

**From:** Ike Groff <[REDACTED]>

**Subject:** early tour 4.21.11

**Date:** Thu, 21 Apr 2011 10:38:05 +0000

---

Good Morning ... European Markets up 5-70 bps (Italy +1.5%)... Nikkei Closed +82 bps (Hang Seng +1.01%, China +65 bps)

EUR 1.4635 (+0.77%)    JPY 81.97 (+0.72%)    EU Bank Index +1.65%    AUD 1.0761 (+0.44%)  
(new highs)    NZD .8018 (+0.49%)    10yr 3.41%

Futures: Dow +56, Nasdaq +24, S&P +8    DXY \$73.80 (-57c)    Crude \$112.13 (+68c)    Gold \$1508.30 (+\$9.50)    Silver +3.76%

\*\*\*US Market Closed Tomorrow (Good Friday), Euro markets closed tomorrow & Monday\*\*\*

\*\*\*Philly Fed / House Price Index / Leading Indicators @ 10am\*\*\*

\*\*\*BLK, COF, MCD, MS, PM, VZ report pre-open / AMD, IGT, SNDK #'s after close\*\*\*

·            Apple smashed forecasts as profits doubled on iPhone demand which outweighed weaker iPad sales (trading +4%)

·            General Electric authorizes 3rd dividend increase in past 12months as first quarter eps, revs beat estimates (#'s just hit)

·            Qualcomm Q2 tops estimates and boosts FY forecast profiting from consumer shift to smartphones (trading +1%)

·            Chipolte profit up 23% but operating margin fell 90 bps y/y on higher costs (to replace NOVL in SP500) (trading -3.2%)

·            American Express Q1 profit rose 33% on strong spending & improvement in credit quality (expenses remain high)

·            F5 Networks reported solid sequential & y/y revenue growth driven by strength in Americas & APAC (trading +10%)

·            E\*Trade Financial posted 1st quarter profit beating estimates as it set aside less money to cover bad loans (trading +4%)

·            Cheesecake Factory reported Q1 profit increase driven by higher revs but sees Q2 eps below est. (traded down after hrs)

·            YUM! Brands reported higher than expected quarterly sales driven by China/emerging market growth (trading +5%)

·            Sallie Mae to reinstate 10c div & announced \$300M share buyback as loan originations increase beats est. (trading +8%)

·            Marriott Q1 profit rose 22% but revenues missed estimates as North American travel demand slowed (trading -1%)

·            Select Comfort Q1 net more than doubled on higher revs/improved margins & raised its current-yr forecast (trading +20%)

·            Amgen Q1 profit fell 3.6% on declining sales of Anemia drugs & marketing expenses increased (trading -2.2%)

·            Honeywell boosted its full year forecast after first quarter profit climbed 44% (Aerospace revs rose 7.6%) (trading +2.2%)

·            Schlumberger first quarter profit rose 40% benefitting from efforts to expand in

North America but missed estimates

- Nokia profit beat estimates but declined 1.4% y/y and forecast operating margins will fall this qtr (signed pact with MSFT)
- DuPont reported double digit sales gains in all segments as earnings beat expectations and raises 2011 guidance
- UnitedHealth Q1 earnings beats estimates and boosted FY2011 financial outlook reflecting accelerating rev growth
- German April business confidence fell for second straight month (sign German economy losing some of its momentum)
- UK retail sales unexpectedly rose in March as biggest jump in food spending in 10months outweighed decline at other shops
- Fiat SpA pays \$1.27bn to raise Chrysler stake to 46% boosting ceo Marchionne's majority control effort (trading +3%)
- BOE said UK March mortgage lending fell & Q2 demand may decline further as housing weakens & gov't tightens spending
- Royal KPN (largest Dutch phone co.) cut its 2011 profit forecast & to eliminate 25% of workforce by 2015 (trading -6.5%)
- UK March budget deficit narrowed beating estimates & remained w/in Chancellor Osborne's borrowing plans for the year
- Australian Producer Prices rose 1.2% in Q1 (more than forecast) on building inflationary pressures (AUD record high level)
- NZ consumer confidence held at a 2yr low (101.4) weighed down by pessimism about economy rebound after earthquake
- China mobile became the world's first phone company to exceed 600mm subscribers in Q1 fueled by rural area growth

