DOW JONES
NEWSWIRES

Global Stocks Little Changed -- Update

By Christopher Whittall and Riva Gold
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Global stocks were little changed Friday as major indexes looked set to close out a week of gains.

The Stoxx Europe 600 was flat midmorning, while shares in Asia edged up.

Futures markets pointed to a small opening gain for the Dow Jones Industrial Average and the S&P500. Changes in futures are necessarily reflected in market moves after the opening bell.

Wall Street ended a touch lower Thursday as health-care and energy shares declined.

Still, markets have broadly rallied this week after recovering from a brief initial shock sparked by the Paris terror attacks last Friday as investors perceived the events as unlikely to have inflicted major economic damage.

Stocks gained after the Federal Reserve's October meeting minutes released late Wednesday showed officials appeared on track to raise interest rates in December from ultralow levels, reducing some uncertainty hanging over markets.

The Dow Jones Industrial Average and the Stoxx Europe 600 are both up around 3% this week.

"Most investors would like to see [a] year-end rally," said David Kohl, chief currency strategist at Julius Baer.

Mr. Kohl said that he expected the Fed to persuade investors that raising interest rates in December will be a sign that the U.S. economy is robust. However, he added that a stronger dollar and higher interest rates could prove challenging for the U.S. next year.

"We will see if the economy can digest that," he said.

Atlanta Fed President Dennis Lockhart on Thursday reiterated that financial-market volatility has calmed enough for him to feel comfortable with lifting rates soon, while Fed Vice Chairman Stanley Fischer also pointed to a potential rate rise in the "relatively near future."

Meanwhile, European Central Bank President Mario Draghi said in a speech Friday that the ECB stands ready to deploy its full range of stimulus measures to fight low inflation. This was another sign that further easing is a strong possibility at the bank's next meeting in December--something that was also reflected in the ECB's minutes from its October meeting released Thursday.

Still, investors are uncertain what form further stimulus might take. Mr. Draghi has left the door open to adjusting its bond-buying program and a further cut to its deposit rate, which is already in negative territory.

"Both the ECB and the Fed minutes effectively confirmed what we already know, but they left key questions open," said Philip Shaw, chief economist at Investec. While investors are fairly certain the Fed will raise interest rates in December, how "gradual" further tightening will be remains unclear, he said.

In Europe, shares in oil and gas companies fell 0.8% Friday, on the back of a move down in U.S. energy shares Thursday. European oil and gas shares remain up nearly 5% this week.

Basic resource companies were up 1.7% Friday, but are still down over 3% this month and 20% this year.

In Asia, Japan's Nikkei Stock Average was up 0.1%, while China's Shanghai Composite Index climbed 0.4%.

Australia's S&P/ASX 200 rose 0.3%, led by the resources sector, bringing its weekly gain to over 4%--its biggest percentage jump in a month.

In currencies, the euro fell 0.3% against the dollar to $1.0688, while the dollar was down against the yen at Yen122.7670.

In commodities, Brent crude oil was up 0.8% at $44.54 a barrel. Gold was up 0.5% at $1,082.80 a troy ounce.

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The Examiners: Public Policy on Executive Pay Falls Short
WSJ Blogs, 2015 年 11 月 20 日 17:49, 593 字, By Anders J. Maxwell, (英文)
When it comes to pre-bankruptcy insider pay , how much disclosure is enough?There has been a plethora of proposed regulations promulgated in the past decade regarding executive compensation. Several proposals have actually been adopted. In ...
文件 WCWSJB0020151120ebbk00192

DOW JONES
NEWSWIRES

Are the Glory Days Over for Asian Stocks? -- Barron's Asia

By Wayne Arnold
1,334 字
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If you're like me, you're old enough to remember when Asia was where investors could count on relatively rapid growth and superior returns. It was a place where opportunities, while certainly not equal, were at least abundant enough that anyone willing to risk the time and money stood to do better than they might in the "old economies" of the West.

If Asia's stock markets today are any guide, however, it looks as though those days may be long gone. Understanding why will become increasingly important in the next few weeks as markets brace for the first U.S. interest-rate increase in eight years. Markets now judge the odds of a Fed rate hike in December at slightly over two-thirds.

Higher borrowing costs for U.S. dollars stands to end what this column has termed the tyranny of "risk-on, risk-off" investing, in which Asian and emerging markets rise and fall not with changes in their own economic or corporate fundamentals, but according to the appetite among global investors for risking cheap dollars in search of higher returns. And that appetite - like Pavlov's dog - is conditioned to respond almost exclusively to signals about how soon the Fed will or won't end the era of near-zero interest rates.

There was a time, before the global financial crisis, when that would have been good news for Asian markets. Stacked up against the U.S. or Europe, who wouldn't have chosen to invest right here in Asia? Indeed, in the past 15 years, the MSCI Asia ex-Japan index has outperformed the S&P500, returning roughly 190% in U.S. dollar terms, compared with about 90% for Wall Street.

But most of that outperformance came in the decade prior to the global financial crisis. In the past five years, Asia has lagged Wall Street, returning just 25% against the S&P500's 110%. The only major Asian markets that managed to beat the S&P in that period - in dollar-based returns -- are two of its smallest, the Philippines and Thailand. And while Asian markets tend to outperform in boom years, they under-perform even more dramatically during busts.

What's changed? The region's era of rapid economic growth appears to be behind it. While emerging Asia is still growing at slightly more than 6% a year, that's a far cry from the double-digit rates more common before the crisis.

In many ways, the region doesn't need to run so fast. Asia isn't as young and vibrant as it once was. The working-age population in China peaked in 2010, according to data from the United Nations, Thailand's peaked last year and Vietnam will reach its zenith next year. And while there are still three teeming Asian nations with growing populations - India, Indonesia and the Philippines - it looks as though East Asia's population overall peaked alongside China's. And like anyone who has reached middle age, Asia's economic future from now on will be largely about quality, not quantity.

Second, the export engine that powered Asian growth in the decades before the crisis has slammed into reverse. Asian exports, which once grew reliably at double-digits, sank into a single-digit pace in 2011 and have been shrinking all year. Theories abound for why this has happened: rising costs in Asia have pushed manufacturing to Eastern Europe and Mexico; manufacturers are "re-shoring" production to Europe and the United States; the U.S. recovery isn't broad enough yet to boost demand for Asian manufactured exports and anyway, the U.S. consumer's taste has shifted away from buying things like TVs or cars to buying services like streaming video and Uber taxi rides.

Third is China. After bursting onto the region's economic landscape in the late 1980s and then becoming the world's factory after joining the World Trade Organization in 2001, China has steadily gobbled up the lion's share of Asian exports, pulling its smaller neighbors into its slipstream in a way described as "flying geese" when Japan did it in the 1980s.

But China's ability to emulate Japan in getting U.S. consumers to fund its development has run its course, long before China has managed to achieve Japan-style development or income levels. Yet China, like Japan in the early 1990s, now faces the dilemma of how to shift its export- and investment-led economy out from under a massive bubble of credit reckoned to be the equivalent to 250% of its annual economic output. And rather than choose the short, but socially painful, solution of allowing the bubble to burst so the economy can restructure and move on, China appears to have chosen a Japan-style solution of trying to grow its way past the bubble, but at the same risk of slipping into a deflationary coma in the process.

Unfortunately, the rest of Asia isn't far behind. With real demand slowing across the region, Asia has also become ever more reliant on debt to fuel growth: according to HSBC, bank debt in Asia isn't very far behind China at roughly 110% of GDP. Debt isn't at crisis proportions yet, but as global borrowing costs rise, it will grow more quickly and be much harder to pay down without going bust in the process.

AS DEBT GROWS AND ECONOMIES SLOW, Asia's corporate earnings have slipped into recession. According to Morgan Stanley, this downturn has been going on for the past four years, with earnings peaking this summer in Taiwan, but as far back as 2013 in Thailand and Malaysia, 2012 in Indonesia and 2011 in India.

So while Asia's markets may look cheap relative to what the global investment herd has been willing to pay for earnings since the global financial crisis, they may need to get a lot cheaper once the Fed raises rates and investors resume gauging markets based on their real earnings prospects. And on that score, the global companies available to investors on the S&P500 may represent better proxies for global growth than investing directly in companies in Asia or elsewhere.

Asian stocks, as represented by the MSCI Asia Pacific index, look cheap relative to earnings. But they're expensive if you add in how much companies have borrowed to generate those profits. Once you include that, only three markets in Asia appear to offer real bargains: Hong Kong, South Korea, Taiwan and mainland Chinese shares listed in Hong Kong, also known as H-shares or red chips. Shares in Thailand look cheap only if you believe that Thai companies will be able to boost earnings by almost 20% in the next year. And, as this column detailed earlier in the week, Indonesia is a bargain only if you buy analysts' projections that companies there will somehow see earnings jump by 60%.

Perhaps most discouraging, however, is that some of the best potential values in Asia lie hidden away in markets like India, Malaysia, and the Philippines, where lots of shareholder value could be unlocked if investors could convince companies there to restructure, spin off non-core assets and trim debt. But all three markets also happen to be dominated by closely held companies controlled by powerful families or governments unlikely to cede control. There are no Apple's, Amazons or Facebooks disrupting the status quo in these markets.

Until China and the rest of Asia can overcome vested interests to truly embrace corporate governance, minority shareholder rights and, most importantly, the equalizing power of creative destruction, the most profitable destination for Asia's investments may remain half a world away on Wall Street.

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Goldman Sachs: Six Complicated Trades for 2016 -- Barron's Blog

By Ben Levisohn
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Goldman Sachs strategist Francesco Garzarelli and team offer their six highest conviction trades for 2016:

Top Trade #1: Long US Dollar vs short Euro and Yen ...

The divergence between the Fed and both the ECB and BoJ will continue to be one of the more durable themes of 2016, in our view. In the US, we believe ongoing improvement in the labour market and resilience in domestic demand will ultimately drive a Fed tightening cycle that is more hawkish than the market is currently discounting. And in Europe and Japan, the fragility of their economic recoveries and lower starting point for inflation mean that the policy stance will remain dovish and will lean against the Fed. Currencies are particularly sensitive to this divergence pressure and, despite the strength we have seen so far, we believe the US Dollar has more room to appreciate vs the Euro and Yen.

Top Trade #2: Long US 10-year 'Breakeven' Inflation ...

...Currently, the inflation swap market prices that headline CPI will not reach 2% (the Fed's inflation objective) until around 2020. Moreover, the option market assigns a 40% probability to CPI averaging less than 1% over the next 5 years. We think this represents an opportunity to take the other side of too pessimistic expectations by being long 10-year TIPS and short nominal Treasury bonds...

Top Trade #3: Long Mexican Peso and Russian Ruble (equally weighted) versus short South African Rand and Chilean Peso (equally weighted)...

This EM relative value trade speaks to a number of our key themes in EM in 2016. It positions for (i) currencies where external balances have adjusted in recent years (Ruble) versus those where more progress is required (Rand); (ii) currencies (Mexican Peso and, again, Ruble) that are exposed to crude oil where we see limited further downside under our central forecasts versus commodities tied to capital expenditure, such as industrial metals, where we see further downside (Chilean Peso, Rand); and (iii) the short side is relatively more exposed to a slowing in China and the risk of a Renminbi depreciation...

Top Trade #4: Long EM 'External Demand' vs. Banks stocks...

Specifically, we recommend buying a basket of non-commodity EM exporter stocks and selling a basket of the largest EM bank stocks. This trade reflects an improving external (DM) environment, helped by weaker EM currencies, versus slowing credit growth across EM as US interest rates rise...

Top Trade #5: Tighter Spread between Italy and Germany Long Rates

The ECB's easy interest rate policy and its government bond purchase programme have contributed to a decline in long-dated yields across the EMU bloc and beyond. Yet, the term structure of intra-EMU sovereign spreads has remained quite steep. The difference between 5-year rates in Italy and those in Germany is 50bp. But the same differential widens to over 150bp 5 years into the future. We think that a combination of the extension of the ECB's QE program into 2017 (removing around 20% of the Italian debt stock from public hands, and fostering an extension of its average life), stronger Italian GDP growth than seen over the past two years and a cut to the deposit rate further into negative territory will encourage a compression of forward Italy-Germany spreads at least to where they were around the announcement of QE in March.

Top Trade #6: Long large-cap US Banks relative to the overall S&P500

US banks tend to be mildly pro-cyclical and also benefit from a rising longer-dated yield environment(we forecast a steeper US term structure than the forwards discount), as the Fed tightening will lead to a progressive upward revision of expectations on terminal rates, while the ECB and BoJ's efforts to boost inflation should restore bond premium across major markets. US banks are still relatively well-priced, trading just above book value and with a P/E below that of the overall market, and at about median levels compared with its own past history. Moreover, they remain off their recent highs, unlike other possible implementations of the domestic growth theme in the US stock market.

The S&P 500 has gained 0.1% to 2,085.16 at 1:26 p.m. today, while Financial Select Sector SPDR ETF (XLE) has gained 0.3% to $24.66.

More at Barron's Stocks to Watch blog, http://blogs.barrons.com/stockstowatchtoday/

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Barrons Asia
Are the Glory Days Over for Asian Stocks?

By Wayne Arnold
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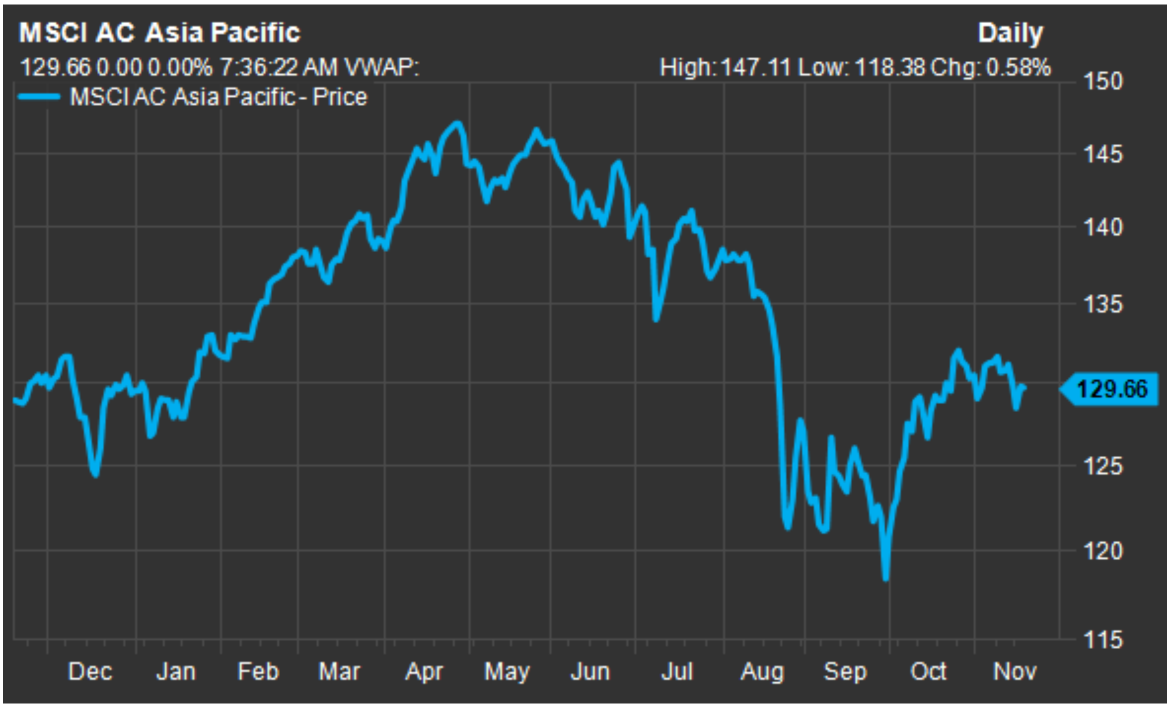

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Indonesian Stocks May Be Hazardous to Your Wealth -- Barron's Asia

By Wayne Arnold
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Value investors beware: Indonesian stocks could induce severe bouts of Indo-nausea.

Stocks in Jakarta appear enticing at first glance. They trade at just 15.8 times projected earnings, according to Bloomberg, well below their five-year average. On that score, Indonesian stocks haven't been so cheap in four years. Indonesia is one of Asia's few remaining young economies, with a working-age population not projected to peak for more than a decade. It's tempting, therefore, to seize the opportunity to snap up what looks like a bargain for Indonesian stocks.

Don't. Most global investors still remain wary of Indonesia's youthful charm. Indonesia has borne the brunt of selling by global investors across Southeast Asia in the past month as markets brace for the U.S. Federal Reserve to raise interest rates next month. While the market's certainty about a December hike has been easing in the past week, investors still put the odds of a liftoff in U.S. rates at about 67%.

That's bad news for economies like Indonesia that rely on ample foreign flows of U.S. dollars to buoy markets and keep borrowing costs low. Indonesia certainly isn't as vulnerable to rapid outflows as it was lumped into the "fragile five" during the so-called "taper tantrum" of 2013. And it's arguably less vulnerable now than more open, developed markets with lots of short-term foreign debt like Singapore, low foreign reserves like Australia or sky-high government debt like Japan.

But Indonesia still suffers like many emerging markets from the stigma of vulnerability. Apart from any fundamental weakness, that means outflows are likely to be remain dramatic as global rates rise and with it uncertainty about emerging markets.

A more genuine problem is that projections for Indonesia corporate earnings seem out of touch with economic reality. Judging from stock prices relative to current earnings and projected earnings, analysts expect corporate Indonesia to boost earnings by 60% in the next year.

How they'll pull that off in the current economic climate is a mystery. Economists are pinning their hopes on increased government spending on infrastructure projects. And while the government of President Joko Widodo seems to have untangled enough red tape to achieve almost two-thirds of its spending target, Bank Danamon's economist Dian Ayu Yustina in Jakarta warns that tax revenues are running at least 40% below target. If the tax haul doesn't pick up, Jokowi could slam into legal limits on how much red ink he can spill.

EVEN HE DOESN'T, NEW INFRASTRUCTURE INVESTMENT will take time to filter into the wider economy and corporate earnings. Meanwhile, slowing inflation is cooling Indonesia's vital engine of domestic consumption. Car sales fell 9.3% on year in October, according to Danamon, while motorcycle sales dropped by almost 15%.

Indonesia is getting no help on the trade front. Thanks to falling demand from China for commodities like coal, Indonesian exports fell 16.3% in the third quarter, according to data from CEIC. And while low oil prices helped lower Indonesia's import bill to trim its current account deficit, BNP Paribas warns the situation will reverse next year.

That means Indonesia's currency, the rupiah, is likely to fall further next year, particularly after the Fed raises rates. And with the current account deficit widening as capital flows out, Indonesia's central bank will have less room to cut rates to arrest slowing growth. That's bound to crimp corporate earnings.

That means Indonesia is likely to remain a chronic underperformer. Jakarta has outperformed the S&P500 in the past decade, returning roughly 14.5% annually in U.S. dollars on average. But most of that performance came during the five years from 2005 and 2010, when Jakarta returned 34.4% annually, compared to just 2% for the S&P500. Since then, Jakarta has lagged, losing investors 2.4% on average every year while the S&P500 has returned 14% annually. The past year has been particularly awful, with stocks in Jakarta losing 21% in dollars.

Much of that is down to the weak rupiah, which after gaining 12% between 2005 and 2010, has lost 40% of its value in the past five years. But the rupiah isn't the only factor: Indonesian stocks have returned only 6% a year in rupiah terms in the past five years, which is still well behind Wall Street.

Sure, Indonesia is to some extent a victim of China's economy and monetary policies made in Washington, Tokyo and Frankfurt. But the fact that an economy so young and so populous - Indonesia has the world's fourth-largest population -- finds itself so vulnerable now to troubles beyond its shores is the result of failures made right at home in Indonesia.

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MARKET WEEK
Stocks --- The Trader: Retail Weakness, Fed Fears Send Stocks Reeling

By Vito J. Racanelli
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Stocks broke a six-week winning streak, slumping nearly 4%. The rout last week came amid falling commodity prices and disappointing third-quarter earnings reports from key retailers.

Lurking in the background is market anxiety about the Federal Reserve's expected interest-rate increase next month. After the release of more economic data showing weakness, investors are trapped between the Scylla of poor global growth and the Charybdis of an expected Fed hike.

The Dow Jones Industrial Average fell 3.7% or 665 points last week to 17,245.24, while the Standard & Poor's 500 index lost 76 or 3.6% to 2023.04. The Nasdaq Composite fell 4.3% last week to 4927.88. Oil fell 8% to $40.74 per barrel.

On Dec. 16, the Federal Open Market Committee concludes its next meeting, which might see the first rate hike of the benchmark federal-funds rate, however small, in about a decade. As a report from Wellington Shields noted: The last time the Fed raised that rate, the iPhone didn't exist.

Data Monday showed China imports fell 19% in October, and commodities were whacked last week. That's interpreted as a lack of demand, so "the global growth scare has returned," says David Donabedian, chief investment officer at Atlantic Trust Private Wealth Management. "This time, however, the market senses that the Fed won't back down on the expected hike."

The week's drop began in earnest Thursday after Nordstrom (ticker: JWN) reported disappointing third-quarter earnings and lowered guidance. That followed similarly bad news Wednesday from Macy's (M) and others.

The "horrible" retail figures took some wind out of a six-week rally that had made investors complacent, says Aaron Clark, a portfolio manager with GW&K Investment Management. Many assumed the October stock gains were a forerunner of "an end-of-year melt-up," he adds, in what is traditionally a good season for stocks. This week, however, better earnings reports from Home Depot (HD) and Lowe's (LOW) could reverse the negative sentiment, he says.

While many are expecting an end-of-year market flourish, "the Santa rally actually happened in October," argues Terry Sandven, chief equity strategist at U.S. Bank Wealth Management.

There are lingering concerns about the pace of corporate earnings growth, the Fed rate liftoff, and mixed expectations for holiday retail sales, he says. The analysts' corporate profit-growth estimate of 9% next year for the S&P 500 is probably too high, and as estimates reset lower the market is likely to stay in the narrow range it's inhabited most of the year. Holiday sales could be the swing factor, he says.

Friday saw the release of contradictory economic news. The University of Michigan preliminary November sentiment index rose above expectations to 93.1 from 90 in October. The Labor Department said October producer prices decreased 0.4%, weaker than an anticipated rise of 0.2%. The Commerce Department said retail sales rose 0.1% last month, also softer than expected.

Donabedian still looks for a year-end rally, but notes "it's a mature bull market," where returns will be lower and more volatile than before 2015. "It's much less fun."

Refinery Spinoffs Score

Energy stocks have had a terrible time of it in the past 20 months, falling by a third since oil prices began to plunge in mid-2014. Yet shares of refiners, an energy subgroup, have rallied by the same percentage. The discrepancy owes in large part to the fact that crude oil, refiners' main feedstock, has fallen by far more than the price of petroleum products, such as gasoline.

Many refiners were spun out of integrated oil-exploration companies in the past four years, a process that has also helped to unlock value in the group. Marathon Petroleum (MPC), for instance, was spun out of Marathon Oil (MRO) in 2011, and Phillips 66 (PSX) was set loose from ConocoPhillips (COP) in 2012. These and other refinery operators have been the subject of bullish stories in Barron's in recent years.

With the exception of the exploration and production company California Resources (CRC), which we'll get to in a minute, these spun-out companies are up 50% to 177% since their first day of trading, far exceeding returns of the parent stocks and the broad market. Shares of the parent companies, meanwhile, have done poorly after the split. And shares of leading integrated companies that didn't spin out refining assets, including ExxonMobil (XOM) and Chevron (CHV), have fallen 25% and 33%, respectively, since mid-2004.

In the energy sector, as in many industries, parent-company valuations sometimes don't reflect the full worth of the underlying businesses. While mergers are growing in volume and size, studies have shown that spinoffsoutperform the market over a two-to-three-year period.

"There's a better dynamic when a company is spun off from a bigger company," says Joe Cornell, publisher of Spin-Off Research. After the spinoff, managers tend to focus on shareholder value, improving capital allocation, cutting costs, and creating operating efficiencies, which lead to a rise in the shares, he says.

An exception is California Resources, an exploration and production company spun out of Occidental Petroleum (OXY) last December, which has fallen 40% since. It "came out of the gate late," with oil prices already down sharply, says Cornell.

Buying individual spinoffs can be rewarding but risky. A less risky play can be accomplished with an exchange-traded fund, although there aren't many spinoff-oriented ETFs to choose from. Guggenheim Spin-Off (ticker: CSD) is one, but it doesn't buy a spinoff stock until six months after the shares have begun trading. Thus, it often misses a large chunk of the early gains to be had in many spinoffs, Cornell notes.

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DJUSMarket	505.84	-19.19	-3.65
NYSEComp.	10155.08	-358.28	-3.41
NYSEMKTComp.	2186.57	-67.13	-2.98
S&P500	2023.04	-76.16	-3.63
S&PMidCap	1406.06	-57.26	-3.91
S&PSmallCap	675.85	-32.54	-4.59
Nasdaq	4927.88	-219.24	-4.26
ValueLine(arith.)	4380.96	-209.53	-4.56
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Dollar (Finexspotindex)	98.80	99.15
T-Bond (CBTnearbyfutures)	153-120	152-100
Crude Oil (NYMlightsweetcrude)	40.74	44.29
Inflation KR-CRB (FuturesPriceIndex)	184.77	191.03
Gold (CMXnearbyfutures)	1080.80	1087.60

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DOW JONES
NEWSWIRES

The Trader: Retail Weakness, Fed Fears Send Stocks Reeling -- Barron's

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(FROM BARRON'S 11/16/15)
By Vito J. Racanelli
Stocks broke a six-week winning streak, slumping nearly 4%. The rout last week came amid falling commodity prices and disappointing third-quarter earnings reports from key retailers.

Lurking in the background is market anxiety about the Federal Reserve's expected interest-rate increase next month. After the release of more economic data showing weakness, investors are trapped between the Scylla of poor global growth and the Charybdis of an expected Fed hike.

The Dow Jones Industrial Average fell 3.7% or 665 points last week t0 17,245.24, while the Standard & Poor's 500 index lost 76 or 3.6% to 2023.04. The Nasdaq Composite fell 4.3% last week to 4927.88. Oil fell 8% to $40.74 per barrel.

On Dec. 16, the Federal Open Market Committee concludes its next meeting, which might see the first rate hike of the benchmark federal-funds rate, however small, in about a decade. As a report from Wellington Shields noted: The last time the Fed raised that rate, the iPhone didn't exist.

Data Monday showed China imports fell 19% in October, and commodities were whacked last week. That's interpreted as a lack of demand, so "the global growth scare has returned," says David Donabedian, chief investment officer at Atlantic Trust Private Wealth Management. "This time, however, the market senses that the Fed won't back down on the expected hike."

The week's drop began in earnest Thursday after Nordstrom (ticker: JWN) reported disappointing third-quarter earnings and lowered guidance. That followed similarly bad news Wednesday from Macy's (M) and others.

The "horrible" retail figures took some wind out of a six-week rally that had made investors complacent, says Aaron Clark, a portfolio manager with GW&K Investment Management. Many assumed the October stock gains were a forerunner of "an end-of-year melt-up," he adds, in what is traditionally a good season for stocks. This week, however, better earnings reports from Home Depot (HD) and Lowe's (LOW) could reverse the negative sentiment, he says.

While many are expecting an end-of-year market flourish, "the Santa rally actually happened in October," argues Terry Sandven, chief equity strategist at U.S. Bank Wealth Management.

There are lingering concerns about the pace of corporate earnings growth, the Fed rate liftoff, and mixed expectations for holiday retail sales, he says. The analysts' corporate profit-growth estimate of 9% next year for the S&P 500 is probably too high, and as estimates reset lower the market is likely to stay in the narrow range it's inhabited most of the year. Holiday sales could be the swing factor, he says.

Friday saw the release of contradictory economic news. The University of Michigan preliminary November sentiment index rose above expectations to 93.1 from 90 in October. The Labor Department said October producer prices decreased 0.4%, weaker than an anticipated rise of 0.2%. The Commerce Department said retail sales rose 0.1% last month, also softer than expected.

Donabedian still looks for a year-end rally, but notes "it's a mature bull market," where returns will be lower and more volatile than before 2015. "It's much less fun."

Refinery Spinoffs Score

Energy stocks have had a terrible time of it in the past 20 months, falling by a third since oil prices began to plunge in mid-2014. Yet shares of refiners, an energy subgroup, have rallied by the same percentage. The discrepancy owes in large part to the fact that crude oil, refiners' main feedstock, has fallen by far more than the price of petroleum products, such as gasoline.

Many refiners were spun out of integrated oil-exploration companies in the past four years, a process that has also helped to unlock value in the group. Marathon Petroleum (MPC), for instance, was spun out of Marathon Oil (MRO) in 2011, and Phillips 66 (PSX) was set loose from ConocoPhillips (COP) in 2012. These and other refinery operators have been the subject of bullish stories in Barron's in recent years.

With the exception of the exploration and production company California Resources (CRC), which we'll get to in a minute, these spun-out companies are up 50% to 177% since their first day of trading, far exceeding returns of the parent stocks and the broad market. Shares of the parent companies, meanwhile, have done poorly after the split. And shares of leading integrated companies that didn't spin out refining assets, including ExxonMobil (XOM) and Chevron (CHV), have fallen 25% and 33%, respectively, since mid-2004.

In the energy sector, as in many industries, parent-company valuations sometimes don't reflect the full worth of the underlying businesses. While mergers are growing in volume and size, studies have shown that spinoffsoutperform the market over a two-to-three-year period.

"There's a better dynamic when a company is spun off from a bigger company," says Joe Cornell, publisher of Spin-Off Research. After the spinoff, managers tend to focus on shareholder value, improving capital allocation, cutting costs, and creating operating efficiencies, which lead to a rise in the shares, he says.

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14 Nov 2015 00:09 ET The Trader: Retail Weakness, Fed Fears Send -2-

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(END) Dow Jones Newswires

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BARRON'S

MARKET WEEK
Stocks --- The Trader: Looming Rate Hike Blunts Market's Gains

By Vito J. Racanelli
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Strong jobs data Friday, which should help push the Fed to hike, dampened spirits some more, but stocks still managed a healthy 1% rise for the week. Financials rallied 2.7% on the rate sentiment, while the high-dividend-paying utility and telecom sectors fell 3.6% and 1.6%, respectively.

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Friday, the Labor Department said October payrolls grew by 271,000, above expectations of 185,000, and that the unemployment rate fell to 5% from 5.1%. Average and weekly earnings were up nicely, too.

The market assessment of the probability of a rate hike has increased markedly since the last FOMC meeting on Oct. 27-28, notes J.J. Kinahan, chief strategist at TD Ameritrade. Back then, fed-funds futures predicted about a one-in-three chance of a December hike. By Friday, that had grown to a 70% chance.

We'll take that as a definite hike. Over the past two years, the fed-funds futures market has been one of the most accurate predictors of the FOMC's rate-related statements. More than once the FOMC's more aggressive rate forecasts have had to move toward the lower rates the futures markets were indicating.

Below the headline jobs data, there were changes that point to some winning sectors in the near term, Kinahan says. Jobs grew in the retail and financial sectors, so retail, restaurants and bank stocks could be winners, he says.

Meanwhile, "bond proxies," such as utilities, telecom, and some high-dividend, low-growth staples stocks will face some head winds. "You could see pressure on them building up," he says.

"We are likely at the beginning of a rate- cycle tightening," says RDM's Shelton. The market will soon be considering what happens after the first hike. Is it one-and-done for a while, or will the Fed raise rates faster than the market expects? Sheldon sees markets choppy in the near term.

