

## Daily US Equity Opening News

### May 7th, 2021: Huge NFP headline miss; MCHP beat; TSLA may not achieve FSD tech by year-end

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

**US RECAP:** On Thursday, SPX closed +0.80% at 4,201, NDX +0.82% at 13,613, DJIA +0.92% at 34,546, R2K -0.08% at 2,239 // SECTORS: Financials +1.44%, Consumer Staples +1.32%, Communication Svs. +1.1%, Technology +1.01%, Materials +0.92%, Utilities +0.73%, Industrials +0.69%, Real Estate +0.54%, Energy +0.42%, Consumer Discretionary +0.32%, Health +0.07%.

### DOW JONES

**Nike (NKE)** (Consumer Discretionary/Apparel, Accessories & Luxury Goods) competitor **Adidas (ADDYY)** earnings; Q1 net sales EUR 5.268bln (exp. 5.02bln). Forecasts a significant top-line acceleration in Q2, constant currency sales expected to increase 50% Y/Y. Upgrades FY outlook, sales expected to grow at a high-teens rate in 2021.

### NASDAQ 100

**Amazon.com Inc. (AMZN)** (Consumer Discretionary/Internet & Direct Marketing Retail) Prime Day in Canada has been put on hold over COVID concerns, according to an email to Amazon merchants. The Prime Day in India has also been put on hold.

**Microchip Technology (MCHP)** (Information Technology/Semiconductors) EPS 1.85 (exp. 1.74), Revenue 1.467bln (exp. 1.46bln). Q1 EPS view 1.85-1.55 (exp. 1.81), Q1 revenue 1.467bln (exp. 1.46bln).

**Monster Beverage (MNST)** (Consumer Staples/Soft Drinks) Q1 21 (USD): EPS 0.59 (exp. 0.61), Revenue 1.24bln (exp. 1.22bln).

**Peloton Interactive (PTON)** (Consumer Discretionary/Leisure Products) Q3 21 (USD): EPS -0.03 (exp. -0.12), Revenue 1.26bln (exp. 1.11bln). Subscription Revenue 239.4mln (exp. 238.6mln). Adj. EBITDA 63.2mln (exp. 18.3mln). Connected fitness subscribers 2.08mln (exp. 1.99mln, +135% Y/Y). Paid digital subscribers 891k (exp. 694k, +404% Y/Y). Q4 adj. EBITDA view -0.60mln; Tread recall will have over a USD 100mln revenue hit. Cuts FY21 revenue view to 4bln (exp. 4.1bln, prev. 4.075bln).

**Tesla (TSLA)** (Consumer Discretionary/Automobiles) told a regulator in California it may not achieve full self-driving technology by year end. TSLA also raised its prices again for its Model 3 and Y.

### S&P 500

**Alliant Energy Corp (LNT)** (Utilities/Electric Utilities) Q1 21 (USD): Adj. EPS 0.68 (exp. 0.68), Revenue 0.901bln (exp. 0.95bln). Affirms FY21 EPS view of 2.50-2.64 (exp. 2.56).

**American International Group (AIG)** (Financials/Property & Casualty Insurance) Q1 21 (USD): adj. EPS 1.05 (exp. 0.97).

**CIGNA Corp. (CI)** (Health Care/Managed Health Care) Q1 21 (USD): EPS 4.73 (exp. 4.38), Revenue 40.91bln (exp. 40.24bln). Raises FY21 adj. EPS view to at least 20.20 (exp. 20.26, prev. at least 20.00). Raises FY21 revenue view to at least 166bln from at least 165bln (exp. 165.77bln).

**Citigroup Inc. (C)** (Financials/Diversified Banks) is mulling the option of providing crypto related services as it garners more and more interest from clients.

**Consolidated Edison (ED)** (Utilities/Electric Utilities) Q1 21 (USD): EPS 1.44 (exp. 1.36), Affirms FY21 EPS view of 4.15-4.35 (exp. 4.25).

