q profits rose from cost cuts but sales miss estimates (trading 3.2%)
- Marine Harvest Trading update looks good except in Norway, Div 5 NOK. (mkt 3.5) (trading +2.8%)
- Tesco plans return to US with its F&F clothing store - boss on rack as profits fall yet again (trading +0.3%)
- Yara plans to replace share repurchase program – aims to buy up to 5% of shares (trading +1.1%)
- Aviva agreed to sell their entire, 47% stake in its South Korean business Woori Aviva Life (trading -1.3%)
- Allianz to increase exposure to stock markets and infrastructure projects as rates stay low (trading -1.3%)
- Ericsson Ex Div 3.00 SEK today, welcomes business with Iran (trading -1.1%)

Leading European Sectors: Trav/Les -2.78%, Construction -1.98%, Autos/Parts -1.96%
Lagging European Sectors: Food/Bev +0.56%, Basic Res unch, Oil & Gas -0.11%

AON raises dividend – AA d/g at Fitch – S & Spotify planning partnership

HEIA NA to sell 100 UK pubs – DUFN VX div unlikely – SY1 GR to buy Diana Deal

Secondaries (announced/priced): CVM

IPO's: Jumei International (JMEI) files $400M IPO through Goldman, Credit Suisse and JPMorgan, Parsley Energy (PE) files $400M IPO through Credit Suisse, Goldman Sachs, JPMorgan and Wells

US Key Research:

- Atlantic initiates LNKD (ow), Barcap upgrades PANW, DB upgrades BLMN (buy) & cuts MSFT
- ISI upgrades DYN (buy), Jefferies initiates MDWD (buy) & upgrades LLY & cuts JNJ
- JMP initiates PCTY (mp), JPM initiates QTWO (ow), Nomura initiates AKBA (buy), Raja upgrades ULTI
- Roth upgrades PSMT (buy) & initiates ACRX (buy), Stifel upgrades FFIV/TTMI (buy)

➢ Multiple brokers initiate AKBA (buy), Stifel downgrades GLW, Key initiates RSE (hold)

➢ KBW initiates NYMT/AGII/OSBC (mp), Baird upgrades V/MA, UBS upgrades AMTD/SCHW (buy)

➢ Raja PFG and upgrades LNC (strong buy)

Europe Key Research:

➢ Berenberg upgrades VOS GR (buy) & cuts CLN SW and MIC SS (sell), Numis upgrades JLT LN

➢ DnB downgrades TLSN SS, Barcap downgrades TFG SJ, ING initiates WKL NA/REL LN (hold)

➢ Jefferies initiates EVR LN (hold), Liberum downgrades TEC FP, Mediobanca resumes A2A IM (neut)

➢ Nordea upgrades KNEBV FH/BO DC, UBS downgrades STM FP/TOM2 NA/TRMO SS (sell)

➢ Canaccord downgrades ANTO LN, Banca Akros upgrades TIT IM, Gilbert Dupont upgrades IPN FP

Reporting Pre-Open: C, MTB, EVK

Reporting Post-Close: JBHT, LEDS, OZRK, PNFP, SBSA, SMTX, SXT, TPLM

Economic Data: Retail Sales @ 8:30am, Business Inventories @ 10am

Conferences: No major conferences

Analyst/Investor Days: CETV, OTTR, HFWA

Non-Deal Roadshows: EHTH, GEOS, KMX, LXP, MILL, RALY, REMY, SHI, SLH, VCYT

Shareholder Meetings: N/A

Equity/Mixed Shelfs: ROIAK ($100M)

Other Newspaper Articles & Stories

Barron's cover: Thoughts about the health of the tech sector Barron's

Barron's positive: Post Holdings (POST) Barron's

Barron's negative: Caesars Entertainment (CZR) Barron's, Lands' End (LE) Barron's

- Stocks Stumble, but Hope Lingers WSJ
- Hedge Funds Wield Risky Legal Ploy to Milk Buyouts WSJ
- Glencore Sells Copper Mine for $5.8 Billion to Chinese Group WSJ
- Citi Held Back in Olive-Oil Deal WSJ
- Spanish Banks Push Own Foreclosed Properties WSJ
- Taking Inflation's Temperature WSJ
- Three Killed in Kansas Shootings WSJ
- Deadly Virus's Spread Raises Alarms in Mideast WSJ
- Student Maps Voting-Rights Approach WSJ
- GM's Opel Speeds Path to Profit WSJ
- Connecting Africa's Unconnected WSJ
- Google Wants to Follow You to the Mall WSJ
- Defying Russia, Ukraine Forces Clash With Militants NYT
- Climate Efforts Are Falling Short, U.N. Panel Says NYT
- The Art of 'Something From Nothing' NYT
- Rich Start-Ups Go Back for Another Helping NYT
- Leaner and More Efficient, British Printers Push Forward in Digital Age NYT
- Thought Secure, Pooled Pensions Teeter and Fall NYT
- Herbalife Shares Decline on Criminal Inquiry News NYT
- The Poetry of the Trading Floor, Going Beyond Bears and Bulls NYT

- Slowdown puts 1bn middle class at risk FT
- US and Russia in UN clash over Ukraine FT
- Tech insiders dumped shares ahead of slide FT
- Walgreens urged to leave US for tax cut FT
- Wind farms trump fracking in UK poll FT
- City bankers get around EU bonus cap FT
- London's 'fintech' start-ups aim high FT
- Four questions markets must not pass over FT
- Inside a sniper rifle factory Telegraph
- Wage rises to outstrip inflation as 'cost of living crisis' eases Telegraph
- Treasury sees £7bn boost from fuel duty freeze Telegraph

Key Events This Week

Tuesday: Empire Manufacturing, CPI, TIC Flows, NAHB Housing Market Index, Yellen speaks, Eurozone Trade Balance, China Mar retail sales/IP/FAI Atlanta Fed Financial Markets Conference, Earnings (CMA, JNJ, KO, NTRS, CSX, INTC, LLTC, YHOO)

Wednesday: Housing Starts & Building Permits, March IP, Beige Book, Eurozone CPI, Bofa Auto Summit (NYC), (ABT, BAC, GWW, HBAN, PNC, STJ, USB, AXP, COF, IBM, KSU, NE, SLM, SNDK)

Thursday: Philadelphia Fed, China property prices March, Earnings (ADS, AN, BAX, BBT, BHI, BLK, BX, CMG, DD, DOV, FITB, GE, KEY, MAT, MS, PEP, PBCT, PM, PPG, SLB, UNH)

Friday: Good Friday (North American & European Markets Closed)

Key Events on the Horizon

Apr 21 – European markets closed for Easter Monday

May 5 – Ira Sohn Conference NYC 9 (link)

May 17 – Portugal exits bailout program

Ike Groff | [redacted]