McDonald's Turns Around

At $113.31, McDonald's (ticker: MCD) shares sit near an all-time high. This column generally eschews laying out a bullish case for highfliers, as there are plenty of Wall Street analysts pounding the table on such stocks. This time, however, most of them aren't -- and we are.

After Mickey D's released much better-than-expected third-quarter results on Oct. 22, the stock jumped 10%. The fast-food giant, with 36,000 restaurants around the world, reported that comparable sales at U.S. units were up 0.9%, the segment's first rise in two years. Global comparables were up a robust 4%.

The quarter's earnings per share of $1.40 crushed analyst expectations of $1.27. Results would have been better if not for the strong dollar: Revenue fell 5% to $6.6 billion, but was up 7% excluding currency effects. The dollar also lowered EPS by 17 cents.

Howard Penney, an analyst at Hedgeye Risk Management, an independent research outfit, says McDonald's is evidencing a turnaround that will continue, leading the stock higher. Only about a third of the 32 sell-side analysts following the Oak Brook, Ill.-based company rate its stock a Buy. That's a useful contrarian indicator, but there are other, fundamental reasons to like the stock.

Restaurant companies fix themselves in the same ways, Penney says: "Slow growth temporarily, cut costs, and focus on the four walls." That's what McDonald's has been doing since Steve Easterbrook took over as CEO last March, after years of corporate and stock underperformance. Prior to his arrival, the company had added dozens of new menu items and McCafe coffee offerings, increasing complexity in the back of the house and decreasing throughput.

Easterbrook is cutting general and administrative costs, so far to the tune of $300 million, but there' is more to come, Penney says. McDonald's will also eliminate about 800 underperforming stores.

Perhaps most important, McDonald's will simplify operations, shrinking the menu even while adding products, such as All Day Breakfast, which is proving popular. Unlike McCafe, the latter doesn't require new equipment or training. He expects the changes will drive efficiency and throughput at the stores, and same-store sales will continue to improve.

One quarter's data do not a turnaround make. But Penney maintains the changes so far are just first steps. The benefits will be felt more strongly in coming quarters. Indeed, Wall Street is slowly following his lead, as consensus estimates have recently begun to turn upward after years of falling.

Penney puts McDonald's annual earning power at potentially $6.32 per share by 2017, little more than a year away. A price/earnings ratio of 20.5 times would value the stock at $130. Apply a P/E of 23.5 -- admittedly near the top of McDonald's historical range -- and the stock is worth $150. Wall Street's consensus is for $5.29 in 2016 and $5.72 in 2017. This year McDonald's should report EPS of $4.86, for a P/E of 23 times.

"There is still plenty of meat on the bone for Easterbrook to gnaw on," Penney adds. The upside lies with additional general and administrative cuts, further growth of All Day Breakfast, and an expected national value-menu, as well as commodity deflation and increased operational efficiencies.

Speculation is rife that the company will unveil a "McREIT" this Tuesday at an analyst meeting, but Penney's view doesn't depend on a real estate investment trust (REIT) structure. According to a recent report from Morgan Stanley, McDonald's owns about 45% of the land and 70% of the buildings in its "consolidated markets," which include 27,000 restaurants around the world. Roughly half of its operating income comes from franchise rents.

McDonald's may introduce some form of tax-advantaged structure for rental income, Penney says. But REITs aren't a panacea, and bring their own issues -- for starters, they don't do well in a rising interest-rate environment.

It's possible McDonald's might disappoint Tuesday on a REIT structure, but a stock drop on that alone would likely be temporary and a buying opportunity, says Penney. If the company can accelerate comp sales, margins will rise and the forward price/earnings multiple will go up, he says.

At a global giant like McDonald's, the inertial force against a turn is strong. Yet once the supertanker begins to move in the right direction, inertia can help the ship keep moving on the intended course.

Ackman Has Valeant's Ear

Valeant Pharmaceuticals International (VRX) fell another 13% last week to $81.77. As this column noted as far back as June 2014, this is a stock to be avoided -- a casino bet at best, where things could get worse before they get better.

We don't presume to know if any of the federal investigations will turn up illegalities. It's unclear, too, how much the termination of Valeant's relationship with pharmacy company Philidor Rx Services, which represented 7% of Valeant's sales, will hurt long-term growth.

At least Valeant's strategy of buying other drug companies with its overvalued stock and lots of debt seems done. Valeant's use of aggressive -- though permissible -- accounting was a warning sign. In the tumult surrounding the company and plunging stock price, some nonfundamental issues have been overlooked.

A further collapse in the stock could have an unpleasant spillover effect on the entire market. Valeant itself isn't such an important company by market value. But health care has been the market's best sector for five years, up 125% and double the broad market's rise, and has led this six-year-old rally.

If the heath-care sector falters -- Valeant isn't the only drug company raising prices sharply -- the broad market could weaken too. Merck (MRK) and Eli Lilly (LLY) revealed in recent filings that they too have received federal inquiries about pricing.

The wider picture at Valeant is important in other ways. In the The Wall Street Journal's interview last Thursday with Bill Ackman, founder of hedge fund Pershing Square Capital Management, Ackman mentioned occasions recently in which he has had direct and apparently exclusive access to Valeant CEO J. Michael Pearson. Some were by e-mail and some by telephone. Pershing owns about 6% of Valeant and has been a vocal defender of its strategy.

The Securities and Exchange Commission's Regulation FD makes clear that in the case of selective disclosure of material nonpublic information, even if inadvertent, the company must issue a press release.

There have been no press releases about those contacts and we don't have any evidence of material disclosure by Pearson to Ackman. Still, investors should wonder if the risk of material disclosure by Pearson seems too high for comfort.

Pershing Square declined to comment when we asked about the potential for disclosure in these Ackman-Pearson contacts. The SEC also declined comment on whether it would investigate. Valeant spokesperson Laurie Little says the company "has made clear that its board and management value engagement with shareholders, and all communications with shareholders are done in accordance with applicable law."

Context is important, too. If a large shareholder spoke with or corresponded exclusively with a CEO once or twice during the year, there might be an eyebrow raised, but not much more.

In the middle of Valeant's difficulties, however, it appears that one large shareholder, Pershing Square, was able to get Pearson's ear directly. How many other shareholders, large or small, were able to get through to Pearson in the middle of all this? Our guess is not so many.

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"We are likely at the beginning of a rate- cycle tightening," says RDM's Shelton. The market will soon be considering what happens after the first hike. Is it one-and-done for a while, or will the Fed raise rates faster than the market expects? Sheldon sees markets choppy in the near term.

McDonald's Turns Around

At $113.31, McDonald's (ticker: MCD) shares sit near an all-time high. This column generally eschews laying out a bullish case for highfliers, as there are plenty of Wall Street analysts pounding the table on such stocks. This time, however, most of them aren't -- and we are.

After Mickey D's released much better-than-expected third-quarter results on Oct. 22, the stock jumped 10%. The fast-food giant, with 36,000 restaurants around the world, reported that comparable sales at U.S. units were up 0.9%, the segment's first rise in two years. Global comparables were up a robust 4%.

The quarter's earnings per share of $1.40 crushed analyst expectations of $1.27. Results would have been better if not for the strong dollar: Revenue fell 5% to $6.6 billion, but was up 7% excluding currency effects. The dollar also lowered EPS by 17 cents.

Howard Penney, an analyst at Hedgeye Risk Management, an independent research outfit, says McDonald's is evidencing a turnaround that will continue, leading the stock higher. Only about a third of the 32 sell-side analysts following the Oak Brook, Ill.-based company rate its stock a Buy. That's a useful contrarian indicator, but there are other, fundamental reasons to like the stock.

Restaurant companies fix themselves in the same ways, Penney says: "Slow growth temporarily, cut costs, and focus on the four walls." That's what McDonald's has been doing since Steve Easterbrook took over as CEO last March, after years of corporate and stock underperformance. Prior to his arrival, the company had added dozens of new menu items and McCafe coffee offerings, increasing complexity in the back of the house and decreasing throughput.

Easterbrook is cutting general and administrative costs, so far to the tune of $300 million, but there' is more to come, Penney says. McDonald's will also eliminate about 800 underperforming stores.

Perhaps most important, McDonald's will simplify operations, shrinking the menu even while adding products, such as All Day Breakfast, which is proving popular. Unlike McCafe, the latter doesn't require new equipment or training. He expects the changes will drive efficiency and throughput at the stores, and same-store sales will continue to improve.

One quarter's data do not a turnaround make. But Penney maintains the changes so far are just first steps. The benefits will be felt more strongly in coming quarters. Indeed, Wall Street is slowly following his lead, as consensus estimates have recently begun to turn upward after years of falling.

Penney puts McDonald's annual earning power at potentially $6.32 per share by 2017, little more than a year away. A price/earnings ratio of 20.5 times would value the stock at $130. Apply a P/E of 23.5 -- admittedly near the top of McDonald's historical range -- and the stock is worth $150. Wall Street's consensus is for $5.29 in 2016 and $5.72 in 2017. This year McDonald's should report EPS of $4.86, for a P/E of 23 times.

"There is still plenty of meat on the bone for Easterbrook to gnaw on," Penney adds. The upside lies with additional general and administrative cuts, further growth of All Day Breakfast, and an expected national value-menu, as well as commodity deflation and increased operational efficiencies.

Speculation is rife that the company will unveil a "McREIT" this Tuesday at an analyst meeting, but Penney's view doesn't depend on a real estate investment trust (REIT) structure. According to a recent report from Morgan Stanley, McDonald's owns about 45% of the land and 70% of the buildings in its "consolidated markets," which include 27,000 restaurants around the world. Roughly half of its operating income comes from franchise rents.

McDonald's may introduce some form of tax-advantaged structure for rental income, Penney says. But REITs aren't a panacea, and bring their own issues -- for starters, they don't do well in a rising interest-rate environment.

It's possible McDonald's might disappoint Tuesday on a REIT structure, but a stock drop on that alone would likely be temporary and a buying opportunity, says Penney. If the company can accelerate comp sales, margins will rise and the forward price/earnings multiple will go up, he says.

At a global giant like McDonald's, the inertial force against a turn is strong. Yet once the supertanker begins to move in the right direction, inertia can help the ship keep moving on the intended course.

Ackman Has Valeant's Ear

Valeant Pharmaceuticals International (VRX) fell another 13% last week to $81.77. As this column noted as far back as June 2014, this is a stock to be avoided -- a casino bet at best, where things could get worse before they get better.

We don't presume to know if any of the federal investigations will turn up illegalities. It's unclear, too, how much the termination of Valeant's relationship with pharmacy company Philidor Rx Services, which represented 7% of Valeant's sales, will hurt long-term growth.

At least Valeant's strategy of buying other drug companies with its overvalued stock and lots of debt seems done. Valeant's use of aggressive -- though permissible -- accounting was a warning sign. In the tumult surrounding the company and plunging stock price, some nonfundamental issues have been overlooked.

A further collapse in the stock could have an unpleasant spillover effect on the entire market. Valeant itself isn't such an important company by market value. But health care has been the market's best sector for five years, up 125% and double the broad market's rise, and has led this six-year-old rally.

If the heath-care sector falters -- Valeant isn't the only drug company raising prices sharply -- the broad market could weaken too. Merck (MRK) and Eli Lilly (LLY) revealed in recent filings that they too have received federal inquiries about pricing.

The wider picture at Valeant is important in other ways. In the The Wall Street Journal's interview last Thursday with Bill Ackman, founder of hedge fund Pershing Square Capital Management, Ackman mentioned occasions recently in which he has had direct and apparently exclusive access to Valeant CEO J. Michael Pearson. Some were by e-mail and some by telephone. Pershing owns about 6% of Valeant and has been a vocal defender of its strategy.

The Securities and Exchange Commission's Regulation FD makes clear that in the case of selective disclosure of material nonpublic information, even if inadvertent, the company must issue a press release.

There have been no press releases about those contacts and we don't have any evidence of material disclosure by Pearson to Ackman. Still, investors should wonder if the risk of material disclosure by Pearson seems too high for comfort.

Pershing Square declined to comment when we asked about the potential for disclosure in these Ackman-Pearson contacts. The SEC also declined comment on whether it would investigate. Valeant spokesperson Laurie Little says the company "has made clear that its board and management value engagement with shareholders, and all communications with shareholders are done in accordance with applicable law."

7 Nov 2015 00:09 ET The Trader: Looming Rate Hike Blunts Market's -2-

Context is important, too. If a large shareholder spoke with or corresponded exclusively with a CEO once or twice during the year, there might be an eyebrow raised, but not much more.

In the middle of Valeant's difficulties, however, it appears that one large shareholder, Pershing Square, was able to get Pearson's ear directly. How many other shareholders, large or small, were able to get through to Pearson in the middle of all this? Our guess is not so many.

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DJUtilities	556.46	-24.04	-4.14
DJ65Stocks	6195.39	+32.93	+0.53
DJUSMarket	525.03	+5.28	+1.02
NYSEComp.	10513.36	+52.40	+0.50
NYSEMKTComp.	2253.70	-50.86	-2.21
S&P500	2099.20	+19.84	+0.95
S&PMidCap	1463.32	+18.55	+1.28
S&PSmallCap	708.39	+19.03	+2.76
Nasdaq	5147.12	+93.37	+1.85
ValueLine(arith.)	4590.49	+77.38	+1.71
Russell2000	1199.75	+37.88	+3.26
DJUSTSMFloat	21752.31	+247.35	+1.15

	Last Week	Week Earlier
NYSE		
Advances	1,762	1,495
Declines	1,469	1,724

Unchanged	43	54
NewHighs	253	202
NewLows	157	198
AvDailyVol(mil)	4,075.0	4,059.3
Dollar		
(Finexspotindex)	99.15	96.92
T-Bond		
(CBTnearbyfutures)	152-100	156-140
Crude Oil		
(NYMlightsweetcrude)	44.29	46.59
Inflation KR-CRB		
(FuturesPriceIndex)	191.03	195.61
Gold		
(CMXnearbyfutures)	1087.60	1141.50

(END) Dow Jones Newswires

November 07, 2015 00:09 ET (05:09 GMT)

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BARRON'S

MARKET WEEK
Stocks --- The Trader: What a Treat: Stocks Up 8% for the Month

By Vito J. Racanelli
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2015 年 11 月 2 日
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The Dow Jones Industrial Average soared 8.5%, and the Standard & Poor's 500 index 8%, in October, for both the best monthly gain in four years. On the week, after a late Friday swoon, the Dow finished up 0.1%, or 16, to 17,663.54, while the S&P 500 index rose four points, or 0.2%, to 2079.36. The Nasdaq Composite moved up 0.4% last week to 5053.75.

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Spath adds: "The possibility of a one-and-done by the Fed is higher than a lot of people think." Though the market has recovered most of its losses since August, "it's a muddle-through [U.S.] economy and there's not a lot of room for price/earnings multiple expansion," she adds. "We're not poised for a big run from here."

Animal spirits were also buoyed by news from Allergan (ticker: AGN) and Pfizer (PFE), which confirmed reports they are in merger discussions. (For more, see page 19.)

The third-quarter earnings season is past the halfway point, with results in line with expectations. Based on reports from 341 companies in the S&P 500 index, profits are down 1% and revenue off nearly 5%, according to Sheraz Mian, director of research at Zacks. Leaving out the energy sector, profits are up 6.1% and revenue 1.5%.

The technology sector has shown better-than-expected results, and is one of the more favored sectors in this rally.

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The headlines say the stock market has stormed back from the August correction, which had brought the S&P 500 to a low of 1867.61. At Friday's close of 2079.36, the index is close to mid-August highs just above that level. (The all-time high of 2130 was hit in May.) Seems like happy days again.

All isn't well, however, with the quality of the market's advance. The broad index number doesn't tell the entire story. Its rebound from August lows is increasingly made up of a narrow list of mostly big and megacapitalization stocks. Too many stocks are not participating in the rally and, for the short term at least, that should serve as a flashing yellow light for investors.

More than half the stocks in the S&P 500, or 52%, remain below their respective 200-day moving averages, according to Strategas Research Partners. That's not a particularly auspicious technical trendline for the long-term health of the market's rebound, says Chris Verrone, chief technical analyst at Strategas. "This latest rally is led by the generals, and you have to wonder where some of the soldiers are," he says.

Last week, he notes, the market made a higher high on Wednesday from a high on Tuesday. Normally that's a good technical move, but the new high was achieved with far fewer stocks, which tempers the signal's strength, Verrone adds.

A look at the S&P 500 index's 10 stock sectors shows a narrow rally. In only two sectors -- information technology and consumer staples -- are more than 50% of the stocks above their respective mid-August highs. Investors not overweight those sectors and stocks have likely underperformed, even though the market is again approaching all-time highs.

Market-cap size is another indicator that the bulk of the rally is not shared by many stocks. The S&P 100 index is up 13% since the lows on Aug. 25, versus 5% for the Russell 2000 index of small-caps. "It's go big or go home," adds Verrone. With not enough names participating in the move, he says, the market is vulnerable to divergences.

Andre Bakhos, a technical analyst at Janlyn Capital, concurs. With fewer and fewer stocks carrying the load, all that has to happen for the rally to lose steam is a few big names getting knocked down, he adds.

In other words, if Amazon.com (AMZN), Alphabet (GOOGL), which owns Google, Intel (INTC), Microsoft (MSFT), and Facebook (FB), among others, begin to lose their mojo, so will the broad-market index.

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And when trends are weaker or merely neutral, "you get rallies you can sell into rather than chase," Verrone says. This is a rally where stock-picking counts and where passive strategies get killed, he adds.

A useful comparison is the previous correction in 2011. In the rebound that followed, the percentage of stocks above their 50-day moving average quickly shot through 90%. Currently, the 50-day moving average is 79%. That sounds good, but it's not. For momentum to carry the whole market forward, the average needs to be decisively above 90%, Verrone adds.

Does narrowness of the rally mean it has to be a head-fake? No. However, for it to be sustainable, the soldiers have to get on their horses and to catch up to the generals.

Stericycle Could Clean Up

The market's punishment of Stericycle (SRCL) should attract long-term oriented investors who want a stock with a strong track record and slightly dented but still impressive growth prospects.

On Oct. 22, the company posted weaker-than-expected third-quarter results. When a company with Stericycle's history gets disproportionately whacked for what might turn out to be short-term issues, it often pays to take a closer look. In a matter of days, shares of Lake Forest, Ill.-based firm fell nearly 30% from a high of about $152 to as low as $110, before settling at $121.37 Friday, down 20%.

Stericyle, a leading medical-, hazardous-, and industrial-waste management outfit, said third-quarter sales rose 8% to $719 million. Earnings per share (EPS), however, fell more than 50% to 47 cents from 96 cents in the same period of 2014.

Investors and analysts tend to look at adjusted EPS, which was $1.08, but even that was much lower than the company's guidance of $1.18. (Adjusted EPS leaves out certain one-time costs, such as acquisition and integration expenses, as well as litigation settlements, among other items.)

Profit was hurt by issues that for the most part shouldn't change the strong long-term fundamentals. The rising dollar took a toll, as it has for many global firms. International sales are 27% of the total. Revenue would have risen nearly 13% without the unfavorable currency impact. Yet the dollar should stabilize, and its deleterious effect should fall out of comparisons next year.

In addition to high costs of a legal settlement, another issue was higher expense from the recent acquisition of Shred-It International, which should close this quarter and boost long-term growth. Leaving aside such one-time and short-term hiccups, the relevant problem with which investors must grapple is a slowdown in the hazardous- and industrial-waste business, a function of recent global economic weakness.

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In the short term, Stericycle's typical 15% to 20% growth in revenue and EPS will slow, but there's comfort in that 95% of revenue comes from long-term contracts and that Shred-It will add to revenue. Moreover, Stericycle benefits from high barriers to entry, including stiff regulatory requirements, as well as a diverse customer base.

At first blush, even after the big drop, the shares might not seem inexpensive on an absolute basis. The stock trades at about 24 times analysts' expectations of $5.12 EPS in 2016. Yet Stericycle's valuation rarely gets this low, near the bottom of a 20-to-40 forward P/E range in the past decade, according to Thomson Reuters. Stericyle sports a good balance sheet, with nearly $8 per share in cash and equivalents, and a debt to total capital ratio of 34%.

Given that world economies are slowing, Stericycle's growth will likely ease. But in a low-growth world, Stericycle will look like a star and this seems one of those few times when its stock is relatively cheap.

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Dollar		
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T-Bond		
(CBTnearbyfutures)	156-140	157-050
Crude Oil		
(NYMlightsweetcrude)	46.59	44.60
Inflation KR-CRB		
(FuturesPriceIndex)	195.61	193.71
Gold		
(CMXnearbyfutures)	1141.50	1163.30

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The Trader: What A Treat: Stocks Up 8% For The Month -- Barron's

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(FROM BARRON'S 11/2/15)
By Vito J. Racanelli

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(CBTnearbyfutures)	156-140	157-050
Crude Oil		
(NYMlightsweetcrude)	46.59	44.60
Inflation KR-CRB		
(FuturesPriceIndex)	195.61	193.71

Gold (CMXnearbyfutures)	1141.50	1163.30

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(END) Dow Jones Newswires

October 31, 2015 00:07 ET (04:07 GMT)

文件 DJDN000020151031ebav00047

DOW JONES
NEWSWIRES

*U.S. Stocks Turn Negative After Fed Holds Rates Near Zero

93 字
2015 年 10 月 28 日 18:15
Dow Jones Institutional News
DJDN
英文

28 Oct 2015 14:15 ET *DJIA Down 0.1%; S&P500 Down 0.1%

28 Oct 2015 14:25 ET *U.S. Stocks Return to Positive Territory After Fed Statement

28 Oct 2015 14:26 ET *DJIA Now Up 0.1% After Earlier Falling 0.1%

28 Oct 2015 14:26 ET *S&P 500 Now Up 0.2% After Earlier Declining 0.1%

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October 28, 2015 14:26 ET (18:26 GMT)

文件 DJDN000020151028ebas0033j

DOW JONES
NEWSWIRES

DJIA Down 0.1%; S&P500 Down 0.1%

35 字
2015 年 10 月 28 日 18:16
Dow Jones Newswires Chinese (English)
RTNW
英文

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October 28, 2015 14:15 ET (18:15 GMT)

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28-10-15 1816GMT

文件 RTNW000020151028ebas000j9

BARRON'S

MARKET WEEK
Stocks --- The Trader: Talk of Rate Cuts Abroad Sends Dow Up 2.5%

By Vito J. Racanelli
1,999 字
2015 年 10 月 26 日
Barron's
B
M3
英文

Quiet markets perked up thursday, when European Central Bank President Mario Draghi said the ECB would revisit monetary stimulus moves in December. That drove European stocks higher and ignited a rally in the U.S. Friday's surprise rate reductions by the People's Bank of China stoked the fire and helped global stocks end higher.

Third-quarter earnings reports from Google owner Alphabet (ticker: GOOGL), Microsoft (MSFT), and Amazon.com (AMZN) topped Wall Street expectations. Struggling McDonald's (MCD), like Microsoft, a member of the Dow, gave the index a boost when it announced the first quarterly U.S. same-store sales increase in two years.

Last week, the Dow Jones Industrial Average jumped 2.5%, or 431 points, to 17,646.70. The Standard & Poor's 500 index tacked on 42, or 2.1%, to 2075.15. The Nasdaq Composite soared 3%, to 5031.86.

American and Chinese economic reports were decent. China reported Monday that its economy grew by 6.9% in the third quarter, the slowest since 2009. But it was good enough, says John Canally, investment strategist at LPL Financial, to help allay the fears of a "hard economic landing" that had set off the market correction in August. It helps that so far there has been no big profits miss blamed on China, he says.

"Good reports from leading tech names always bolster investor psychology," says Joseph Amato, chief investment officer of Neuberger Berman. "There's a better tone in the market now."

Earnings growth remains mixed due to problems in the energy patch. In general, revenue growth continues to disappoint, though earnings somehow have managed to overcome that. Analysts' expectations of 10% profit growth next year for companies in the S&P 500 "feels aggressive," but that doesn't mean the market will turn down, Amato says. Something modestly below 10% can still support equities, which remain a better alternative than fixed-income assets, he says.

A rate rise isn't expected from the Federal Reserve's Open Market Committee, which meets Tuesday and Wednesday. Should the market stay strong in the fourth quarter, that, together with improved credit-market spreads and lower joblessness, might give the Fed a chance to raise rates, says John Brady, an institutional sales trader for broker R.J. O'Brien.

Sentiment has improved and the rally has put the market back into positive territory for the year. Given that stocks are entering a seasonally positive quarter, the default is rally mode.

Valeant: Too Risky to Touch

After a tumultuous week for Valeant Pharmaceuticals International (VRX), many Wall Street analysts still rate its stock a Buy. Some hedge-fund managers have come out in support of the company, too. The bulls say Valeant will weather the storm of bad news that has sent the stock as low as $88.50 from a high of $263 just a few months ago. It closed at $116.16 Friday.

Don't take the bait.

Valeant shares are down plenty, but they aren't cheap, given the clouds threatening the medium-term outlook. Few of the biggest issues besetting the drug seller are likely to be resolved soon. The stock is uninvestible under common-sense valuation methods because some risks cannot be handicapped. For now, buying Valeant is like pulling a slot-machine arm.

There isn't enough space here to hash over all the news, but here are some highlights. Valeant revealed Oct. 14 that it received subpoenas from federal prosecutors seeking information on how it prices products, among other things. As this column noted Oct. 5, Valeant's price-raising prowess is a major investor attraction. That seems compromised for now, along with much of the rationale propelling the stock to its previously high valuation.

Last week two published reports -- from the Southern Investigative Reporting Foundation and an analyst at Citron Research who is short the stock -- called into question certain Valeant revenue practices with Philidor RX Services, a pharmacy network that mostly sells Valeant drugs. Valeant responded with a press release that referred to an "erroneous report" about "recent accusations," but it didn't name the report. The company did not respond to a request for clarification.

Until recently, Valeant happily sneered at drug research and development. It touted its "new" approach of incurring a high debt load to pay huge premiums for drug companies, slashing costs at its acquisitions, especially research and development, and hiking the prices of the drugs acquired. That rained fees on Wall Street investment banks and seemingly gave growth investors what they wanted: a stock that went from a $12 billion market capitalization in 2011 to $92 billion at the top last August -- a rise that would make an Internet start-up blush.

Last Monday, a humbled Valeant said it would focus more on paying down debt and less on the aggressive deals for which it is known. It would raise R&D spending and consider disposing of its neurological-drug business -- 25% of total U.S. sales and the heart of the price-raising growth strategy. Overnight, the new strategy is the right one? That's difficult to believe.

As this column pointed out in the summer of 2014, Valeant's strategy was unsustainable, producing fast growth based on non-generally-accepted accounting principles that flattered earnings artificially because costs were shunted to the balance sheet from the income statement.

According to Dmitry Khmelnitsky, an analyst at Veritas Investment Research and one of the few with a Sell rating since last summer, "significant and unquantifiable risks" overhang the stock. Although Valeant has some good assets, such as Bausch + Lomb, ". . .we don't know what the authorities will find, if anything. We do know an adverse outcome in any of these challenges. . .could be materially negative."

Valeant could lose its "secret sauce," he says -- that is, the premium multiple that enables accretive acquisitions using highly valued stock as currency. Its $30 billion of debt leaves little room for error, he adds.

Traditional valuation metrics aren't useful here. The high volatility -- the stock bounced between $88 and $171 last week -- is a keep-out sign. The company plans a conference call to address the allegations Monday, so the shares might pop for a time. Some day Valeant shares might be cheap, but they aren't inviting.

Chipotle Shares Less Tasty

Chipotle Mexican Grill (CMG) has also been a pretty hot stock and Wall Street favorite. The Denver-based fast-food restaurant company, with nearly 2,000 outlets serving what it calls healthy Mexican fare, faces old-fashioned fundamental head winds in the coming year.

Shares have fallen from $759 in the summer to a recent $649.72, but the stock is up 36% in the past 18 months, and remains richly valued at 32 times next year's expected earnings. Chipotle has grown total revenue by an average of 20% annually, and earnings per share by 30% for the past seven years. That's impressive.

Chipotle trades for about 17 times estimated earnings before interest, taxes, depreciation, and amortization for the 12 months ending in September 2016. That compares with 12 times or less for admittedly slower-growing peers.

Yet its success has led to questions about how it will negotiate the challenges of becoming a grown-up restaurant concept. In adding 215 to 225 units this year and 220 to 235 next year, Chipotle will face new challenges that could dent the stock by 10% or more.

Though total sales will rise, the important issue for a restaurant stock with such a high valuation is a potential slowdown in same-store sales, in this case to single-digit percentage gains from much higher levels in the past 12 months. Secondly, unit expansion comes at a time when the industry is seeing slowing sales, mounting cost pressures, and heated competition for quality real estate.

As Chipotle transitions to a slower sales environment, the law of large numbers will make strong growth more costly, says Howard Penney, a veteran industry analyst at Hedgeye Risk Management, an independent research firm. As a consequence, the stock will lose some of its premium valuation, he predicts. Hedgeye rates the stock a Short.

In the recently reported third quarter, Chipotle revenue increased 12% to $1.2 billion and earnings per share 11%, to $4.59. Comparable same-store sales were up 2.6%, but the growth rate has fallen for four straight quarters -- albeit from a lofty 19.8% in the year-ago quarter.

Perhaps more telling, the third quarter was helped by a coupon program, something not often done by Chipotle. It is interesting that same-store comps were highest in July when the coupon campaign was in full force, but lower in August and September, when it wasn't. "There was no follow-through," Penney says. Moreover, coupons are generally offered by more mature restaurant concepts such as McDonald's (MCD) and Wendy's (WEN), he says. Company guidance backs the idea: Same-store sales are likely to slow next year to a "low-single-digit" percentage rise from "low- to mid-single digit" this year.

It's unclear, Penney says, what will stimulate same-store sales, besides a new product, which currently isn't in the offing.

Chipotle faces cost increases on a few fronts. Labor rose 17% so far this year and is inching up as a percentage of sales, despite higher sales and menu prices. One favorable trend is a drop in food costs, but this has a dark lining. Chipotle has been helped by menu-price increases, but lower food costs paradoxically reduce its ability to raise prices, Penney says.

There are less immediate but still important concerns. Quality real-estate sites are harder to get, and the company has noted it is running into higher occupancy costs.

Chipotle had a pork-supply-chain problem earlier this year. The company boasts that it eschews food supplies with genetically modified organisms or nontherapeutic use of antibiotics. However, the production of such specialty foods isn't as widespread as the industry might like, and another supply-chain issue could crop up as rival chains increasingly jump on the non-GMO bandwagon. That could strain producers and create another glitch in a supply chain. The company didn't respond to a request for comment.

Given the potential stresses on the business, Penney thinks Chipotle ought to trade for 15 times his fiscal 2016 Ebitda estimate of $1.1 billion. That implies a stock price about 10% lower, or $585, according to the analyst.