**EOG Resources (EOG)** (Energy/Oil & Gas Exploration & Production) Q1 21 (USD): Adj. EPS 1.62 (exp. 1.48), Revenue 3.69bln (exp. 3.64bln). Declared special dividend of USD 1.00/shr.

**Expedia Group (EXPE)** (Consumer Discretionary/Internet & Direct Marketing Retail) Adj. EPS -2.02 (exp. -2.31), Revenue 1.25bln (exp. 1.12bln). Noted Summer looks strong particularly in the US, remains on track for USD 200mln in annual savings. Announced it is seeing booking trends well above levels seen in 2019. Filed to sell 8.4mln shares of stock for holders.

**Kansas City Southern (KSU)** (Industrials/Railroads) received voting trust approval from the US STB (Surface Transportation Board) for the proposed acquisition from Canadian Pacific Railway (CP).

**Live Nation Entertainment Inc (LYV)** (Communication Services/Entertainment) Q1 21 (USD): EPS -1.44 (exp. -1.52), Revenue 0.291bln (exp. 0.29bln).

**McKesson Corp. (MCK)** (Health Care/Health Care Distributors) Q4 21 (USD): EPS 5.05 (exp. 5.04), Revenue 59.1bln (exp. 61.09bln). FY22 adj. EPS view 18.85-19.45 (exp. 18.85), FY22 revenue growth view 3-6%.

**Mettler Toledo (MTD)** (Health Care/Life Sciences Tools & Services) Q1 21 (USD): EPS 6.56 (exp. 5.61), Revenue 0.804 bln (exp. 0.76bln). Q2 adj. EPS view 7.50-7.65 (exp. 6.48). Raises FY21 adj. EPS view to 31.45-31.90 (exp. 29.75, prev. 29.20-29.80).

**Motorola Solutions Inc. (MSI)** (Information Technology/Communications Equipment) Q1 21 (USD): Adj. EPS 1.87 (exp. 1.62), Revenue 1.8bln (exp. 1.75bln). Announced it has increased its share repurchase programme by USD 2bln. Q2 adj. EPS view 1.90-1.95 (exp. 1.73), revenue growth view of 19-20%. Raises FY21 adj. EPS view to 8.70-8.80 (exp. 8.62, prev. 8.50-8.62). Raised FY21 revenue growth view to 8-9% (prev. 7.25-8%).

**News Corp. Class A (NWSA)** (Communication Services/Publishing) (Communication Services/Publishing) Q3 21 (USD): Adj. EPS 0.09 (exp. 0.04), Revenue 2.34bln (exp. 2.19bln).

**Pfizer Inc. (PFE)** and **BioNTech (BNTX)** (Health Care/Pharmaceuticals) have initiated the application process with the FDA for full approval of their COVID-19 vaccine.

**TripAdvisor (TRIP)** (Communication Services/Interactive Media & Services) Q1 21 (USD): Adj. EPS -0.39 (exp. -0.32), Revenue 0.123bln (exp. 0.12bln). Q1 Monthly unique users improved 53%, 56% and 58% Y/Y each month (Jan, Feb, Mar.)

## OTHER

**Air Lease Corp (AL)** (Industrials/Trading Companies & Distributors) Q1 21 (USD): EPS 1.03 (exp. 0.94), Revenue 0.475 bln (exp. 0.5bln).

**Beyond Meat Inc (BYND)** (Consumer Staples/Food Products) Q1 21 (USD): Adj. EPS -0.42 (exp. -0.19), Revenue 0.11 bln (exp. .11bln). Q2 revenue view 0.135-0.150bln (exp. 0.143bln).

**Bill.com (BILL)** (Information Technology/Software) announced it agreed to acquire Divvy in a stock and cash transaction valued at roughly USD 2.5bln. Q3 21 (USD): EPS -0.02 (exp. -0.07), revenue 60mln (exp. 55mln). Q4 EPS view -0.05 to -0.04 (exp. -0.07), revenue view 61-62mln (exp. 57mln).

**Carvana Co (CVNA)** (Consumer Discretionary/Specialty Retail) Q1 21 (USD): EPS -0.46 (exp. -0.65), Revenue 2.245 bln (exp. 1.95bln). On track to meet or exceed FY21 guidance.

