**February 7, 2020**

11:12am ET Total S.A. (TOT) $49.54 down $0.63...

**STRATEGY:** Look at the August 50 covered call. For each 100 shares of Total S.A. (TOT) stock you buy, sell one August 50 covered call option for a $47.59 ($49.54 - $1.95) debit or better. That's potentially a 5.1% assigned return. Plus, TOT will likely pay one dividend during this period, which should boost the return higher. The ex-dividend date for this distribution is expected in mid-March.

**IK -> COMMENT:** The technicals for TOT are bearish with a downward trend. The stock has support at $47.00 and resistance at $54.00. The company is next expected to report earnings in early May. CFRA rates this stock 5 STARS (out of five) - strong buy.

**RISK:** The stock has to drop 3.9% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Maintains Strong Buy Opinion on ADSs of Total S.A. We maintain our target price on TOTAL at $61. The valuation represents 1.3x P/NAV, at a slight premium to peer average of 1.1x which is justified in our view by the company's above-average ROE. Our EPS forecast for 2020 was lowered by $0.5 to $4.90 due to weaker oil price outlook, while we introduce a new estimate of $5.30 for 2021. TOTAL's Q4 2019 normalized EPS was flat at $1.19. This represents an 18% beat relative to consensus forecast and contrasts with the decline seen elsewhere in the sector. Although a lower effective tax rate accounted for a huge part of the beat, underlying operational performance was robust with all segments delivering ahead of market expectation. The solid set of result is a testament to its defensive qualities, in our view. We also take comfort in TOTAL's low net gearing (20.7%) and confidence in achieving $1 billion of annual cash flow growth through 2025. These should underpin TOT's target to raise the dividend by 5-6% each year.

[Jia Man Neoh, CFA; CFRA/InvestorsKeyhole]

**February 7, 2020**

11:05am ET Uber Technologies Inc. (UBER) $40.02 up $2.93...

**STRATEGY:** Look at the March 40 covered call. For each 100 shares of Uber Technologies Inc. (UBER) stock you buy, sell one March 40 covered call option for a $37.67 ($40.02 - $2.35) debit or better. That's potentially a 6.2% assigned return.

**IK -> COMMENT:** The technicals for UBER are bullish with an upward trend. The stock has support at $34.00 and resistance at $44.00. The company is next expected to report earnings in early May. CFRA rates this stock 4 STARS (out of five) - buy.

**RISK:** The stock has to drop 5.9% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Keeps Buy Opinion on Shares of Uber Technologies, Inc. We up our 12-month target to $48 from $43 on our revised DCF (10.5% WACC, 1.5 beta and 3% terminal growth). We narrow our annual per share loss estimates to $1.32 from $1.89 for '20 and $0.40 from $1.24 for '21. Adjusted EBITDA loss of $615M ($817M loss a year earlier) was narrower than our $696 loss estimate, on greater scale in ridesharing ($742M profit at 24.4% margin) and smaller losses in Eats (-$461M), with the remainder due to investments in Uber Technologies. Gross bookings grew 28% to $18.1B, slightly ahead of our view, with Rides up 20% and Eats up 73%. Adjusted net revenue grew 41% while take rates improved by a better than expected 200 and 300 basis points in Rides and Eats. While monthly active platform consumers disappointed (111M vs. our 114M view), we now see Adjusted EBITDA profitable by year-end. We remain optimistic about margin expansion potential in Rides given price cooperation with competitors and see a trajectory from improving take pay in Eats.

[Angelo Zino, CFA; CFRA/InvestorsKeyhole]

**February 7, 2020**

10:59am ET Twitter Inc. (TWTR) $37.22 down $1.18...

**STRATEGY:** Look at the March 38 covered call. For each 100 shares of Twitter Inc. (TWTR) stock you buy, sell one March 38 covered call option for a $35.82 ($37.22 - $1.40) debit or better. That's potentially a 6.1% assigned return.

**IK -> COMMENT:** The technicals for TWTR are bullish with an upward trend. The stock has support at $32.00 and resistance at $40.00. The company is next expected to report earnings in early May. CFRA rates this stock 3 STARS (out of five) - hold.