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Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17646.70	+430.73	+2.50
DJTransportation	8295.58	+216.97	+2.69
DJUtilities	594.41	-2.57	-0.43
DJ65Stocks	6218.13	+126.68	+2.08
DJUSMarket	518.48	+9.06	+1.78
NYSEComp.	10506.51	+84.60	+0.81
NYSEMKTComp.	2304.96	-24.24	-1.04
S&P500	2075.15	+42.04	+2.07
S&PMidCap	1439.84	+5.49	+0.38
S&PSmallCap	690.75	+4.83	+0.70
Nasdaq	5031.86	+145.18	+2.97
ValueLine(arith.)	4527.02	+31.26	+0.70
Russell2000	1166.06	+3.75	+0.32
DJUSTSMFloat	21462.39	+358.22	+1.70

	Last Week	Week Earlier
NYSE		
Advances	1,933	1,753
Declines	1,299	1,477
Unchanged	45	41
NewHighs	228	131
NewLows	136	74

AvDailyVol(mil)	3,725.1	3,429.5
Dollar		
(Finexspotindex)	97.08	94.73
T-Bond		
(CBTnearbyfutures)	157-050	158-300
Crude Oil		
(NYMlightsweetcrude)	44.60	47.26
Inflation KR-CRB		
(FuturesPriceIndex)	193.71	199.45
Gold		
(CMXnearbyfutures)	1163.30	1183.60

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DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

636 字
2015 年 10 月 26 日 20:51
Dow Jones Newswires Chinese (English)
RTNW
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Oct 26,2015 04:36 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	+1024.5	-1526.8	1.20
Blocks	+1089.8	-1493.4	2.74
S & P 500	+2262.8	-1977.8	1.10
Blocks	+2370.0	-1781.7	1.68
Russell 2000	-166.4	+194.6	0.96
Blocks	-160.7	+104.0	0.77
DJ U.S. Total Stock Market	+2500.7	-1060.6	1.05
Blocks	+2650.2	-1379.1	1.35

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
JPMorgan Chase	JPM	NYSE	63.90	+359.5	6.03
Apple	AAPL	NASD	115.28	+244.3	1.16
General Electric	GE	NYSE	29.55	+197.8	2.21
iShares S&P 500 Growth	IVW	ARCA	117.29	+184.0	7.23
SPDR S&P 500	SPY	ARCA	206.99	+181.7	1.16
SPDR Barclays Hi Yield Bd	JNK	ARCA	36.56	+130.6	5.11
PwrShrs QQQ Tr Series 1	QQQ	NASD	112.85	+130.2	1.57
iShares Core S&P 500 ETF	IVV	ARCA	208.18	+121.0	2.06
iSh Nasdaq Biotech	IBB	NASD	317.45	+118.7	1.65
Wells Fargo	WFC	NYSE	54.29	+109.4	2.50
Amazon.com	AMZN	NASD	608.61	+97.3	1.15
IBM	IBM	NYSE	143.66	+87.6	2.09
T-Mobile US	TMUS	NYSE	41.38	+84.2	3.87
WisdomTree Japan Hdg Eqty	DXJ	ARCA	54.25	+81.3	3.62
Alphabet Cl C	GOOG	NASD	712.78	+76.1	1.16
Broadcom	BRCM	NASD	51.46	+75.0	2.02
iShares 20+Y Treasury Bd	TLT	ARCA	124.02	+71.8	2.28
Johnson & Johnson	JNJ	NYSE	99.94	+69.1	1.61
Bank Of America	BAC	NYSE	16.51	+61.6	1.57
Procter & Gamble	PG	NYSE	77.49	+61.1	1.52

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Steris Corp	STE	NYSE	67.65	-247.5	0.14
Microsoft	MSFT	NASD	54.25	-227.2	0.67
Cnsmr Staples Sel Sector	XLP	ARCA	50.64	-137.4	0.25
Citigroup	C	NYSE	53.11	-135.9	0.43
Splunk	SPLK	NASD	55.04	-132.6	0.15
Gilead Sciences	GILD	NASD	108.63	-102.1	0.69
Wal-Mart Stores	WMT	NYSE	58.02	-83.8	0.55
Industrial Select Sector	XLI	ARCA	54.54	-73.1	0.37
iShares 1-3Y Treasury Bd	SHY	ARCA	84.97	-69.0	0.55
iShares China Large-Cap	FXI	ARCA	39.49	-67.4	0.38
Pioneer Natural	PXD	NYSE	134.68	-65.6	0.44
Facebook Inc. Cl A	FB	NASD	103.77	-62.2	0.90
iShares S&P MC 400 Growth	IJK	ARCA	164.12	-60.6	0.18

Union Pacific	UNP	NYSE	95.17	-53.4	0.52
Texas Instruments	TXN	NASD	58.81	-52.9	0.47
Costco Wholesale	COST	NASD	156.73	-52.2	0.60
58.com ADR	WUBA	NYSE	52.55	-51.4	0.43
Boeing	BA	NYSE	146.70	-49.3	0.61
Vanguard S&P500	VOO	ARCA	189.77	-46.3	0.49
Ford Motor	F	NYSE	15.68	-43.4	0.68

Moneyflow figures are the dollar value of composite uptick trades minus the dollar value of downtick trades. The up/down ratio reflects the value of uptick trades relative to the value of downtick trades.

Source: WSJ Market Data Group

(END) Dow Jones Newswires

26-10-15 2051GMT

文件 RTNW000020151026ebaq000hh

DOW JONES
NEWSWIRES

Nordic Stocks Seen Opening Slightly Lower -- Market Talk

164 字
2015 年 10 月 22 日 07:42
Dow Jones Institutional News
DJDN
英文

0642 GMT Nordic markets are seen opening slightly lower Thursday ahead of this afternoon's ECB meeting, with IG calling the OMXS30 down 0.3% at around 1448. "It has been quiet overnight and market participants seem to await today's ECB meeting," says Danske Bank. "The pressure for further easing is building but we expect the ECB to keep its powder dry today," Danske adds. "Asian stocks are mixed this morning....In the U.S. the S&P500 ended down 0.6% as a loss in momentum reversed earlier gains." Another heavy day of earnings in the Nordics has seen DNB, SSAB, Fortum and Novozymes all report before the open. OMXS30 closed at 1452.09, OMXN40 at 1472.14 and OBX at 550.33. (dominic.chopping@wsj.com)

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markettalk@wsj.com

(END) Dow Jones Newswires

October 22, 2015 02:42 ET (06:42 GMT)

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

1,003 字
2015 年 10 月 22 日 16:59
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
1559 GMT Russia's stock market and the ruble ends in positive territory as oil prices recover. The ruble-traded Micex index adds 0.1% to 1712.03, while its dollar-traded peer RTS gains 0.4% to 860.22. Raiffeisen Capital notes the Micex seems to stuck in a narrow range of 1704-1716 in light trade as the market awaits earnings season and the U.S. Fed rate decision due next week. Sberbank drops 0.5%, VTB down 0.6%. Gazprom sheds 0.2%, Lukoil up 1.02%. The ruble firms, with EUR/RUB ending the main trading session in Moscow below 70 rubles. That said, Capital Economics remains "relatively downbeat" on the outlook for Russia's financial markets. It says the ruble will remain under pressure due to persistent capital outflows and weak growth outlook. (andrey.ostroukh@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1557 GMT France's CAC-40 ends 2.3% higher at 4802.18 Thursday, surging in afternoon trade as ECB's Mario Draghi hints the central bank could step up quantitative easing in December. Orange, +7.5%, leads the French index after publishing a better-than-expected 3Q. Pernod Ricard +5.2% as investors also welcome its 3Q. Publicis bucks the trend, sinking 7% after cutting its full-year sales outlook. At the open Friday, investors will have plenty more earnings reports to digest, notably from Kering, Michelin, and Vinci after close Thursday. Traders will also have an eye on flash PMI's Friday morning, starting with France at 0700 GMT. (william.horobin@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1554 GMT The Netherlands's AEX ends 1.8% higher at 457.97 Thursday after ECB President Mario Draghi hinted in the news conference following the rate decision that the central bank is prepared to expand the monetary easing policy in order to support the European economy. Akzo Nobel ends up 5.3%, as the chemical company said net profit was 39% higher in the third quarter, on the back of restructuring measures en helped by currency movements. Friday real estate company Wereldhave will publish 3Q results. On the economic front German PMI is expected Friday, followed by eurozone PMI. (levien.defeijter@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1541 GMT Nordic stocks rose Thursday after the ECB hinted it could expand its stimulus program at its December policy meeting. The pan-Nordic OMXN40 ends 2% higher at 1,502.21. Norway's energy-heavy OBX closes 0.3% higher at 551.89. In the most-traded stocks, SSAB ends 7.1% lower after reporting disappointing third quarter results, with Ebitda 20% below consensus. The Nordic earnings season continues Friday with companies such as Ericsson, Electrolux and Volvo scheduled to release earnings. (jens.hansegard@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0741 GMT SIG is the biggest faller on the FTSE 250 index after the distributor of building products said market conditions deteriorated in the second half, particularly in France, and it now expects 2015 underlying

pretax profit to be in the range of GBP85M to GBP90M compared with GBP98.1M in the prior year. Shares slump 21% to 141.6p. (jana.simmons@wsj.com)

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0641 GMT France's CAC-40 is seen opening 0.5% lower at 4672 ahead of a crucial central bank governing council meeting in Malta later Thursday. European Central Bank President Mario Draghi is expected to discuss the possibility of an eventual expansion to the bond-purchase program. Orange shares could open higher after the French telecommunications operator reports stronger than expected third-quarter revenue. Publicis, however, is likely to open down after an unusually large number of clients downsize their accounts and postpone advertising campaigns forcing the company to cut its revenue guidance for 2015. (noemie.bisserbe@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0640 GMT Germany's DAX is seen opening 0.2% lower at 10,213, says Deutsche Bank, with investors nervous to hear what the ECB has to say regarding liquidity at today's rate-setting meeting. "The consensus view is that there won't be additional stimulus, but the door will be left open," says Chris Weston of IG. Daimler is in focus after reporting robust profit in the third quarter helped by strong sales of its luxury Mercedes-Benz cars. The ECB's interest rate announcement is due at 1145 GMT. (natascha.divac@wsj.com)

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

598 字
2015 年 10 月 22 日 16:41
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
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(END) Dow Jones Newswires

October 22, 2015 11:41 ET (15:41 GMT)

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BARRON'S

MARKET WEEK
Stocks --- The Trader: Goldilocks Scenario Helps Drive Stocks Higher

By Vito J. Racanelli
2,001 字
2015 年 10 月 19 日
Barron's
B
M3
英文

Stocks finished the week on a high note, up nearly 1%, helped by good quarterly results from some big industrials and more signs that the Federal Reserve mightn't hike interest rates come December. Encouraging credit-market data from China also gave investors hope that the country's growth might reignite.

Last week, the Dow rose 0.8%, or 132 points, to 17,215.97. The Standard & Poor's 500 index increased 0.9%, or 18, to 2033.11. The Nasdaq Composite moved up 1.2% last week to 4886.69.

The stock market has recovered much of the ground lost in the summer. Sentiment indicators, such as breadth, have improved significantly. That bodes well for the near term, but more volatility wouldn't be surprising, says Liz Ann Sonders, chief investment strategist at Charles Schwab. She says a December rate hike is a toss-up.

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By midsummer 2015, the stock had risen to $58, but in the last few months it's down 15%, to $48.44, for similarly short-term reasons. MetLife is worth another look for long-term-oriented investors wanting steady income and a potential double-digit total return in the next 18 to 24 months.

The insurer took one hit this year with the broad market's August downdraft. More punishment came in September, when the Federal Reserve didn't raise interest rates, disappointing the market.

Low rates have been a thorn in MetLife's side for years. Revenue and earnings-per-share growth in the last two years has been nil. Life insurers in particular suffer with low rates, which make it difficult to match assets to long-term liabilities, and which lower returns from the company's fixed-income investments.

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Despite these issues, MetLife is looking cheap again, with its challenges mostly discounted by the stock price, avers John Petrides, a portfolio manager with Point View Wealth Management. "You're getting a really great franchise at a nice discount to book value," he says. The firm has held a longstanding position in MetLife and has also bought shares for clients lately.

Though results are in line with the industry, the stock trades at a cheap price/earnings ratio of 7.9 times consensus analyst EPS estimates of $6.20 next year, compared with its historical median P/E of 9. The price-to-tangible book value is 0.9 times versus an average of 1.2.

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Sentiment on the stock is poor and expectations low, adds Petrides, but the valuation, buybacks, and dividend growth make MetLife attractive. "If you can get it at a low P/E, when interest rates are at a trough, then there's not much heavy lifting needed to eventually get the stock moving," he says.

Even if rates were to stay low, this is an attractive stock with steadily -- if slowly -- improving results, a 3.1% dividend yield, and a payout growing at 12% per year, he adds. The dollar pain should roll out of quarterly comparisons at some point next year, too.

Eventually, the Fed will raise rates. It won't be tomorrow, it might not be this year, but it will happen. When it does, the stock will benefit. In that scenario, MetLife's high exposure to interest-rate sensitive products will make the stock "act like a coiled spring," Petrides says.

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Investors should look beyond the cyber-security hoopla. The company, with a $2.4 billion market value and 3,400 customers globally, is afflicted with a problem many tech companies have: Expenses are outpacing sales, because the business landscape is highly competitive.

In the five years ended 2014, revenue grew an average annual 28%. Operating expenses rose even faster, at 34%. This worrisome trend accelerated in the first half of 2015, when operating costs rose 45% to $121 million, equal to revenue for the first half.

Proofpoint bulls say the company will achieve economies of scale eventually, and cost growth will slow even as sales continue to drive higher. Yet if it hasn't turned a profit with this robust a client list, how will it do so in the future?

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Proofpoint bulls say stock compensation, a noncash expense, makes up a big chunk of costs and losses. Results should be adjusted to reflect that and other noncash charges, it's argued. In the first half of 2015, for example, earnings before interest, taxes, depreciation, and amortization (Ebitda) -- after adjusting for extraordinary items and noncash expenses, such as stock-based compensation -- swung to $1.7 million from a negative-$1.3 million in the year-earlier period.

However, some of the noncash expenses aren't going away soon. According to New Constructs, the value of the stock options outstanding listed in the last annual report was nearly equal to about 10% of the company's market value. Executive stock compensation has grown while losses have worsened.

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DJUSMarket	509.42	+3.72	+0.73
NYSEComp.	10421.91	+60.65	+0.59
NYSEMKTComp.	2329.20	+12.02	+0.52
S&P500	2033.11	+18.22	+0.90
S&PMidCap	1434.35	-8.11	-0.56
S&PSmallCap	685.92	-1.84	-0.27
Nasdaq	4886.69	+56.22	+1.16
ValueLine(arith.)	4495.76	-17.61	-0.39
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Unchanged	41	30
NewHighs	131	115
NewLows	74	53
AvDailyVol(mil)	3,429.5	4,138.3

Dollar		
(Finexspotindex)	94.73	94.89
T-Bond		
(CBTnearbyfutures)	158-300	156-290
Crude Oil		
(NYMlightsweetcrude)	47.26	49.63
Inflation KR-CRB		
(FuturesPriceIndex)	199.45	202.69
Gold		
(CMXnearbyfutures)	1183.60	1156.30

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DOW JONES
NEWSWIRES

The Trader: Goldilocks Scenario Helps Drive Stocks Higher -- Barron's

2,031 字
2015 年 10 月 17 日 05:07
Dow Jones Institutional News
DJDN
M3
英文

(FROM BARRON'S 10/19/15)
By Vito J. Racanelli

Stocks finished the week on a high note, up nearly 1%, helped by good quarterly results from some big industrials and more signs that the Federal Reserve mightn't hike interest rates come December. Encouraging credit-market data from China also gave investors hope that the country's growth might reignite.

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17 Oct 2015 00:08 ET The Trader: Goldilocks Scenario Helps Drive -2-

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(END) Dow Jones Newswires

October 17, 2015 00:08 ET (04:08 GMT)

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General Electric: So Long Synchrony Financial, Here Comes the Cash
Barron's Blogs, 2015 年 10 月 15 日 16:05, 365 字, By Ben Levisohn, (英文)
Citigroup's Donald Fandetti and team think the Fed's approval of the final spin of Synchrony Financial (SYF) by General Electric (GE) will remove an overhang for the former's stock:
文件 WCBBE00020151015ebaf0018h

DOW JONES
NEWSWIRES

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By Ben Levisohn
391 字
2015 年 10 月 15 日 16:05
Dow Jones Institutional News
DJDN
英文

Citigroup's Donald Fandetti and team think the Fed's approval of the final spin of Synchrony Financial (SYF) by General Electric (GE) will remove an overhang for the former's stock:

After the market close, Synchrony received approval from the Fed to separate from GE (GE owns 85% of the shares). This will enable Synchrony to split-off from GE and then implement a capital return at some point (dividend + buyback). Both Synchrony and GE are set to report earnings on Fri, Oct 16. We would expect GE/Synchrony to launch an "exchange offer" via an S-4 filing after/around the earnings release Friday. The timing of this approval is good as the 30-day exchange offer marketing period won't conflict with a GE earnings blackout period (which would kick in Dec 15th and last until Q4 earnings Jan 15th). A key outstanding question is if Synchrony will be required to go through the formal CCAR process along with the large banks (the higher probability scenario). If they are included in CCAR, then Synchrony's capital return approval would come in June '16. However, if they are not part of CCAR (the lower probability) then Synchrony could implement a capital return right after the exchange offer. We would expect color on these capital questions to be addressed during the earnings call and in the S-4...

As stated previously, we'd expect some technical pressure on Synchrony shares from the exchange but would use the opportunity to build positions as 1) capital return boosts the earnings growth rate, 2) fundamentals are healthy for the company and 3) they should be added to the S&P500 upon completion of the exchange. We also view the recent renewal of the PayPal (PYPL) partnership as a positive and it follows our Q3 earnings preview where we highlighted the likelihood of a renewal.

Shares of Synchrony Financial have dipped 0.2% to $31.46 at 11:03 a.m. today, while General Electric has gained 1.5% to $28, and PayPal has risen 1.3% to $34.51.

More at Barron's Stocks to Watch blog,
http://blogs.barrons.com/stockstowatchtoday/

(END) Dow Jones Newswires

October 15, 2015 11:05 ET (15:05 GMT)

文件 DJDN000020151015ebaf0027u

DOW JONES
NEWSWIRES

Global Stocks Fall on Growth Concerns

By Tommy Stubbington and Riva Gold
530 字
2015 年 10 月 14 日 14:44
Dow Jones Institutional News
DJDN
英文

Global stocks fell Wednesday after a slowdown in inflation in China added to concerns about weakening growth.

U.S. and European shares followed Asian markets lower after data showing lower-than-expected Chinese inflation in September, a day after disappointing import and export data from China dented stocks around the world. The consumer-price index rose 1.6% in September from a year earlier, compared with a 2% rise in August.

The Dow Jones Industrial Average fell 20 points , or 0.1%, to 17061 in early trade. The Nasdaq was up 0.1%, while the S&P500 was roughly flat.

The Stoxx Europe 600 was down 0.5%, deepening losses from Tuesday.

Most Asian indexes declined amid fears Beijing would miss its year-end growth target. The Shanghai Composite Index closed 0.9% lower, while Hong Kong's Hang Seng Index lost 0.7% and Japan's Nikkei Stock Average fell 1.9%. China's third-quarter growth figures are due for release on Monday.

Chinese markets had initially rallied as the data propped up expectations for new stimulus measures, though the optimism quickly waned.

The recent losses come as last week's global stock rally runs out of steam. Although some of the worst fears over the global economy have eased, the latest run of weak Chinese data has reminded investors that a slowdown in the world's second-largest economy is likely to hold back growth elsewhere.

"Fears of imminent financial catastrophe were overdone. But most people see that the growth capacity of the global economy probably diminished over the summer," said Guy Foster, head of research at wealth manager Brewin Dolphin.

U.S. retail sales rose a weaker-than-expected 0.1% in September and were revised down for August. Investors are looking ahead to the Federal Reserve's Beige Book, which is based on anecdotes in the Fed's regional survey of economic conditions.

A lackluster start to the third-quarter corporate earnings season has added to investors' caution, he added.

After U.S. markets closed on Tuesday, J.P. Morgan Chase & Co. reported higher third-quarter profits but lower revenue. Intel Corp. said its profit fell 6.3% on continued weakness in demand for personal computers. Both companies' shares declined in early trading.

On Wednesday morning, Wells Fargo & Co. said its profit rose following stronger-than-expected revenue, but shares weakened as investors focused on the pressure low oil prices are putting on the bank's relatively large loan book with energy companies.

Other companies reporting Wednesday include Bank of America Corp., BlackRock Inc. and Delta Air Lines Inc.

In currencies, the euro rose 0.4% against the dollar to $1.1434, while the dollar was 0.3% lower against the yen at Yen119.35.

In commodities, gold prices climbed 0.8% to $1,174.90 a troy ounce.

Brent crude oil was down 0.2% at $49.58 a barrel.

Write to Tommy Stubbington at tommy.stubbington@wsj.com and Riva Gold at riva.gold@wsj.com

(END) Dow Jones Newswires

October 14, 2015 09:44 ET (13:44 GMT)

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United Technologies: Sidelined
Barron's Blogs, 2015 年 10 月 13 日 16:15, 276 字, By Ben Levisohn, (英文)
RBC's Robert Stallard and team argue that it's time to take profits in United Technologies (UTX):Like other economically driven industrial stocks, United Technologies shares have enjoyed a rally in the last couple of weeks, having moved up ...
文件 WCBBE00020151013ebad001bc

DOW JONES
NEWSWIRES

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By Ben Levisohn
302 字
2015 年 10 月 13 日 16:15
Dow Jones Institutional News
DJDN
英文

RBC's Robert Stallard and team argue that it's time to take profits in United Technologies (UTX):

Like other economically driven industrial stocks, United Technologies shares have enjoyed a rally in the last couple of weeks, having moved up nearly 10% (+5% vs S&P500). With no discernible change to company or industry fundamentals, we see this as an opportune point to move to the sidelines on this name...

United Technologies has some growth challenges at the moment. We expect 3Q15 earnings to highlight order and sales declines in China OEM for Otis, whilst management is also looking to use price to regain share. In aerospace, underlying trends are not improving, whilst UTAS faces a tough aftermarket comparison on provisioning, whilst Pratt has GTF dilution ahead. We're basically looking to US construction and defense for potential organic upside going forward, and these markets only make up 40% of segment operating income (post Sikorsky).

To offset the tough organic picture we see United Technologies focusing on the share buyback. With organic cash generation and the Sikorsky proceeds, we have United Technologies spending $7bn on stock buybacks in 2016. How exactly this flows through to EPS remains to be seen, and that could be a source of upside if say the company closes Sikorsky quickly and does an accelerated repurchase. But this would be a 'one off', and cannot be repeated in 2017.

Shares of United Technologies have fallen 1.1% to $94.35 at 10:42 a.m. today, while the Industrial Select Sector SPDR ETF (XLI) has dipped 0.3% to $53.25.

More at Barron's Stocks to Watch blog,
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(END) Dow Jones Newswires

October 13, 2015 11:15 ET (15:15 GMT)

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BARRON'S

MARKET WEEK
Stocks --- The Trader: Stocks Rise as Investors Regain Their Stride

By Vito J. Racanelli
1,584 字
2015 年 10 月 12 日
Barron's
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M3
英文

The "risk on" trade is back.

Stocks finished a torrid week with major indexes rising more than 3%. In a sign of improved investor confidence, riskier assets outperformed. Shares of small-caps and the most beaten-down companies rallied, as did emerging-market equities, up nearly 7%.

There's enough global economic weakness for the Fed to delay an interest-rate hike, but investors came round to the conclusion that things are not quite as bad as they thought back in August, says Jason Pride, director of investment strategy at Glenmede Investment and Wealth Management.

Last week the Dow rose 3.7%, or 612 points, to 17,084.49. The Standard & Poor's 500 index advanced 3.3%, or 64, to 2014.89. The Nasdaq rose 2.6% on the week, to 4830.47. Stocks have risen eight out of the past nine trading sessions.

Part of the newfound bullishness derived from Thursday's release of dovish minutes from the latest Federal Open Market Committee meeting, which investors interpreted as meaning that the likelihood of a December interest-rate hike is receding. It's hard to believe that only two weeks ago, the market was unnerved by the same thinking.

The expectation of no hike has enervated the dollar. The greenback is down from early August, which has bailed out some of the hardest-hit stock groups. Rising commodity prices, particularly oil, have also paced the market's rebound and braced resource stocks. Crude rose 9% last week, its largest gain since August, and closed near $50 per barrel.

It's no coincidence that the three best stock sectors since Sept. 18 have been energy, up 9%, and industrials and materials, both up 5%, the groups most pressured by higher commodity prices and a stronger dollar.

"The realization that a hike in December is a question mark, that the dollar has stopped going up, and that commodities have stopped going down" renewed interest in riskier assets, says Brian Belski, chief investment officer at BMO Financial Group. Many big investors were underexposed to resources, industrials, and financials, and those sectors took in some cash, he says.

Investors will turn their focus to third-quarter results this week from the likes of JPMorgan Chase (ticker: JPM), Intel (INTC), and railroad CSX (CSX), among many others.

From here, the market's direction will take its cue from earnings, says Dan Greenhaus, chief global strategist for BTIG. Perhaps more than to the actual numbers, investors will be listening closely to what executives say about the tenor of their businesses. "We need to hear [confirmation] that things were not as bad as the market thought back in August," says Greenhaus.

There's one other coming issue to contemplate: The tumult on the Republican side of the aisle in Congress may yet lead to another debt-ceiling showdown. The government needs to raise its borrowing limit by Nov. 5, or it could run out of money.

Jazz Pharmaceuticals Is Cheap

Shares of Jazz Pharmaceuticals (JAZZ) have fallen by a third this year, from $195 to $133, mainly on worries that have socked the wider health-care sector. The volatility that has gripped the broad market is taking a toll on this group, the best performer since 2011. Public furor over some drug companies' doubling and tripling of product prices is also hurting the sector.

A closer look at the attractions of this specialty pharma company suggests that the drop could be an opportunity to get a fast grower at a relatively reasonable price, according to Henry de Vismes, an investment advisor for wealthy individuals and a 40-year market veteran. His clients own Jazz shares.

The Ireland-domiciled outfit made its name with Xyrem, a drug for daytime sleepiness or narcolepsy. Its sales continue to rise sharply, up 30% in the second quarter, generating roughly 70% of total revenue. Corporate results have been strong -- albeit a little choppy -- over the past seven years, with revenue up an average of 50% annually, and earnings per share up 40%.

With 19 Xyrem patents that expire from 2019 to 2033, and a nice pipeline, the growth should continue, says de Vismes. A late-stage drug investigation now under way could extend Xyrem to a wider set of patients. And the U.S. is testing Defibrotide, already approved in Europe for patients with obstruction of small veins in the liver.

How cheap is Jazz? Shares trade at 11 times the 2016 consensus analyst estimate of $11.72 a share, up 20% from an estimated $9.66 this year. The money manager calls the P/E ratio compelling, compared with its historical average above 20 and 16 for the broad market, which offers slower growth.

Jazz's fortunes depend mainly on Xyrem right now. That risk, however, should continue to ease as the company brings new drugs to market and broadens its product line into hematology and oncology. As that happens, investors are likely to see a snazzy return from the stock.

Searching for Yield

Yield seekers are stuck. Treasuries are secure but don't offer much return -- just 2.10% on the 10-year note -- and fixed-income assets face a risk that interest rates will rise. Stocks' dividend yield, at 2.2%, isn't any better, and equities offer plenty of risk.

So what's a yield seeker to do?

One way to get an attractive yield is through arbitrage on soon-to-close merger deals. Jean-Francois Comte, a money manager at Lutetia Capital, says broad market turmoil and investor fear, including the carnage in the high-yield bond market, has spilled over to the deal market. What's interesting, he notes, is that this has led to some relatively wide disparities between the offer price and current stock price on agreed deals in which the financing appears secure and the yields appetizing. (See table, below.)

It's a chance to earn an annualized return of 7% or more until a deal closes, which in many cases is the next few months. For example, Berkshire Hathaway's (BRKB) $235-a-share cash offer for Precision Castparts (PCP) seems as solid as such things can be, and yet the shares are trading at $230. The acquisition is expected to close early next year. The stock should return about 7% on a deal that is contractually guaranteed, Comte notes.

The merger arbitrage offers shorter maturities than a 10-year bond, he says. Moreover, the companies' stocks are liquid.

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Strategists as Contrarians

Back in April, this column published a study that showed that analysts' ratings, viewed collectively, are good contrarian indicators. Now it's the turn of Wall Street strategists, the big-picture guys and gals cited on television and in print -- including Barron's -- that make predictions about the broad market. Many individual strategists are thoughtful, know their stuff, and are pretty good at the game. However, as with analysts, it's better to do the opposite of what they say collectively.

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At September's end, this fell to 53.1% from 54% in the prior month, back into the Buy zone after briefly breaching Neutral territory in August (see chart, above). On average, strategists are recommending that investors significantly underweight equities, with an average 53% allocation to equities, versus a traditional long-term mean benchmark of 60% to 65%.

"We've found it to be a reliable contrary indicator," says Savita Subramanian, herself a strategist, and Merrill's head of U.S. equity and quantitative strategy. Historically, when this indicator -- one of five she uses -- has been this low or lower, total returns of the Standard & Poor's 500 index 12 months later were positive 96% of the time, she adds.

