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Description:  
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Good Morning ... European Markets up 30-130 bps (Italy +1.8%) ... NKY +3.01%, SHCOMP +0.17%, HSI +0.11%, KOSPI +0.00%, TWSE +0.08%, ASX +0.60%

EUR 1.3841 (+0.19%) JPY 102.33 (-0.40%) EUR/JPY 141.63 (+0.59%) GBP +0.39% RUB +0.58% NZD -0.55%  
US 10yr 2.65%

Futures: **Dow +74, Nasdaq +20, S&P +9** DXY \$79.72 (-9c) Crude \$104.66 (+91c) Gold \$1299.70 (-60c) Copper +0.21% Silver +0.21% Nat Gas -0.68%

Asian markets closed in the green following the late session turnaround in the US and some strong earnings out post close. Japan was the standout, with indices ending at the highs led by internet related names on back of Alibaba and Yahoo's results. Softbank finished +8.5% and accounted for 70 points in the Nikkei's 420 point gain, while DeNA ended +11.7% on back of a couple of broker upgrades. The Yen breaking and holding above 102 also helped sentiment as well as comments from Finance Minister Aso who said foreign investors may react to GPIF stock-move from June. Outside of Japan, China macro numbers were in focus especially a slightly better beat in GDP: GDP 7.4% (Cons 7.3%); Mar IP +8.8% (Cons +9%); Retail Sales +12.2% (Cons +12.1%). ChiNext fell nearly -1.0% on continued noise on IPO resumption with some talks that subscriptions could resume next week. European markets also bid higher this morning across the board with the exception of Russia -0.35%. Earnings starting to pick up and full recaps highlighted below. Reminder that it is a ½ day today in Norway (auction at 1pm local time) (tomorrow will be a ½ day in Sweden while Norway and Denmark will be closed) (all of Europe is closed on Friday and Monday excluding Turkey). In the US, earnings in focus and Janet Yellen will be speaking @ 12:15pm in NYC today (GS is out saying this speech will be most pertinent to the interest rate speculation). SPA's +9 handles = 1848.60 last.

\*\*\*Mortgage Apps @ 7am, Housing Starts @ 8:30am, IP @ 9:15am, Beige Book @ 2pm\*\*\*

\*\*\*ABT, BAC, GWW, HBAN, PNC, STJ, USB, ADTN reports pre-open, GETIB SS #'s @ 7am EST\*\*\*

\*\*\*AXP, COF, IBM, KMI, KSU, NE, PBCT, SLM, SNDK, GOOG, KSU #'s after close\*\*\*

- Yahoo clean quarter as revenue growth returned plus Alibaba strong beat (trading +7%)
- Intel higher revs & lower Q1 net but beat ests, PC stabilized (CEO big bet on tablets) (trading +1.5%)
- Linear Tech profit grew fueled by higher sales in auto segment (but missed) (gm widened) (trading -2%)
- CSX Corp Q1 profit fell 14% & eps down 17% y/y pressured by coal price declines but beat (trading inline)
- Interactive Brokers beat as 1Q comp. EPS 35c vs est. 30c & 1Q rev. \$369.2M vs est. \$322M (trading +2%)