NEU boosts dividend - WDC profit falls - RRR misses/positive guidance  
MMC to change mgmt team - BSX profits w/ lower expenses - PCX misses est  
ENTG eps better - BAS beats estimates - CLF reaches settlement  
NEM eps/sales beat, reaffirms guidance - BBT penny better - WLT eps/sales miss  
APD raises guidance - COV eps better, higher sales - BIIB eps better

Secondaries (announced/priced): CIGX, GOK, IG, SGNT

IPO's (filed/priced): Jiayuan.com (DATE) files \$100M ADS through Bofa & Citi, Responsys (MKTG) priced 6.62M shares at \$12.00

Key Research: BMO initiates food/beverage (RAH/DF/MJN/THS/FLO/HAIN), Macquarie initiates US Chemicals (KRA/FMC/ROC/SOA)

Key Research: Barcap upgrades NOVN.VX, Baird downgrades PII, Wells downgrades NVE, JPM initiates CRH (ow) & LG FP (neutral)

Key Research: GS downgrades SINA (sell) & upgrades CRH (conviction buy) and ACH, Benchmark initiates GEOY (buy)

Key Research: Nordea upgrades ALV (buy), SocGen upgrades BBY (buy), UniCredit downgrades CEDC, Roth upgrades GDI (buy)

Key Research: Carnegie upgrades MICC, Janney increases TIVO price target and upgrades CCC (buy), JMP initiates SEM (op)

Key Research: Opco initiates CKSW (op), Roth upgrades HOLI (buy), Citi upgrades SXL & downgrades NS

Reporting Pre-Open: AEP, APD, BAX, BBT, BIIB, COF, COL, DD, DHR, DO, DOV, FHN, FITB, GE, GR, HON, IR, JNS, LH, LLL, LUV, MCD, MS, NEM, NUE, PM, PNC, PPG, RAI, SHW, SLB, SNA, STI, TROW, TRV, UNH, VZ, XRX, ADS, AIT, AKZOY, ALK, AMRB, BLK, BX, CLS, CNH, COV, CP, CPX, CRRC, CSH, CY, ENTG, ESI, FLWS, FNFG, GMT, GNTX, GPK, HAFC, HOMB, HUB.B, IBKR, IDXX, IIIN, JBLU, KSU,

LSTR, LTM, MAN, NOK, NPBC, NSR, NVR, NYT, PCX, PENN, POOL, RGEN, SASR, SFNC, SILC, SON, ST, SYNT, TASR, TCB, TEL, TNB, TNC, TPX, TZOO, UAL, UMPQ, UTEK, WCC, WFT, WSO, WTNY, SRCE

Reporting Post-Close: AMD, BCR, CB, IGT, MXIM, RHI, SNDK, AMSG, ASBC, AVID, BOOT, CYMI, CYN, DAIO, DGII, EDR, ELGX, EZPW, FFIN, INFA, LSCC, MCRL, PFBC, PLCM, RMBS, RMTR, SIVB, STRT, SYMM, SYNA, XXIA

Economic Data: Jobless Claims @ 8:30am, Bloomberg Economic Expectations & Consumer Comfort @ 9:45am, House Price Index / Leading Indicators / Philadelphia Fed Index @ 10am, RPX Composite Index @ 4pm

EIA Natural Gas Inventories @ 10:30am

Conferences: No major conferences

Analyst/Investor Days: WNS

Non-Deal Roadshows: DEO, ECYT, FSCI, KSS, PBY, PRFT, TSL, TTGT

Shareholder Meetings: TKC, C, CNP, HUM, NEU, PBCT, TXN, LTM, GGG, ISRG, SIVB

Equity/Mixed Shelves: N/A

S&P 500 change (date tba): Chipolte Mexican Grill (CMG) to replace Novell (NOVL)  
S&P 400 change (date tba): UTi Worldwide (UTIW) to replace Chipolte Mexican Grill (CMG)  
S&P 400 change (after close April-27): Carbo Ceramics (CRR) to replace Beckman Coulter (BEC)  
S&P 600 change (after close April-27): Hawkins (HWKN) to replace Carbo Ceramics (CRR)