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	Friday's Close	Week's Change	Week's % Chg.
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DJTransportation	8253.16	+379.52	+4.82
DJUtilities	583.36	+6.11	+1.06
DJ65Stocks	6080.73	+211.46	+3.60
DJUSMarket	505.70	+16.02	+3.27
NYSEComp.	10361.27	+387.71	+3.89
NYSEMKTComp.	2317.18	+105.17	+4.75
S&P500	2014.89	+63.53	+3.26
S&PMidCap	1442.46	+56.38	+4.07
S&PSmallCap	687.76	+33.09	+5.05
Nasdaq	4830.47	+122.69	+2.61
ValueLine(arith.)	4513.37	+227.15	+5.30
Russell2000	1165.36	+51.24	+4.60
DJUSTSMFloat	20962.12	+681.42	+3.36

	Last Week	Week Earlier
NYSE		
Advances	2,871	1,444
Declines	371	1,805
Unchanged	30	22
NewHighs	115	26
NewLows	53	795
AvDailyVol(mil)	4,138.3	4,221.0
Dollar (Finexspotindex)	94.92	95.92
T-Bond (CBTnearbyfutures)	156-290	158-260
Crude Oil (NYMlightsweetcrude)	49.63	45.54
Inflation KR-CRB (FuturesPriceIndex)	202.69	194.11
Gold (CMXnearbyfutures)	1156.30	1137.10

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文件 B000000020151010ebac0000y

DOW JONES
NEWSWIRES

The Trader: Stocks Rise As Investors Regain Their Stride -- Barron's

1,601 字
2015 年 10 月 10 日 05:09
Dow Jones Institutional News
DJDN
M3
英文

(FROM BARRON'S 10/12/15)
By Vito J. Racanelli
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NYSEMKTComp.	2317.18	+105.17	+4.75
S&P500	2014.89	+63.53	+3.26
S&PMidCap	1442.46	+56.38	+4.07
S&PSmallCap	687.76	+33.09	+5.05
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(END) Dow Jones Newswires

October 10, 2015 00:09 ET (04:09 GMT)

文件 DJDN000020151010ebaa0006t

DOW JONES
NEWSWIRES

State Street Launches First Sector-Focused ETFs in Years -- Market Talk

167 字
2015 年 10 月 8 日 20:26
Dow Jones Institutional News
DJDN
英文

15:26 EDT - State Street Global Advisors launches its first new sector-specific ETFs in 17 years, with the Financial Services Select SPDR Fund (XLFS) and Real Estate Select Sector SPDR Fund (XLRE) bringing the number of its "Select Sector" ETFs to 11. SSGA runs the biggest ETF, S&P500 ETF SPY, but the new funds show the company is trying to diversify. One measure to attract assets: a slightly lower fee for the suite of SPDR Sector Select funds from 0.14% from 0.15%. Other ETF companies are trying to gather assets from investors seeking to focus on (or away) from single sectors. Last month, ProShares launched four ETFs that each strip out a sector while providing broad exposure to the S&P 500. On its debut, both SPDR funds were up with the broader market. (leslie.josephs@wsj.com; @lesliejosephs)

(END) Dow Jones Newswires

October 08, 2015 15:26 ET (19:26 GMT)

文件 DJDN000020151008eba80038v

DOW JONES
NEWSWIRES

Fiscal Uncertainty Rises, But So Do Prospects for a Deal -- Market Talk

1,457 字
2015 年 10 月 8 日 21:43
Dow Jones Institutional News
DJDN
英文

16:43 EDT - House Majority Leader Kevin McCarthy's decision not to run for speaker creates further uncertainty over how and whether Congress will address the federal borrowing limit, which the US Treasury says will need to be raised by Nov. 5. Many analysts Thursday said it heightens brinkmanship and market volatility as the US tip toes closer to running out of cash to pay its bills. Capital Alpha's Charles Gabriel sees a possible silver lining: With no obvious successor, House Speaker John Boehner could stay in his job a little longer than his Oct. 30 retirement date, giving "extra leeway" to reach a deal with the White House on both the debt limit and government funding levels for 2016. (nick.timiraos@wsj.com; @NickTimiraos)

1640 ET [Dow Jones] U.S. lumber futures continued to climb Thursday, lifted by a continued trend of short-covering, as investors scale-back bets on supply issues dragging the market further down in the weeks ahead. CME November lumber advanced $2.10, or 0.9%, to $237.50 per 1,000 board feet, as traders continued to bet that futures would narrow the discount to prices for wood in the physical markets, where mills have recently sold in a range from $245 to $250 per 1,000 board feet. (kelsey.gee@wsj.com; @kelseykgee)

16:39 EDT - Though earnings missed expectations, Alcoa (AA) keeps its positive outlook for the aerospace sector and retains guidance from July for global industry sales in 2015 to be up 8% to 9% from last year. Slides ahead of its analysts' call don't detail expectations for growth in 2016, which had previously been pegged at 8%. With recent acquisitions expanding the content it provides for jet engines, AA flags an industry backlog of 23,800 firm orders. While AA falls 4.6% after hours, shares of Precision Castparts (PCP), its nearest peer in aerospace, were unchanged. (doug.cameron@wsj.com; @dougcameron)

16:34 EDT - Alcoa (AA) 3Q EPS miss consensus with a loss in its smelting business, and sales are also short of estimates. Results were helped by a record showing in business geared to deliver parts for aerospace and sheeting for cars. AA says that unit had revenue of $1.4B, a 39% increase from a year ago. Still, operating income for that business was $151M, short of expectations which AA says was tied to acquisition costs. AA has been on an M&A binge as it remakes itself into a supplier of hi-tech metals to the aerospace and auto industries. AA falls 4.3% to $10.53 after-hours, extending the 30% YTD at the close. (patrick.sheridan@wsj.com; @patmsheridan)

16:19 EDT - As oil closed just shy of $50 a barrel, Wolfe Research called a bottom on crude. In separate notes, analysts at Wolfe, said the price of oil was at or close to a bottom. That's a turnaround from late August, when the same analysts said there was no reason oil couldn't slide to $30 a barrel. Crude closed Thursday at $49.43. Wolfe said it now expects oil to be trading between $55 a barrel to $70 a barrel within the next two years. Analysts said they still see a third of the industry's oil and gas producers as distressed and tipping toward bankruptcy. (erin.ailworth@wsj.com; @ailworth)

16:08 EDT - US stocks rose after minutes from the Federal Reserves latest policy meeting show policy makers were mostly in agreement about keeping rates on hold until further signs of inflation are clear. The report weighs on the dollar, in turn lifting oil prices back toward $50 a barrel and helping the energy sector top the S&P 500 gainers. DJIA rises 138 points to 17050, the S&P 500 adds 17 to 2013 and the Nasdaq gains 19 to 4810. Treasurys lose ground, with the 10-year yield at 2.11%, while gold prices slip. (patrick.sullivan@wsj.com)

15:56 EDT - How's this for unconventional monetary policy: To get the US economy's animal spirits flowing, raise rates! An odd prescription, but one that got raised at the Fed's policy-setting meeting last month. Minutes released today show that some Fed hawks thought that "a prompt decision to firm policy could provide a signal of confidence in the strength of the US economy that might spur rather than restrain economic activity." It is a difficult view to maintain, seeing as it presumes that investors and businesses would somehow believe the Fed has access to important information about the economy that they aren't privy to. Indeed, the risk is that rather than being considered as a vote of confidence, such a move would viewed as a mistake. After last week's soft September jobs report, that would almost certainly have been the case. (justin.lahart@wsj.com; @jdlahart)

1943 GMT - The dovish undertone of the Fed minutes are giving NZD/USD an excuse to extend its current rebound, but BNZ senior market strategist Kymberly Martin continues to see near-term resistance in the 0.6710-0.6740 window which has marked range highs for the past three months. The pair is at 0.6671 early in New Zealand. Martin says if global risk sentiment continues to improve, she would not be surprised if the NZD/USD remains at these levels, or even briefly pushes through 0.6700 near-term. "However, we'd still be looking for opportunities to sell," she says. She continues to see the balance of risks on relative interest rates and volatility tilted toward the NZD/USD returning to 0.6000, rather than extending its rally to 0.7000. (rebecca.howard@wsj.com; @FarroHoward)

15:43 EDT - The FOMC minutes were "generally dovish," says Michael Feroli of JPMorgan. "While nothing was new thematically, the balance of the discussion was skewed toward greater worry about growth and inflation." He admits the minutes were somewhat vague on the prospects of liftoff, with indications both wages and inflation need to pick up in order to sufficiently bolster members' confidence. "And at this point, it appears that Yellen faces little meaningful committee opposition to her policy of running a high-pressure labor market to cure the economy's structural shortcomings." (harriet.torry@wsj.com; @HarrietTorry)

15:30 EDT - ASB Bank expects another very-subdued quarterly CPI report for New Zealand, predicting 0.2% for 3Q sequentially and a mere 0.3% increase from a year earlier. The country's central bank is forecasting a 0.3% increase from 2Q. ASB says it's a close call whether the central bank cuts this month as opposed to waiting until December. "A relatively soft CPI, weak business-pricing intentions and rising NZD may convince the RBNZ that the medium-term inflation outlook warrants an immediate cut." But in-line or higher CPI and dairy prices recovering sharply may give the central bank comfort to wait slightly longer. (rebecca.howard@wsj.com; @FarroHoward)

15:26 EDT - Oil resumed its rally to hit 3-month highs and breach $50/barrel as WSJ's dollar index drops to a 6-week low. Those moves are reminding folks of the inverse relationship the two often share. Oil's gains sputtered after data yesterday showed another buildup in US supplies, but crude awoke as the dollar fell after the FOMC minutes. Higher oil and a weaker greenback is especially sweet news for places like Colombia, whose currency is up 8% the past month after plunging to worrisome record lows. (dan.molinski@wsj.com)

15:26 EDT - State Street Global Advisors launches its first new sector-specific ETFs in 17 years, with the Financial Services Select SPDR Fund (XLFS) and Real Estate Select Sector SPDR Fund (XLRE) bringing the number of its "Select Sector" ETFs to 11. SSGA runs the biggest ETF, S&P500 ETF SPY, but the new funds show the company is trying to diversify. One measure to attract assets: a slightly lower fee for the suite of SPDR Sector Select funds from 0.14% from 0.15%. Other ETF companies are trying to gather assets from investors seeking to focus on (or away) from single sectors. Last month, ProShares launched four ETFs that each strip out a sector while providing broad exposure to the S&P 500. On its debut, both SPDR funds were up with the broader market. (leslie.josephs@wsj.com; @lesliejosephs)

(END) Dow Jones Newswires

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文件 DJDN000020151008eba8003nd

DOW JONES
NEWSWIRES

Analyst Turns Bullish on Oil at $50 -- Market Talk

1,465 字
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15:26 EDT - Oil resumed its rally to hit 3-month highs and breach $50/barrel as WSJ's dollar index drops to a 6-week low. Those moves are reminding folks of the inverse relationship the two often share. Oil's gains sputtered after data yesterday showed another buildup in US supplies, but crude awoke as the dollar fell after the FOMC minutes. Higher oil and a weaker greenback is especially sweet news for places like Colombia, whose currency is up 8% the past month after plunging to worrisome record lows. (dan.molinski@wsj.com)

15:26 EDT - State Street Global Advisors launches its first new sector-specific ETFs in 17 years, with the Financial Services Select SPDR Fund (XLFS) and Real Estate Select Sector SPDR Fund (XLRE) bringing the number of its "Select Sector" ETFs to 11. SSGA runs the biggest ETF, S&P500 ETF SPY, but the new funds show the company is trying to diversify. One measure to attract assets: a slightly lower fee for the suite of SPDR Sector Select funds from 0.14% from 0.15%. Other ETF companies are trying to gather assets from investors seeking to focus on (or away) from single sectors. Last month, ProShares launched four ETFs that each strip out a sector while providing broad exposure to the S&P 500. On its debut, both SPDR funds were up with the broader market. (leslie.josephs@wsj.com; @lesliejosephs)

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(END) Dow Jones Newswires

October 08, 2015 16:19 ET (20:19 GMT)

文件 DJDN000020151008eba8003hd

DOW JONES
NEWSWIRES

Minutes Show Concerns About Growth, Inflation -- Market Talk

1,330 字
2015 年 10 月 8 日 20:43
Dow Jones Institutional News
DJDN
英文

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(END) Dow Jones Newswires

October 08, 2015 15:43 ET (19:43 GMT)

文件 DJDN000020151008eba80039i

DOW JONES
NEWSWIRES

State Street Launches First Sector-Focused ETFs in Years -- Market Talk

1,348 字
2015 年 10 月 8 日 20:26
Dow Jones Institutional News
DJDN
英文

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14:51 EDT - As dovish as the Fed minutes sounded given the focus on low inflation and global concerns, the fact remains that "most" officials still expect conditions to warrant a rate hike this year. That's causing some back and forth in Treasurys trading, with buyers finding comfort in a hesitant Fed, but sellers on edge about the prospect of a rate hike this year. The market has made a round trip from session lows to the flatline and back. Ten-year notes are now down 11/32 to yield 2.1%. (cynthia.lin@wsj.com; @cynthialin_dj)

14:40 EDT - Unable to update its views on Monsanto (MON) as it was advising Syngenta (SYNN.VX) amid MON's now-scrapped effort to buy the Swiss rival, JPMorgan's view changes as the broader market's has amid continued worries about the farm economy. Cutting its price target $30 to $95 amid MON's 25% skid since late May, the investment bank also drops its rating to neutral after being bullish before the Syngenta bid emerged. "It seems premature to enter the shares at this juncture without greater visibility into year-ahead cyclical agricultural conditions." MON is up 1.5% today at $89.39. (kevin.kingsbury@wsj.com; @kevinkingsbury)

14:29 EDT - A top EPA official defended his agency against scrutiny from Rep. Michael Burgess (R., Texas) that budget constraints prevented the EPA from doing adequate oversight on emissions testing. At the first congressional hearing on Volkswagen's (VOW.XE) scandal, EPA's transportation director Chris Grundler said, "I'm not going to blame our budget on the fact that we missed this cheating." Researchers at West Virginia University, backed by a nearly $70K contract with a nonprofit organization and an additional estimated $30K worth of staff time, uncovered the cheating in spring 2014. The EPA's entire transportation annual budget is about $100M, says Grundler. (amy.harder@wsj.com; @AmyAHarder)

(END) Dow Jones Newswires

October 08, 2015 15:26 ET (19:26 GMT)

文件 DJDN000020151008eba80037l

DOW JONES
NEWSWIRES

*Direxion S&P500 Bull 1.25 (LLSP) Resumed Trading

23 字
2015 年 10 月 7 日 18:11
Dow Jones Institutional News
DJDN
英文

(END) Dow Jones Newswires

October 07, 2015 13:11 ET (17:11 GMT)

文件 DJDN000020151007eba7002je

DOW JONES
NEWSWIRES

*Direxion S&P500 Bull 1.25 (LLSP) Halt: Single-Stock Circuit Breaker

26 字
2015 年 10 月 7 日 18:05
Dow Jones Institutional News
DJDN
英文

(END) Dow Jones Newswires

October 07, 2015 13:05 ET (17:05 GMT)

文件 DJDN000020151007eba7002g4

BARRON'S

MARKET WEEK
Stocks --- The Trader: Despite Weak Data, Stocks Bounce 1%

By Vito J. Racanelli
2,043 字
2015 年 10 月 5 日
Barron's
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M3
英文

Stocks muscled out a 1% gain last week in spite of "ugly" jobs figures and generally poor U.S. economic data. After an initial sharp drop on weaker-than-expected unemployment numbers released early Friday, a surprising and lightning fast turnaround ensued. Stocks went from down 1.6% on Friday to up 1.4%.

The market has returned to the view -- for now -- that data restraining the Federal Reserve from raising rates this year would be a good thing for stocks, traders say. It's a sign of resilience that equities are the best house on a bad block, the bullish thinking goes. Yet the move is a knee-jerk reversal of sentiment over the past two weeks, and is unlikely to last.

The market's emotional waffling over rate hikes doesn't do much for investor conviction. It's a sign of uncertainty. A Fed hike this year seems to be a toss-up, at best.

With the end of the third quarter last Wednesday, part of the market's recovery came from generic inflows from large institutions, like pensions, which began portfolio rebalancing before and after quarter's end, market participants say.

Last week, the Dow rose 1%, or 158 points, to 16,472.37. It fell 8% in the third quarter. The Standard & Poor's 500 index advanced 1%, or 20, to 1951.36, but lost 7% in the third quarter. The Nasdaq Composite rose 0.5% last week to 4707.78.

Investors are facing the start of the third-quarter earnings season and the possibility of "the first real negative quarter in some time," says Robert Pavlik, chief market strategist for Boston Private Wealth. While they know this is coming, it could still hinder a market advance, he adds. With U.S. data turning weaker, the probability of a rate hike this year has dropped to 40% from 70%, he says.

Friday, the Labor Department said September payrolls rose 142,000, much softer than the expected 201,000. The unemployment rate was unchanged at 5.1%. "The jobs data were ugly," says Malcolm Polley, president of Stewart Capital. While many pundits believe the U.S. economy can strengthen in the face of a global slowdown, Polley is of the view that the U.S. isn't an economic island. "If the rest of the world slows, the U.S. will. It has to."

As large as the U.S. economy is, it's not big enough to make up totally for falling sales overseas, Polley says. In the medium term, "blah returns for equities make sense."

Earlier in the week, the Institute for Supply Management's manufacturing index fell to 50.2 in September from 51.1 in August, less than consensus projections, and the lowest level since May 2013.

That suggests manufacturing in the U.S. has essentially stalled. It's just one month, but the drop isn't reassuring.

Fourth-Quarter Jitters

We'll admit, we're anxious about the broad market for the first time in years. Take it easy. It's not white-knuckle time. We don't expect a bear market.

The question is: What makes the stock market go up from here? Uncertainty is likely to increase, thanks to the Federal Reserve's unwillingness to raise rates. Today's employment data didn't help. And when the market is uncertain, its default mode is slow and steady deterioration until sentiment recovers.

History shows that bear markets are typically caused by recessions, which depress corporate profits. U.S. economic data might have slowed but there's no evidence of a looming recession. Inflation is tame.

Investors are rightly concerned about slowing growth in the rest of the world. While only 13% of U.S. gross domestic product derives from trade, if the rest of the world is struggling that can't be a good thing for corporate profits growth at many American large-caps. U.S. employment is still good, so for the near term it would appear that the smaller or mid-cap stocks with mostly U.S. exposure will benefit.

The broad market faces several problems, some of which should be resolved before resuming a bullish march.

The third-quarter earnings season kicks off this week and analysts are expecting S&P 500 index earnings per share to be down 4% to 5%. Granted, most of the pain will be felt in energy again, but half of the S&P 500's 10 major sectors might show EPS drops: consumer staples, energy, materials, utilities, and industrials.

Our optimistic side notes that 2016 EPS is expected to be up 10%, and the worst should be over for energy. Yet those estimates continue to edge down. Given the unexciting U.S. data of late, who will venture that next year's EPS estimates will turn up soon?

Corporate share buybacks and dividend growth are slowing. The dollar volume of buybacks, which have contributed to the market's rise, declined 7% in the second quarter from the first, and 0.4% from the same quarter of 2014, according to FactSet. Dividend payments are at all-time highs and grew 11% at the end of the second quarter, but that's expected to drop to 7.6% growth in the next 12 months.

What about sentiment? Breadth, the amount of advancing versus declining stocks, remains weak. The number of stocks hitting 52-week lows is rising. Many stocks are below their 50-day moving averages. The contrarian in us suggests that's a good sign. And November kicks off a historically bullish market period.

But continued lukewarm U.S. economic data (outside of employment and inflation data) gives pause. The market's forward price/earnings ratio of 16 is just above the historical average, so bulls assert the market isn't expensive. We agree, but why should it go significantly higher anytime soon?

The market is down 5% year to date. More volatility and pain are likely through the end of the year.

Is Valeant's Arbitrage Over?

This column has been wrong about Valeant Pharmaceuticals International (ticker: VRX) -- so far. In mid-2014, we called the stock overvalued. Last August, the stock reached $264, up from $128 since publication of our story. In recent weeks, it's fallen to $182.32, and our skepticism hasn't softened.

Valeant's M.O. is buying drug companies, slashing costs, especially research and development, and hiking drug prices substantially. Our main beef is that the company effectively capitalizes its R&D costs on its balance sheet, amortizing those expenses over a long period of time. That's permissible, but also artificially inflates earnings. Most drug companies bear R&D spending on the quarterly income statement.

Using the company's adjusted, nongenerally accepted accounting principles (GAAP) figures, Valeant trades at 16 times consensus analysts' 2015 EPS earnings. Using GAAP EPS, shares trade at more than 65 times.

Another issue, however, has slammed the stock. In recent weeks, a political furor erupted over drug companies like Valeant and privately held Turing Pharmaceuticals raising drug prices by 100% and more. This risk will likely intensify in the 2016 election year and could drive Valeant's stock down even further.

British Columbia-domiciled Valeant acts like an offshore hedge fund, says Xuhua Zhou, an Atlanta-based investor who's following Valeant closely. He's made a name for himself publishing his often-skeptical corporate analysis on Internet financial forums. He was an early bear on problems that sank Angie's List (ANGI) and Lumber Liquidators Holdings (LL), both down more than 80%. He is short Valeant stock.

Valeant employs mostly debt capital at artificially low interest rates to pay high premiums for companies with successful drugs. This is effectively an arbitrage spread, Zhou says, between the low cost of debt capital and a high returning, almost riskless asset -- proven drugs. The key, he says, is Valeant's recognition that the "demand for drugs is often very price inelastic and the existing system allows the company to have complete control over pricing." Alternative drugs aren't necessarily equivalent.

Cost-saving synergies aren't that important, but revenue synergies are "often huge," he adds, because all Valeant has to do is raise drug prices, without, as the company often points out, spending more on R&D. In a few cases, the hikes have been by triple-digit percentages, usually with no improvement in the drug formulation.

This lets Valeant take on significant leverage -- its debt is $30 billion, up from $3.5 billion in 2010 and five times shareholders' equity -- in order to pay large premiums for the acquired companies. Should the spread narrow between the cost of debt and the asset return, the arbitrage weakens. The unwinding of an arbitrage trade can be a nasty experience for investors.

Drug companies are now under heavy political pressure over pricing. If Valeant must modify its ability to raise some drug prices, then the growth game, which produced an average 60% revenue rise over the past four years and has many investors bullish, is suspect. Longer-term, there will be pressure from the other side of the arbitrage, too, as rates rise, which means borrowed funds will cost more eventually.

Vicki Bryan, a credit analyst at Gimme Credit, says if Valeant is ultimately forced to cut pricing, ". . .its profits could collapse, leaving it also far less capable of servicing the massive mountain of debt." Interest expense runs about $1.2 billion annually, and the debt load is more than three times revenue and almost seven times annual earnings before interest, depreciation, and amortization, according to Bryan.

Bulls say the pricing furor will fade, but given the 2016 presidential election, it's more likely to be a focus. There isn't space in this column for the bigger issues involved: namely, how will capital markets fund badly needed and risky R&D, and the potential misallocation of capital caused by this arbitrage. But they're important, too.

Valeant declined to make CEO Michael Pearson available. In answer to our question about Congressional Democrats' agitation for a subpoena of the company, Valeant wrote, "Drug pricing is a complicated system involving many stakeholders...We would welcome an opportunity to work with these stakeholders and the government to identify fact-based ways to improve pharmaceutical pricing in the U.S."

Even so, Pearson disputed and downplayed concerns in a recent regulatory filing: Valeant is "well positioned for strong organic growth, even assuming little to no price increases." Products which "we have historically taken price increases" will be some 10% of the business next year.

Revenue growth has already fallen to 20% in the 12 months ended June from 100% in 2011. Valeant's prowess in raising prices is a major aspect of the market's high valuation. If that's compromised, so is a major leg of the rationale propelling the stock.

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16472.37	+157.70	+0.97
DJTransportation	7873.64	+23.02	+0.29
DJUtilities	577.25	+4.89	+0.85
DJ65Stocks	5869.27	+43.88	+0.75
DJUSMarket	489.68	+4.10	+0.84
NYSEComp.	9973.56	+116.31	+1.18
NYSEMKTComp.	2212.01	+38.80	+1.79
S&P500	1951.36	+20.02	+1.04
S&PMidCap	1386.08	-2.13	-0.15
S&PSmallCap	654.67	-8.20	-1.24
Nasdaq	4707.78	+21.28	+0.45
ValueLine(arith.)	4286.22	+12.26	+0.29
Russell2000	1114.12	-8.67	-0.77
DJUSTSMFloat	20280.70	+146.39	+0.73

	Last Week	Week Earlier
NYSE		
Advances	1,444	1,057
Declines	1,805	2,179
Unchanged	22	40
NewHighs	26	53
NewLows	795	453
AvDailyVol(mil)	4,221.0	3,580.3
Dollar		
(Finexspotindex)	95.92	96.26
T-Bond		
(CBTnearbyfutures)	158-260	155-140
Crude Oil		

(NYMlightsweetcrude)	45.54	45.70
Inflation KR-CRB		
(FuturesPriceIndex)	194.11	195.71
Gold		
(CMXnearbyfutures)	1137.10	1146.00

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文件 B000000020151003eba50000y

DOW JONES
NEWSWIRES

The Trader: Despite Weak Data, Stocks Bounce 1% -- Barron's

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2015 年 10 月 3 日 05:07
Dow Jones Institutional News
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M3
英文

(FROM BARRON'S 10/5/15)
By Vito J. Racanelli

Stocks muscled out a 1% gain last week in spite of "ugly" jobs figures and generally poor U.S. economic data. After an initial sharp drop on weaker-than-expected unemployment numbers released early Friday, a surprising and lightning fast turnaround ensued. Stocks went from down 1.6% on Friday to up 1.4%.

The market has returned to the view -- for now -- that data restraining the Federal Reserve from raising rates this year would be a good thing for stocks, traders say. It's a sign of resilience that equities are the best house on a bad block, the bullish thinking goes. Yet the move is a knee-jerk reversal of sentiment over the past two weeks, and is unlikely to last.

The market's emotional waffling over rate hikes doesn't do much for investor conviction. It's a sign of uncertainty. A Fed hike this year seems to be a toss-up, at best.

With the end of the third quarter last Wednesday, part of the market's recovery came from generic inflows from large institutions, like pensions, which began portfolio rebalancing before and after quarter's end, market participants say.

Last week, the Dow rose 1%, or 158 points, to 16,472.37. It fell 8% in the third quarter. The Standard & Poor's 500 index advanced 1%, or 20, to 1951.36, but lost 7% in the third quarter. The Nasdaq Composite rose 0.5% last week to 4707.78.

Investors are facing the start of the third-quarter earnings season and the possibility of "the first real negative quarter in some time," says Robert Pavlik, chief market strategist for Boston Private Wealth. While they know this is coming, it could still hinder a market advance, he adds. With U.S. data turning weaker, the probability of a rate hike this year has dropped to 40% from 70%, he says.

Friday, the Labor Department said September payrolls rose 142,000, much softer than the expected 201,000. The unemployment rate was unchanged at 5.1%. "The jobs data were ugly," says Malcolm Polley, president of Stewart Capital. While many pundits believe the U.S. economy can strengthen in the face of a global slowdown, Polley is of the view that the U.S. isn't an economic island. "If the rest of the world slows, the U.S. will. It has to."

As large as the U.S. economy is, it's not big enough to make up totally for falling sales overseas, Polley says. In the medium term, "blah returns for equities make sense."

Earlier in the week, the Institute for Supply Management's manufacturing index fell to 50.2 in September from 51.1 in August, less than consensus projections, and the lowest level since May 2013.

That suggests manufacturing in the U.S. has essentially stalled. It's just one month, but the drop isn't reassuring.

Fourth-Quarter Jitters

We'll admit, we're anxious about the broad market for the first time in years. Take it easy. It's not white-knuckle time. We don't expect a bear market.

The question is: What makes the stock market go up from here? Uncertainty is likely to increase, thanks to the Federal Reserve's unwillingness to raise rates. Today's employment data didn't help. And when the market is uncertain, its default mode is slow and steady deterioration until sentiment recovers.

History shows that bear markets are typically caused by recessions, which depress corporate profits. U.S. economic data might have slowed but there's no evidence of a looming recession. Inflation is tame.

Investors are rightly concerned about slowing growth in the rest of the world. While only 13% of U.S. gross domestic product derives from trade, if the rest of the world is struggling that can't be a good thing for corporate profits growth at many American large-caps. U.S. employment is still good, so for the near term it would appear that the smaller or mid-cap stocks with mostly U.S. exposure will benefit.

The broad market faces several problems, some of which should be resolved before resuming a bullish march.

The third-quarter earnings season kicks off this week and analysts are expecting S&P 500 index earnings per share to be down 4% to 5%. Granted, most of the pain will be felt in energy again, but half of the S&P 500's 10 major sectors might show EPS drops: consumer staples, energy, materials, utilities, and industrials.

Our optimistic side notes that 2016 EPS is expected to be up 10%, and the worst should be over for energy. Yet those estimates continue to edge down. Given the unexciting U.S. data of late, who will venture that next year's EPS estimates will turn up soon?

Corporate share buybacks and dividend growth are slowing. The dollar volume of buybacks, which have contributed to the market's rise, declined 7% in the second quarter from the first, and 0.4% from the same quarter of 2014, according to FactSet. Dividend payments are at all-time highs and grew 11% at the end of the second quarter, but that's expected to drop to 7.6% growth in the next 12 months.

What about sentiment? Breadth, the amount of advancing versus declining stocks, remains weak. The number of stocks hitting 52-week lows is rising. Many stocks are below their 50-day moving averages. The contrarian in us suggests that's a good sign. And November kicks off a historically bullish market period.

But continued lukewarm U.S. economic data (outside of employment and inflation data) gives pause. The market's forward price/earnings ratio of 16 is just above the historical average, so bulls assert the market isn't expensive. We agree, but why should it go significantly higher anytime soon?

The market is down 5% year to date. More volatility and pain are likely through the end of the year.

Is Valeant's Arbitrage Over?

This column has been wrong about Valeant Pharmaceuticals International (ticker: VRX) -- so far. In mid-2014, we called the stock overvalued. Last August, the stock reached $264, up from $128 since publication of our story. In recent weeks, it's fallen to $182.32, and our skepticism hasn't softened.

Valeant's M.O. is buying drug companies, slashing costs, especially research and development, and hiking drug prices substantially. Our main beef is that the company effectively capitalizes its R&D costs on its balance sheet, amortizing those expenses over a long period of time. That's permissible, but also artificially inflates earnings. Most drug companies bear R&D spending on the quarterly income statement.

Using the company's adjusted, nongenerally accepted accounting principles (GAAP) figures, Valeant trades at 16 times consensus analysts' 2015 EPS earnings. Using GAAP EPS, shares trade at more than 65 times.

Another issue, however, has slammed the stock. In recent weeks, a political furor erupted over drug companies like Valeant and privately held Turing Pharmaceuticals raising drug prices by 100% and more. This risk will likely intensify in the 2016 election year and could drive Valeant's stock down even further.

British Columbia-domiciled Valeant acts like an offshore hedge fund, says Xuhua Zhou, an Atlanta-based investor who's following Valeant closely. He's made a name for himself publishing his often-skeptical corporate analysis on Internet financial forums. He was an early bear on problems that sank Angie's List (ANGI) and Lumber Liquidators Holdings (LL), both down more than 80%. He is short Valeant stock.

Valeant employs mostly debt capital at artificially low interest rates to pay high premiums for companies with successful drugs. This is effectively an arbitrage spread, Zhou says, between the low cost of debt capital and a high returning, almost riskless asset -- proven drugs. The key, he says, is Valeant's recognition that the "demand for drugs is often very price inelastic and the existing system allows the company to have complete control over pricing." Alternative drugs aren't necessarily equivalent.

Cost-saving synergies aren't that important, but revenue synergies are "often huge," he adds, because all Valeant has to do is raise drug prices, without, as the company often points out, spending more on R&D. In a few cases, the hikes have been by triple-digit percentages, usually with no improvement in the drug formulation.

This lets Valeant take on significant leverage -- its debt is $30 billion, up from $3.5 billion in 2010 and five times shareholders' equity -- in order to pay large premiums for the acquired companies. Should the spread narrow between the cost of debt and the asset return, the arbitrage weakens. The unwinding of an arbitrage trade can be a nasty experience for investors.

Drug companies are now under heavy political pressure over pricing. If Valeant must modify its ability to raise some drug prices, then the growth game, which produced an average 60% revenue rise over the past four years and has many investors bullish, is suspect. Longer-term, there will be pressure from the other side of the arbitrage, too, as rates rise, which means borrowed funds will cost more eventually.

Vicki Bryan, a credit analyst at Gimme Credit, says if Valeant is ultimately forced to cut pricing, ". . .its profits could collapse, leaving it also far less capable of servicing the massive mountain of debt." Interest expense runs about $1.2 billion annually, and the debt load is more than three times revenue and almost seven times annual earnings before interest, depreciation, and amortization, according to Bryan.

Bulls say the pricing furor will fade, but given the 2016 presidential election, it's more likely to be a focus. There isn't space in this column for the bigger issues involved: namely, how will capital markets fund badly needed and risky R&D, and the potential misallocation of capital caused by this arbitrage. But they're important, too.

3 Oct 2015 00:07 ET The Trader: Despite Weak Data, Stocks Bounce 1% -2-

Valeant declined to make CEO Michael Pearson available. In answer to our question about Congressional Democrats' agitation for a subpoena of the company, Valeant wrote, "Drug pricing is a complicated system involving many stakeholders . . . We would welcome an opportunity to work with these stakeholders and the government to identify fact-based ways to improve pharmaceutical pricing in the U.S."

Even so, Pearson disputed and downplayed concerns in a recent regulatory filing: Valeant is "well positioned for strong organic growth, even assuming little to no price increases." Products which "we have historically taken price increases" will be some 10% of the business next year.

Revenue growth has already fallen to 20% in the 12 months ended June from 100% in 2011. Valeant's prowess in raising prices is a major aspect of the market's high valuation. If that's compromised, so is a major leg of the rationale propelling the stock.