- RBC to close prop trading desk and spin off Global Arbitrage & Trading into stand-alone HF ([WSJ](#))
- Danone Q1 total LFL sales +2.2% = inline, weak dairy vols, confirms 2014 forecast (trading -1.3%)
- Tesco FY trading profit beats estimates, margins inline, expectations were low into #'s (trading +2.1%)
- Credit Suisse Q1 net income misses ests, investment bank weaker on fixed income (trading -2.0%)
- BHP Billiton production update decent, core divisions performed well, non-core weaker (trading -0.16%)
- ASML Q1 sales inline, gm's better, cuts H1 sales forecast, little EUV detail, cc 9am EST (trading -3.3%)
- Edenred Q1 underlying numbers look ok although hurt by FX due to Brazil/Venezuela (trading -2.0%)
- Syngenta Q1 sales +5.0% matching estimates, says on track for sales growth target (trading +1.3%)
- Reckitt Benckiser numbers inline with estimates, on track to achieve full-year targets (trading +0.54%)
- Burberry Q4 LFL +12.0% vs consensus +9.0%, H2 revs inline, cautious on FX impact (trading +1.8%)
- Luxottica signs 10yr eyewear license agreement with Michael Kors, 1<sup>st</sup> collection in Jan (trading +1.7%)
- Ziggo Q1 revenues inline, ebitda light, outlook unchanged, underpinned by bid (trading +0.14%)
- Persimmon new financial year started well, weekly private sales +25% in first 15wks (trading +2.0%)
- Technip-participated consortium awarded a \$3.5 billion contract by Total [REDACTED] Angola (trading +0.44%)
- GEA sells heat exchanger business to Triton for enterprise value of €1.3 billion (trading +0.28%)
- Hargreaves Lansdown record level AUM (increase of £2.3 billion in Q1 to £45.7 billion (trading -3.4%)
- Metso board rejects Weir proposal to commence talks regarding potential combination (trading -3.1%)

**Leading European Sectors:** Autos/Parts +1.58%, Media +1.32%, Construction +1.05%

**Lagging European Sectors:** Tech -0.22%, Food/Bev -0.18%, Basic Res +0.38%

**Secondaries (announced/priced):** ATHL

**IPO's:** Moelis & Company (MC) prices below range @ \$25/share, Opus Bank (OPB) 5.13M shares priced at \$30 (below range), TriVascular Tech (TRIV) 6.5M shares priced at \$12 (below range), Anima Holding (ANIM IM) began trading this morning

**US Key Research:**

- Barcap upgrades LNC & downgrades RGA, GS upgrades GPC and SFUN (buy)
- Imperial upgrades ZBRA/GDP and initiates SBGL (op), RBC initiates ATEN (op)
- Jefferies upgrades UNFI (buy) and initiates HLT (hold), Nomura upgrades GHL & cuts MSI

- Raja initiates NMBL (op), Baird initiates LPI (op), UBS upgrades NMBL (buy) & cuts NTAP
- Canaccord initiates MDVN (hold) and NPSP/REGN/LPTN (buy), MS upgrades PDS
- Multiple brokers initiate ATEN, MS downgrades SPN, UBS initiates CNC (neut)
- Raja upgrades FSGI and CTRL (strong buy) & cuts GSJK, CS initiates INGR (op)
- BMO upgrades PDM, SunTrust upgrades SNV (buy), Wells Fargo upgrades TWC
- Citi downgrades UNH & upgrades YELP (buy), Evercore upgrades XOOM
- JPM upgrades WHF/SC/AINV, B. Riley downgrades INTC, Sterne Agee upgrades FDO

#### **Europe Key Research:**

- Citi upgrades PSM GR, CS upgrades CGL LN, CM-CIC upgrades ACA FP (buy)
- DB resumes F IM (sell) & upgrades VOLV.B SS, Liberum upgrades CSR LN (buy)
- Danske Bank downgrades ATRAV FH, Exane upgrades VIE FP/DNB NO/SEV FP
- Equinet upgrades DB1 GR & downgrades G1A GR, Numis upgrades XAR LN (buy)
- HSBC upgrades IAG LN/OPAP GA, Investec downgrades SPH LN/DIA LN
- Jefferies assumes UNA NA/WPRO IN (hold) and TCS IN (buy), Bofa reinstates IRAO RU (buy)
- Mainfirst initiates PTC PL/TIT IM (op) and TEF SM (up), MS cuts TRN IM & upgrades FIVE LN
- Swedbank cuts AXFO SS, Natixis cuts WHA NA, Kepler upgrades CGCBV FH (buy)
- SEB Enskilda downgrades MEO1V FH and OTE1V FH (sell)
- SocGen initiates SOLB BB (buy) & downgrades ENEL IM and RCO FP (sell)