**Cloudflare Inc (NET)** (Information Technology/Software) Q1 21 (USD): EPS -0.03 (exp. -0.03), Revenue 0.138bln (exp. 0.13bln). Q2 EPS view -0.04 to -0.03 (exp. -0.03), revenue view 0.146-0.147bln (exp. 0.139bln). FY21 adj. EPS view -0.11 to -0.10 (exp. -0.09), revenue view raised to 0.612-0.616bln (exp. 0.593bln, prev. 0.589-0.593bln).

**CoStarGroup (CSGP)** (Industrials/Professional Services) received a new stake from Dan Loeb's Third Point in Q1.

**Datadog Inc (DDOG)** (Information Technology/Software) Q1 21 (USD): EPS 0.06 (exp. 0.03), Revenue 0.199bln (exp. 0.19bln). Q2 EPS view 0.03-0.04 (exp. 0.03). FY21 EPS view 0.13-0.16 (exp. 0.14), FY21 Revenue view 0.880-890bln (exp. 0.83bln). Named Adam Blitzler as COO, effective from May 10th.

**DraftKings Inc (DKNG)** (Consumer Discretionary/Hotels, Restaurants & Leisure) Q1 21 (USD): Revenue 0.312bln (exp. 0.24bln). FY Revenue view raised to 1.05-1.15bln (exp. 1.05bln, prev. 0.900-1bln).

**Dropbox Inc (DBX)** (Information Technology/Software) Q1 21 (USD): Adj. EPS 0.35 (exp. 0.31), Revenue 0.51bln (exp. 0.51bln). ARR +13% Y/Y. Paying users at 15.83mln (prev. 14.59mln Y/Y). Q2 revenue view 0.522-0.525bln (exp. 0.517 bln). Raises FY21 revenue view to 2.118-2.130bln (exp. 2.11bln, prev. 2.095-2.115bln).

**Ericsson (ERIC)** (Information Technology/Communications Equipment) and Samsung came to a multi-year agreement with Samsung on global patent licenses, ending a dispute that hit its Q1 revenue.

**Nikola (NKLA)** (Industrials/Machinery) Adj. EPS -0.14 (exp. -0.28), EBITDA loss of 53mln (exp. loss of 110mln). Sees start of vehicle trial production at the Coolidge, Arizona, facility in July.

**Planet Fitness Inc (PLNT)** (Consumer Discretionary/Hotels, Restaurants & Leisure) Q1 21 (USD): EPS 0.10 (exp. 0.19), Revenue 0.12bln (exp. 0.12bln).

**Roku Inc (ROKU)** (Communication Services/Entertainment) Q1 21 (USD): EPS 0.54 (exp. -0.13), Revenue 0.574bln (exp. .49bln). Platform revenue USD 466.5mln, +101% Y/Y. Gross profit 326.8mln, +132% Y/Y. Incremental Active Accounts 53.6mln, added 2.4mln. Streaming Hours 18.3bln, increased by 1.4bln hours. ARPU grew to USD 32.14, +32% Y/Y. Raised approximately 1bln through an ATM stock offering.

**Square Inc (SQ)** (Information Technology/IT Services) Q1 21 (USD): Adj. EPS 0.41 (exp. 0.16), Revenue 5.06bln (exp. 3.34bln). Ex-Bitcoin revenue 1.55bln.