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16472.37	+157.70	+0.97
DJTransportation	7873.64	+23.02	+0.29
DJUtilities	577.25	+4.89	+0.85
DJ65Stocks	5869.27	+43.88	+0.75
DJUSMarket	489.68	+4.10	+0.84
NYSEComp.	9973.56	+116.31	+1.18
NYSEMKTComp.	2212.01	+38.80	+1.79
S&P500	1951.36	+20.02	+1.04
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(CBTnearbyfutures)	158-260	155-140
Crude Oil		
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Inflation KR-CRB		
(FuturesPriceIndex)	194.11	195.71
Gold		
(CMXnearbyfutures)	1137.10	1146.00

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DOW JONES
NEWSWIRES

Exchange Traded Funds Top 10 Volume Leaders

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2015 年 10 月 2 日 22:32
Dow Jones Institutional News
DJDN
英文

STOCK (Symbol)		LAST	NET CHG	% CHG	VOL 100s
SPDR S&P 500	SPY	195.00	2.87	1.49	198,054,162
Mkt Vectors Gold Miners	GDX	14.49	1.08	8.05	89,734,538
iShares MSCI Emg Markets	EEM	33.84	0.88	2.67	79,448,998
Finl Select Sector SPDR	XLF	22.70	0.03	0.13	60,016,186
PwrShrs QQQ Tr Series 1	QQQ	104.01	1.79	1.75	56,998,898
iShares MSCI Japan ETF	EWJ	11.65	0.14	1.22	56,894,032
iShares Russell 2000 ETF	IWM	110.63	1.62	1.49	55,573,837
iShares China Large-Cap	FXI	37.01	1.30	3.64	35,436,994
ProShrs UltraShort S&P500	SDS	22.47	-0.69	-2.98	31,185,362
Vanguard FTSE Emerg Mkt	VWO	34.07	0.87	2.62	24,855,269

(END) Dow Jones Newswires

October 02, 2015 17:32 ET (21:32 GMT)

文件 DJDN000020151002eba20039q

DOW JONES
NEWSWIRES

Exchange Traded Funds Top 10 Volume Leaders

171 字
2015 年 10 月 1 日 22:32
Dow Jones Institutional News
DJDN
英文

STOCK (Symbol)		LAST	NET CHG	% CHG	VOL 100s
SPDR S&P 500	SPY	192.13	0.50	0.26	123,867,714
iShares MSCI Emg Markets	EEM	32.96	0.18	0.55	46,334,626
iShares Russell 2000 ETF	IWM	109.01	-0.19	-0.17	43,955,148
iShares MSCI Japan ETF	EWJ	11.51	0.08	0.70	43,206,757
Mkt Vectors Gold Miners	GDX	13.41	-0.33	-2.40	42,586,846
Finl Select Sector SPDR	XLF	22.67	0.01	0.04	38,303,385
PwrShrs QQQ Tr Series 1	QQQ	102.22	0.46	0.45	37,531,187
iShares China Large-Cap	FXI	35.71	0.24	0.68	21,625,018
Vanguard FTSE Emerg Mkt	VWO	33.20	0.11	0.33	21,490,114
ProShrs UltraShort S&P500	SDS	23.16	-0.12	-0.52	21,038,426

(END) Dow Jones Newswires

October 01, 2015 17:32 ET (21:32 GMT)

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DOW JONES
NEWSWIRES

Plenty of Smoke as China Runs Out of Puff -- Barron's Asia

By Wayne Arnold
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2015 年 9 月 29 日 06:08
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This market may be killing me - literally.

Most of us who live here in Hong Kong live in high-rise apartments, cheek to jowl like hens in a coop. That's one reason SARS spread so rapidly here in 2002 and 2003 and why living here means becoming intimately aware of your neighbors' comings and goings. That flat immediately above this columnist's turns out to be occupied by a Swiss family fund manager who, having surrendered to Wall Street's sway over global markets, lives largely on New York time, trading at night while the rest of Hong Kong slumbers.

Trading is stressful and markets cruel, so last week our friendly neighborhood fund manager suffered what she later described to me as a "relapse" into chain-smoking Marlboro Reds. I learned this after waking up at 2:30 a.m. in a room that smelled like a karaoke bar on Sunday morning. After two sleepless nights, I managed to win relocation of the ashtray away from above the intake vent of my bedroom air-conditioner. While that lowered the intensity of the assault, anyone who smokes knows that if you smoke enough, the smoke has to go somewhere. Smoke enough and it goes everywhere. So occasionally the unmistakable aroma of blended Virginia, burley and Oriental tobacco still wafts in as an acrid alert of market moves.

And this week is shaping up to be a two-pack-a-nighter. With the Fed still holding the loaded gun of an imminent rate hike to markets' heads, any negative economic news out of major economies elsewhere - particularly China -- sends investors on a fresh selling jag as they fret about more flows of funds into dollars and out of emerging markets and the net profits of major multinationals.

China's National Bureau of Statistics rattled cages Monday by releasing data showing that industrial profits dropped 8.8% on year in August, the biggest drop according to Bloomberg since it started publishing monthly data in October 2011. That helped send the S&P500 down 2.6% Monday to flirt with its Aug. 25 low. Asian markets are already taking their cue from Wall Street by heading lower Tuesday.

Investors are losing hope that China will be able to revive its economy and corporate earnings anytime soon. After botching an attempt to use the stock market to deflate its credit bubble and, more recently, face-planting when it tried to disguise a currency devaluation as free-market reform, investors' confidence is ebbing fast.

Not surprisingly, Beijing's latest wheeze to revive confidence -- reforming state-owned enterprises - is earning mostly Bronx cheers. Gavekal Dragonomics economist Andrew Batson dismisses the SOE reform plans as "an ungainly mishmash of bureaucratic compromises that sets no clear goals and is riven by internal contradictions." Instead of overhauling its bloated, mismanaged SOEs and privatizing them, China has set about on a misguided plan to consolidate them in hopes of turning them into "national champions."

Borrowing a leaf from Singapore's playbook, Beijing hopes to subject its giant companies to more rigorous shareholder supervision by placing them under dedicated asset management nannies like Singapore's Temasek Holdings. But what constitutes adequate shareholder returns might still be still defined by the State-owned Assets Supervision and Administration Commission, the agency that Batson says shares blame for SOEs poor performance over the past decade.

Beijing unveiled additional plans Sept. 24 for "mixed ownership" of state-owned companies. That suggests partial privatizations, improved governance and greater profitability - all potentially good news for investors. But the blueprint also insists the state not lose control, meaning private investors are likely to remain passengers on China's hurtling state-owned juggernaut.

Still, analysts at Citigroup see room for optimism, particularly in sectors where they think Beijing may allow greater private ownership - a group that includes consumer staples, healthcare and insurance, machinery and materials, property and stock brokers.

Citi has created an index of companies it believes stand to benefit from reform, the Citi Hong Kong SOE Reform Index. Clearly it managed to pick stocks Beijing sees as too big to fail: the index has lost only 1.2% since China began propping up the stock market in early July - the broader market has fallen almost 14%.

Only one of the companies leading that is on Citi's "buy" list: Hong Kong-listed shares of New China Life Insurance (1336.HK), which it sees rising roughly 80% to at least HK$60. It predicts even bigger gains from developers like Beijing Capital Land (2868.HK) and Greenland Hong Kong Holdings (337.HK) - both of which it predicts could more than double in price.

If and when they do, I have to hope they're part of Swiss Family Marlboro's portfolio. Any more losses and I may need to invest in an oxygen tent.

Comments? E-mail us at wayne.arnold@barrons.com

Comments? E-mail us at asia.editors@barrons.com

(END) Dow Jones Newswires

September 29, 2015 01:08 ET (05:08 GMT)

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MARKET WEEK

Stocks --- The Trader: Stocks Fall as Uncertainty Over the Fed Rises

By Vito J. Racanelli
1,999 字
2015 年 9 月 28 日
Barron's
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Equities sank last week, as markets continue to be roiled by the Federal Reserve's Sept. 17 decision to hold interest rates at zero, and the ensuing uncertainty about the timing of a rate rise.

The broad market fell 1.4%, with the selloff intensifying Friday, when biotech stocks tumbled sharply in the afternoon. There was no particular catalyst beyond the deterioration in sentiment and a desire by some investors to take down exposure to riskier assets, like small-caps and biotechs, traders say.

Affirmation of a hike this year by Fed Chair Janet Yellen -- in a speech after the market closed Thursday -- gave stocks a brief boost Friday, but the impetus petered out. Additionally, a strong earnings report from Nike (ticker: NKE), a component of the Dow Jones Industrial Average, pushed the Dow to a gain on Friday.

Last week, the Dow lost 0.4%, or 70 points, to 16,314.67, and the Standard & Poor's 500 index fell 1.4%, or 27, to 1931.34. The Nasdaq Composite dropped 3% to 4686.50.

The market is suffering from the aftershocks of the Fed's decision, says David Lefkowitz, senior equity strategist at UBS Wealth Management Americas: "It's still trying to digest what the Fed is trying to communicate."

In her remarks, the Fed chair suggested overseas developments wouldn't be important enough to have an impact on the decision to hike later this year, seemingly backpedaling from the Fed's previous statement.

From week to week, the Fed's message seems to be different, creating uncertainty, adds Rick Seto, a managing director at Flaherty & Crumrine. Investors need greater clarity to make fundamental investment decisions. "The only people making money now are day traders," he adds.

"The U.S. is not a zero fed-funds-rate economy now," says David Seaburg, head of sales trading at Cowen. Friday, the Commerce Department revised its estimate of second-quarter gross-domestic-product growth to 3.9% from 3.7%. The fed funds rate -- the overnight lending rate banks charge one another for funds maintained at the Fed -- is currently 0% to 0.25%.

"Rate liftoff would give confidence in the American economy. The Fed needs to move in December," Seaburg says.

One bright spot was Nike, whose shares rose 9% Friday to $125. After the close Thursday, the giant sportswear maker posted a 23% jump in quarterly profit and a 5% rise in revenue, with sales gains of 30% in China. That partly assuaged worries about a Chinese economic slowdown. Markets don't fully trust the official economic data coming out of China, so Nike's figures are a boost to confidence about the Middle Kingdom.

The market is probably in for more seesaw action through seasonally weak October. "People forget that when the Fed started this extraordinary monetary-policy ease it was bumpy going in. It's going to be bumpy coming out," says Keith Bliss, director of sales at broker-dealer Cuttone.

This week sees at least two important September data points: the ISM manufacturing report, out Thursday, and Friday's U.S. employment report.

Boring Is Beautiful at BB&T

In times of market turmoil, "boring" stocks become more interesting. Regional bank BB&T is one of those stocks. The $27 billion market-cap company is a steady eddie, a well-run southeast regional bank whose shares have traditionally been attractive to income-seeking investors with a long-term outlook. More's the case now.

The stock (BBT) is down, along with other financials, by 15% this year, to $35.68 from a high near $42. The shares, which yield 3%, could approach the old high over the next two years, as earnings growth improves. That would mean a double-digit annual total return, even if the market continues to bounce around. As with all banks, higher interest rates would help, but this bank is more diversified than investors seem to realize and has other levers that should help grow profits next year.

Financials are down because the Federal Reserve's intention of raising rates has moved much more slowly than the market has expected. Banks in particular have fallen harder than the market since its swoon began in mid-August.

Higher rates would help boost net interest margins -- the difference between the interest paid on deposits and what the bank gets on loans -- and push up profits. BB&T's margin has suffered quarter after quarter, just as at other banks. "BB&T gets lumped in with other traditional banks, but it isn't as sensitive to rates as most regionals are," says Robb Parlanti, a portfolio manager at Burke Lawton Brewer & Burke Financial Advisors. The firm has been buying BB&T shares for clients.

Traditional branch banking makes up just 44% of BB&T's net income, with the rest divided among mortgages, car loans, commercial lending, insurance, and wealth management.

Parlanti also likes that BB&T is a growth story. The Winston-Salem, N.C. --based bank has been expanding its footprint with recent acquisitions in Pennsylvania, for example. Growth through acquisition can be risky, but BB&T has a strong track record of accretive growth through relatively small, bolt-on acquisitions. The bank has proven itself adept at cutting costs, taking share in new markets, and growing earnings this way, Parlanti adds.

Analysts expect BB&T to earn $3.28 per share next year, up from an estimated $2.67 this year, as the bank fills out its footprint, thanks partly to additions in Kentucky and Pennsylvania. In 2014, BB&T earned $2.75.

The price/earnings ratio, at 11 times forward EPS, is undemanding, considering its median P/E is 13. Earnings growth has been lumpy, but the bank has been consistently profitable, even through the 2008-09 financial crisis. BB&T earns a better return on assets, 1.16%, than the 1.07% average of its peers, according to Bloomberg. It's ROA is also higher than other well-known regionals, including Fifth Third Bancorp (FITB) and KeyCorp (KEY).

"BB&T is a well-managed tight ship," Parlanti adds, with loan losses and nonperforming assets moving down steadily since 2010. Given a dividend that's grown an average 10% since 2010, ". . .it's a nice stock to have in a diversified bank portfolio."

BB&T stock won't be a moon shot. But with the way the market's acting and the prospect of more of the same, it doesn't have to be in order to make investors happy.

Demandware's Danger

Demandware (DWRE) is as sexy as BB&T is boring. The Burlington, Mass.-based company sells cloud-based services to retailers and consumer-brands companies, for the most part. Its products and software are used by companies to develop and manage e-commerce across various platforms, including online, in-store, mobile, and social networking.

E-commerce sales are expected to grow about 20% annually through 2018. Demandware, whose products are well respected, is growing faster yet, with annual revenue up an average of 50% over the last five years, to $160 million in 2014 from $21 million.

What Demandware lacks, however, after nearly a decade in business and three as a publicly traded company, are profits, though analysts forecast $8.6 million next year. Investors should beware all the same. Even after falling from $76 in July to a recent $52.17, shares trade at a sky-high 233 times projected earnings.

Losses have widened steadily, to 78 cents per share last year from 23 cents per share in 2012. The first half of 2015 has been no better, with a loss of 71 cents versus 49 cents in the year-ago period. The figures are based on generally accepted accounting principles.

And Wall Street's 2015 projections seem optimistic, given they have consistently proved too bullish since the company came public at $16 in March 2012. There's no reason to think the profit-poor situation has changed. Moreover, the consensus uses adjusted non-GAAP EPS, leaving out various noncash expenses, such as stock-based compensation packages, which are substantial at Demandware. That's common enough for high-tech companies, but these compensation costs aren't going to let up any time soon. As of Dec. 31, there was another $62 million in yet-to-be-recognized stock compensation due over the next three years.

Demandware's other expenses are lately outpacing sales. In the second quarter, subscription sales rose a blistering 45% from a year ago, but costs grew at a 60% clip.

Demandware gets the great majority of its revenue based on a subscription model, taking a small percentage of customer sales over its platforms. It relies heavily on its ability to add new clients and create new services to further integrate clients into its system. But attracting new customers and developing new features has been increasingly expensive for Demandware, says David Trainer, president of New Constructs, an independent accounting research firm.

The market eventually wants profits, but given intensifying competition, it's hard to believe Demandware will generate as much as is already discounted by the high share price, says Trainer, who calls the stock significantly overvalued. Deep-pocketed rivals include IBM (IBM), Oracle (ORCL), eBay (EBAY), and SAP (SAP), among others, want a piece of this growing industry. So how would cost growth subside much? Moreover, Demandware is the lower-price alternative and has less to give on margins.

Some key metrics have slowed. Annual customer growth fell to 31% last year from 35% in 2013 and 50% in 2012. The backlog increase dropped to 37% last year from 67% in 2013. While many companies would love these numbers, the trend is going the wrong way for Demandware's valuation.

The stock is vulnerable to another quarterly miss. Part of the drop seen so far was due to a second-quarter EPS miss, when shares fell 12%. Average subscriber revenue grew 4% in the last quarter from the year-ago period, much less than the 13% average of the previous five quarters. That could mean Demandware is signing up smaller customers, or prices are eroding.

Demandware did not respond to a request for comment.

The biggest caveat to our skeptical thesis is a potential buyout. Demandware rivals have been acquired in the past two years at five-to-eight times annual sales. The market's animal spirits have dampened of late, but even if Demandware is bought at eight times its more profitable subscription revenue, that would come to less than $1.5 billion -- 25% below its current market value.

That a corporate buyer someday could pay through the nose for Demandware's projected EPS doesn't mean an investor should.

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16314.67	-69.91	-0.43
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DJ65Stocks	5825.39	-41.46	-0.71
DJUSMarket	485.58	-8.00	-1.62
NYSEComp.	9857.26	-174.34	-1.74
NYSEMKTComp.	2173.21	-55.06	-2.47
S&P500	1931.34	-26.69	-1.36
S&PMidCap	1388.21	-24.79	-1.75
S&PSmallCap	662.87	-8.47	-1.26
Nasdaq	4686.50	-140.73	-2.92
ValueLine(arith.)	4273.96	-120.10	-2.73
Russell2000	1122.79	-40.56	-3.49
DJUSTSMFloat	20134.32	-357.90	-1.75

	Last Week	Week Earlier
NYSE		
Advances	1,057	1,771
Declines	2,179	1,459
Unchanged	40	45
NewHighs	53	73
NewLows	453	260
AvDailyVol(mil)	3,580.3	3,939.8
Dollar (Finexspotindex)	96.26	95.15

T-Bond		
(CBTnearbyfutures)	155-140	155-240
Crude Oil		
(NYMlightsweetcrude)	45.70	44.68
Inflation KR-CRB		
(FuturesPriceIndex)	195.71	194.18
Gold		
(CMXnearbyfutures)	1146.00	1138.10

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5035

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DOW JONES
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DJIA Down 203 (1.3%); S&P500 Falls 28 (1.5%)

37 字
2015 年 9 月 28 日 15:18
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September 28, 2015 10:17 ET (14:17 GMT)

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DOW JONES
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*US Stocks Extend Losses

37 字
2015 年 9 月 28 日 15:17
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文件 DJDN000020150928eb9s001o5

The Trader: Stocks Fall As Uncertainty Over The -2-

2,348 字
2015 年 9 月 26 日 00:37
Dow Jones Institutional News
DJDN
M3
英文

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26 Sep 2015 00:07 ET The Trader: Stocks Fall As Uncertainty Over The Fed Rises -- Barron's

(FROM BARRON'S 9/28/15)
By Vito J. Racanelli
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"The U.S. is not a zero fed-funds-rate economy now," says David Seaburg, head of sales trading at Cowen. Friday, the Commerce Department revised its estimate of second-quarter gross-domestic-product growth to 3.9% from 3.7%. The fed funds rate -- the overnight lending rate banks charge one another for funds maintained at the Fed -- is currently 0% to 0.25%.

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This week sees at least two important September data points: the ISM manufacturing report, out Thursday, and Friday's U.S. employment report.

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The stock (BBT) is down, along with other financials, by 15% this year, to $35.68 from a high near $42. The shares, which yield 3%, could approach the old high over the next two years, as earnings growth improves. That would mean a double-digit annual total return, even if the market continues to bounce around. As with all banks, higher interest rates would help, but this bank is more diversified than investors seem to realize and has other levers that should help grow profits next year.

Financials are down because the Federal Reserve's intention of raising rates has moved much more slowly than the market has expected. Banks in particular have fallen harder than the market since its swoon began in mid-August.

Higher rates would help boost net interest margins -- the difference between the interest paid on deposits and what the bank gets on loans -- and push up profits. BB&T's margin has suffered quarter after quarter, just as at other banks. "BB&T gets lumped in with other traditional banks, but it isn't as sensitive to rates as most regionals are," says Robb Parlanti, a portfolio manager at Burke Lawton Brewer & Burke Financial Advisors. The firm has been buying BB&T shares for clients.

Traditional branch banking makes up just 44% of BB&T's net income, with the rest divided among mortgages, car loans, commercial lending, insurance, and wealth management.

Parlanti also likes that BB&T is a growth story. The Winston-Salem, N.C. --based bank has been expanding its footprint with recent acquisitions in Pennsylvania, for example. Growth through acquisition can be risky, but BB&T has a strong track record of accretive growth through relatively small, bolt-on acquisitions. The bank has proven itself adept at cutting costs, taking share in new markets, and growing earnings this way, Parlanti adds.

Analysts expect BB&T to earn $3.28 per share next year, up from an estimated $2.67 this year, as the bank fills out its footprint, thanks partly to additions in Kentucky and Pennsylvania. In 2014, BB&T earned $2.75.

The price/earnings ratio, at 11 times forward EPS, is undemanding, considering its median P/E is 13. Earnings growth has been lumpy, but the bank has been consistently profitable, even through the 2008-09 financial crisis. BB&T earns a better return on assets, 1.16%, than the 1.07% average of its peers, according to Bloomberg. It's ROA is also higher than other well-known regionals, including Fifth Third Bancorp (FITB) and KeyCorp (KEY).

"BB&T is a well-managed tight ship," Parlanti adds, with loan losses and nonperforming assets moving down steadily since 2010. Given a dividend that's grown an average 10% since 2010, ". . .it's a nice stock to have in a diversified bank portfolio."

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E-commerce sales are expected to grow about 20% annually through 2018. Demandware, whose products are well respected, is growing faster yet, with annual revenue up an average of 50% over the last five years, to $160 million in 2014 from $21 million.

What Demandware lacks, however, after nearly a decade in business and three as a publicly traded company, are profits, though analysts forecast $8.6 million next year. Investors should beware all the same. Even after falling from $76 in July to a recent $52.17, shares trade at a sky-high 233 times projected earnings.

Losses have widened steadily, to 78 cents per share last year from 23 cents per share in 2012. The first half of 2015 has been no better, with a loss of 71 cents versus 49 cents in the year-ago period. The figures are based on generally accepted accounting principles.

And Wall Street's 2015 projections seem optimistic, given they have consistently proved too bullish since the company came public at $16 in March 2012. There's no reason to think the profit-poor situation has changed. Moreover, the consensus uses adjusted non-GAAP EPS, leaving out various noncash expenses, such as stock-based compensation packages, which are substantial at Demandware. That's common enough for high-tech companies, but these compensation costs aren't going to let up any time soon. As of Dec. 31, there was another $62 million in yet-to-be-recognized stock compensation due over the next three years.

Demandware's other expenses are lately outpacing sales. In the second quarter, subscription sales rose a blistering 45% from a year ago, but costs grew at a 60% clip.

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Some key metrics have slowed. Annual customer growth fell to 31% last year from 35% in 2013 and 50% in 2012. The backlog increase dropped to 37% last year from 67% in 2013. While many companies would love these numbers, the trend is going the wrong way for Demandware's valuation.

The stock is vulnerable to another quarterly miss. Part of the drop seen so far was due to a second-quarter EPS miss, when shares fell 12%. Average subscriber revenue grew 4% in the last quarter from the year-ago period, much less than the 13% average of the previous five quarters. That could mean Demandware is signing up smaller customers, or prices are eroding.

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26 Sep 2015 00:08 ET The Trader: Stocks Fall As Uncertainty Over The -2-

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(END) Dow Jones Newswires

September 26, 2015 00:08 ET (04:08 GMT)

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DOW JONES
NEWSWIRES

The Trader: Stocks Fall As Uncertainty Over The Fed Rises -- Barron's

2,053 字
2015 年 9 月 26 日 00:52
Dow Jones Institutional News
DJDN
M3
英文

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September 25, 2015 19:52 ET (23:52 GMT)

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DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

649 字
2015 年 9 月 23 日 20:20
Dow Jones Institutional News
DJDN
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Sep 23,2015 03:05 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	+34.9	+932.9	1.01
Blocks	+75.8	+1059.9	1.38
Russell 2000	+64.3	+2416.4	1.03
Blocks	+36.1	+2639.3	1.14
S & P 500	+139.1	-425.0	1.01
Blocks	+257.2	-260.7	1.22
DJ U.S. Total Stock Market	+186.6	+2623.4	1.01
Blocks	+271.5	+3217.7	1.09

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
SPDR S&P 500	SPY	ARCA	193.53	+144.9	1.10
iShares MSCI Eurozone ETF	EZU	ARCA	34.17	+129.8	16.59
Apple	AAPL	NASD	114.19	+53.0	1.09
Vanguard FTSE Europe ETF	VGK	ARCA	49.21	+34.2	2.54
iShares MSCI India ETF	INDA	BATS	27.46	+31.9	10.26
iShares MSCI Germany ETF	EWG	ARCA	24.67	+29.7	2.50
iShares MSCI Japan ETF	EWJ	ARCA	11.40	+27.3	2.06
CVS HealthCVS		NYSE	100.52	+24.3	1.44
Ace Ltd	ACE	NYSE	101.69	+22.5	1.93
Mkt Vctrs High Yld Muni	HYD	ARCA	30.56	+21.9	22.83
Viacom B	VIAB	NASD	43.69	+21.5	2.21
JPMorgan ChaseJPM		NYSE	60.55	+21.2	1.33
Kraft Heinz	KHC	NASD	73.42	+20.1	1.70
Facebook Inc. Cl A	FB	NASD	93.92	+18.4	1.05
Allergan	AGN	NYSE	287.98	+17.9	1.13
Mylan	MYL	NASD	45.75	+16.0	1.56
Baidu ADR	BIDU	NASD	132.85	+15.4	1.15
VanguardS&P500	VOO	ARCA	177.40	+15.0	1.35
American Capital	ACAS	NASD	12.79	+14.5	16.13
iSh Nasdaq Biotech	IBB	NASD	333.17	+13.9	1.11

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
iShares Russell 1000 Gwth	IWF	ARCA	95.39	-198.2	0.11
iShares MSCI Emg Markets	EEM	ARCA	32.66	-31.0	0.73
SVB Financial Group	SIVB	NASD	118.59	-28.3	0.24
Reynolds AmericanRAI		NYSE	42.79	-27.3	0.42
Vanguard REIT	VNQ	ARCA	75.60	-26.6	0.48
Amazon.com	AMZN	NASD	537.57	-26.2	0.90
Pfizer	PFE	NYSE	32.72	-24.0	0.74
USMktNeutralAnti-Beta	BTAL	ARCA	21.12	-23.9	0.00
iSh iBoxx $ Invt Gr Cp Bd	LQD	ARCA	116.19	-23.8	0.48
Flir Systems	FLIR	NASD	27.74	-21.3	0.12
iShares Core S&P 500 ETF	IVV	ARCA	195.69	-20.0	0.84

General Electric	GE	NYSE	25.14	-16.2	0.86
Vanguard FTSE Emerg Mkt	VWO	ARCA	33.30	-14.6	0.75
Cisco Systems	CSCO	NASD	25.23	-14.5	0.68
iShares U.S. Energy ETF	IYE	ARCA	34.96	-14.5	0.31
Canadian Natural Res	CNQ	NYSE	19.53	-13.8	0.43
FT Dorsey Wright Inl Foc5	IFV	NASD	17.11	-13.4	0.06
ProShrs UltraShort S&P500	SDS	ARCA	22.90	-13.3	0.73
Wells Fargo	WFC	NYSE	50.68	-12.5	0.85
American Airlines Group	AAL	NASD	41.09	-12.4	0.75

Moneyflow figures are the dollar value of composite uptick trades minus the dollar value of downtick trades. The up/down ratio reflects the value of uptick trades relative to the value of downtick trades.

Source: WSJ Market Data Group

(END) Dow Jones Newswires

September 23, 2015 15:20 ET (19:20 GMT)

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DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks
644 字
2015 年 9 月 23 日 20:20
Dow Jones Newswires Chinese (English)
RTNW
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Sep 23,2015 03:05 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	+34.9	+932.9	1.01
Blocks	+75.8	+1059.9	1.38
Russell 2000	+64.3	+2416.4	1.03
Blocks	+36.1	+2639.3	1.14
S & P 500	+139.1	-425.0	1.01
Blocks	+257.2	-260.7	1.22
DJ U.S. Total Stock Market	+186.6	+2623.4	1.01
Blocks	+271.5	+3217.7	1.09

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
SPDR S&P 500	SPY	ARCA	193.53	+144.9	1.10
iShares MSCI Eurozone ETF	EZU	ARCA	34.17	+129.8	16.59
Apple	AAPL	NASD	114.19	+53.0	1.09
Vanguard FTSE Europe ETF	VGK	ARCA	49.21	+34.2	2.54
iShares MSCI India ETF	INDA	BATS	27.46	+31.9	10.26
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Allergan	AGN	NYSE	287.98	+17.9	1.13
Mylan	MYL	NASD	45.75	+16.0	1.56
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Source: WSJ Market Data Group

(END) Dow Jones Newswires

23-09-15 1920GMT

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Barrons Asia
Can Divine Intervention Avert a Currency War?

By Wayne Arnold
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2015 年 9 月 22 日
Barron's Online
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英文

Okay, conspiracy theorists, try this on for size: Chinese President Xi Jinping, representing 1.36 billion Chinese, heads to the United States this week, starting in Seattle on Tuesday before arriving in Washington, D.C. Thursday to meet Friday with U.S. President Barack Obama before heading Saturday to New York to address the United Nations.

The same week, Pope Francis, representing 1.2 billion Catholics, makes his maiden voyage to the U.S. of A., arriving in Washington Tuesday for an audience with Obama on Wednesday, addressing Congress Thursday before heading to New York to address the UN on Friday.

Holy intersecting itineraries, Batman! This Papal road trip with China can only mean one thing, and not that anyone commuting into DC or Manhattan should take the week off to avoid traffic. It appears to provide the head of China's Communist Party and the head of the Catholic Church with a rare and almost irresistible opportunity to meet. The concerns of China's estimated 5.7 million Catholics would undoubtedly be high on the agenda. But given the Pope's recent success in brokering détente between the U.S. and Cuba, perhaps he could intercede between the U.S. and China.

Washington is already anxious about China's island-building in the South China Sea, where it is now reportedly building a third airstrip in the contested waters. And Obama has hinted sanctions may be in store if China doesn't quit launching cyberattacks against corporate and government computer networks in the U.S. China and the U.S. are trying to hammer out an accord on cyberwarfare for Obama and Xi to sign this week.

But it's China's increasingly fraught economic relations with the U.S. and other trading partners that could perhaps benefit most from His Holiness' deft touch. China's latest moves to arrest the slowdown in its economy and stem capital flight by worried savers have generated alarm in financial markets. Some economists worry that China is leading the world into a global recession and see the People's Bank of China's move to devalue the Chinese yuan Aug. 11 as a warning to the U.S. Federal Reserve not to raise interest rates.

Markets have tended to exaggerate the direct impact of China's slowdown on the global economy. While China is the world's second-largest economy, relatively few of its trading partners actually depend on it for exports and even fewer for investment. And because China is only just now opening its capital account, few global investors or banks have exposures to China worth worrying about.

Joyce Poon at Gavekal Dragonomics dug more deeply into this question last week. And though she concluded that most of the big, developed economies and markets are insulated from China, there are some pressure points worth noting.

Poon stripped away exports that go into China only to be assembled into products for re-export elsewhere. Once this processing trade – which depends more on global demand – is eliminated, Poon determined that Hong Kong, Taiwan, Australia and South Korea are the most vulnerable to any slump in China's final demand. China's impact on global exports is limited largely to Asia and commodity exporters. She cites a July report from Germany's Bundesbank that estimates a 4 percentage point drop in Chinese GDP growth would reduce Eurozone growth by only 0.2 percentage points and have zero impact on U.S. growth.

There's also growing concern among investors and economists that as the PBoC runs down its foreign reserves to keep outflows from tanking the yuan, it will have to liquidate some of its U.S. Treasuries, pushing up U.S. interest rates and squelching U.S. growth. But this fear is also over-rated, Poon says, because the people buying the PBoC's dollars are likely to end up buying its Treasuries, too.

Investors also tend to exaggerate China's potential impact on corporate earnings. While a smattering of big companies like Apple (AAPL) and Yum Brands (YUM) depend on China for a significant portion of their revenue, Poon notes, the entire Asia-Pacific region only accounts for 8% of revenue for the S&P500's constituents.