**RISK:** The stock has to drop 3.8% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Maintains Hold Rating on Shares of Twitter, Inc. We raise our target by $5 to $38 based on what we saw as a great Q4, despite an EPS miss, with 21% YoY growth in monetizable daily active users (mDAU), TWTR's key total usage metric, being especially encouraging as it is an acceleration from 9% in H2 18, partially offset by lingering execution issues. Our new $38 target is the product of our new '21 cash flow per share forecast of $1.81 and a 21.2x multiple (3-year average +5% due to TWTR's $3.4B net cash position; note, we use cash flow due to TWTR's erratic earnings history). Revenue of $1.01B, +11% YoY, beat consensus by $12m; EPS of $0.25, (vs. $0.31 in Q4 18) missed by $0.02. Our $0.99 '20 EPS forecast remains the same, and we initiate our '21 EPS forecast at$1.15 and '22 at $1.40. We see 15%+ YoY mDAU growth as sustainable now that management reorganized content around the more logical and user-engaging topics vs. individuals and followers. We continue to be cautious given TWTR's history of inconsistent results.

[John Freeman; CFRA/InvestorsKeyhole]

**February 7, 2020**

10:50am ET Stocks Lower Friday Morning

Stocks are below the break-even mark at mid-morning Friday. If it holds, a decline today will break a four-day winning streak for stocks.   
  
At present, the S&P 500 is down 0.26%, the DJIA is down 0.54%, and the NASDAQ is down 0.26%.  
  
Industries doing well today include wireless telecommunication services, biotechnology and food products. Industries trading lower today include personal products, leisure products, and electronic equipment, instruments and components. The VIX is up 0.59 to 15.56. The most heavily traded options this morning are on the CBOOE SPX Volatility Index (VIX), with 20,000 Mar. 18, 2020 28 call contracts on the board. The total put/call ratio as of 10:30 a.m. was 0.94 (633,154/673,988). The advancers/decliners ratio for NYSE stocks is 954/1,802 while the advancers/decliners ratio for NASDAQ stocks is 925/1,958.

[InvestorsKeyhole, various news and data sources]

**February 7, 2020**

8:24am ET Stocks Pull Back Friday Morning

Major U.S. equity indices are trading below break-even ahead of Friday's opening bell. Stocks are up sharply for the week so a breather was likely in order, particularly in light of lingering fears about the economic effects of coronavirus. The S&P 500 is down -0.25%, the Nasdaq is down -0.28%, the Dow Jones is down -0.3%.  
  
Stocks in Asia are mixed. The Shanghai SE Composite Index is up 0.33%, the Nikkei 225 is down -0.19%, the Hang Seng is down -0.33% the Australia ASX All Ordinaries is down -0.37% and the Mumbai Sensex is down -0.4%.   
  
Stocks in Europe are down. The FTSE 100 is down -0.58%, the DAX is down -0.54%, the Euro Stoxx 50 is down -0.36% and the CAC 40 is down -0.35%.  
  
Energy futures are down today. The price for West Texas Intermediate crude oil is down -0.46 at 50.49 per barrel. Brent crude is down -0.43 at 54.5 per barrel. Natural Gas is down -0.01 at 1.85. Precious metals are mixed this morning. Gold is down -0.76 at 1565.9 per ounce. Platinum is up 6.09 at 969.89 while silver is down -0.12 at 17.69. The dollar is mixed compared to the major currencies today. The greenback is up against the euro, down against the Yen and down against the Pound.  
  
NortonLifeLock Inc (NLOK), DXC Technology Co (DXC) and Intercontinental Exchange Inc (ICE) are moving higher this morning, while TAKE-TWO INTERACTIVE SOFTWARE, INC Common Stock (TTWO), eBay Inc (EBAY) and Hanesbrands Inc. (HBI) are headed lower. Uber Technologies Inc (UBER), Twitter Inc (TWTR) and Domino's Pizza, Inc. (DPZ) were upgraded by analysts this morning, while Becton Dickinson and Co (BDX), Aurora Cannabis Inc (ACB) and Yum! Brands, Inc. (YUM) were downgraded.

[InvestorsKeyhole, various news and data sources]

**February 6, 2020**

11:45am ET Tyson Foods, Inc. (TSN) $80.23 down $3.88...

