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Subject: early tour 6.3.11

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Good Morning ... European Markets mixed (Greece +2.32%, DAX +21 bps) ... Nikkei Closed -66 bps (Hang Seng -1.31%, China +84 bps)

EUR 1.4488 (-0.02%) JPY 80.59 (+0.39%) GBP 1.6292 (-0.48%) NZD .8109 (-0.56%) AUD 1.0652 (-0.17%) 10yr 3.00% Silver -2.48%

Futures: Dow -40, Nasdaq -10, S&P -5 DXY \$74.34 (unch) Crude \$99.39 (-\$1.01) Gold \$1527.20 (-\$5.50)

May Labor Report @ 8:30am (Payroll Estimates: NFP +165k, PP +173k)

Hong Kong, Korea, China, Taiwan and New Zealand close Monday (Dragon Boat Day)

* EU & IMF will complete review of Greece's \$113B asset sale & austerity measure plan today preparing nation's 2nd bailout

* Fiat to pay the US Treasury \$500M for its 6% stake in Chrysler Group (right to UAW shares) (ends Treasury involvement)

* LG Electronics (world's 3rd largest mobile phone maker) said recovery in handset business may take longer (trading -1.2%)

* PBoC issued a "stark warning" over as much as RMB14tr1 in loan exposure to local gov. financing (China Bank names hit)

* Diamond Foods turns to Q3 profit on better sales & margins but issued disappointing outlook for current qtr (trading -2%)

* Cooper Companies bottom line surged 7-fold because of heavy charges in prior year period & boosted FY outlook

* Verifone eps beat & boosts guidance saying bullish on topline revs from software, services and equipment for NFC wallets

* Grupo Modelo & Molson Coors exploring a joint bid for Australia's Fosters Group (surged 3.5% giving it \$9.2B market value)

* Prada (planning June 24th ipo) forecast growth of at least 46% in first half profit as it opens more stores in Asia

* Hong Kong home sales fell for a fifth straight month in May as rising mortgage rates continue to dent buying sentiment

* China non-Manufacturing PMI followed the Manufacturing PMI in a decelerating trend (61.9 vs 62.5 - however still expansion)

* Chinese gov't announced it intends to double the solar power generation capacity in next 5 years (solar Polysilicon names dropped)

* MGM China rose on its first day of trading in Hong Kong after raising \$1.5B (maximum it had sought in ipo) (trading +6%)

* Huaneng Renewables (wind power unit of China's biggest electricity producer) raised \$800M in HK ipo (midpoint of range)

* New Zealand April home bldg approvals unexpectedly fell 1.6% after 2% March gain (economy slow to recover from earthquake)

* PCCW (HK's biggest phone company) won approval to spinoff & list its telecom operations as business trust (trading +5%)

* China "very close" to starting a board for listing of overseas companies in Shanghai (global manufacturers to have priority)

* Finland's economy grew faster than expected (led by investments) as expansion in northernmost euro member extended to 5th qtr

Leading European Sectors: Autos/Parts +0.64%, Real Estate +0.13%, Telco -0.12%

Lagging European Sectors: Basic Resources -1.35%, Utilities -1.07%, Healthcare -0.73%, Fin Services -0.63%

CYTK successful drug trial - ZQK revs up - CASC profit almost triples
ELRC ups dividend - SAP private placement \$750M - ALB to increase price
SUSS \$15M repurchase - BRKR cfo steps down - BXP stock offering program
ROK increases dividend - MCRS awarded marketing patent - SNPS/STM to collaborate
DMRC court action dismissed - TDY/GY strategic alliance - THQI to expand gaming
HSOL syndicated loan - CVI Appaloosa stake - ETN acquisition
PRTY amends S-1 - ACTG acquires tech patents - AVB boosts guidance

Secondaries (announced/priced): ACI, ANTH

IPO's: N/a

Key Research: GS Initiates PANL (buy) & upgrades DSX (buy) & downgrades DRYS, KBW downgrades VPPG/NEWS

Key Research: FBR upgrades CECO/DV/APOL/NE, Moke initiates XEC (op), Citi downgrades ALL & raises target VRUS

Key Research: ISI Group initiates BMY (hold), Wedbush initiates CERS (op), Wells downgrades FRO

Key Research: Barcap upgrades ARUN, Piper upgrades ZQK, Janney upgrades NWY, CS downgrades FDO

Key Research: Jeff initiates FINL/SGNT/NKE (buy) & CSCO/VFC (hold), Merriman initiates IRDM (buy), JPM upgrades FRX

Key Research: Soleil downgrades NEE/SSI, Baird downgrades THRX/ENP/SWSH, Ticonderoga raises target JEF

Reporting Pre-Open: AMWD, BTH, HYGS, NOOF

Reporting Post-Close: AIRT

Economic Data: May Employment Report @ 8:30am, ISM Non-Manufacturing Composite @ 10am

Fed's Tarullo speaks on Regulating Financial Firms @ 12:30pm, Fed's Rosengren to speak at the Stanford Finance Forum @ 3:30pm (Stanford, CA)

Conferences: Bernstein Strategic Decisions (NYC), JPM China (Beijing)

Analyst/Investor Days: MLNX, YMI

Non-Deal Roadshows: ACOM, AMAT, BDC, BOFI, BTI, CVA, CVX, DTEGY, MAS, MCHX, MOLX, N, STRI, X, XLNX, EQIX, SNY

Shareholder Meetings: WMT, EXPR, SD, GRMN, SFSF, CAVM

Equity/Mixed Shelves: SSS, CSII (\$75M)

Other Newspaper Articles & Stories

Barron's positive: United Online (UNTD)