THAT SAID, THERE ARE COMPANIES THAT ARE PARTICULARLY VULNERABLE. Among them, Poon says, capital goods manufacturers, who saw sales to China rise from 2% of global sales in 1999 to 12% last year. Europe's luxury goods producers are also vulnerable, Poon says. Not because China's consumers are cutting back: as this column noted last week, consumer spending is holding up. But Poon says China has hit what she calls ‘peak conspicuous consumption.' As Japan and South Korea developed, she says, European brands' market share eventually peaked just above 20%, a threshold they have now crossed in China. That means no more easy growth in luxury exports.

But it's in imports that the world is most vulnerable to China. Any further moves by the PBoC to weaken the yuan, Poon says, would likely trigger more tit-for-tat devaluations by exporters in Asia and beyond. That would push the U.S. dollar up further, slashing earnings at U.S. multinationals and potentially pushing the U.S. into recession.

It's this threat that economist Richard Duncan says China used to blackmail the Fed into not raising interest rates last week. Had the Fed hiked, the dollar would have risen and the yuan with it, hurting China's exports even further. The PBoC's 3% devaluation in August, Duncan says in his latest “Macro Watch" report, was meant as a warning to Fed chair Janet Yellen: raise rates and China will devalue, not only slashing U.S. corporate earnings but exporting deflation to the rest of the world.

The Pope may admit to knowing little about economics, but perhaps he can broker a truce in this brewing currency war. Because if Beijing lets loose the yuan, Heaven help us.

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Comments? E-mail us at asia.editors@barrons.com

文件 BON0000020150921eb9l00001

MARKET WEEK

Stocks --- The Trader: Stocks Give Up Gains on Fed News, Down 0.2%

By Vito J. Racanelli
2,104 字
2015 年 9 月 21 日
Barron's
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Prior to the meeting, market participants appeared pretty evenly divided as to whether there would be a hike. Yet Friday's big losses suggest that an increase was expected, if not desired, by investors.

The FOMC left the federal-funds target rate band unchanged at zero to 0.25%. Fed Chair Janet Yellen highlighted weak signs of inflation and the potential negative impact of global economic and financial developments on the U.S. while implying that the Fed had been ready to raise rates.

Last week, the Dow lost 0.3%, or 49 points, to 16,384.58, and the Standard & Poor's 500 index lost three points, or 0.2%, to 1958.03. The Nasdaq Composite bucked the trend slightly and rose 0.1%, or five points, to 4827.23.

The worm has turned -- perhaps permanently -- when it comes to the market's reaction to Fed efforts to keep rates low. As recently as this past spring, the central bank's reluctance to hike occasioned stock rises and celebrations. The same stance now has investors fretting about economic growth in the rest of the world and the attendant impact on U.S. multinationals' corporate profits.

The current easy-money policy, which has worked for six years, is no longer enough to get stocks going, says Steven Sosnick, senior trader at Timber Hill. Another round of quantitative easing would be fraught with difficulties, given that it would indicate lack of growth, which would spook investors. At some point the economy has to deliver, he says.

John Manley, chief equity strategist at Wells Fargo Funds Management, remains optimistic that the U.S. economy will revive. Manley "guesses" there will be a hike next month, and that the market will view it positively. It will be viewed as a neutral stance, not "tightening," and "the Fed saying the U.S. economy is OK."

The parlor game -- will the Fed raise this year? -- goes on, with two more FOMC meetings left: Oct. 27-28 and Dec. 15-16.

The Fed is beginning to lose credibility, Kenneth Polcari, director of NYSE floor operations at O'Neil Securities, suggests. The Fed could have hiked back in the spring, when the world seemed to be in a better place economically. "A 25-basis-point [increase] is nothing . . . but now the Fed is backed into a corner," he says. "Will it be October or December? That's a bad place to be."

Yellen has also opened the Pandora's box of a third Fed mandate, related to global growth, in addition to those pertaining to employment and inflation, he says. What will happen in December, if global markets and economies are still in turmoil, he asks. Does U.S. monetary policy depend on that now?

Expect volatility over the next few weeks as the market searches for directional signs. On Thursday, Yellen's planned speech on inflation could move stocks. Then third-quarter earnings season kicks off in the second week of October, giving investors a better sense of how the slowdown in emerging- markets growth has affected corporate profits. Until then, the market might lurch about without much sustained direction.

P&G's Inflection Point?

When last we weighed in on Procter & Gamble (ticker: PG) in the July 20 Trader, after its stock had fallen to $82 from $94, we didn't think the stock was cheap enough to bite. The company needs to reignite its innovation engines to achieve growth.

Still, after another 15% drop since then, to $69.94 -- below the high of the previous bull market -- the stock is beginning to look cheap enough to discount a pretty gloomy future.

Given its nearly 4% dividend yield, P&G's stock could provide a relatively safe, if unglamorous, return for a patient, income-seeking investor with a long-term outlook. If less anxiety is included in the measure, P&G could deliver an attractive return, especially if the broad market's volatility continues or worsens. Indeed, the dividend yield is the highest it has been by far in the past 20 years, which includes two pretty awful bear markets.

P&G's problems are known. It is a brand company in a world where folks are less apt than before to pay up for such things. The rising dollar is a drag, with the household- goods giant getting 60% of its sales from overseas. Yet that's probably a short-term head wind, and few investors seem to acknowledge that a stronger dollar can also help P&G's cost side.

The company has shaved its brand portfolio significantly since mid-2013, selling noncore assets and cutting costs. The Cincinnati-based maker of Tide detergent and Crest toothpaste is whittling down its portfolio to 65 brands from 180 a few years back. With the housecleaning in full swing, new CEO David Taylor, who takes over on Nov. 1, should be able to focus on revving up growth and innovation.

The shares trade for 18 times fiscal 2016 consensus estimates of $3.83 a share, not a bargain valuation on an absolute level, particularly considering that earnings per share may come down. Yet it is lower than the historical median price/earnings ratio of 19.

It would be nice to see some organic growth in Cincinnati, but after two years of shrinking, there are budding signs of improvement that should be considered now that the stock is down so much.

James Abate, chief investment officer of Centre Asset Management, bought P&G shares last week. He says there has been a little-noticed inflection point. In particular, after trending down for a while, there's an uptick in the operating margin to 19.7% in the fiscal year ended in June from 19.3% in fiscal 2014. Similarly, returns on equity and assets have inched up. (Because of the numerous disposals, Abate's figures are scrubbed of special items and discontinued operations.)

A dreadnought like P&G doesn't turn around in a trice, and a change of course into better waters could be hard to detect. These tenths of a percentage point don't appear to be huge rises, but for P&G, in the midst of a wide-ranging reorganization, it's notable.

P&G remains an unliked stock, with only 40% of the 30 analysts who cover it giving it a Buy rating. That's a nice contrarian sign. Some investors are prospecting in the energy sector for cheap stocks. But if you want a big blue chip with downside protection, thanks to a nice dividend, P&G's a better choice, Abate says, as it has more control over the levers that would improve its performance than the still-dangerous energy sector.

P&G's stock isn't going to be a home run or even a three-bagger, but for an income investor seeking stable ballast in a future when markets might not be as cooperative as they've been for the past six years, P&G shares at this level represent a potentially attractive refuge.

Dollar Tree to Bear Fruit

Insider selling can be a potentially bearish stock signal. Insider buying, however, typically has a stronger predictive value. Insiders sell shares for many reasons: to pay the kid's college tuition, or maybe because the stock looks overvalued. Insiders generally buy for one motive: confidence in the company's outlook.

That could be the case at Dollar Tree (DLTR), the Chesapeake, Va. --based discount variety-store retailer. Several company insiders have purchased shares lately, and the stock -- down some 20% to $66.65 -- is worth a look, given the firm's various attractions, such as average annual EPS growth of 15% over the past decade.

The stock drop has mainly to do with the July 6 $9 billion acquisition of Family Dollar stores. After some integration pain, that addition will contribute to Dollar Tree, whose long-term fortunes seem brighter than the stock price implies. When the integration is in the rearview mirror, the stock could give a double-digit return.

The Family Dollar chain needs upgrading to Dollar Tree's higher operational and efficiency standards. That's going to take time and money. Dollar Tree, with a $16 billion market cap and 13,800 outlets, is the No. 1 discount retailer in the U.S.

On Sept. 1, the company posted worse-than-expected results for the fiscal second quarter ended Aug. 1. Family Dollar helped on the sales side -- revenue rose 48%, to $3 billion -- but hurt the bottom line, which swung to a loss of $98 million, or 46 cents per share, from net income of $121.5 million, or 59 cents in the year-earlier quarter.

Gross margins fell to 28.4% from 34.2%, pressured by Family Dollar's lower margins. Dollar Tree pulled its EPS guidance of $3.32 to $3.47 for this fiscal year, which ends in January 2016, unsettling investors.

The market isn't looking beyond the speed bump caused by the acquisition. Excluding one-time extraordinary charges and a share-count rise resulting from the deal, the quarterly EPS was 67 cents. The company continues to expect $300 million in annual synergies within three years. Given Dollar Tree's accomplished management team, that seems doable.

Judging by recent activity, insiders don't see big obstacles. In recent weeks, four insiders began buying shares, some in the open market. Jonathan Moreland, director of research at Insiderinsights.com, which analyzes insider activity, says those purchases are a significant buy signal, given the number of insiders involved, their track records, and the size of transactions.

Two of the four are longtime directors who chose to buy Dollar Tree stock for the first time, he notes. An analysis of the longer buying history of the other two shows that their purchases were followed, on average, by the stock up 12 months later 93% of the time, and by an average return of 28%.

The fundamentals need to pick up, but that doesn't seem as unlikely as the market would have it. The $4 or so EPS consensus for the next fiscal year seems possible once Family Dollar starts hitting on all cylinders, and the forward P/E is 17 times, lower than Dollar Tree's long-term average of 22 times.

"Investors need to be patient," says Sterne Agee CRT analyst Charles Grom, but it's not a Herculean task. "Fix Family Dollar and you fix the stock," he adds. Management's record over the years is a pretty good testament to its abilities, says the analyst, who also rates the stock Buy. He sees 30% upside over the next 18 to 24 months, with 10% downside risk.

The insider buying suggests that Dollar Tree executives are acting as though Family Dollar will be integrated successfully, adds Moreland. We agree.

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e-mail: vito.racanelli@barrons.com

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16384.58	-48.51	-0.30
DJTransportation	8036.37	-15.25	-0.19
DJUtilities	564.99	+15.53	+2.83
DJ65Stocks	5866.85	+12.87	+0.22
DJUSMarket	493.58	-0.57	-0.12
NYSEComp.	10031.60	-8.62	-0.09
NYSEMKTComp.	2228.27	+66.21	+3.06
S&P500	1958.03	-3.02	-0.15
S&PMidCap	1413.00	-1.47	-0.10
S&PSmallCap	671.34	+0.97	+0.14
Nasdaq	4827.23	+4.89	+0.10
ValueLine(arith.)	4394.06	+4.72	+0.11
Russell2000	1163.35	+5.55	+0.48
DJUSTSMFloat	20492.22	-10.01	-0.05

	Last Week	Week Earlier
NYSE		
Advances	1,771	1,808
Declines	1,459	1,409
Unchanged	45	54
NewHighs	73	45
NewLows	260	217

AvDailyVol(mil)	3,939.8	3,473.5
Dollar		
(Finexspotindex)	95.15	95.18
T-Bond		
(CBTnearbyfutures)	155-240	154-260
Crude Oil		
(NYMlightsweetcrude)	44.68	44.63
Inflation KR-CRB		
(FuturesPriceIndex)	194.18	196.72
Gold		
(CMXnearbyfutures)	1138.10	1103.50

(See related letters: "Barron's Mailbag: Think of the Saver" -- Barron's Oct. 5, 2015)

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DOW JONES
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The Trader: Stocks Give Up Gains On Fed News, Down 0.2% -- Barron's

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M3
英文

(FROM BARRON'S 9/21/15)
By Vito J. Racanelli

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Still, after another 15% drop since then, to $69.94 -- below the high of the previous bull market -- the stock is beginning to look cheap enough to discount a pretty gloomy future.

Given its nearly 4% dividend yield, P&G's stock could provide a relatively safe, if unglamorous, return for a patient, income-seeking investor with a long-term outlook. If less anxiety is included in the measure, P&G could deliver an attractive return, especially if the broad market's volatility continues or worsens. Indeed, the dividend yield is the highest it has been by far in the past 20 years, which includes two pretty awful bear markets.

P&G's problems are known. It is a brand company in a world where folks are less apt than before to pay up for such things. The rising dollar is a drag, with the household- goods giant getting 60% of its sales from overseas. Yet that's probably a short-term head wind, and few investors seem to acknowledge that a stronger dollar can also help P&G's cost side.

The company has shaved its brand portfolio significantly since mid-2013, selling noncore assets and cutting costs. The Cincinnati-based maker of Tide detergent and Crest toothpaste is whittling down its portfolio to 65 brands from 180 a few years back. With the housecleaning in full swing, new CEO David Taylor, who takes over on Nov. 1, should be able to focus on revving up growth and innovation.

The shares trade for 18 times fiscal 2016 consensus estimates of $3.83 a share, not a bargain valuation on an absolute level, particularly considering that earnings per share may come down. Yet it is lower than the historical median price/earnings ratio of 19.

It would be nice to see some organic growth in Cincinnati, but after two years of shrinking, there are budding signs of improvement that should be considered now that the stock is down so much.

James Abate, chief investment officer of Centre Asset Management, bought P&G shares last week. He says there has been a little-noticed inflection point. In particular, after trending down for a while, there's an uptick in the operating margin to 19.7% in the fiscal year ended in June from 19.3% in fiscal 2014. Similarly, returns on equity and assets have inched up. (Because of the numerous disposals, Abate's figures are scrubbed of special items and discontinued operations.)

A dreadnought like P&G doesn't turn around in a trice, and a change of course into better waters could be hard to detect. These tenths of a percentage point don't appear to be huge rises, but for P&G, in the midst of a wide-ranging reorganization, it's notable.

P&G remains an unliked stock, with only 40% of the 30 analysts who cover it giving it a Buy rating. That's a nice contrarian sign. Some investors are prospecting in the energy sector for cheap stocks. But if you want a big blue chip with downside protection, thanks to a nice dividend, P&G's a better choice, Abate says, as it has more control over the levers that would improve its performance than the still-dangerous energy sector.

P&G's stock isn't going to be a home run or even a three-bagger, but for an income investor seeking stable ballast in a future when markets might not be as cooperative as they've been for the past six years, P&G shares at this level represent a potentially attractive refuge.

Dollar Tree to Bear Fruit

Insider selling can be a potentially bearish stock signal. Insider buying, however, typically has a stronger predictive value. Insiders sell shares for many reasons: to pay the kid's college tuition, or maybe because the stock looks overvalued. Insiders generally buy for one motive: confidence in the company's outlook.

That could be the case at Dollar Tree (DLTR), the Chesapeake, Va. --based discount variety-store retailer. Several company insiders have purchased shares lately, and the stock -- down some 20% to $66.65 -- is worth a look, given the firm's various attractions, such as average annual EPS growth of 15% over the past decade.

The stock drop has mainly to do with the July 6 $9 billion acquisition of Family Dollar stores. After some integration pain, that addition will contribute to Dollar Tree, whose long-term fortunes seem brighter than the stock price implies. When the integration is in the rearview mirror, the stock could give a double-digit return.

The Family Dollar chain needs upgrading to Dollar Tree's higher operational and efficiency standards. That's going to take time and money. Dollar Tree, with a $16 billion market cap and 13,800 outlets, is the No. 1 discount retailer in the U.S.

On Sept. 1, the company posted worse-than-expected results for the fiscal second quarter ended Aug. 1. Family Dollar helped on the sales side -- revenue rose 48%, to $3 billion -- but hurt the bottom line, which swung to a loss of $98 million, or 46 cents per share, from net income of $121.5 million, or 59 cents in the year-earlier quarter.

Gross margins fell to 28.4% from 34.2%, pressured by Family Dollar's lower margins. Dollar Tree pulled its EPS guidance of $3.32 to $3.47 for this fiscal year, which ends in January 2016, unsettling investors.

The market isn't looking beyond the speed bump caused by the acquisition. Excluding one-time extraordinary charges and a share-count rise resulting from the deal, the quarterly EPS was 67 cents. The company continues to expect $300 million in annual synergies within three years. Given Dollar Tree's accomplished management team, that seems doable.

Judging by recent activity, insiders don't see big obstacles. In recent weeks, four insiders began buying shares, some in the open market. Jonathan Moreland, director of research at Insiderinsights.com, which analyzes insider activity, says those purchases are a significant buy signal, given the number of insiders involved, their track records, and the size of transactions.

Two of the four are longtime directors who chose to buy Dollar Tree stock for the first time, he notes. An analysis of the longer buying history of the other two shows that their purchases were followed, on average, by the stock up 12 months later 93% of the time, and by an average return of 28%.

19 Sep 2015 00:06 ET The Trader: Stocks Give Up Gains On Fed News, -2-

The fundamentals need to pick up, but that doesn't seem as unlikely as the market would have it. The $4 or so EPS consensus for the next fiscal year seems possible once Family Dollar starts hitting on all cylinders, and the forward P/E is 17 times, lower than Dollar Tree's long-term average of 22 times.

"Investors need to be patient," says Sterne Agee CRT analyst Charles Grom, but it's not a Herculean task. "Fix Family Dollar and you fix the stock," he adds. Management's record over the years is a pretty good testament to its abilities, says the analyst, who also rates the stock Buy. He sees 30% upside over the next 18 to 24 months, with 10% downside risk.

The insider buying suggests that Dollar Tree executives are acting as though Family Dollar will be integrated successfully, adds Moreland. We agree.

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Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16384.58	-48.51	-0.30
DJTransportation	8036.37	-15.25	-0.19
DJUtilities	564.99	+15.53	+2.83
DJ65Stocks	5866.85	+12.87	+0.22
DJUSMarket	493.58	-0.57	-0.12
NYSEComp.	10031.60	-8.62	-0.09
NYSEMKTComp.	2228.27	+66.21	+3.06
S&P500	1958.03	-3.02	-0.15
S&PMidCap	1413.00	-1.47	-0.10
S&PSmallCap	671.34	+0.97	+0.14
Nasdaq	4827.23	+4.89	+0.10
ValueLine(arith.)	4394.06	+4.72	+0.11
Russell2000	1163.35	+5.55	+0.48
DJUSTSMFloat	20492.22	-10.01	-0.05

	Last Week	Week Earlier
NYSE		
Advances	1,771	1,808
Declines	1,459	1,409
Unchanged	45	54
NewHighs	73	45

NewLows	260	217
AvDailyVol(mil)	3,939.8	3,473.5
Dollar		
(Finexspotindex)	95.15	95.18
T-Bond		
(CBTnearbyfutures)	155-240	154-260
Crude Oil		
(NYMlightsweetcrude)	44.68	44.63
Inflation KR-CRB		
(FuturesPriceIndex)	194.18	196.72
Gold		
(CMXnearbyfutures)	1138.10	1103.50

(See related letters: "Barron's Mailbag: Think of the Saver" -- Barron's Oct. 5, 2015)

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(END) Dow Jones Newswires

September 19, 2015 00:06 ET (04:06 GMT)

文件 DJDN000020150919eb9j00017

DOW JONES
NEWSWIRES

Five Industrial Stocks That Might Be Worth a Look -- Barron's Blog

By Ben Levisohn
342 字
2015 年 9 月 18 日 16:57
Dow Jones Institutional News
DJDN
英文

Morgan Stanley strategist Adam Parker isn't a fan of industrials. But that doesn't mean some of them--including United Technologies (UTX), Danaher (DHR), Delta Air Lines (DAL), CSX Corp. (CSX), and SPX Corp. (SPX)--aren't worth buying. Parker explains why:

We are underweight industrials, with a current portfolio exposure of 8% versus the 10% S&P500 weight. We have been underweight industrials this year for a number of reasons. In the end, they all point to our belief that the sector has below-average estimate achievability, despite recent negative revisions...

The industrial sector valuation is also not particularly compelling relative to its own history, and is slightly below the market multiple on forward earnings. High quality names in the group have stretched valuations, and the lower quality names have particularly poor current business and earnings revisions trends. We do think the break in some of the higher quality names (Ingersoll-Rand (IR) and United Technologies in particular) is a long-term investment opportunity, even if current trends don't look great...

As for generating stock selection, we have been able to show that when a Morgan Stanley analyst has fundamental conviction on a stock and our quantitative models agree, the subsequent performance is superior to either discipline alone.

That's the case with United Technologies, Danaher, Delta Air Lines, CSX Corp., and SPX Corp., all of which are rated Outperform by Morgan Stanley analysts, and have high rankings in Parker's quantitative models.

Shares of United Technologies have dropped 1.4% to $91.98 at 11:55 a.m. today, while Danaher has fallen 1.5% to $86.79, Delta Air Lines has declined 0.7% to $47.16, CSX Corp. has slipped 1.8% to $28.67, and SPX Corp. is off 3.2% at $54.38.

More at Barron's Stocks to Watch blog,
http://blogs.barrons.com/stockstowatchtoday/
(END) Dow Jones Newswires

September 18, 2015 11:57 ET (15:57 GMT)

文件 DJDN000020150918eb9i001xg

Five Industrial Stocks That Might Be Worth a Look
Barron's Blogs, 2015 年 9 月 18 日 16:57, 317 字, By Ben Levisohn, (英文)
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文件 WCBBE00020150918eb9i001xh

DOW JONES
NEWSWIRES

Shares Fall After Fed Reserve Keeps Rates on Hold -- Update

By Josie Cox
601 字
2015 年 9 月 18 日 11:01
Dow Jones Institutional News
DJDN
英文

Most global stock markets fell Friday after the U.S. Federal Reserve's decision not to raise short-term interest rates off record lows spurred fresh concerns over the state of the global economy.

The Stoxx Europe 600 was recently trading 1.4% lower, mirroring losses in the U.S. after the announcement Thursday. Japan's Nikkei Stock Average fell 2%, although markets elsewhere in Asia gained.

Future contracts pointed to the Dow Jones Industrial Average and the S&P500 opening slightly lower Friday. Futures, however, don't always accurately reflect moves after the opening bell.

In a closely watched news conference following a two-day policy meeting, Fed Chairwoman Janet Yellen said that Fed policy makers had decided to take "a little bit more time to evaluate the likely impacts" of recent market volatility on the U.S. before acting on interest rates.

"The market is disappointed because everyone expected a 'back to normal' signal," said Philippe Waechter, global chief economist at Natixis Asset Management, which oversees around EUR328.6 billion.

"We are not there yet," he added, saying that the decision not to act shows that the Fed still thinks the U.S. economy is "very weak."

Although low rates have helped fuel years of rising share prices in the U.S. and around the world, markets drew little comfort from the decision. Many investors felt a rate rise would have signaled the central bank's confidence about economic growth.

"This lack of confidence and clarity about [the Fed's] own economic position is unsettling for market participants, and is likely to keep risky assets volatile," said Franck Dixmier, global head of fixed income at Allianz Global Investors, which has around EUR412 billion under management.

Before the decision, investors and analysts had been split in their forecasts on whether the Fed would raise rates or not.

But some had been anxious a return to normal after years of rock-bottom rates.

"It looks as though everyone was focused on getting this [first increase] out of the way and getting some certainty back, but that's not what we got," said Paul Hatfield, global chief investment officer at asset management firm Alcentra.

He said that there is now a good chance that we don't see a rise in interest rates until next year.

The Fed's benchmark rate has been near zero since December 2008.

Asian markets reacted more positively, with most markets rising. The Shanghai Composite ended the session 0.4% higher.

Many emerging markets have been dealt a sharp blow in recent months as a result of a slowdown in China's economy coupled with fears of a U.S. rate increase.

The Fed's decision to stay put had led some emerging market currencies to "breathe a sigh of relief," strategists at Rabobank wrote in a note to clients.

The euro was 0.4% higher against the U.S. dollar at $1.1408. The buck fell sharply against a basket of currencies Thursday. Lower rates are a drag on the dollar, as they make the currency less attractive to investors.

On Friday the dollar was 0.5% lower against Japan's yen at around Yen119.56.

In commodities, Brent crude was down 0.6% at $49.57 a barrel, while gold rose 1% to $1,128.10 a troy ounce.

Write to Josie Cox at josie.cox@wsj.com and Chiara Albanese at chiara.albanese@wsj.com

(END) Dow Jones Newswires

September 18, 2015 06:01 ET (10:01 GMT)

文件 DJDN000020150918eb9i000wn

DOW JONES
NEWSWIRES

Nordic Stocks Seen Opening Slightly Higher -- Market Talk

188 字
2015 年 9 月 17 日 07:49
Dow Jones Institutional News
DJDN
英文

0649 GMT Nordic markets are seen opening slightly higher Thursday, with IG calling the OMXS30 up 0.3% at around 1488. "The main event is the FOMC meeting tonight. While a rate hike cannot be ruled out as the U.S. economy is in pretty good shape, we view the odds of the Fed waiting as quite high," says Danske Bank. "Risk sentiment has improved ahead of the meeting. Asian stock markets are up across the board...In the US, the S&P500 rose for a second session in a row and closed 0.87% higher and is now at the highest level since the sell-off in August." Before the Fed decision, which is due after the European close, data of note today includes U.K. retail sales and U.S. initial jobless claims. OMXS30 closed at 1483.66, OMXN40 at 1507.85 and OBX at 525.28. (dominic.chopping@wsj.com)

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markettalk@wsj.com

(END) Dow Jones Newswires

September 17, 2015 02:49 ET (06:49 GMT)

文件 DJDN000020150917eb9h000dr

DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

1,412 字
2015 年 9 月 17 日 17:21
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
1621 GMT Russia's equity markets end marginally lower Thursday, in relatively light trade ahead of the Federal Reserve's rate announcement. The ruble-traded Micex index ends 0.2% lower at 1729.2, while the dollar-traded RTS fell 1.7% to 823.13, not helped by the fall in the ruble and the price of oil. That said, losses are limited, helped by central bank comments that a possible rate hike in the U.S. won't cause market turmoil. One of Russia's top central bankers Sergei Shvetsov even said that the ruble will firm if the Fed raises rates Thursday. Sberbank dropped 1.6% and Lukoil dropped 1.5%. (andrey.ostroukh@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1616 GMT Milan's FTSE Mib ends 0.2% higher at 22,099.53, after a lackluster session, as investors await the Fed decision on whether or not to raise U.S. interest rates, due at 1800 GMT. Financial stocks are among the best performers, with Intesa Sanpaolo closing 0.9% higher and Mediobanca up 0.8%. On Friday, the market will focus on U.S. leading indicators at 1400 GMT and the fallout from the Fed meeting. (giada.zampano@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1555 GMT France's CAC-40 stock index ends 0.2% higher at 4655.14, with investors wary ahead of the announcement from the Federal Reserve's rate-setting committee. The Fed's chairwoman Janet Yellen is due to hold a press conference later Thursday. Shares of Kering and Peugeot lead the gainers, with respective increases of 2.2% and 2%. Shares of Schneider Electric fall 2.3%. Off the CAC-40, JCDecaux gains 5.7% after Berenberg upgraded the shares to buy. Friday, investors will keep be watchng for the fallout from the Fed decision. (inti.landauro@wsj.com, @landauro)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1550 GMT AEX ends 0.2% down at 437.63, as investors wait for the Fed interest rate decision after the Europe close. Dutch airliner Air France-KLM closes 2.8% down. The Dutch carrier KLM sought to avoid compensation for delays, due to technical issues, but the Court of Justice of the European Union judged that equipment failures are part of routine operations, so passengers are entitled to a payout. Shell's $70 billion takeover of BG Group has hit a snag. Australian regulators are hesitating over whether or not to approve the deal amid concerns that it could squeeze domestic supplies of natural gas and drive up prices. Shell closes 0.7% down. Friday, focus will be on Dutch consumer spending and a consumer confidence survey at 0430 GMT, the Euro area balance of payments at 0800 GMT and U.S. leading indicators at 1400 GMT, as well as the fallout from teh Fed meeting. (patrick.buis@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1546 GMT Germany's DAX closes just two points higher at 10,229.58 after thin and quiet trading as investors wait for the Federal Reserve's rate announcement later in the day. Utility stocks recover somewhat from their recent sharp decline. RWE ends up 9%, barely affected by the company's statement that it doesn't consider selling a stake to an investor from the Middle East or North Africa, a denial of a media report. E.ON rises 8%.

Adidas is up 3.7%, with a trader pointing to positive sentiment after it won the right to outfit the U.S. National Hockey League. (friedrich.geiger@wsj.com, @FGeiger_WSJ)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1536 GMT Nordic stocks close largely unchanged as a whole Thursday, with the pan-Nordic OMXN40 down 0.1% at 1,507.07 amid gains in Oslo, Stockholm, and Copenhagen and a drop in Helsinki. That said, volumes were limited as investors await the anouncement from the Federal Reserve rate-setting meeting. Norway's energy-heavy OBX ends 0.8% higher at 529.53, countering a drop in oil prices. In the most-traded stocks, TeliaSonera gains 3.3% amid news that it will exit Eurasia to focus on Europe, while Sandvik drops 1.1%, TDC gains 1.1% and Seadrill is up 2.6%. (kjetilmalkenes.hovland@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1252 GMT Most Persian Gulf stock markets end lower Thursday, the last trading session of the regional week. Investors adopt some caution ahead of U.S. Fed's anticipated rate decision, traders say. Saudi stocks finish 0.7% lower at 7470.19, Doha's market falls 1.2% to 11,418.68 and Abu Dhabi's main index slips 1.2% to 4479.05. On the flip side, Dubai ends up 0.8% at 3625.16. (nikhil.lohade@wsj.com; Twitter: @lohadenikhil)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0731 GMT London's FTSE 100 index is 0.1% lower at 6222, in cautious trading Thursday. Smiths Group is the biggest loser, down 2.9%, followed by Babcock, down 2.8%. GKN is the biggest gainer, up 1.4%, followed by Old Mutual, up 1.2%. Later in the session, all eyes will be on the U.S. Federal Reserve and its decision on whether to raise interest rates for the first time in almost ten years. Traders say that volumes are expected to be low ahead of that decision. (josie.cox@wsj.com)

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markettalk@wsj.com
0656 GMT CAC-40 is set to open 0.4% higher at 4662 as investors grow in confidence ahead of news from the Federal Reserve's rate-setting meeting, says a Paris-based trader. Still, the street still has the chance of a rate hike at 50-50, the trader says, adding that makes it very difficult to gauge how the market will react when the decision comes. U.S. housing starts will be noted at 1230 GMT, but there's nothing significant on the horizon to guide sentiment ahead of the Fed. (william.horobin@wsj.com)

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0647 GMT Germany's DAX is seen opening 0.5% higher at 10,280 Thursday, with trading thin ahead of the Fed decision on U.S. interest rates. There's little news expected among companies, though Lufthansa goes back to the bargaining table with its pilots union in a new attempt to resolve a dispute on retirement benefits that has damped share performance. K+S will likely remain volatile, with speculation still simmering on whether Potash Corp. will make a move to take over the salt and fertilizer company. (sarah.sloat@wsj.com)

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DOW JONES
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UK Market Talk Roundup: Brokers Comments

644 字
2015 年 9 月 17 日 13:52
Dow Jones Institutional News
DJDN
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Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
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September 17, 2015 08:52 ET (12:52 GMT)

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

327 字
2015 年 9 月 17 日 07:49
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
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September 17, 2015 02:49 ET (06:49 GMT)

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BARRON'S

MARKET WEEK
Stocks --- The Trader: Stocks Rise 2.1% in the Best Week in Months

By Avi Salzman
1,974 字
2015 年 9 月 14 日
Barron's
B
M3
英文

A rocky week on Wall Street ended solidly in the black, as the Dow Jones industrials recorded their largest weekly gain in nearly six months. But investors still sounded rattled as they await the Federal Reserve's decision this week about whether to raise interest rates.