Other Newspaper Articles & Stories

WSJ cautious on Wells Fargo (WFC)  
WSJ<<http://online.wsj.com/article/SB10001424052748704658704576275002035510800.html>>  
Barron's positive on Molex (MOLX)  
Barron's<[http://online.barrons.com/article/SB50001424052970204286704576275162198088724.html?mod=BOL\\_da\\_wt](http://online.barrons.com/article/SB50001424052970204286704576275162198088724.html?mod=BOL_da_wt)>

· Central bank adviser Xia Bin said comment about possible one-off revaluation of yuan has been taken out of context Bloomberg<<http://www.bloomberg.com/news/2011-04-21/pboc-adviser-says-yuan-one-off-revaluation-comment-taken-out-of-context.html>>

· Cristiano Ronaldo scored in extra time as Real Madrid beat Barcelona 1-0 for first Copa del Rey soccer title in 18 yrs Bloomberg<<http://www.bloomberg.com/news/2011-04-20/real-madrid-beats-barcelona-1-0-after-extra-time-in-copa-del-rey-final.html>>

· China banks to test for 50% drop in property prices 21st Century Business Herald reports (Bloomberg)

· Chipolte faces US probe over hiring  
WSJ<<http://online.wsj.com/article/SB10001424052748704570704576275361959267734.html>>

· BP Sues Contractors Transocean, Cameron  
WSJ<<http://online.wsj.com/article/SB10001424052748703838004576275510607152074.html>>

· World revs up US profits  
WSJ<[http://online.wsj.com/article/SB10001424052748704570704576275123886195298.html?mod=ITP\\_pageone\\_0](http://online.wsj.com/article/SB10001424052748704570704576275123886195298.html?mod=ITP_pageone_0)>

· Subaru steers to bigger niche  
WSJ<[http://online.wsj.com/article/SB10001424052748704570704576275023008613888.html?mod=ITP\\_marketplace\\_5](http://online.wsj.com/article/SB10001424052748704570704576275023008613888.html?mod=ITP_marketplace_5)>

· Loan uptick could aid businesses  
WSJ<[http://online.wsj.com/article/SB10001424052748703838004576275380568031312.html?mod=ITP\\_moneyandinvesting\\_0](http://online.wsj.com/article/SB10001424052748703838004576275380568031312.html?mod=ITP_moneyandinvesting_0)>