**Reporting Pre-Open:** ABT, BAC, GWW, HBAN, PNC, STJ, USB, ADTN, FRC

**Reporting Post-Close:** AXP, COF, IBM, KMI, KSU, NE, PBCT, SLM, SNDK, AF, ALB, BAP, BGS, BMI, CATY, CCK, CNS, EFII, EGP, EWBC, FLXS, GOOG, HBHC, HNI, KMP, KMR, KSU, NSR, PCBK, PTP, RLI, STLD, TPLM, UFPI, URI

**Economic Data:** MBA Mortgage Applications @ 7am, Housing Starts and Building Permits @ 8:30am, Industrial Production @ 9:15am, Beige Book @ 2pm

DOE crude oil inventories @ 10:30am

**Fed Speakers:** Stein @ 8:30am (Stone Mountain, GA), Lockhart @ 12pm, Yellen @ 12:15pm (NYC), Fisher @ 1:25pm (Austin)

**Conferences:** Bofa Auto Summit (NYC)

**Analyst/Investor Days:** RHT, GPS

**Non-Deal Roadshows:** CNDO, CVX, DMPI, DRQ, ERA, EVOL, FXEN, M, MGNX, MSM, MU, MGS, ORCL, REMY, SSH, TEAR, TXTR, UNIS

**Shareholder Meetings:** CNHI, GAM, ABG, UFPI, SHW, BCR, FMER, CBSH, SAH, KAMN, NWBI, SON, SYRG, WDR, WSBC, BPFH, ESBF

**Equity/Mixed Shelves:** N/A

### ***Other Newspaper Articles & Stories***

WSJ cautious: Twitter (TWTR) [WSJ](#)

- Housing Market Slow to Hit Its Spring Stride [WSJ](#)
- China's Growth Slows [WSJ](#)
- Alibaba Flexes Muscles Before IPO [WSJ](#)
- Mt. Gox Files for Liquidation [WSJ](#)
- Ukraine Uses Military Force for First Time [WSJ](#)
- Cloud Investing Beyond Amazon, Google and Microsoft [WSJ](#)
- RBC to Close Trading Desk [WSJ](#)
- Price War Erupts in Cloud Services [WSJ](#)
- Goldman Moves to Energize Trading [WSJ](#)
- In Brooklyn Mentoring Program, Volunteers Get Tattoos Designed by Teens [WSJ](#)
- Broker Records to Get Scrutiny [WSJ](#)
- IBM Needs to Offer Investors More Than Safety [WSJ](#)
- Search for Rich Payouts Hits a Wall [WSJ](#)
- New York REIT Starts Fast [WSJ](#)

- Shale Boom's New Problem: Radioactive Waste [WSJ](#)
- New York Unit That Spied on Muslims Is Disbanded [NYT](#)
- Pension Deal Edges Detroit a Step Closer to Recovery [NYT](#)
- Russia Is Quick to Bend Truth About Ukraine [NYT](#)
- As Credit Dries Up, Smaller Companies in China Feel the Pinch [NYT](#)
- Brazil's Star, Petrobras, Is Hobbled by Scandal and Stagnation [NYT](#)
- In Yahoo Earnings, a Peek at Alibaba's Big Growth Ahead of Its [NYT](#)
- Super Tuesday for EU bank regulation [FT](#)
- Barclays investors still set for pay protest [FT](#)
- Moelis IPO hit by market woes [FT](#)
- Overhyped dotcoms may hold answer to the tech bust [FT](#)
- Defenders of union come under fire [FT](#)
- Rio Tinto makes 'progress' in mine dispute [FT](#)
- NY watchdog deepens Credit Suisse probe [FT](#)
- IPO enthusiasm spreads to Europe [FT](#)
- Ukraine on the brink of civil war [Telegraph](#)
- France is the new cauldron of Eurosceptic revolution [Telegraph](#)
- Squeeze eases with longest run of falling inflation since 1992 [Telegraph](#)
- Imperial Tobacco calls time on last UK factory [Telegraph](#)
- Airline apologises for graphic image [Guardian](#)
- How Much Stock Trading Should There Be? [Bloomberg](#)

### ***Key Events This Week***

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

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