

Daily US Equity Opening News

April 7th, 2021: PFE arthritis drug faces probe in Canada; US Cruises could restart by mid-Summer

The Daily US Equity Opening News is uploaded at 1400BST/0900EDT recapping all the overnight equity news.

CRUISES (CCL, NCLH, RCL): US CDC says cruises could restart with restrictions by the middle of Summer.

SPORTS BETTING (DKNG, PENN, MGM): New York Governor Cuomo confirmed the state will legalise mobile sports betting.

DOW JONES

Merck & Co. (MRK) (Health Care/Pharmaceuticals) and **Alkermes (ALKS)** announced the two are in a trial collaboration and supply agreement with Merck (MRK) for a planned phase three study to evaluate nemvarelix, formerly referred to as ALKS 4230.

The Walt Disney Company (DIS) (Communication Services/Movies & Entertainment) ESPN said women's college basketball title game drew an average of 4mln viewers this weekend, the most-watched women's contest since 2014, according to CNBC.

NASDAQ 100

Alphabet Inc Class C (GOOG) (Communication Services/Interactive Media & Services) Android advertising tool is the target of a complaint by Max Schrems, a French privacy activist, which accuses GOOG of breaching EU rules by failing to get consent from users.

Amazon.com Inc. (AMZN) (Consumer Discretionary/Internet & Direct Marketing Retail) CEO and founder Jeff Bezos said he would support a rise in US corporation tax to fund the infrastructure programme.

Biogen Inc. (BIIB) (Health Care/Biotechnology) announced it received marketing authorisation from the European Commission for a subcutaneous injection of Tysabri to treat relapsing-remitting multiple sclerosis.

Moderna (MRNA) (Health Care/Biotechnology) - UK has started its Moderna (MRNA) vaccine rollout. Meanwhile, the deliveries to the EU are on track to meet the number of doses it promised, according to a spokesman.

Tesla (TSLA) (Consumer Discretionary/Automobiles) announced cameras in Tesla (TSLA) vehicles are not activated outside of North America as it looks to calm China security concerns after the use of Tesla (TSLA) vehicles in military compounds was banned.

S&P 500

Accenture plc (ACN) (Information Technology/IT Consulting & Other Services) is partnering with SAP (SAP) on a unique joint initiative to design, develop and deliver new cloud-based capabilities to strengthen existing SAP Intelligent Asset Management solutions.

Fox Corporation Class A (FOXA) (Communication Services/Movies & Entertainment) filed a suit against Flutter to enforce rights to acquire an 18.6% stake in FanDuel at the price Flutter paid in December last year.

Occidental Petroleum (OXY) (Energy/Oil & Gas Exploration & Production) Chief Executive Vicki Hollub announced she opposes a carbon tax, an idea that has received the backing of large rival oil companies and some trade groups.

Pfizer Inc. (PFE) (Health Care/Pharmaceuticals) Xeljanz arthritis drug is facing a probe from the Canadian health regulator after a trial identified an increased risk of serious heart-related issues and cancer in patients.

ViacomCBS (VIAC) (Communication Services/Media) NCAA men's basketball championship game drew an average of 16.9mln viewers to CBS sports, -14% Y/Y, according to CNBC.

OTHER

AerCap (AER) (Industrials/Trading Companies & Distributors) announced it signed 60 aircraft lease agreements in Q1 21, including 28 widebody jets and 32 narrowbody jets. It purchased an Embraer (ERJ) E2. It sold nine aircraft, including two Airbus (EADSY) A320 Family aircraft, one Airbus A330, two Boeing (BA) 737 NGs, one Boeing 787-8 and three Boeing 767-300ERs from its own portfolio.

Beyond Meat (BYND) (Consumer Staples/Food Products) is to open a new manufacturing facility in China, its first outside the US.

Coinbase (COIN) Q1 projections; estimated total revenue of USD 1.8bln, trading volume at USD 335bln, net income of roughly USD 730-800mln, and Adj. EBITDA of USD 1.1bln.

LGI Homes (LGIH) (Consumer Discretionary/Household Durables) closed 1,147 homes in March (prev. 795 Y/Y, +44.3%). Announced record quarterly closings of 2,561 (prev. 1,835 Y/Y).

Nokia (NOK) (Information Technology/Communications Equipment) and Lenovo announced it has concluded a multi-year, multi-technology patent cross-license agreement with Lenovo. Lenovo will make a net balancing payment to NOK but the terms are confidential. Elsewhere, NOK has been selected by Dish (DISH) to assist with securing the US' first cloud-native and Open RAN-based 5G network.

Qiagen (QGEN) (Health Care/Life, Sciences Tools & Services) has launched its QIAseq DIRECT SARS-CoV-2 Kit.

