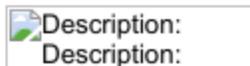


From: [REDACTED]

Subject: Early Tour 8.9.13

Date: Fri, 09 Aug 2013 09:54:10 +0000

Inline-Images: image001.jpg; image002.png



Good Morning ... European Markets mixed +/- 30 bps (Portugal +1.2%) ... NKY +0.07%, SHCOMP +0.36%, HSI +0.70%, ASX -0.19%, TWSE -0.65%, KOSPI -0.17%

EUR 1.3381 (unch) JPY 96.63 (+0.04%) AUD 0.9152 (+0.52%) NZD 0.8017 (+0.11%) CAD 1.0304 (+0.24%)

US 10yr 2.59% Japan 10yr 0.76% Germany 10yr 1.69% Portugal 10yr 6.55% Italy 10yr 4.21% Spain 10yr 4.53%

Futures: **Dow -37, Nasdaq -4, S&P -4** DXY \$81.00 (+3c) Crude \$104.18 (+78c) Gold \$1306.50 (-\$3.40) Copper +0.43% Silver +0.26%

Choppy session in Asia overnight with the NKY & SHCOMP both managing to eke out small gains on the day. Big macro day in China: CPI +2.7% y/y vs est +2.8% (unchanged from June and well below the government's +3.5% upper limit), PPI declined for 17th straight month (-2.3% y/y vs est -2.2%), Retail Sales +13.2% vs est +13.5%, Industrial Output +9.7% vs est +8.9%, FAI +20.2% vs est +20.0%. Japan Q2 preliminary GDP will be out on Sunday night which should have implications for the consumption tax debate. Multiple market holidays today including: India, Philippines, Malaysia, Singapore, Indonesia, South Africa, Turkey, UAE. European markets mixed in subdued trading to finish the week. Earnings quiet today but, on the M&A front, KPN is trading +16.4% after Carlos Slim's America Movil announced a €2.40/share bid for the remainder of KPN = 20% premium to yesterday's close (stock trading €2.33 last < deal price despite some suggesting the price is unlikely to be high enough). In the US, Priceline ticked as high as \$988/share (+5.8%) in the after-hours to test its 1999 highs after reporting Q2 sales that comfortably beat estimates. SPA's -4 handles = 1689.20 last.

Wholesale Inventories @ 10am

- Priceline revs easily beat with profit +24% as International bookings grew (trading +5.5%)
- Monster Beverage Q2 revs trailed & profit fell hurt by higher legal expenses (trading -5%)
- Nvidia net off as revs declined & gave weak outlook on PC slump (eps topped) (trading -2%)
- Assured Guaranty op eps missed & profit down but bookvalue inc due to buybacks (unch)
- Rackspace revenue & profit beat expectations (18c eps vs 13c eps ests) (trading +12%)
- Gap July sales weaker but sees Q2 profit above estimates (solid margins) (trading -1%)
- CareFusion Q4 profit +14% as margins improved but eps missed (\$750M buyback) (trading -1%)

- Blackberry mulling going private (give company more room to fix its problems) ([Reuters](#))
- JPM near SEC settlement on "London Whale" (may admit failures on disclosure/controls) ([NYT](#))
- OFT opens consultation on commitments proposed by Booking.com, Expedia, and IHG
- America Movil bids €2.40/share for KPN in public offer (20% premium to yesterday's close) (KPN +16.4%)
- Danone buys YoCrunch (mix-in toppings specialist) to support yogurt growth in the US (trading -0.10%)
- Nokian Renkaat (tires) Q2 net income and sales below estimates, lowers FY guidance (trading +3.4%)
- Rheinmetall Q2 slightly better (they had warned end of July), automotive margins strong (trading +5.6%)
- Novozymes ebit and revenues both beat expectations, BioEnergy division stronger (trading +1.8%)
- Balfour Beatty sells UK facilities business for £190 million, decent short interest in the name (trading -0.36%)
- Tesco has entered into a MoU with China Resources to combine Chinese retail operations (trading +1.1%)
- Swedish Banks: finance minister Borg talking about raising risk weights on mortgage assets
- Norway's \$760B oil fund (largest swf in the world) stepping up efforts to be more active ([FT](#))
- France June industrial prod -1.4% m/m vs est +0.3%, manufacturing prod -0.4% vs est +0.5%
- Prada reported yesterday after Asia close (during US hours), numbers look light (closed -1.8%)
- Nikon cuts forecast by almost 25% as demand for compact cameras weakens (closed -14.3%)

