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**Subject:** Early Tour 3.19.12

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Good Morning ... European Markets off 0-55 bps (Spain +70 bps)... Nikkei Closed +0.12% (HSI -0.95%, China +0.23%, KOSPI +0.62%)

EUR 1.3158 (-0.13%)    JPY 83.04 (+0.47%)    NZD .8250 (+0.06%)    Copper -0.28%    Silver -0.58%    US 10yr 2.27%

Futures: Dow -16, Nasdaq -0, S&P -3    DXY \$79.80 (+2c)    Crude \$106.71 (-35c)    Gold \$1656.60 (+70c)

Europe pulling back a touch on some light profit taking. Asia mixed overnight but would note the HSI rolled over ~ 1.0% in the last hour of trading. News flow generally quiet over the weekend. Barron's cover story positive on the US housing market (home prices will soon bottom & begin to turn positive in the spring of 2013). Apple will host a 9am conference call to announce the outcome of discussions concerning what to do with its \$97.6 billion cash balance (expectations are for a 2.5% annual dividend or a share buyback). EFSF is planning to sell €1.0 billion - €1.5 billion of 20yr-30yr bonds today (first attempt to sell longer-term debt, has only sold 10yr maturity so far). Greece \$3.2 billion CDS auction as well today (initial rate will be set at 11am GMT with the final value due at 3:30pm GMT). S&P futures -19bps to 1395.80 level.

\*\*\*NAHB Housing Market Index @ 10am\*\*\*

\*\*\*ADBE earnings after close, GOP debate tonight\*\*\*

- EADS A380 wing crack issue may cost more according to Der Spiegel (trading -1.3%)
- UPS reaches agreement to purchase TNT Express after sweetening bid to €5.16 billion
- Ziggo IPO upsized up to 25% post shoe (Dutch cable provider) (books close at 1pm GMT)
- Vista Equity agrees to acquire Misys for £1.3 billion = 350p/share (6.2% higher than Friday)
- Adidas buys Adams Golf for \$10.80/share in cash = 9.5% premium to Friday's close
- NCAA update: first time in tournament history that 4 teams from Ohio are in Sweet 16
- Mitt Romney easily wins Puerto Rico primary = 20 delegates (Illinois primary tomorrow)
- Latest delegate count: Romney 521, Santorum 253, Gingrich 136, Paul 50 (1,144 needed)
- Polls in France confirm that Sarkozy is closing the gap on Hollande (LH-2 Yahoo Poll)
- France's Hollande says that the ECB mandate should be changed to include growth
- Greek FinMin Venizelos elected new Pasok leader (expected to step down as FinMin)
- Greek PM Papdemos says he is convinced Greece is more than halfway to recovery (FT<[REDACTED]>)
- David Cameron unveils plans to allow sovereign wealth funds to lease roads in England

· UK is expected to amend its Sunday trading laws for retailers for the Olympics (24 hours)

· Eurozone may up bailout funds capacity to near €700 billion according to officials (Reuters< [REDACTED] idUSBRE82F0JM20120316>)

· ECB says banks deposited €758.8 billion with it overnight versus €727.7 billion prior

Italy January industrial orders -7.4% m/m vs -3.2% estimate (-5.6% y/y vs -2.9% estimate)

· China's February home prices fell in 45 of the 70 large & midsize cities covered in survey

· James Grant of Grant's Interest Rate Observer is said to be very bearish on China

Leading European Sectors: Telco +0.26%, Tech +0.25%, Trav/Les -0.06%

Lagging European Sectors: Utilities -0.69%, Real Estate -0.54%, Banks -0.52%

SAFE withdraws ipo - CAST delays 10-k filing - DPZ \$3/shr special dividned  
DNKN registers shares holders - GLOG amended S1 - LDK cuts rev forecast range

Notable Options Activity Friday:

HTZ (\$15.10 +1.1%) bullish paper as a customer bought 3600 April 15 calls for \$0.80 and later came in and bought 4000 More for \$0.85.

XLF (\$15.71 +0.3%) increased activity in upside calls today, with the largest trade being a buy of 70,000 June 17 calls for \$0.19.

Secondaries (announced/priced): N/A

IPO's (filed/priced): Exponential Interactive (EXPN) files \$75M through Citi & Bofa

Key Research: Citi positive Euro Investment Banks & initiates EPAM (buy) & upgrades SCHW (buy) & cuts EBAY

Key Research: Barcap initiates APEI/BPI/EPAM (ow's) & TSL/YGE (ew's) & downgrades ATK

Key Research: CS initiates RNDY (op), DB upgrades ABT (buy), Evercore upgrades NVDA

Key Research: JPM downgrades RDC & upgrades ESV and COF (buy) & downgrades Euro Mining Sector (neut)

Key Research: Opco initiates YUM (op), Wunderlich downgrade CFR, Piper upgrades DWA

Key Research: UBS downgrades DSV DC & initiates EPAM (buy) & upgrades NUE/STLD (buy's)

Key Research: Enskilda downgrades HMB SS, HSBC downgrades AIXA GY/VIP, Exane positive LLOY LN

Key Research: Berenberg upgrades IFX GY, Exane upgrades ANTO LN, Jefferies upgrades COF/EXM

Key Research: SocGen initiates IHG LN with sell, CLSA upgrades CL, BMO upgrades GPS