Samsung (SSNLF) (Information Technology/Technology Hardware, Storage & Peripherals) Q1 operating profit view (KRW): 9.30trln (exp. 8.88trln), revenue view 65trln (exp. 61.53trln)

Shell (RDS.A LN) (Energy/Oil, Gas & Consumable Fuels) expects to take a USD 200mln hit to Q1 earnings from the storms in Texas; earnings due April 29th, reports CNBC.

BROKER MOVES

UPGRADES

- Abercrombie & Fitch (ANF) upgraded to Buy from Neutral at UBS
- Banner Corp. (BANR) upgraded to Strong Buy from Outperform at Raymond James
- CyberArk (CYBR) upgraded to Outperform from Neutral at Baird
- EPR Properties (EPR) upgraded to Buy from Underperform at BofA
- Essential Properties Realty Trust (EPRT) upgraded to Buy from Underperform at BofA
- Fox Corp. (FOXA) upgraded to Equal Weight from Underweight at Wells Fargo
- Gildan Activewear (GIL) upgraded to Buy from Neutral at UBS
- GSX Techedu (GSX) upgraded to Neutral from Underweight at JPMorgan
- Guaranty Federal Bancshares (GFED) upgraded to Outperform from Market Perform at Raymond James
- Hancock Whitney (HWC) upgraded to Strong Buy from Outperform at Raymond James
- Kontoor Brands (KTB) upgraded to Buy from Neutral at UBS
- L Brands (LB) upgraded to Buy from Neutral at UBS
- Lazard (LAZ) upgraded to Overweight from Equal Weight at Morgan Stanley
- National CineMedia (NCMI) upgraded to Buy from Hold at Benchmark
- National Retail Properties (NNN) upgraded to Buy from Underperform at BofA
- Preferred Bank (PFBC) upgraded to Outperform from Market Perform at Raymond James
- Saia (SAIA) upgraded to Overweight from Equal Weight at Stephens
- Texas Capital (TCBI) upgraded to Buy from Neutral at Janney Montgomery Scott
- Tractor Supply (TSCO) upgraded to Buy from Neutral at Guggenheim
- ViacomCBS (VIAC) upgraded to Outperform from Peer Perform at Wolfe Research

DOWNGRADES

- American National Bankshares (AMNB) downgraded to Market Perform from Outperform at Raymond James
- Ameris Bancorp (ABCB) downgraded to Outperform from Strong Buy at Raymond James
- Atmos Energy (ATO) downgraded to Neutral from Buy at Seaport Global
- Bright Horizons (BFAM) downgraded to Underweight from Equal Weight at Morgan Stanley

- Casey's General Stores (CASY) downgraded to Market Perform from Outperform at Raymond James
- CMS Energy (CMS) downgraded to Neutral from Buy at Seaport Global
- Credit Suisse (CS) downgraded to Neutral from Outperform at Exane BNP Paribas
- FibroGen (FGEN) downgraded to Neutral from Buy at Mizuho
- Northern Trust (NTRS) downgraded to Neutral from Buy at UBS
- Paychex (PAYX) downgraded to Underperform from Peer Perform at Wolfe Research
- Sempra Energy (SRE) downgraded to Neutral from Buy at Seaport Global
- Vertex (VERX) downgraded to Underweight from Equal Weight at Morgan Stanley
- W.P. Carey (WPC) downgraded to Underperform from Buy at BofA

INITIATIONS

- Avalara (AVLR) rated new overweight at Morgan Stanley; PT USD 170
- Azure Power Global (AZRE) rated new outperform at RBC; PT USD 42
- Broadmark Realty Capital (BRMK) rated new market perform at JMP
- Clean Harbors (CLH) reinstated neutral at Goldman; PT USD 87
- Emergent BioSolutions (EBS) rated new buy at Benchmark; PT USD 150
- Joann (JOAN) rated new outperform at William Blair
- Multiplan (MPLN) rated new buy at B Riley Securities; PT USD 10
- Oncternal Therapeutics (ONCT) rated new outperform at Oppenheimer
- PayPal (PYPL) rated new outperform at Oddo BHF
- Paysafe (PSFE) rated new outperform at Wolfe; PT USD 19
- Republic Services (RSG) reinstated buy at Goldman; PT USD 117
- Sage Therapeutics (SAGE) reinstated overweight at Piper Sandler
- ServiceNow (NOW) rated new buy at Citic Securities; PT USD 625
- Smart Global (SGH) reinstated overweight at Barclays; PT USD 60
- Square (SQ) rated new neutral at Oddo BHF
- Sunrun (RUN) reinstated outperform at RBC; PT USD 81
- W R Berkley Corp (WRB) rated new overweight at Wells Fargo; PT USD 92
- Waste Management (WM) reinstated buy at Goldman; PT USD 145

EX DIVIDENDS

- Campbell Soup Co - USD 0.37
- Ingles Markets Inc - USD 0.16
- Oracle Corp - USD 0.32
- Trinseo SA - USD 0.08
- Wabash National Corp - USD 0.08

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