**STRATEGY:** Look at the April 80 covered call. For each 100 shares of Tyson Foods, Inc. (TSN) stock you buy, sell one April 80 covered call option for a $76.43 ($80.23 - $3.80) debit or better. That's potentially a 4.7% assigned return. Plus, TSN will likely pay one dividend during this period, which should boost the return higher. The ex-dividend date for this distribution is expected on February 27.

**IK -> COMMENT:** The technicals for TSN are bullish with a weak downward trend. The stock has support at $77.50 and resistance at $90.00. The company is next expected to report earnings early May. CFRA rates this stock 5 STARS (out of five) - strong buy.

**RISK:** The stock has to drop 4.7% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Reiterates Strong Buy Opinion on Shares of Tyson Foods, Inc. We keep our 12-month target at $105, 14.3x our FY 21 EPS estimate and a premium to TSN's five-year forward mean of 13.0x. We keep our FY 20 EPS estimate at $6.66 and lower FY 21's by $0.08 to $7.34. TSN posts fiscal Q1 adj-EPS of $1.66 vs. $1.58 (+5%), a penny below consensus. Margins in the beef and pork segments were strong due to favorable export markets and strong demand. Chicken underperformed due to greater-than-expected U.S. chicken production, which lowered market prices. However, we expect conditions to improve in the spring/summer due to more feature activity (chicken is attractive since beef prices have been rising). Overall, we think conditions will drastically improve in the back half of the year; exports should ramp up as TSN supplies China and backfills other countries, beef margins should remain high due to less U.S. imports of Australian beef (caused by the bushfires), China could reduce tariffs, and TSN plans to launch more alt. protein products.

[Arun Sundaram, CFA, CPA; CFRA/InvestorsKeyhole]

**February 6, 2020**

11:30am ET Summit Materials, Inc. (SUM) $24.72 up $0.31...

**STRATEGY:** Look at the May 25 covered call. For each 100 shares of Summit Materials, Inc. (SUM) stock you buy, sell one May 25 covered call option for a $22.87 ($24.72 - $1.85) debit or better. That's potentially a 9.3% assigned return.

**IK -> COMMENT:** The technicals for SUM are bullish with a sideways trend. The stock has support at $22.00 and resistance at $25.00. The company is next expected to report earnings early May. CFRA rates this stock 4 STARS (out of five) - buy.

**RISK:** The stock has to drop 7.5% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Maintains Buy Opinion on Shares of Summit Materials, Inc. We reiterate our 12-month target price at $30, based on an EV/EBITDA of 10.0x applied to our '20 EBITDA estimate, a premium to SUM's three-year average forward EV/EBITDA of 9.1x, but a significant discount to EXP's closest peers, trading at an average forward EV/EBITDA of 15.2x. We trim our '20 EPS estimate by $0.09 to $1.01 and start our '21 EPS forecast at $1.10. SUM posts Q4 adjusted EPS of $0.62 vs. a loss per share of $0.16, $0.51 above consensus, driven by a top-line beat of 3.7%. Q4 sales increased YoY by around 14% and adjusted EBITDA increased YoY by nearly 30% to $121 million; adjusted EBITDA beat consensus by 10.5%. Aggregates volume increased YoY by 15% and the aggregates price increased YoY by 4.3%. In '20, we expect to see low-single-digit volume growth and mid-single-digit pricing growth in aggregates. We have a positive view on SUM's strong portfolio of greenfield projects and its expanding backlogs across all segments.

[Matthew Miller, CFA; CFRA/InvestorsKeyhole]

**February 6, 2020**

10:34am ET Stocks Mixed at Mid-Morning Thursday

Major equity indices are mixed at mid-morning Thursday. China and the U.S. announced plans to lower some tariffs on imports as part of the trade deal signed last month  
  
The S&P 500 is up 013%, the Dow Jones Industrial Average is down 0.06% and the Nasdaq is up 0.28%.  
  