"The overarching theme is that volatility will be here to stay -- intraday, intraweek -- until we get the answers to two questions," says Lori Heinel, chief portfolio strategist at State Street Global Advisors. "Where is global growth headed? And what is the Fed going to do?"

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Italy is just emerging from a recession, with GDP falling 1.7% in 2013 and 0.4% in 2014. It trails every euro-zone country except for Greece in terms of the proportion of the population that is working. The unemployment rate was 12% as of July; although that seems high, it was actually the lowest level in two years.

Economists see the tide turning. Morgan Stanley sees GDP rising 0.6% this year and 1.6% in 2016. "The upswing has quite some way to go," writes Daniele Antonucci, a Morgan Stanley economist. "Unlike in the other large euro-zone economies, growth in the manufacturing sector continues to accelerate."

Investors think a series of structural reforms, and strong support from the European Central Bank, will lead to more long-term growth.

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Dudley singled out power company Enel (ENLAY) among the companies that can benefit from the country's business-friendly changes. Enel is Italy's largest utility and is part-owned by the government. It historically has been "inefficient and bloated, with a weak capital structure," she says.

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	Friday's Close	Week's Change	Week's % Chg.
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DJTransportation	8051.62	+257.79	+3.31
DJUtilities	549.46	+7.49	+1.38
DJ65Stocks	5853.98	+132.52	+2.32
DJUSMarket	494.15	+9.86	+2.04
NYSEComp.	10040.22	+168.37	+1.71
NYSEMKTComp.	2162.07	+18.04	+0.84
S&P500	1961.05	+39.83	+2.07
S&PMidCap	1414.47	+28.20	+2.03
S&PSmallCap	670.37	+9.69	+1.47
Nasdaq	4822.34	+138.42	+2.96
ValueLine(arith.)	4389.34	+46.85	+1.08
Russell2000	1157.79	+21.62	+1.90
DJUSTSMFloat	20502.23	+406.05	+2.02

	Last Week	Week Earlier
NYSE		
Advances	1,808	857
Declines	1,409	2,373
Unchanged	54	41
NewHighs	45	25
NewLows	217	227
AvDailyVol(mil)	3,473.5	3,705.6
Dollar		
(Finexspotindex)	95.18	96.22
T-Bond		
(CBTnearbyfutures)	154-260	155-260
Crude Oil		

(NYMlightsweetcrude)	44.63	46.05
Inflation KR-CRB		
(FuturesPriceIndex)	196.72	196.70
Gold		
(CMXnearbyfutures)	1103.50	1120.60

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DOW JONES
NEWSWIRES

The Trader: Stocks Rise 2.1% In The Best Week In Months -- Barron's

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2015 年 9 月 12 日 05:08
Dow Jones Institutional News
DJDN
M3
英文

(FROM BARRON'S 9/14/15)
By Avi Salzman
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12 Sep 2015 00:09 ET The Trader: Stocks Rise 2.1% In The Best Week In -2-

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DJUSMarket	494.15	+9.86	+2.04
NYSEComp.	10040.22	+168.37	+1.71
NYSEMKTComp.	2162.07	+18.04	+0.84
S&P500	1961.05	+39.83	+2.07
S&PMidCap	1414.47	+28.20	+2.03
S&PSmallCap	670.37	+9.69	+1.47
Nasdaq	4822.34	+138.42	+2.96
ValueLine(arith.)	4389.34	+46.85	+1.08
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NewHighs	45	25
NewLows	217	227
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Inflation KR-CRB		
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DOW JONES
NEWSWIRES

Global Stocks Rise on China Stimulus Hopes -- 3rd Update

By Christopher Whittall
850 字
2015 年 9 月 9 日 13:04
Dow Jones Institutional News
DJDN
英文

Global stocks rose Wednesday following signs that China would do more to stimulate its slowing economy.

Stock markets have been volatile over the past several weeks as investors attempt to gauge the impact of China's slowing economy on global growth.

But investor sentiment showed signs of improvement Wednesday following an announcement from China's finance ministry on Tuesday evening that the country would roll out a "more forceful" fiscal policy to boost its economy.

U.S. stock futures pointed to 1.1% opening gains for the Dow Jones Industrial Average and 1.0% gains for the S&P500. Changes in futures aren't necessarily reflected in market moves following the opening bell. The pan-European Stoxx 600 was up 2.3% midway through the European session.

In Asia, Japanese stocks posted their biggest daily gains since 2008 in percentage terms, rising 7.7% after comments from Japanese Prime Minister Shinzo Abe touting the success of his economic policies. In points terms, it was the biggest gain since 1994 and came after Japanese stocks dipped into negative territory for the year on Tuesday.

"The idea that China slowing should create a global recession was wide of the mark," said John Bilton, global head of multiasset strategy at J.P. Morgan Asset Management, adding that reassuring comments from global policy makers should help markets stabilize after what was an "ugly month" for investors in August.

China's Ministry of Finance said in a statement Tuesday evening that it would allocate more funds to support some infrastructure projects and implement tax cuts for small businesses. It also said it would accelerate the approval process for duty-free stores to boost construction.

"It's been our long-standing view that China has significant fiscal and monetary options to support the economy," said James Syme, a senior fund manager at J O Hambro Capital Management, which oversees GBP19 billion ($29 billion) in assets.

Mr. Syme said the latest comments from Chinese policy makers were positive, but Wednesday's market moves "are more a reflection that we're in an environment of heightened volatility."

In Europe, Germany's exporter-heavy DAX index, which is sensitive to Chinese demand, was up 1.8% Wednesday, but is down 9.0% over the past month.

In Asia, China's Shanghai Composite Index closed up 2.3%, while Hong Kong's Hang Seng Index gained 4.1%, building on solid gains for U.S. stocks Tuesday. The Shanghai Composite Index and the Hang Seng Index are down 13.4% and 9.9% over the past month, respectively.

Mr. Bilton said that there were good buying opportunities in markets, highlighting the recent falls in Japanese equities and that U.S. stocks remain in negative territory for the year, but he said investors would remain cautious ahead of the U.S. Federal Reserve's policy meeting next week.

Others investors questioned whether the rally had legs.

"Investors are getting as jumpy on the upside as they are on the downside," said Paul O'Connor, co-head of multiasset at Henderson Global Investors, which oversees GBP82.1 billion in assets.

Mr. O'Connor said China hadn't provided enough clarity over its policy response to the country's economic challenges. He expects markets to remain volatile and is maintaining cash levels in his funds at their highest levels in around five years.

"China is where the big policy decisions need to be made that will shape the next few quarters and few years. We're getting to a stage where the Fed is no longer the main game in markets," said Mr. O'Connor.

The U.S. Federal Reserve will decide whether to raise interest rates at its two-day meeting starting Sept. 16.

Raising rates would begin to unwind years of easy-money policies in the U.S., which have provided support for financial markets across the globe.

Economists had expected the Fed to raise interest rates at its September meeting before the recent selloff in global markets. The Fed has left the door open to rate rises next week, but many economists have put back their calls until December or early 2016.

"The question is whether this relief rally has come too late for the Fed board members to change their views and raise interest rates next week in light of the high volatility in August," said Alessandro Tentori, a rates strategist at Citigroup, who said there is "still room" for a rate rise in September.

The euro fell 0.6% against the buck to $1.1152. The dollar rose 0.6% against the Japanese yen.

The yield on haven 10-year U.S. Treasurys rose slightly to 2.22%. Yields rise as prices fall.

Brent crude oil was down 0.9% at $49.10 per barrel, while gold was down 0.1% at $1110.40 per troy ounce.

Chao Deng contributed to this article.

Write to Christopher Whittall at christopher.whittall@wsj.com

(END) Dow Jones Newswires

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DOW JONES NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

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RTNW
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Sep 09,2015 03:04 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	-180.9	+1334.0	0.95
Blocks	-41.9	+1390.5	0.84
Russell 2000	+79.3	+2728.1	1.03
Blocks	+64.5	+2723.5	1.25
S & P 500	-98.3	+229.5	0.99
Blocks	+315.1	+51.9	1.25
DJ U.S. Total Stock Market	-301.5	+2296.0	0.99
Blocks	+468.4	+1795.0	1.15

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Vanguard FTSE Pacific ETF	VPL	ARCA	55.16	+66.7	16.00
Alibaba Group Holding ADR	BABA	NYSE	64.07	+55.6	1.18
Vanguard FTSE Europe ETF	VGK	ARCA	51.20	+47.1	3.16
iSh Core US Aggregate Bd	AGG	ARCA	109.07	+44.1	2.60
iShares MSCI China ETF	MCHI	ARCA	44.54	+41.4	8.07
Omnicare II 4% PIERS	OCRpB	NYSE	120.53	+30.2	1254.29
Pfizer	PFE	NYSE	32.18	+24.7	1.46
Amazon.com	AMZN	NASD	519.51	+22.8	1.05
TripAdvisor	TRIP	NASD	67.40	+20.2	2.69
BP ADR	BP	NYSE	30.94	+18.5	1.46
Viacom B	VIAB	NASD	44.27	+18.3	1.50
ProShares Short Dow30	DOG	ARCA	24.46	+17.1	4.65
iSh MSCI India Small-Cap	SMIN	BATS	31.30	+17.1	44.22
Schlumberger	SLB	NYSE	75.18	+16.5	1.18
Priceline Group	PCLN	NASD	1280.48	+16.0	1.16
PayPal Holdings	PYPL	NASD	34.38	+14.6	1.41
Matls Select Sector SPDR	XLB	ARCA	42.89	+14.4	1.98
iShares MSCI Eurozone ETF	EZU	ARCA	35.68	+14.1	2.66
Media General Inc.	MEG	NYSE	10.60	+14.0	5.70
SunEdison Inc.	SUNE	NYSE	12.14	+13.8	1.28

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
SPDR S&P 500	SPY	ARCA	195.94	-174.8	0.92
Autodesk	ADSK	NASD	46.89	-125.8	0.18
Apple	AAPL	NASD	111.01	-104.0	0.94
Netflix	NFLX	NASD	99.50	-64.4	0.93
iShares Core S&P 500 ETF	IVV	ARCA	197.07	-60.9	0.73
iShares 20+Y Treasury Bd	TLT	ARCA	121.64	-52.3	0.55
iShares MSCI Emg Markets	EEM	ARCA	33.13	-41.7	0.64
iShares Russell 1000 ETF	IWB	ARCA	109.72	-36.1	0.31
ExxonMobil	XOM	NYSE	72.53	-34.4	0.75
PwrShrs QQQ Tr Series 1	QQQ	NASD	104.53	-34.4	0.89
iShares Russell 2000 Gwth	IWO	ARCA	143.45	-33.8	0.41
Facebook Inc. Cl A	FB	NASD	90.96	-31.2	0.94
Google Cl A	GOOGL	NASD	645.81	-28.9	0.88

Yahoo!	YHOO	NASD	31.52	-26.5	0.84
iShares Russell 2000 ETF	IWM	ARCA	114.77	-23.1	0.93
Microsoft	MSFT	NASD	43.32	-21.8	0.77
SPDR Gold Tr	GLD	ARCA	106.13	-21.2	0.76
VanguardS&P500	VOO	ARCA	179.55	-19.6	0.70
LyondellBasell Inds	LYB	NYSE	83.25	-18.2	0.77
Procter & Gamble	PG	NYSE	69.02	-17.9	0.76

Moneyflow figures are the dollar value of composite uptick trades minus

the dollar value of downtick trades. The up/down ratio reflects the value

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Source: WSJ Market Data Group

(END) Dow Jones Newswires

09-09-15 1929GMT

文件 RTNW000020150909eb99000h8

DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

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2015 年 9 月 9 日 19:19
Dow Jones Newswires Chinese (English)
RTNW
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Sep 09,2015 02:04 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	-150.4	+1334.0	0.95
Blocks	-41.7	+1390.5	0.83
Russell 2000	+98.2	+2728.1	1.04
Blocks	+68.0	+2723.5	1.30
S & P 500	-21.6	+229.5	1.00
Blocks	+303.7	+51.9	1.26
DJ U.S. Total Stock Market	-51.0	+2296.0	1.00
Blocks	+477.4	+1795.0	1.17

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Alibaba Group Holding ADR	BABA	NYSE	64.03	+55.0	1.20
iSh Core US Aggregate Bd	AGG	ARCA	108.93	+45.1	3.02
iShares MSCI China ETF	MCHI	ARCA	44.75	+41.8	9.12
Omnicare II 4% PIERS	OCRpB	NYSE	120.53	+30.2	1254.29
Vanguard FTSE Pacific ETF	VPL	ARCA	55.34	+24.5	10.27
Pfizer	PFE	NYSE	32.32	+23.4	1.52
BP ADR	BP	NYSE	31.20	+21.3	1.71
Amazon.com	AMZN	NASD	521.80	+20.6	1.05
TripAdvisor	TRIP	NASD	67.65	+20.5	3.00
Vanguard FTSE Europe ETF	VGK	ARCA	51.38	+18.7	2.24
iSh MSCI India Small-Cap	SMIN	BATS	31.16	+17.1	44.21
Viacom B	VIAB	NASD	44.39	+16.4	1.51
ProShares Short Dow30	DOG	ARCA	24.34	+16.4	5.02
Tesla Motors	TSLA	NASD	250.28	+15.5	1.10
Matls Select Sector SPDR	XLB	ARCA	42.99	+14.7	2.33
Media General Inc.	MEG	NYSE	10.68	+14.0	6.07
iShares MSCI Eurozone ETF	EZU	ARCA	35.82	+13.9	2.88
SunEdison Inc.	SUNE	NYSE	12.26	+13.7	1.31
Schlumberger	SLB	NYSE	74.84	+13.4	1.18
Guggenheim S&P 500 Equal	RCD	ARCA	87.74	+13.2	51.28

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
SPDR S&P 500	SPY	ARCA	196.88	-123.3	0.92
Autodesk	ADSK	NASD	47.08	-120.6	0.17
Apple	AAPL	NASD	112.59	-102.3	0.92
iShares Core S&P 500 ETF	IVV	ARCA	198.03	-65.7	0.64
Netflix	NFLX	NASD	99.51	-61.3	0.92
iShares 20+Y Treasury Bd	TLT	ARCA	120.84	-53.5	0.47
iShares MSCI Emg Markets	EEM	ARCA	33.28	-35.8	0.63
iShares Russell 1000 ETF	IWB	ARCA	110.21	-35.5	0.25
iShares Russell 2000 Gwth	IWO	ARCA	143.72	-32.6	0.39
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PwrShrs QQQ Tr Series 1	QQQ	NASD	105.17	-26.7	0.89
Yahoo!	YHOO	NASD	31.36	-25.5	0.84
Google Cl A	GOOGL	NASD	650.24	-23.5	0.89

Facebook Inc. Cl A	FB	NASD	91.48	-21.3	0.95
Bank Of America	BAC	NYSE	16.10	-18.8	0.79
iShares Russell 2000 ETF	IWM	ARCA	114.93	-18.6	0.93
Goldman Sachs	GS	NYSE	187.45	-17.8	0.84
LyondellBasell Inds	LYB	NYSE	82.97	-17.8	0.74
VanguardS&P500	VOO	ARCA	180.45	-16.2	0.68
Procter & Gamble	PG	NYSE	69.28	-16.0	0.76

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文件 RTNW000020150909eb99000gh

Wall Street Strategists are Lowering Their Targets…And That's Good News
Barron's Blogs, 2015 年 9 月 8 日 17:59, 726 字, By Ben Levisohn, (英文)
Two of Wall Street's bulls lowered their S&P 500 targets today, but that's not necessarily bad news for the market.BofA Merrill Lynch's Savita Subramanian and team explain why they lowered their S&P 500 target to 2,100 from 2,200...
文件 WCBBE00020150908eb9800231

BARRON'S

MARKET WEEK
Stocks --- The Trader: Stocks Tumble on Renewed Fears of Rate Hike

By Avi Salzman
1,944 字
2015 年 9 月 7 日
Barron's
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英文

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Of course, every good sign for the economy comes with a caveat: Traders are convinced the Fed is now more likely to raise interest rates this year. Futures markets now predict about a 30% chance of an interest hike this month, and a nearly 60% chance in December.

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All of the S&P 500 sectors fell at least 2% on the week, although utilities, health care, and financial stocks were particularly weak. Energy stocks gave up more ground as oil prices fluctuated, with Nymex crude falling nearly 8% on Tuesday before recovering to end the week up 1.8% at $46.05 a barrel.

The volatility is clearly spooking some investors -- retail investors have reduced equity allocations by 2.4 percentage points in August to 65%, according to the American Association of Individual Investors. That's the lowest percentage allocated to equities in 10 months. Maybe they heard that the market tends to fall in September; it's the only month of the year where the average performance of the Dow is negative over the last 100, 50, and 20 years, according to Bespoke Investment Group.

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Williams-Sonoma's stock has fallen about 10% in the past month, versus a 4% drop for the broader retail universe. Investors have sold the stock after a disappointing second-quarter earnings report -- earnings per share met analysts' expectations, but the company's margins disappointed the Street. Williams-Sonoma was hurt by "largely transitory factors," argues Oppenheimer analyst Brian Nagel, including labor disputes at West Coast ports that led to shipping delays.

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Perhaps most importantly, Williams-Sonoma has outpaced all of its main competitors in e-commerce. Internet buying accounts for a little over 50% of its sales, versus just 2.5% for Wal-Mart. E-commerce at Williams-Sonoma is growing faster than traditional retail sales -- 9.1% versus 7.9% in the company's last quarter -- and operating margins on Internet sales are three times as large. Williams-Sonoma's dominance should ensure that it maintains a higher rate of growth than competitors.

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Williams-Sonoma should also receive a strong tail wind from improvements in the housing market, which drives the sales of home goods. Housing starts have swung to their highest levels since the real estate collapse and still have considerable room to grow. The company has successfully raised its sales despite the depressed housing market; now it should be able to ramp sales even higher with some help from a renewed real estate market.

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Wells Fargo could reach $63.56 if it traded at 14 times expected 2016 earnings, where some high-quality regional banks are currently trading. The bank has raised its dividend with the Fed's blessing every year since 2010, and investors expect more of the same in the years ahead.

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Few companies have the kind of low-cost and low-risk funding stream of Wells Fargo, which can fund its entire loan book and then some with its $1.2 trillion worth of deposits, which cost the bank only eight cents for every $100 as of the end of the second quarter. Meanwhile, the bank's $889 billion in loans yield an average of 4.2%.

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e-mail: avi.salzman@barrons.com

Vital Signs

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DJUtilities	541.97	-30.24	-5.28
DJ65Stocks	5721.46	-180.39	-3.06
DJUSMarket	484.29	-16.49	-3.29
NYSEComp.	9871.86	-370.20	-3.61
NYSEMKTComp.	2144.02	-86.11	-3.86
S&P500	1921.22	-67.65	-3.40
S&PMidCap	1386.27	-39.96	-2.80
S&PSmallCap	660.68	-14.16	-2.10
Nasdaq	4683.92	-144.41	-2.99
ValueLine(arith.)	4342.49	-117.42	-2.63
Russell2000	1136.17	-26.75	-2.30
DJUSTSMFloat	20096.17	-669.83	-3.23

	Last Week	Week Earlier
NYSE		
Advances	857	1,584
Declines	2,373	1,678
Unchanged	41	26
NewHighs	25	18
NewLows	227	1,456
AvDailyVol(mil)	3,705.6	5,165.0
Dollar		
(Finexspotindex)	96.22	96.15
T-Bond		
(CBTnearbyfutures)	155-260	156-230
Crude Oil		
(NYMlightsweetcrude)	46.05	45.22
Inflation KR-CRB		

(FuturesPriceIndex)	196.70	197.10
Gold		
(CMXnearbyfutures)	1120.60	1133.10

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DOW JONES
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The Trader: Stocks Tumble On Renewed Fears Of Rate Hike -- Barron's

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2015 年 9 月 5 日 05:08
Dow Jones Institutional News
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(FROM BARRON'S 9/7/15)
By Avi Salzman

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5 Sep 2015 00:09 ET The Trader: Stocks Tumble On Renewed Fears Of -2-

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Inflation KR-CRB		
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Gold		
(CMXnearbyfutures)	1120.60	1133.10

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(END) Dow Jones Newswires

September 05, 2015 00:09 ET (04:09 GMT)

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DOW JONES NEWSWIRES

How the Fed Could Rain On China's Parade -- Barron's Asia

By WAYNE ARNOLD
901 字
2015 年 9 月 3 日 07:06
Dow Jones Newswires Korean (English)
RTNWK
英文

It's not China's economy that has Wall Street terrified. It's the Fed.

Don't get me wrong: China's economic predicament looks more dire by the day. But China's slowing economy is being blamed for the S&P500's 3% drop Tuesday and the nearly 9% it has lost in the past two weeks despite the fact that it hasn't taken a sudden turn for the worse. Even if it had, it's not entirely clear the impact on the global economy and on multinationals would be as severe as stock prices are suggesting.

Slower growth in the world's second-largest economy will bring down aggregate global growth. But as Derek Scissors from the American Enterprise Institute wrote recently, so what? China runs a trade surplus with the rest of the world, meaning that it actually detracts from GDP growth in the rest of the world. There are individual economies, like Australia, that run trade surpluses with China and small ones that truly depend on it, like New Zealand, South Korea and Oman. Lots of poor, developing economies, moreover, like Angola, Burma, Mongolia and Sierra Leone rely on China for both exports and investment.

The biggest risk, therefore, appears to be to the multinationals that dominate U.S. indexes and that have come to rely on China for sales and earnings growth. And there the story is mixed. Companies that rely on China's demand for commodities and machinery - like BHP Billiton (tickers: BHP.AU, BLT.UK, BHP) and Schneider Electric (SU.FP) -- to build new factories, buildings and infrastructure are suffering, as are luxury brands like Prada and Audi whose sales have been hit by a downturn in conspicuous consumption thanks to Beijing's crackdown on corruption.

But China's overall retail sales grew 14% in the second quarter on year, up from 12.3% the year before. And companies that sell to the middle-class masses, like Apple and Samsonite, say sales are still strong.

So, no, it's not the Chinese consumer who has Wall Street's shorts in a bunch. It's the increasingly wild gymnastics being performed by policymakers to keep consumers from shipping so much cash out of the country that they puncture the country's massive, property-led debt bubble.

Jefferies estimates that as much as 60 billion yuan is leaking out of China every three months. It's those outflows that prompted Beijing to start plugging stocks almost a year ago. Not only would it keep ebbing cash from pushing up borrowing costs for heavily indebted local governments and companies, but companies and banks would be able to use rising stock prices to raise money and pay down debts.

Beijing's efforts to wring excess credit from the stock market backfired, though, sending stock prices into a spiral and forcing authorities to intervene to bail out heavily leveraged investors. Now, with the stock market back out of favor, capital outflows have resumed.

BEIJING'S RESPONSE SMACKS OF PANIC. The People's Bank of China devalued the yuan Aug. 11 to boost exports and offset the drain outflows were having on its foreign-exchange reserves, only to trigger a short-lived run on the yuan by investors fearful it would fall further. That prompted the PBoC to prop up the yuan and ease restrictions on bank lending to offset outflows. It has since intervened in the derivatives market to battle growing bets against the currency and this week it said it would start forcing banks to hold cash against bets customers make against the yuan in the forward market.

The PBoC hasn't told us what has it so scared. Whatever it is, investors are sure it's horrific. Maybe there is an iceberg looming in China's economy that's about to sink consumer spending and demand for Apple's upcoming iPhone 6S with it. Or perhaps the financial system is much closer to a Lehman-style collapse than Beijing is letting on. Since either would likely trigger the other, it doesn't really matter.

What matters is that, however bad China's outflows problem may be, the Fed is about to make them worse. As long as a weaker Chinese economy doesn't affect U.S. inflation or jobs, falling stock prices aren't enough to keep the Fed Chair Janet Yellen from raising interest rates. Markets are betting on a December rate increase and China's accelerating outflows may in fact bolster the case for a hike, since a lot of that cash appears to be flowing into U.S. property markets. Higher U.S. rates and a stronger dollar would paradoxically help China's economy, but raise the likelihood of a credit crisis by prompting global investors and Chinese savers to shift yet more cash out of China and into the U.S.

China may seem to hold Wall Street's fate in its hands. But until Beijing manages to restore confidence, China's fate for the moment seems to rest to a large extent in Yellen's.

Comments? E-mail us at wayne.arnold@barrons.com

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DOW JONES
NEWSWIRES

Why ExxonMobil Will Beat the S&P 500 -- Barron's Blog

By Ben Levisohn
487 字
2015 年 9 月 2 日 12:05
Dow Jones Newswires Chinese (English)
RTNW
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Barclays' Paul Cheng contends that ExxonMobil (XOM)--and much of the energy sector--could outperform the market during the next 12 months thanks to a dividend yield that's nearly twice as high as the S&P 500's. He explains:

Since mid-June 2014, ExxonMobil shares have declined 28% compared to a 1% rise in the S&P500 index. ExxonMobil 's relative yield has jumped from 127% to a recent high of 180% before easing to currently 173% compared to the 25-year average of 138%.

Will ExxonMobil's high relative yield lead to future outperformance versus the market? Our short answer is a reasonably high-probability 'yes'. When ExxonMobil's relative yield > 170%, it outperformed S&P500 index in the subsequent 1-month, 3-month and 12-month periods by an average 1.8%, 3.9% and 6.8%, respectively. Oil prices also do not appear to play an overwhelming decision factor in the outperformance.

Still, Cheng isn't ready to change his Underweight rating on ExxonMobil just yet. He explains why:

Will ExxonMobil's high relative yield lead to future outperformance versus the broader energy index? The answer is a likely 'no'. When ExxonMobil's relative yield > 170%, it performed in line against the broader S&P Energy index in the subsequent 1-month and 3-month periods but underperformed by an average 1.3% in the 12-month period. ExxonMobil also did not report a high probability of outperformance against the broad energy index. It outperformed in the subsequent 1 month only 52% of the time after the relative yield > 170%, 55% by month 3 and 44% by month 12.

We think the energy shares may have already reached their near-term lows or at least very close to their lows. We think that the group is currently priced in a long-term commodity price deck assumption of roughly $60-$65 Brent and $55-$60 WTI. We think the group's downside risk relative to the market may be limited from here unless the global oil market suffers another major leg down over the next twelve months. Although we also think that ExxonMobil shares may have reached their near-term lows, we maintain our relative Underweight rating and believe Suncor Energy (SU), Imperial Oil (IMO) and ConocoPhillips (COP) offer better risk-reward. That said, we will re-evaluate our recommendation on ExxonMobil and the group over the next several months.

Shares of ExxonMobil have dropped 3.8% to $72.42 at 2:15 p.m. today, while Suncor Energy has fallen 3.1% to $27.36, Imperial Oil has declined 3% to $34.21, and ConocoPhillips is off 2.8% at $47.76.

More at Barron's Stocks to Watch blog, http://blogs.barrons.com/stockstowatchtoday/

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DOW JONES
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*Direxion S&P500 Bull 1.25 (LLSP) Resumed Trading

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DOW JONES
NEWSWIRES

*Direxion S&P500 Bull 1.25 (LLSP) Halt: Single-Stock Circuit Breaker

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Dow Jones Institutional News
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BARRON'S

MARKET WEEK
Stocks --- The Trader: Dow Ends 1.1% Higher After Global Tumult

By Vito J. Racanelli
2,045 字
2015 年 8 月 31 日
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The Fed won't let all the effort and money invested in propping up the economy since 2008 go to waste. It won't stand at the plate and strike out looking. The Yellen put lives.

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If an illustration were needed that panicked investors slam stocks indiscriminately, a recent good example would be Paychex (ticker: PAYX). The Rochester, N.Y.-based company, which provides payroll, human resources, insurance, and benefit-outsourcing services for small and midsize U.S. companies, gets some 99% of its revenue from the U.S. However, that didn't stop investors from selling it down as fears about China and emerging markets gripped markets in the past two weeks.

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The company sports a steady history of 7% annual growth in revenue and earnings per share, a pristine balance sheet, and a growing dividend; the stock yields 3.7%. A double-digit total return seems achievable in the next 12 months, if the broad market settles down. If the market turns south again, investors will eventually recognize Paychex's domestic attractions.

"With no China or currency exposure, you would have thought it would have held up better," says Scott Rodes, a money manager at Bahl & Gaynor Investment Counsel, which owns a slug of Paychex shares. In early July, the company raised the quarterly dividend nearly 11% to 42 cents per share, a vote of confidence by management about business prospects.

Indeed, the steady rise in U.S. employment in the past few years has been a boon for Paychex, whose customers typically have under 100 employees. The latest U.S. economic data support continued job growth. Additionally, the company, which has a $16 billion market cap, has been able to get price increases and raise its operating margins, Rodes says.

While analysts continue to trim their EPS projections for many other firms, estimates for Paychex have risen steadily -- if slowly. For fiscal 2016 ending in May, the earnings-per-share consensus is $2.01. In the recently ended fiscal year, revenue rose 9% to $2.7 billion, and net income 8%, to $675 million, or $1.85 per share.

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Paychex shares trade for 22 times the fiscal 2016 earnings consensus. That isn't dirt cheap on an absolute basis, but the stock has generally sold at a premium, Rodes points out. Moreover, it is inexpensive when compared with Paychex's long-term average price/earnings ratio of 26 times. The company has no debt and nearly $3 per share in cash and equivalents.

Paychex has the defensive characteristics that would be viewed more favorably during the next downdraft, and it can continue to grow if markets stabilize. That's not a bad thing for investors looking for income and peace of mind.

The Long-Term Oil Play

When financial markets are in turmoil, it's difficult to think about where stocks might be three years out, but that's what a disciplined contrarian investor should do. This column doesn't pretend to know precisely when oil prices will turn up or by how much.

Our best guess is that energy prices are in for an extended weak period, perhaps lasting years. That's beneficial for consumers of gasoline and other petroleum-based products, but not so good for shareholders of decimated energy companies. After dropping 60% since the summer of 2014, oil prices may yet go lower in the near term.

Yet the rules of the investment cycle haven't changed.

We're already a year into falling crude prices. At some point the natural industry reaction will begin in earnest: a significant contraction of production. Just as supplies of crude oil -- cue the fracking music -- came gushing out of surprising new discoveries over the past decade in response to oil prices that soared to triple digits, supply will contract -- eventually.

The Oil Patch shakeout is under way, with marginal suppliers going bust and the weaker getting bought by the stronger. This is an economic law that can't be repealed. Last week, Schlumberger (SLB) announced it would buy Cameron International (CAM) in a deal worth nearly $15 billion.