Reporting Pre-Open: CMM, HAST, IOC

Reporting Post-Close: ADBE, DHRM, FMCN, GMAN, GOL

Economic Data: NAHB Housing Market Index @ 10am

Fed's Dudley speaks on economic conditions @ 8:35am (Melville, NY), Fed's Killian testifies in Brooklyn on foreclosures @ 9:30am, Fed's Dudley in roundtable on Long Island @ 1:40pm

Conferences: JPM Gaming, Lodging, Restaurant & Leisure Conference (Las Vegas), Sidoti Institutional Investor Forum (NYC)

Analyst/Investor Days: N/A

Non-Deal Roadshows: ADSK, ALV, AVII, BBAVY, CPN, CPTS, CX, DTEGY, ECL, ELNK, MDSO, TGH, TSS, DTEGY, SAVE

Shareholder Meetings: BITS, TLR

Equity/Mixed Shelves: LEG

Other Newspaper Articles & Stories

Barron's cover: Discusses the state of the US housing market

Barron's< [REDACTED] >

Barron's positive: Total (FP FP)

Barron's< [REDACTED] > ,

Novartis (NVS)

Barron's< [REDACTED] > ,

Qualcomm (QCOM)

Barron's< [REDACTED] > , BATS

Global Markets Inc IPO (BATS)

Barron's< [REDACTED] >

. Wall Street Keys On Landlord Business

WSJ< [REDACTED]

mod=ITP\_pageone\_0>

. Apple to Disclose Plans For Its Cash Stockpile

WSJ< [REDACTED] >

. UPS Near Deal to Buy TNT Express

WSJ< [REDACTED] >

. Chevron Sees New Oil Sheen at Brazil Frade Field

WSJ< [REDACTED]

mod=WSJ\_business\_whatsNews>

. Total Extends Its China Ties

WSJ< [REDACTED]

mod=WSJ\_business\_whatsNews>

. Cardinal Plant Can't Ship Pain Pills

WSJ< [REDACTED]

mod=WSJ\_business\_whatsNews>

. Surprise Increase in Rates Is Credited to Signs of Recovery

NYT< [REDACTED]

interest-rates.html>

. Paul Krugman: Hurray for Health Reform NYT Op-

Ed< [REDACTED] >

. Playing at No Cost, Right Into the Hands of Mobile Game Makers

NYT< [REDACTED]

products.html>

. An Inconvenient Truth: It Was George W. Bush Who Bailed Out the Automakers The New

Yorker< [REDACTED]

was-george-w-bush-who-bailed-out-the-auto-makers.html?mbid=social\_mobile\_email>

. Here's What The Smart Money Thinks Apple Will Do With Its Cash Business

Insider< [REDACTED]

its-cash-2012-3>

. ECB's policies have not bought time, the worst lies ahead The

Times< [REDACTED] >

· FedEx counter bid for TNT express made little sense in ravaged Europe  
FT<[REDACTED]>

· Hard left surge unsettles Hollande, raising prospect of Sarkozy 1st round victory  
FT<[REDACTED]>

· ECB mandate should be changed to give it a role for stimulating growth, says  
Hollande FT<[REDACTED]>  
00144feab49a.html#axzzlpXgYWIFb>

· Gauk elected German president FT<[REDACTED]>  
00144feab49a.html#axzzlpXgYWIFb>

· IMF chief says world's economy has stepped back from the edge  
Independent<<http://www.independent.co.uk/news/business/news/imf-chief-says-worlds-economy-back-from-edge-7576952.html>>

· Economists fear £45bn will be added to deficit by 2017  
Independent<<http://www.independent.co.uk/news/business/news/economists-fear-45bn-will-be-added-to-deficit-by-2017-7576064.html>>

· El-Erian tells der Spiegel, Portugal set to become the next Greece  
Guardian<<http://www.guardian.co.uk/business/2012/mar/18/portugal-next-greece-mohamed-el-erian>>

· Apple to reveal how it will spend \$100bn cash pile  
Telegraph<<http://www.telegraph.co.uk/finance/newsbysector/mediatechnologyandtelecoms/digital-media/9152203/Apple-to-reveal-how-it-will-spend-98bn-cash-pile.html>>

· Shareholder payouts by UK companies could hit record £75bn this year  
Independent<<http://www.independent.co.uk/news/business/news/dividend-payments-set-to-climb-to-record-75bn-7576946.html>>

· Budget announcement could pave way for privatization of Royal Mail The  
Times<<http://www.thetimes.co.uk/tto/news/politics/article3355968.ece>>

· FTSE 100 to double to record high in next decade  
Telegraph<<http://www.telegraph.co.uk/finance/markets/ftse100/9149524/FTSE-100-to-double-to-record-high-in-next-decade.html>>

#### Key Events This Week

Tuesday: €14.4 billion in Greek Government bonds mature, Italy's Monti meets with labor unions, Housing Starts & Building Permits, Bernanke speaks at GW University, Paul Ryan to unveil Republican budget proposal, Illinois primary, Earnings (TIF, JEF, JBL, ORCL, SAI)

Wednesday: MBA Mortgage Purchase Applications, BOE minutes, Earnings (GIS, DFS)

Thursday: FHFA House Price Index, UBS The Asset Gathering Conference (Boston), Earnings (FDX, GME, LULU, ACN, MU, NKE)

Friday: New Home Sales, Fed Conference ("Central Banking: Before, During, and After the Crisis"), Earnings (DRI)

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