Leading European Sectors: Basic Res +2.01%, Telco +1.15% Autos/Parts +0.55%

Lagging European Sectors: Real Estate -0.51%, Food/Bev -0.42%, Chemicals -0.22%

DNDN revs missed – WIFI good qtr – HAYN penny light

AIRM revs missed – FISV 10M buyback inc – SLXP cuts eps view

MCP loss wider – LGF topped ests – UBNT eps beat street

DV post loss – MDRX swung to loss – BRKS rev view trailed

CALL reaffirms forecast – MDVN loss narrower – BFAM eps beat

DATA revs ahead – CPLA \$50M buyback – OPLK guides up

BNNY eps missed – SCMP eps view trailed – SF strong rev growth

RNR \$500M buyback – RICK revs/net rose – PEGA license revs up

YOKU loss better than ests – RNDY cuts view – UNXL 40c loss/shr

FUR NA earnings light – SRS IM earnings light – WMH LN small acquisition

Secondaries (announced/priced): WWWW (convert), LIN, TPLM, NCLH, QEPM, QLTQ (holders)

IPO's (filed/priced): Cvent (CVT) 5.6M shares priced at \$21 (above range), Stock Building Supply (STCK) 7M shares priced at \$14 (below range), World Point Terminals (WPT) 8.8M shares priced at \$20, Frank's International (FI) 30M shares priced at \$22 (above range), Mix Telematics (MIXT) 6.3M ADS priced at \$16/sh (high-end)

US Key Research:

- GS downgrades FL, Compass Point cuts DV, Jefferies initiates XXIA (buy), CS downgrades SPH
- DB upgrades IHS (buy), Wells upgrades STJ, JPM upgrades CSCO, Raja downgrades LEAP
- RBC initiates VNTV (op) & downgrades MPW & upgrades RGLD, SunTrust initiates THO (buy)

Europe Key Research:

- UBS upgrades HGG LN & SDA1V FH, GS downgrades SPT LN & CORA NA, UBS downgrades LRE LN
- Commerzbank upgrades WCH GY, JPM upgrades ADP FP & downgrades FRA GY, Baader downgrades BEI GY
- Kepler initiates F IM (reduce) & HAW GY (buy), Nordea downgrades VWS DC, Exane upgrades CBK GY
- Investec upgrades HSBA LN, Shorecap downgrades DGE LN, HSBC adds LHA GY to Europe Super Ten portfolio
- UBS positive ASC LN, Citi downgrades HGG LN, BofA upgrades RIBH AV, AV/ LN, SMDR LN
- Citi downgrades CWC LN, Commerzbank upgrades SFQ GR, DB initiates KGX GR (buy)
- HSBC downgrades TFA GR, HSBC initiates ANH LN, JPM upgrades MFON RU, Mirabaud downgrades FI/N SW
- Nordea downgrades RTRKS FH, Numis downgrades SDL LN & BBY LN, HSBC downgrades SDR LN
- DB downgrades TTI GY, Baader downgrades GWI1 GY, SocGen upgrades KRZ ID & downgrades CCH LN

Reporting Pre-Open: NRG, ABFS, ANIP, ASFI, BECN, CPK, DRH, EBIX, EVEP, FSS, GSE, HNR, HZNP, JRCC, LABL, LACO, LIWA, MEA, MHR, MINI, MPAA, MRGE, RDNT, SARA, STRL, TLF, TPC, URRE, VTG, WWAV, YONG, ZUES

Reporting Post-Close: CDXS, CECO, EGY, TECUA, PBR

Economic Data: Wholesale Inventories @ 10am

Conferences: No major conferences

Analyst/Investor Days: MU

Non-Deal Roadshows: ACRE, ADM, AEP, DNDN, EC, GVA, HF, LXRX, MGM

Shareholder Meetings: IL, HOTR, KCAP

Equity/Mixed Shelves: NPSP, JNPR

Other Newspaper Articles & Stories

WSJ positive: T-Mobile (TMUS) [WSJ](#), Tesla (TSLA) [WSJ](#)

WSJ cautious: Nestlé (NESN SW) [WSJ](#), Rio Tinto (RIO AU) [WSJ](#)

- So Where Is the Stock Market Heading? [Barron's](#)
- Royal Navy ships to sail to Gibraltar amid tension with Spain [FT](#)
- BoE rate vow set to fuel buy-to-let mortgage boom [FT](#)
- Mark Carney plays down skepticism over interest rate policy [FT](#)
- Iraq's faltering oil resurgence raises price fears [FT](#)
- Obama's Putin snub puts new focus on Moscow's China ties [FT](#)
- Renewables: A rising power [FT](#)
- PayPal co-founder finds fertile ground for growth with Glow app [FT](#)
- Out of sight, out of mind – a rotten way to quit a war [FT](#)
- Dutch mood shifts against austerity and the EU [FT](#)
- India needs more than a new broom [FT](#)
- Muted China inflation to spark rate cut calls [FT](#)
- US orders non-emergency personnel to leave Lahore consulate [FT](#)
- Why the eurozone will come apart sooner or later [FT](#)
- Letta has survived, but now must start to govern [FT](#)
- Egypt must restore its fledgling democracy – and fast [FT](#)
- Wanted: writer to help Fed share its feelings [FT](#)
- Civil unrest squeezes Libyan oil exports [FT](#)