Industries trading higher today include personal products, tobacco and diversified consumer service. Industries trading lower include automobiles, leisure products and construction materials. The CBOE SPX Volatility Index (VIX) is up 014 to 15.29. Options on the Deutsche X-trackers CSI 300 China A-Shares ETF have appeared on the most-active list today with 27,033 contracts of the Feb. 21, 2020 26.50 put on the board. The put-call volume ratio as of 11:00 a.m. ET was 0.78 (297,069/382,638). NYSE Adv/Dec 1,413/1,298. Nasdaq Adv/Dec 1,549/1,263.

[InvestorsKeyhole, various news and data sources]

**February 6, 2020**

8:31am ET Rally Continues Thursday Morning

Stocks are again rising Thursday in pre-market trading. China and the U.S. announced plans to lower tariffs next Friday under the terms of the phase one trade deal signed last month. The Nasdaq is up 0.3%, the Nasdaq is up 0.3%, the S&P 500 is up 0.27%.  
  
Stocks in Asia are up. The Hang Seng is up 2.54%, the Nikkei 225 is up 2.38%, the Shanghai SE Composite Index is up 1.72% the Australia ASX All Ordinaries is up 0.96% and the Mumbai Sensex is up 0.4%.   
  
In Europe stocks are up. The DAX is up 0.69%, the CAC 40 is up 0.68%, the Euro Stoxx 50 is up 0.53% and the FTSE 100 is up 0.29%.  
  
Energy futures are mixed today. The price for West Texas Intermediate crude oil is up 0.09 at 50.82 per barrel. Brent crude is down -0.23 at 55.05 per barrel. Natural Gas is down -0.02 at 1.84. Precious metals are mixed this morning. Gold is up 10.09 at 1566.11 per ounce. Platinum is down -5.12 at 978.7 while silver is up 0.18 at 17.78. The dollar is mixed compared to the major currencies today. The greenback is down against the euro, up against the Yen and up against the Pound.  
  
Twitter Inc (TWTR), Cardinal Health Inc (CAH) and Estee Lauder Companies Inc (EL) are moving higher this morning, while Becton Dickinson and Co (BDX), Xylem Inc (XYL) and Paycom Software Inc (PAYC) are headed lower. Cummins Inc. (CMI), VMware, Inc. (VMW) and Plains All American Pipeline, L.P. (PAA) were upgraded by analysts this morning, while W. R. Grace & Co (GRA), Kansas City Southern (KSU) and Gilead Sciences, Inc. (GILD) were downgraded.

[InvestorsKeyhole, various news and data sources]

**February 5, 2020**

10:52am ET DTE Energy Co. (DTE) $133.62 up $0.52...

**STRATEGY:** Look at the July 135 covered call. For each 100 shares of DTE Energy Co. (DTE) stock you buy, sell one July 135 covered call option for a $129.12 ($133.62 - $4.50) debit or better. That's potentially a 4.6% assigned return. Plus, DTE will likely pay one dividend during this period, which should boost the return higher. The ex-dividend date for this distribution is expected on March 13.

**IK -> COMMENT:** The technicals for DTE are bullish with a strong upward trend. The stock has support at $128.00 and resistance at $134.75. The company is next expected to report earnings in early May. CFRA rates this stock 4 STARS (out of five) - buy.

**RISK:** The stock has to drop 3.4% to threaten the break-even point. This trade rates 4 keys out of 5 - low relative risk.

CFRA research notes: CFRA Maintains Buy Opinion on Shares of DTE Energy Company. We keep our 12-month target at $143 on mostly steady fundamentals. We keep our '20 EPS estimate at $6.65 and start '21's at $7.10. Q4 EPS of $1.35, vs. $0.91, beats our estimate and the S&P Capital IQ consensus, both at $1.30. Q4 earnings from DTE Electric were substantially higher than the same period last year. Earnings were also higher at Power & Industrial Projects, Gas storage & Pipelines, and DTE Gas, while Expenses were lower at the parent level. These positives were partly offset by weaker results from Energy Trading. Our target is a peer-premium 21.5x our '20 EPS estimate that we think is merited by our view of an above-peers' three-year EPS growth rate. We see continuing replacement of aging infrastructure and new utility investments driving 80% of near-term capital spending. This should help to boost future customer rates. We also see spending on new projects in non-utility businesses boosting EPS growth. DTE's shares are yielding a near peer average 3.0%.

[Christopher Muir; CFRA/InvestorsKeyhole]