Barron's<http://online.barrons.com/article/SB50001424053111903457104576361860017120284.html?mod=BOL_hps_highlight_top>, Joy Global (JOYG)

Barron's<http://online.barrons.com/article/barrons_take.html?mod=BOL_hps_tnav_analysis>

WSJ cautious: Banks

WSJ<<http://online.wsj.com/article/SB10001424052702304563104576361671054501968.html>>, For-Profit Edu Sector
WSJ<<http://online.wsj.com/article/SB10001424052702303745304576361803286692710.html>>

* Nomura cuts top 10 Executives' pay 38% as earnings slump after Lehman buy
Bloomberg<<http://www.bloomberg.com/news/2011-06-03/nomura-cut-top-10-executives-pay-38-after-earnings-slump-1-.html>>

* Hackers attack another Sony network, post data
Reuters<<http://www.reuters.com/article/2011/06/02/us-sony-idUSTRE74Q1EC20110602>>

* Ebay's PayPal Cuts Ties to Alibaba Platform
WSJ<<http://online.wsj.com/article/SB10001424052702303657404576362911998369894.html>>

* Brazil's Petrobras To Remain Net Oil Exporter
WSJ<http://online.wsj.com/article/SB10001424052702303745304576361671473337248.html?mod=WSJ_business_whatsNews>

* CME Takes Aim at NYSE Euronext Interest-Rate Business
WSJ<http://online.wsj.com/article/SB10001424052702303745304576361193129934716.html?mod=WSJ_business_whatsNews>

* Times Picks New Editor
WSJ<http://online.wsj.com/article/SB10001424052702303657404576361342892480796.html?mod=ITP_marketplace_0>

* Groupon Plans I.P.O. With \$30 Billion Valuation NYT
DealBook<<http://dealbook.nytimes.com/2011/06/02/groupon-files-to-go-public/?ref=business>>

* The Mistake of 2010 NYT Op-Ed Paul
Krugman<http://www.nytimes.com/2011/06/03/opinion/03krugman.html?_r=1&ref=todayspaper>

* Apple pays music bigs \$100M+ NY
Post<[nypost.com/p/news/business/apple_pays_music_bigs_OcxlGqTlE0P5P9vzosxyK](http://www.nypost.com/p/news/business/apple_pays_music_bigs_OcxlGqTlE0P5P9vzosxyK)>

* Fox's ad sales approach \$2B NY
Post<http://www.nypost.com/p/news/business/fox_ad_sales_approach_0LbNFveamUNn6mLzWmXAFI>

* Goldman nears sale of Litton Loan to Ocwen
FT<<http://www.ft.com/intl/cms/s/0/ee2ede44-8d6e-11e0-bf0b-00144feab49a.html#axzzl04nwl3el>>

* Coca-Cola chief defends pricing strategy
FT<<http://www.ft.com/intl/cms/s/0/457977fe-8d42-11e0-bf23-00144feab49a.html#axzzlNsxlDoaE>>

* Cairn seeks Greenpeace injunction FT<<http://www.ft.com/intl/cms/s/0/05a9a3ea-8d49-11e0-bf23-00144feab49a.html#axzzlNsxlDoaE>>

* Gazprom seals deal to supply LNG to India
FT<<http://www.ft.com/intl/cms/s/0/97996190-8d13-11e0-815d-00144feab49a.html#axzzlNsxlDoaE>>

* News Corp closes in on full control of BSkyB
FT<<http://www.ft.com/intl/cms/s/0/c6cbd9d0-8d53-11e0-bf23-00144feab49a.html#axzzl04nwl3el>>

* New 3 chief rules out sale or merger FT<<http://www.ft.com/intl/cms/s/0/29530da0-8d02-11e0-815d-00144feab49a.html#axzzlNsxlDoaE>>

* Aviva boss in shock departure
Guardian<<http://www.guardian.co.uk/business/2011/jun/02/aviva-chief-executive-to-run-towergate>>

* Top chipmaker to cut labour costs in China South China Morning
Post<<http://www.scmp.com/portal/site/SCMP/menuitem.2c913216495213d5df646910cba0a0a0/?vgnnextoid=3507391d70150310VgnVCM100000360a0a0aRCRD&vgnnextfmt=teaser&ss=World&s=Business>>

* Samsonite rejects multi listings South China Morning
Post<<http://www.scmp.com/portal/site/SCMP/menuitem.2c913216495213d5df646910cba0a0a0/?vgnnextoid=b835391d70150310VgnVCM100000360a0a0aRCRD&vgnnextfmt=teaser&ss=Companies+%26+Finance&s=Business>>

* Nissan-Renault to invest up to \$2B in Russia by 2015 - Nikkei

* Mazda considers selling its 50% of AutoAlliance International to Ford - Nikkei

Key Events Next Week

Monday: Jefferies Global Health Care Conference (NYC), GS Lodging, Gaming, Restaurant, Leisure Conference (NYC), Earnings (PBY, GIII, MIND)

Tuesday: Consumer Credit, WWDC Conference (Jobs Keynote Address), Needham Internet & Digital Media Conference (NYC), DB Global Financial Services Conference (NYC), RBA Cash Target, Earnings (TLB, BAH, LDK)

Wednesday: Fed's Beige Book, Japan GDP, Piper Consumer Conference (NYC), GS Euro Financials Conference (Paris), Earnings (PLL)

Thursday: BOE & ECB Interest Rate Decision, US Trade Balance, China Trade Balance, CS London Oil & Gas Conference (London), Earnings (BF.B, SJM, MTN, NSM)

Friday: Treasury Budget, Import Price Index, UK Industrial Production & PPI, Earnings (LULU)

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