- Cash lure to stop firms deserting ETFs in times of stress [FT](#)
- T-Mobile USA: busy signal [Lex](#)
- Nestlé: vanity project [Lex](#)
- Rio Tinto: cost v price [Lex](#)
- Solar energy: German sunshine [Lex](#)
- In Deal Hunt, Big-Game Buffett Settles for Small Prey [WSJ](#)
- Italy Aims for More Budget Austerity [WSJ](#)
- 'London Whale' Unlikely to Face Charges [WSJ](#)
- China Trade Offers Taste of Recovery [WSJ](#)
- Tesco, China Resources in Talks Over Joint Supermarket Venture in China [WSJ](#)
- Banker to the Poor No More [WSJ](#)
- Noonan: How Obama Wooed the Middle Class [WSJ](#)
- Daniel Yergin: China's Big Commodity Chill [WSJ](#)
- Seizing Mortgages for Fun and Profit [WSJ](#)
- France is the biggest concern in Europe: Fed's Fisher [CNBC](#)
- China data blitz points to stabilizing economy [CNBC](#)
- Why the Aussie is a 'screaming buy': Economist [CNBC](#)
- The quiet evolution of the Singapore consumer [CNBC](#)
- How a Trabant can steer Putin the right way [The Times](#)
- The Anti-Social Network [The Times](#)
- Stars and Strife [The Times](#)
- Focus on inflation, Mr Carney. Nothing else [The Times](#)
- Zimbabwe admits polls were flawed [The Times](#)
- The rocket man is still flying high [The Times](#)
- Housing recovery gains momentum as buy-to-let lending rises to £5bn [The Times](#)
- Ed, you can't remain a Medium-Sized Beast [The Times](#)
- US starts criminal inquiry against JP Morgan over subprime sales [Independent](#)
- Serious Farce Office: SFO in biggest criminal data breach ever [Independent](#)
- Jim O'Neill: So what do the Brics countries want from their new development bank? [Independent](#)
- James Moore: We'd better not rush headlong into a party as Carney goes for grow [Independent](#)
- Time Warner-CBS stand-off highlights the lack of competition in US [Telegraph](#)

- Inflation will be back before Carney's 7 per cent unemployment target is met [Telegraph](#)
- Could stamp duty 'rebates' help the housing market? [Telegraph](#)
- Give David Cameron his due for unleashing Tory animal spirits [Telegraph](#)
- Lavabit email service abruptly shut down citing government interference [Guardian](#)
- BlackBerry 'mulls going private' [Guardian](#)
- UK economic growth will strengthen for rest of 2013, say experts [Guardian](#)
- Britain's booming population is a blessing, not a curse [Guardian](#)
- Richard Dawkins' tweets on Islam are as rational as the rants of an extremist Muslim cleric [Guardian](#)
- Trade data improve economic prospects [China Daily](#)
- Pharm giant says it takes bribery claims 'seriously' [China Daily](#)
- Morsi supporters dig in as Egypt talks stall [China Daily](#)
- Israelis, Palestinians to continue peace talks [China Daily](#)
- Bubblenomics will fuel total demand in the British economy [City AM](#)
- The Long View: Our very own Breaking Bad could be the wake-up call we desperately need [City AM](#)
- History repeats itself: Why the Bank's interest rates pledge lacks credibility [City AM](#)
- British business would thrive under a bespoke new deal with Brussels [City AM](#)
- Woes of Detroit Hurt Borrowing by Its Neighbors [NY Times](#)
- Goldman Sachs Traders Lost on Six Days in Second Quarter [HITC](#)
- India's Fear of Growth [Bloomberg](#)
- Why Is U.S. Economic Mobility Worse in the South [Bloomberg](#)

Key Events Next Week

Monday: Treasury Monthly Budget Statement, Japan Q2 GDP, BOJ Minutes, PacCrest Tech Forum (Vail), Jefferies Global Industrials Conference (NYC), Earnings (SYY, IOC, SINA)

Tuesday: US Retail sales, Business Inventories, ZEW Survey, Eurozone IP, JPM Auto Conference (NYC), Opco Tech/Internet/Communications Conference (Boston), Earnings (JDSU, FLO, CREE)

Wednesday: PPI, MBA Mortgage Applications, 13F Filings, BOE minutes, France/Germany/Eurozone Q2 GDP, Canaccord Growth Stock Conference (Boston), Earnings (DE, M, OSIS, A, CSCO, NTAP)

Thursday: Philadelphia Fed, Empire Manufacturing, NAHB Housing Survey, CPI, Industrial Production, Earnings (EL, KSS, PRGO, WMT, AMAT, JWN)

Friday: Nonfarm Productivity & Unit Labor Costs, Housing Starts & Building Permits, U. of Michigan Consumer Confidence, Eurozone CPI & trade balance

Saturday: China July property prices

Key Events on the Horizon

August 21 – Fed Minutes from July30/31 FOMC meeting

August 22-24 – Jackson Hole Annual Economic Policy Symposium (Bernanke not attending)

September 5 – BOE/ECB rate decisions

September 7 – Australian election

September 18 – FOMC rate decision

September 22 – German elections



 Description:
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