## BROKER MOVES

### UPGRADES

- Albemarle (ALB) upgraded to Neutral from Underweight at JPMorgan
- Altair (ALTR) upgraded to Outperform from Market Perform at William Blair
- Azul (AZUL) upgraded to Buy from Neutral at Seaport Global
- Belden (BDC) upgraded to Buy from Hold at Stifel
- Brinker (EAT) upgraded to Overweight from Neutral at JPMorgan
- ConocoPhillips (COP) upgraded to Strong Buy from Outperform at Raymond James
- Datadog (DDOG) upgraded to Buy from Hold at Berenberg
- Deutsche Bank (DB) upgraded to Equal Weight from Underweight at Morgan Stanley
- Discovery (DISCA) upgraded to Equal Weight from Underweight at Barclays
- Epizyme (EPZM) upgraded to Outperform from Market Perform at SVB Leerink
- Ethan Allen (ETH) upgraded to Buy from Hold at Argus
- Etsy (ETSY) upgraded to Buy from Hold at Stifel
- Funko (FNKO) upgraded to Buy from Neutral at DA Davidson
- General Dynamics (GD) upgraded to Buy from Hold at Argus
- Harsco (HSC) upgraded to Buy from Hold at Argus
- II-VI (IIVI) upgraded to Outperform from Market Perform at Northland
- Intellia Therapeutics (NTLA) upgraded to Buy from Neutral at Roth Capital
- James River Group (JRVV) upgraded to Buy from Hold at Truist
- Nokia (NOK) upgraded to Overweight from Equal Weight at Morgan Stanley
- Roku (ROKU) upgraded to Buy from Hold at Loop Capital
- Steelcase (SCS) upgraded to Buy from Hold at Benchmark
- Tapestry (TPR) upgraded to Buy from Neutral at BTIG
- Tilray (TLRY) resumed with a Buy from Underperform at Jefferies
- Tupperware Brands (TUP) upgraded to Buy from Neutral at Citi
- U.S. Physical Therapy (USPH) upgraded to Outperform from Market Perform at Barrington
- ViacomCBS (VIAC) upgraded to Equal Weight from Underweight at Wells Fargo
- ViacomCBS (VIAC) upgraded to Outperform from Sector Perform at RBC Capital
- ViewRay (VRAY) upgraded to Buy from Neutral at Guggenheim
- Wayfair (W) upgraded to Buy from Hold at Gordon Haskett
- Wayfair (W) upgraded to Hold from Sell at Stifel

### DOWNGRADES

- At Home Group (HOME) downgraded to Hold from Buy at Craig-Hallum

- Equity Commonwealth (EQC) downgraded to Neutral from Buy at BofA
- Ericsson (ERIC) downgraded to Equal Weight from Overweight at Morgan Stanley
- Home Point Capital (HMPT) downgraded to Neutral from Overweight at Piper Sandler
- Leaf Group (LEAF) downgraded to Hold at Canaccord
- Synaptics (SYNA) downgraded to Hold from Buy at Summit Insights
- Vereit (VER) downgraded to Market Perform from Outperform at BMO Capital
- Wingstop (WING) downgraded to Neutral from Buy at Northcoast

## INITIATIONS

- Brooks Automation (BRKS) reinstated buy at Needham; PT USD 110
- Cornerstone OnDemand (CSOD) reinstated market outperform at JMP; PT USD 83
- FTI Consulting (FCN) rated new buy at Berenberg; PT USD 180
- Humanigen (HGEN) rated new outperform at Oppenheimer; PT USD 30
- Lion Electric (LEV) rated new outperform at BMO; PT USD 22
- Macquarie Infrastructure (MIC) reinstated sector perform at RBC
- Raytheon Technologies (RTX) rated new buy at Redburn
- Xenon Pharmaceuticals (XENE) rated new outperform at SMBC Nikko; PT USD 30

## EX DIVIDENDS

- Ameriprise Financial Inc - USD 1.13
- D.R. Horton Inc - USD 0.20
- International Business Machines Corp - USD 1.64
- PPG Industries Inc - USD 0.54
- Sonoco Products Co - USD 0.45

## Disclaimer

The information contained within this document has been prepared and issued by Newsquawk Voice Limited ("Newsquawk") on the basis of publicly available information and other sources believed to be reliable. Whilst all reasonable care is taken to ensure that the facts stated are accurate, neither Newsquawk nor any of its directors, officers or employees shall be in any way held responsible for its content or your use of it. Neither the provision of any content herein nor anything on our website or any other media we use is intended to, and should not be construed as, providing advice and/or enticing an offer or solicitation to invest in, buy or sell securities or other financial instruments.