- AES Sees Utility of M&A WSJ Heard on the Street<<http://online.wsj.com/article/SB10001424052748704658704576275020741134888.html>>
- Glencore trades one identity for another WSJ Heard on the Street<[http://online.wsj.com/article/SB10001424052748704658704576275090492888876.html?mod=ITP\\_moneyandinvesting\\_6](http://online.wsj.com/article/SB10001424052748704658704576275090492888876.html?mod=ITP_moneyandinvesting_6)>
- Tracking File Found in iPhones NYT<[http://www.nytimes.com/2011/04/21/business/21data.html?\\_r=1&ref=todayspaper](http://www.nytimes.com/2011/04/21/business/21data.html?_r=1&ref=todayspaper)>
- A surge in gold nears a limit NYT<<http://www.nytimes.com/2011/04/21/business/21views.html?ref=todayspaper>>
- Labor board tells Boeing new factory breaks laws NYT<<http://www.nytimes.com/2011/04/21/business/21boeing.html?ref=todayspaper>>
- Riding China's growth to deals elsewhere NYT DealBook<<http://dealbook.nytimes.com/2011/04/20/chinas-investors-ride-its-growth-to-make-deals-elsewhere/?ref=todayspaper>>
- US Treasury to press on with \$20bn AIG sale FT<<http://www.ft.com/cms/s/0/6076f50c-6ba2-11e0-93f8-00144feab49a.html#axzz1JpfQplW8>>
- Airline ownership reform aims to boost investment FT<<http://www.ft.com/cms/s/0/1f7d7744-6b73-11e0-a53e-00144feab49a.html#axzz1JpfQplW8>>
- Lafarge in €1bn gypsum arm sale FT<<http://www.ft.com/cms/s/0/0e0d3b70-6b8c-11e0-a53e-00144feab49a.html#axzz1JpfQplW8>>
- New HSBC chief plans radical shake-up FT<<http://www.ft.com/cms/s/0/809998f2-6b7b-11e0-a53e-00144feab49a.html#axzz1JpfQplW8>>
- Probe launched into Pru's failed AIA bid FT<<http://www.ft.com/cms/s/0/554eaf84-6b7b-11e0-a53e-00144feab49a.html#axzz1JpfQplW8>>
- Oklahoma attorney general to craft alternative deal in foreclosure settlement Washington Post<[http://www.washingtonpost.com/business/economy/oklahoma-attorney-general-to-craft-alternative-deal-in-foreclosure-settlement/2011/04/20/AFXrv1EE\\_story.html](http://www.washingtonpost.com/business/economy/oklahoma-attorney-general-to-craft-alternative-deal-in-foreclosure-settlement/2011/04/20/AFXrv1EE_story.html)>
- Hulu to shake up Aussie TV market The Age<<http://www.theage.com.au/technology/technology-news/hulu-to-shake-up-aussie-tv-market-20110421-1dpq3.html>>
- Chinese oil giant Sinopec cuts off oil exports amid int'l disruptions The China Post<<http://www.chinapost.com.tw/business/company-focus/2011/04/21/299455/Chinese-oil.htm>>
- UK's large banks lose payment protection insurance case, may need to refund £4.5B to customers - London Times
- Novolipetsk Steel to buy remaining 50% of JV from Duferco - Kommersant
- Sumitomo Mitsui Financial FY10 net likely to be ¥470B vs forecast of ¥540B - Nikkei
- Mitsubishi UFJ Morgan Stanley Securities FY net to be (¥140B) - Nikkei

#### Key Events Next Week

Monday: New Home Sales, Dallas Fed Manufacturing, Earnings (KMB, SIAL, AMP, ESRX, JEC, MAS, NFLX)

Tuesday: Case-Shiller Home Price Index, Consumer Confidence, Richmond Fed, Japan Industrial Production, Barclay's Retail & Restaurant Conf. (NYC), Earnings (AKS, AN, CMI, COH, HSY, KO, LMT, LO, LXX, MHP, MMM, UPS, VLO, X, AMZN, BRM)

Wednesday: FOMC Rate Decision, MBA Mortgage Applications, Durable Orders, Earnings (BA, BHI, COP, DPS, DTE, GD, GLW, NOC, ROK, WHR, WPI, WYN, AFL, ALL, BIDU, FLEX, FLS, LOGI, NSC, NVLS, OI, SBUX)

Thursday: GDP, Pending Home Sales, BOJ Target Rate, Earnings (ABC, AET, BMY, CCE, CL, DISCA, DOW, HOT, IP, IRM, MHS, MSI, NBL, OXY, PG, PHM, S, SWY, TWC, TYC, XOM, CLF, EXPE, MSFT, MWW, VRSN)

Friday: Personal Income & Consumption, Employment Cost Index, Chicago PMI, Michigan Confidence, Earnings (AIV, AON, CAT, CVH, CVX, DHI, ETR, FLIR, GT, ITT, MRK, NEE, NWL, SPG, VFC, WY)

---

This e-mail and any files transmitted with it are confidential and intended only for the person or entity to which it is addressed. If you are not the intended recipient, you are hereby notified that any dissemination, distribution or copying of this e-mail and any attachment(s) is strictly prohibited. If you have received this e-mail in error please immediately notify the sender at 203-302-7300 or by replying to this e-mail and delete the e-mail and any attachment(s) from your system. Nothing herein shall be construed as a financial promotion to any person or persons, or a solicitation or recommendation to buy or sell any security or other investment or to engage in any trading strategy. Information presented is from sources believed to be reliable, but is not guaranteed to be accurate or complete. This information should not be taken as an offer nor as a solicitation of an offer to buy or sell securities or other financial instruments. Email transmission cannot be guaranteed to be secure, timely or error free. Tourmaline Partners, LLC may review and store both incoming and outgoing messages. Use by other than the intended recipients is prohibited.