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S&PSmallCap	674.84	-2.07	-0.31
Nasdaq	4828.32	+122.29	+2.60
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Declines	1,678	2,878
Unchanged	26	24
NewHighs	18	143
NewLows	1,456	697
AvDailyVol(mil)	5,165.0	3,628.4

Dollar (Finexspotindex)	96.11	94.80
T-Bond (CBTnearbyfutures)	156-230	160-060
Crude Oil (NYMlightsweetcrude)	45.22	40.45
Inflation KR-CRB (FuturesPriceIndex)	197.10	191.34
Gold (CMXnearbyfutures)	1133.10	1159.60

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DOW JONES
NEWSWIRES

The Trader: Dow Ends 1.1% Higher After Global Tumult -- Barron's

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(FROM BARRON'S 8/31/15)
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29 Aug 2015 00:08 ET The Trader: Dow Ends 1.1% Higher After Global -2-

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(NYMlightsweetcrude)	45.22	40.45
Inflation KR-CRB		
(FuturesPriceIndex)	197.10	191.34
Gold		
(CMXnearbyfutures)	1133.10	1159.60

(END) Dow Jones Newswires

August 29, 2015 00:08 ET (04:08 GMT)

文件 DJDN000020150829eb8t0001b

DOW JONES
NEWSWIRES

S&P Selloff a Buying Opportunity for Russell Investments -- Market Talk

112 字
2015 年 8 月 27 日 14:20
Dow Jones Institutional News
DJDN
英文

1320 GMT The situation in emerging markets doesn't warrant a significant downgrade of global growth outlook, especially not one of the size financial markets are currently pricing in, says Russell Investments senior investment strategist Wouter Sturkenboom. The fall in the S&P500 provides a buying opportunity, the strategist says. Russell continues to favor eurozone and Japanese equities, both hedged, while remaining cautious on U.S., U.K. and emerging market equities. (emese.bartha@wsj.com; @EmeseBartha)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com

(END) Dow Jones Newswires

August 27, 2015 09:20 ET (13:20 GMT)

文件 DJDN000020150827eb8r001t6

DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

638 字
2015 年 8 月 27 日 20:18
Dow Jones Newswires Chinese (English)
RTNW
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Aug 27,2015 03:03 PM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	+297.1	-1412.9	1.06
Blocks	+376.8	-1355.8	2.41
Russell 2000	+108.6	-4676.2	1.04
Blocks	+4.0	-4590.2	1.01
S & P 500	+806.2	+286.1	1.04
Blocks	+958.1	+127.5	1.57
DJ U.S. Total Stock Market	+2324.6	-3385.8	1.05
Blocks	+2235.2	-3879.0	1.50

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
iShares MSCI Emg Markets	EEM	ARCA	33.97	+413.6	2.97
Apple	AAPL	NASD	111.78	+202.7	1.14
iShares iBoxx $ HY Cp Bd	HYG	ARCA	86.19	+167.7	3.45
iShares Agency Bond ETF	AGZ	ARCA	113.67	+151.2	136.92
iShares MBS ETF	MBB	ARCA	109.30	+149.8	12.15
SPDR Barclays Hi Yield Bd	JNK	ARCA	36.91	+91.8	3.24
Vanguard Total Bond Mkt	BND	ARCA	81.52	+67.4	3.89
Disney	DIS	NYSE	101.35	+51.1	1.20
SPDR S&P 500	SPY	ARCA	197.81	+50.2	1.01
iShares MSCI Germany ETF	EWG	ARCA	26.54	+36.2	3.92
Ventas	VTR	NYSE	57.02	+34.6	2.52
Google Cl C	GOOG	NASD	628.35	+34.5	1.10
Vanguard Fds MCap Grwth	VOT	ARCA	102.16	+31.2	4.71
SPDR DJIA Tr	DIA	ARCA	165.15	+31.0	1.13
iShares 1-3Y Treasury Bd	SHY	ARCA	84.85	+30.0	2.17
Facebook Inc. Cl A	FB	NASD	88.58	+28.4	1.05
Halliburton	HAL	NYSE	37.49	+28.3	1.36
Citigroup	C	NYSE	53.12	+27.1	1.25
Vanguard REIT	VNQ	ARCA	75.77	+26.8	1.62
JPMorgan ChaseJPM	NYSE	64.21	+25.9	1.19	

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
ProShr Short MSCI Em Mkt	EUM	ARCA	29.18	-67.8	0.11
Amazon.com	AMZN	NASD	514.31	-53.0	0.92
Vanguard MBS	VMBS	NASD	53.11	-43.0	0.20
iShares Russell 1000 ETF	IWB	ARCA	110.64	-42.6	0.52
Alibaba Group Holding ADR	BABA	NYSE	70.55	-37.8	0.84
21st Century Fox Cl A	FOXA	NASD	27.55	-34.7	0.63
RiverFront Strat Incm Fd	RIGS	ARCA	24.66	-34.4	0.02
Bank Of America	BAC	NYSE	16.32	-33.3	0.83
Google Cl A	GOOGL	NASD	658.33	-32.6	0.91
iShares Russell 2000 ETF	IWM	ARCA	114.15	-32.5	0.94
iShares Russell MC Growth	IWP	ARCA	92.49	-31.6	0.33
ProShares Short S&P500	SH	ARCA	22.04	-29.6	0.59
Precision Castparts	PCP	NYSE	229.20	-26.9	0.79

Charles Schwab	SCHW	NYSE	30.17	-26.9	0.53
iShares U.S. Healthcare	IYH	ARCA	152.67	-25.4	0.45
Cameron International	CAM	NYSE	62.51	-23.9	0.87
HCP	HCP	NYSE	37.83	-22.4	0.43
Intel	INTC	NASD	27.44	-21.0	0.78
Southwest Airlines	LUV	NYSE	37.19	-20.7	0.66
ExxonMobil	XOM	NYSE	73.96	-20.7	0.91

Moneyflow figures are the dollar value of composite uptick trades minus the dollar value of downtick trades. The up/down ratio reflects the value of uptick trades relative to the value of downtick trades.

Source: WSJ Market Data Group

(END) Dow Jones Newswires

27-08-15 1918GMT

文件 RTNW000020150827eb8r000fw

DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

1,382 字
2015 年 8 月 27 日 17:35
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
1635 GMT London's FTSE 100 ends the day 3.6% higher at 6192 - it's largest one day percentage gain since October 2011. Anglo American is the biggest gainer, up 9.3% spurred by a recovery in commodity prices. BHP Billiton added 9.2% and Antofagasta rose 8.9%. Only Whitbread is lower on the day. Shares in the hotel, coffee shop and restaurant group are 0.9% lower on the day. (josie.cox@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1609 GMT AEX ends up 3.4% at 443.36 after a day of recovery, with Chinese markets rising and oil prices trading above $40/bbl again. Recovering commodity prices boosted heavyweights like Shell, which ends up 5.8% and ArcelorMittal, gaining 6.2%. A strong U.S. growth figure gave stocks an extra lift. One market analyst warns that worries about growth in China and Europe remain and that it is still uncertain if Thursday's recovery will stick. On Friday, investors will eye German inflation figures at 1200 GMT and U.S. data on personal incomes and spending at 1230 GMT (marleen.groen@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1559 GMT Germany's DAX index closes 3.2% higher at 10,315 after economic growth data in the U.S. boosted Wall Street. Germany's blue chips are higher across the board. Healthcare company Fresenius rises most, ending up 6.2% after news it will increase its dividend payment for 2015 by more than 20%. On Friday Germany releases state and preliminary inflation data. (sarah.sloat@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1557 GMT Russian stocks rebound again Thursday as oil prices edged higher, following the lead from Wall Street and the other major markets. The ruble has also firmed against both the dollar and the euro, with oil prices climbing. Micex ends up 1.9% at 1693.24, with the dollar-denominated RTS closing up 6.5% at 803.56. Sberbank ends up 3.8%, Gazprom up 2.8% and Lukoil up 2.7%. (olga.razumovskaya@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1554 GMT CAC-40 closes sharply higher, +3.5% at 4658.18, rebounding after Asia markets recover some ground and as U.S. second quarter GDP comes in better than expected. Oil and raw material stocks lead the gainers on the French index; Total +6.6%; ArcelorMittal +6%. Pernod-Ricard, -1.7%, is the only French blue chip in the red at the close as the spirits maker takes a writedown on its flagship Absolut vodka brand. There's plenty of European data Friday, including French July PPI at 0645 GMT, Italian consumer and business confidence at 0800 GMT, and German CPI at 1200 GMT. (william.horobin@wsj.com)

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markettalk@wsj.com

1541 GMT Nordic stocks markets closed higher Thursday, buoyed by optimism as China showed signs that measures to stabilize its economy and stock market may be taking hold. The OMXN40 ends 3.7% higher and the oil-heavy OBX index closes 1.9% higher. Eyes Friday will be on retail data for July from Norway and Sweden and on news from the central bank conference in Jackson Hole, Wyoming. (jens.hansegard@wsj.com)

Contact us in London. +44-20-7842-9464
marketttalk@wsj.com
1338 GMT [Dow Jones]--London's FTSE 100 extends gains, now trades 3% higher at 6156.45. Anglo American is the biggest gainer, up 6.2%. Standard Chartered is the second biggest gainer, up 5.8%. Whitbread is the only stock currently trading lower on the day, down 0.3%. (josie.cox@wsj.com)

Contact us in London. +44-20-7842-9464
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1245 GMT Most Persian Gulf stocks end sharply higher Thursday, tracking a global markets recovery after some sharp recent losses. Some bargain buying had been noted but investors remain cautious about the impact of weaker oil prices on the regional economies, traders say. Saudi stocks finish 3% higher at 7604.32, Dubai's market rises 4% to 3648.45, Abu Dhabi's main index is up 3% at 4461.09 and Doha jumps 3.1% to 11,295.46. (nikhil.lohade@wsj.com; Twitter: @lohadenikhil)

Contact us in London. +44-20-7842-9464
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0719 GMT London's FTSE 100 index is 2% higher at 6102.73, mirroring gains elsewhere in Europe after a rally in Asian stocks and U.S. equities Wednesday. Dublin-based building materials group CRH is currently leading the index, up 3.8%. Earlier it reported a slight increase in net profit for the six months to June 30 and also said it was paying $1.3 billion to buy U.S. glazing products company C.R. Laurence. Shares in real estate company Intu are up 3.1%, helped by Exane BNP Paribas raising its recommendation on the stock to neutral from buy. No stocks are currently trading lower on the day. However, since this time last week, the FTSE 100 is still over 4% lower. (josie.cox@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0653 GMT Nordic markets are seen opening sharply higher Thursday. with IG calling the OMXS30 2.3% higher at around 1492. "U.S. stock markets once again showed large volatility on the day but this time the move was up, with the S&P500 ending the day 3.9% higher with gains accelerating in the last trading hours," says Danske Bank. "The positive sentiment has carried over to Asia this morning where all major indexes are up." Focus remains on emerging markets and the oil price and although tentative signs of stabilisation have emerged, uncertainty is still high, Danske adds. The data focus today will be on eurozone M3 money supply, U.S. GDP, initial jobless claims and pending home sales. Regional eyes are on earnings from ISS and Seadrill. OMXS30 closed at 1458.20, OMXN40 at 1442.21 and OBX at 515.40. (dominic.chopping@wsj.com)

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0652 GMT [Dow Jones Industrial Average in New York, which was lifted by comments from Federal Reserve Bank of New York's president William Dudley, a Paris-based trader says. Mr. Dudley calmed fears the Fed could raise interest rates as early as September. Shares of Pernod-Ricard are likely to fall after reporting weak data for the fiscal year, he says, adding Eiffage are likely to rise after strong first-half earnings. Shares of Gemalto may fall after reporting disappointing earnings. The market may react to the release of U.S. weekly jobless claims report in the U.S. at 1230 GMT. (inti.landauro@wsj.com, @landauro)

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is more likely to be guided by Wall Street, another trader says. "With no harassing fire coming from Asia," the German index should rise markedly, he says. Fresenius in focus after saying it will increase the dividend payout for this year by more than 20%, and reach its mid-term profit target two years ahead of schedule. (Herbert.rude@wsj.com, natascha.divac@wsj.com)

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(END) Dow Jones Newswires

August 27, 2015 12:35 ET (16:35 GMT)

文件 DJDN000020150827eb8r002e4

DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

625 字
2015 年 8 月 27 日 15:18
Dow Jones Institutional News
DJDN
英文

MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Aug 27,2015 10:03 AM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	+256.0	-1412.9	1.39
Blocks	+250.6	-1355.8	2.65
Russell 2000	+166.3	-4676.2	1.67
Blocks	+56.5	-4590.2	2.92
S & P 500	+987.9	+286.1	1.34
Blocks	+904.4	+127.5	2.48
DJ U.S. Total Stock Market	+1900.7	-3385.8	1.34
Blocks	+1470.8	-3879.0	2.39

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Apple	AAPL	NASD	111.90	+141.7	1.74
SPDR S&P 500	SPY	ARCA	197.53	+129.6	1.29
Disney	DIS	NYSE	101.46	+48.7	2.22
Netflix	NFLX	NASD	116.23	+44.1	1.35
SPDR Barclays Hi Yield Bd	JNK	ARCA	36.88	+37.9	8.12
Facebook Inc. Cl A	FB	NASD	89.76	+36.6	1.32
Google Cl C	GOOG	NASD	639.00	+35.4	1.68
Wells Fargo	WFC	NYSE	53.32	+26.6	3.03
Citigroup	C	NYSE	53.08	+24.4	3.02
iShares Core S&P 500 ETF	IVV	ARCA	198.71	+24.2	1.97
JPMorgan Chase	JPM	NYSE	63.67	+23.1	2.24
Vanguard Total Stock Mkt	VTI	ARCA	102.08	+20.8	2.75
Chevron	CVX	NYSE	75.38	+20.2	2.04
CVS Health	CVS	NYSE	104.56	+20.2	3.05
AT&T	T	NYSE	33.15	+18.6	2.33
Procter & Gamble	PG	NYSE	71.30	+17.2	2.94
iSh MSCI India Small-Cap	SMIN	BATS	32.91	+17.1	39.25
Home Depot	HD	NYSE	117.21	+16.7	2.28
SPDR DJIA Tr	DIA	ARCA	165.08	+16.5	1.66
LyondellBasell Inds	LYB	NYSE	84.27	+16.2	3.32

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Amazon.com	AMZN	NASD	521.18	-31.7	0.82
ExxonMobil	XOM	NYSE	73.86	-29.0	0.40
Microsoft	MSFT	NASD	43.47	-28.8	0.39
Alibaba Group Holding ADR	BABA	NYSE	71.24	-28.6	0.52
Gilead Sciences	GILD	NASD	108.91	-25.3	0.46
ProShares Short S&P500	SH	ARCA	22.06	-23.0	0.30
Bank Of America	BAC	NYSE	16.24	-16.6	0.61
McDonald's	MCD	NYSE	96.36	-13.8	0.30
Abbott Laboratories	ABT	NYSE	45.09	-13.2	0.45
iSh 7-10Y Treasury Bond	IEF	ARCA	106.43	-12.9	0.07
Consumer Disc Sel Sector	XLY	ARCA	75.10	-12.6	0.48

Merck	MRK	NYSE	55.10	-11.7	0.32
3M	MMM	NYSE	144.22	-11.5	0.51
ConocoPhillips	COP	NYSE	44.86	-11.3	0.42
Cameron International	CAM	NYSE	61.64	-11.1	0.66
Cisco Systems	CSCO	NASD	25.92	-10.9	0.42
Starbucks	SBUX	NASD	54.81	-10.9	0.51
Sigma-Aldrich	SIAL	NASD	139.26	-10.6	0.28
Freeport-McMoRan Inc.	FCX	NYSE	9.32	-10.3	0.66
Teva Pharmaceutical ADR	TEVA	NYSE	65.86	-10.3	0.47

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Source: WSJ Market Data Group

(END) Dow Jones Newswires

August 27, 2015 10:18 ET (14:18 GMT)

文件 DJDN000020150827eb8r0022e

DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

783 字
2015 年 8 月 27 日 14:38
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
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(END) Dow Jones Newswires

August 27, 2015 09:38 ET (13:38 GMT)

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

471 字
2015 年 8 月 27 日 07:53
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
0653 GMT Nordic markets are seen opening sharply higher Thursday. with IG calling the OMXS30 2.3% higher at around 1492. "U.S. stock markets once again showed large volatility on the day but this time the move was up, with the S&P500 ending the day 3.9% higher with gains accelerating in the last trading hours," says Danske Bank. "The positive sentiment has carried over to Asia this morning where all major indexes are up." Focus remains on emerging markets and the oil price and although tentative signs of stabilisation have emerged, uncertainty is still high, Danske adds. The data focus today will be on eurozone M3 money supply, U.S. GDP, initial jobless claims and pending home sales. Regional eyes are on earnings from ISS and Seadrill. OMXS30 closed at 1458.20, OMXN40 at 1442.21 and OBX at 515.40. (dominic.chopping@wsj.com)

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Contact us in London. +44-20-7842-9288
Markettalk.eu@dowjones.com

(END) Dow Jones Newswires

August 27, 2015 02:53 ET (06:53 GMT)

文件 DJDN000020150827eb8r000nc

DOW JONES
NEWSWIRES

Nordic Stocks Seen Opening Sharply Higher -- Market Talk

184 字
2015 年 8 月 27 日 07:53
Dow Jones Institutional News
DJDN
英文

0653 GMT Nordic markets are seen opening sharply higher Thursday. with IG calling the OMXS30 2.3% higher at around 1492. "U.S. stock markets once again showed large volatility on the day but this time the move was up, with the S&P500 ending the day 3.9% higher with gains accelerating in the last trading hours," says Danske Bank. "The positive sentiment has carried over to Asia this morning where all major indexes are up." Focus remains on emerging markets and the oil price and although tentative signs of stabilisation have emerged, uncertainty is still high, Danske adds. The data focus today will be on eurozone M3 money supply, U.S. GDP, initial jobless claims and pending home sales. Regional eyes are on earnings from ISS and Seadrill. OMXS30 closed at 1458.20, OMXN40 at 1442.21 and OBX at 515.40. (dominic.chopping@wsj.com)

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markettalk@wsj.com

(END) Dow Jones Newswires

August 27, 2015 02:53 ET (06:53 GMT)

文件 DJDN000020150827eb8r000hw

DOW JONES
NEWSWIRES

Nordic Stocks Seen Opening Sharply Lower -- Market Talk

180 字
2015 年 8 月 26 日 07:42
Dow Jones Institutional News
DJDN
英文

0642 GMT Nordic markets are seen opening sharply lower Wednesday, with IG calling the OMXS30 down 1.7% at around 1458. The PBOC Tuesday cut rates for the fifth time since November, and although the initial market reaction was positive, U.S. stocks soon turned south, with the S&P500 closing down another 1.4%. "Following a sharp sell-off in U.S. stocks late in yesterday's trading session, focus today will be on whether European markets will take another turn for the worse," says Danske Bank. "Data on U.S. oil inventories this afternoon will be watched closely. The oil price fell again yesterday after recovering a bit during the day." Data-wise, there's Swedish consumer confidence, Norwegian unemployment and US durable goods today. OMXS30 closed at 1483.35, OMXN40 at 1460.75 and OBX at 511.66. (dominic.chopping@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com

(END) Dow Jones Newswires

August 26, 2015 02:42 ET (06:42 GMT)

文件 DJDN000020150826eb8q000hd

DOW JONES
NEWSWIRES

Yuan May Fall on China's Rate Cut and Stimulus Measures -- Market Talk

212 字
2015 年 8 月 26 日 01:13
Dow Jones Institutional News
DJDN
英文

0013 GMT [Dow Jones] USD/CNY is likely to rise Wednesday, implying a weaker yuan versus the greenback, after the offshore yuan declined late Tuesday on fresh monetary policy easing by China. Lowered interest rates diminish the potential value of holding a currency. The People's Bank of China after market hours announced a 25 basis point cut in its 1-year lending and deposit rates, as well as a 50 basis point reduction in the Reserve Requirement Ratio for banks. The moves were the latest measures by the government to boost economic growth and shore up investor confidence, after a series of steep falls in the stock market. On Tuesday, the Shanghai Composite index ended 7.6% lower. It remains to be seen if equity investors will latch on to this latest round of policy-easing as a reason to stop selling - or even start buying again. The rate-cut by China initially spurred a stock market rebound in the U.S.

overnight, but gains were short-lived and the benchmark S&P500 index closed 1.4% lower. (ewen.chew@wsj.com)

Editor: MNG

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August 25, 2015 20:13 ET (00:13 GMT)

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DOW JONES NEWSWIRES

USD/KRW Bounces, Keeps Bullish Bias, Despite China's Rate-Cut -- Market Talk

206 字
2015 年 8 月 26 日 01:32
Dow Jones Institutional News
DJDN
英文

0032 GMT [Dow Jones] The South Korea won's sharp overnight rise followed by retreat - which was seen in other risk-assets too - is an indication that investors aren't fully convinced that China's rate-cut announced late Tuesday is the panacea for its crumbling stock market. USD/KRW bounced from an implied low of around 1,180 (derived from the offshore-traded nondeliverable forwards market) to trade at around 1,191.5 now. A Wednesday close above 1,190 would keep the bullish chart pattern of the USD/KRW Bollinger uptrend channel intact, which would suggest that the won may weaken against the dollar ahead. While the won is currently stronger against the U.S. dollar compared to its last close, the inability for the won and other emerging market currencies to hold on to gains may be disconcerting. The rate-cut by China initially spurred a sharp stock market rally in the U.S. overnight, but it was short-lived and the benchmark S&P500 index closed 1.4% lower.

(ewen.chew@wsj.com)

Editor: MNG

(END) Dow Jones Newswires

August 25, 2015 20:32 ET (00:32 GMT)

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DOW JONES
NEWSWIRES

USD/SGD Rebound Suggests Skepticism at China's Rate-Cut -- Market Talk

201 字
2015 年 8 月 26 日 01:20
Dow Jones Institutional News
DJDN
英文

0020 GMT [Dow Jones] USD/SGD fell sharply late Tuesday but then rebounded, after fresh monetary policy easing was announced by China. The central bank lowered its base interest rates and also slashed the Reserve Requirement Ratio for banks to promote lending. The initial drop in USD/SGD implied positive investor sentiment, but the quick turnaround revealed a skepticism that China's latest policy easing is indeed the antidote that the market needs. The rate-cut by China initially spurred a stock market rebound in the U.S. overnight, but gains were short-lived and the benchmark S&P500 index closed 1.4% lower. The safe haven U.S. dollar bounced broadly, while funding currencies recovered from intraday lows - a sign that deleveraging may be back on the cards. USD/SGD is now 1.4053 from its Tuesday close of 1.4048. A Wednesday close above 1.4066 would re-engage the Bollinger uptrend channel - a bullish chart pattern that would forecast more greenback strength in the near term.

(ewen.chew@wsj.com)

Editor: MNG

(END) Dow Jones Newswires

August 25, 2015 20:20 ET (00:20 GMT)

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

1,356 字
2015 年 8 月 26 日 16:58
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
1558 GMT The Belgian stock market, like many in Europe, finishes lower Wednesday amid ongoing concerns over slowing growth in China. The Bel-20 index ends down 1.4% at 3346.19. All of the stocks in the index are in negative territory at the close. The biggest loser is Befimmo SA down 2.3%, followed by KBC Groupe down 2%. (julian.barnes@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1555 GMT The AEX ends Wednesday down 1.8% at 428.73, as volatility persists after recent tumultuous trading sessions amid uncertainty over China's future economic growth and Beijing's ability to gain control over markets. Altice is the biggest decliner, closing down 6.8%, followed by Shell and ArcelorMittal, both down 3.4%. Thursday, Dutch SIM-card supplier Gemalto and Dutch financial SNS Reaal will publish their first half 2015 results. Investors will also keep an eye on U.S. GDP figures at 1230 GMT. (ellen.proper@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1550 GMT CAC-40 ends down 1.4% at 4501.05, recovering from sharper losses in earlier trading after Wall Street opens higher despite investors' ongoing concerns over slowing growth in China. Investors will watch out for signs that France's timid economic recovery is generating new jobs with French unemployment data due later Wednesday. On Thursday, the U.S. weekly jobless claims Report and the second estimate for second-quarter GDP will be published at 1230 GMT. The U.S. pending home sales index will be released at 1400 GMT. (noemie.bisserbe@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1549 GMT Germany's DAX ends 1.3% lower at 9997, after a relatively volatile session. Analysts point to high volatility in Chinese markets after fresh measures to ease monetary policy failed to calm investors' nerves. "These developments on global stock markets show that uncertainty is still enormous and that trust in central banks ..... seems to be severely shaken," says Jens Klatt of DailyFX. Leading the list of DAX losers, SAP ends down 3.3%. On the TecDAX, Wirecard ends down 3.9% on a report that the German payments processor plans to enter the bidding for U.K. rival Worldpay. (natascha.divac@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1546 GMT London's FTSE 100 ends the session 1.7% lower at 5979, having risen briefly earlier in the session. All but a handful of stocks fell on the day, with Frenillo the biggest loser, down slightly more than 7%. Shares in Standard Chartered fell 5.1%. Shares in Randgold Resources slipped 4.6%. The day's biggest gainer was International Consolidated Airlines. Shares in the parent of British Airways rose 2.6%. (josie.cox@wsj.com)

Contact us in London. +44-20-7842-9464

markettalk@wsj.com
1539 GMT Nordic stock markets close mixed after a day of choppy trade, fueled by continued concerns over the growth outlook in China. The OMXN40 ends down 1.3%, OMXS down 1.7% and the oil-heavy OBX index up 0.7%. Markets again lost ground in the afternoon after bouncing back earlier in the day from losses at the opening. The moves follow another volatile session in Chinese markets where investors reacted to the Chinese central bank's decision to cut interest rates. In individual stocks, Saab closed 1.2% higher after Brazil and Sweden inked a financing deal for its fighter jets. Eyes Thursday will be on the U.S. central bank conference in Jackson Hole. (anna.molin@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1347 GMT Most stock markets in the Persian Gulf end lower Wednesday, after rebounding in the previous session from sharp recent losses. "The overall environment remains fragile as markets are witnessing wild intraday movements," notes Al Masah Capital. Fears of a deepening Chinese economic slowdown continue to weigh on global market sentiment. Saudi stocks finish 2.1% lower at 7384.46. The market rebounded more than 7% Tuesday, after losing 12% over the previous two sessions. Dubai stocks end down 1.4% at 3507.27, Abu Dhabi's market slips 0.1% to 4329.94, while Doha's main index rises 0.5% to 10,957.62. (nikhil.lohade@wsj.com; Twitter: @lohadenikhil)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
1118 GMT It's shortly after midday in Europe and most country indexes are still firmly in negative territory. The Stoxx Europe 600 is down 0.7%, London's FTSE 100 is off 0.6%, France's CAC is down 0.4% and Germany's DAX has lost 0.5%. Ireland's benchmark index is one of the only ones in positive territory, up 0.3%. In the U.S. futures contrast point to a 1.9% opening gain for the S&P 500. Future contracts, however, do not always accurately predict moves after the opening bell. (josie.cox@wsj.com)

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markettalk@wsj.com
0927 GMT Milan's Ftse Mib is down 1.4% at 21,356, weighed by continued losses on China's equity markets and following the weak close on Wall Street overnight. "Today's declines indicate a widespread lack of confidence on the Chinese central bank's ability to stop the selloff," says a trader. Another trader says that data on U.S. durable goods sales could have a positive impact on markets if they will be above market expectations. Almost all Italian stocks are in negative territory. (giovanni.legorano@wsj.com)

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markettalk@wsj.com
0708 GMT Red is dominating European stock market screens again on Wednesday, with the markets selling into Tuesday's gains. The Stoxx Europe 600 is down 1.8% shortly after opening, London's FTSE 100 is down 1.5%, Germany's DAX is off 1.7% and France's CAC is down 1.8%. The Stoxx Europe 600 is close to 12% lower so far in August. (josie.cox@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0706 GMT [Dow Jones]--London's FTSE 100 is trading 1.5% lower at 5990.86 shortly after the market open. Following a 10-session losing streak, the index ended Tuesday over 3% higher. On Wednesday morning, however, only two stocks are pushing higher. Anglo American is the biggest loser, down around 3%. (josie.cox@wsj.com)

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markettalk@wsj.com
0642 GMT Nordic markets are seen opening sharply lower Wednesday, with IG calling the OMXS30 down 1.7% at around 1458. The PBOC Tuesday cut rates for the fifth time since November, and although the initial market reaction was positive, U.S. stocks soon turned south, with the S&P500 closing down another 1.4%. "Following a sharp sell-off in U.S. stocks late in yesterday's trading session, focus today will be on whether

European markets will take another turn for the worse," says Danske Bank. "Data on U.S. oil inventories this afternoon will be watched closely. The oil price fell again yesterday after recovering a bit during the day." Data-wise, there's Swedish consumer confidence, Norwegian unemployment and US durable goods today. OMXS30 closed at 1483.35, OMXN40 at 1460.75 and OBX at 511.66. (dominic.chopping@wsj.com)

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Markettalk.eu@dowjones.com

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DOW JONES
NEWSWIRES

UK Market Talk Roundup: Brokers Comments

840 字
2015 年 8 月 26 日 12:18
Dow Jones Institutional News
DJDN
英文

Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, markets.eu@dowjones.com
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markettalk@wsj.com
0641 GMT Germany's DAX is poised to open 1.6% lower at 9,667 Wednesday, according to a pre-market indication by Lang & Schwarz, dropping below the 10,000 mark again as falling Chinese stocks and a weaker close on Wall Street reminds traders of the fragile global economy. Volkswagen and other car makers could suffer after VW said sales fell in July, notably on weaker demand from China, where the decline outpaced peers. Traders are weighing the possibility that the Fed could now keep the status quo longer amid China's weakness and global market selloffs. A press briefing by the New York Fed at 1400 GMT and comments by other Fed officials in the coming days and weeks will be scrutinized for direction on U.S. rate policy. (Ulrike.dauer@wsj.com)

Contact us in London. +44-20-7842-9464
markettalk@wsj.com
0634 GMT Paris's CAC-40 is seen Wednesday opening 0.7% lower at 4564.86 on continued volatility in Asian stock markets. There are still worries within the markets whether China's central bank had done enough, with its interest rate cut, to spur its slowing economy. Traders are also likely to watch U.S. durable goods orders, at 1230 GMT, for signs that Asian market turmoil has affected U.S. demand. U.S. oil inventory data later Wednesday will also be studied. (matthew.dalton@wsj.com)

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DOW JONES
NEWSWIRES

China's Rate & RRR Cuts Could Support Stock Market, Says Citi -- Market Talk

2,005 字
2015 年 8 月 26 日 01:58
Dow Jones Institutional News
DJDN
英文

0058 GMT [Dow Jones] China's interest rate and banks' reserve requirement ratio (RRR) cuts could support the stock market given the significant correction in the past two trading days, says Citi. The People's Bank of China after market hours announced a 25 basis points cut in its 1-year lending and deposit rates, as well as a 50 basis point reduction in the RRR for banks Tuesday. Citi estimates this could release around 700 billion yuan liquidity. Citi retains its positive stance on MSCI China Index (32% upside) and neutral stance on CSI 300 Index (8% upside). "We think the policies lowered China's hard-landing risks, which the market is pricing in as MXCN [MSCI China Index] is trading at a 15-year trough P/B [price-to-book ratio] valuation," it says. Adding that historically, a 25 basis point rate cut and 50 basis points RRR cut drove MSCI China Index up around 1% each.

Moreover, Citi says after rounds of rate and RRR cuts, investors have shifted the focus more on the policy effectiveness of the real economy, which may still need time to witness. (carol.chan@wsj.com)

Editor: KLH

0050 GMT [Dow Jones] Malaysia's ringgit has fallen to a fourth consecutive 17-year low against the U.S. dollar Wednesday, despite hopes that China's rate-cut announced late Tuesday would lift investor sentiment and thus help emerging market currencies. USD/MYR rose as high as 4.3030 from its last close of 4.2100, according to a spot market trader, as general bearishness prevails. Markets don't seem to be convinced that China's cut in its benchmark lending and deposit rates, as well as cut in banks' Reserve Requirement Ratio, will reverse the steep fall in its equity market. The underlying economic fundamentals are still weak, amid fears that more liquidity isn't what China's equity bubble needs. USD/MYR is now 4.2900 from its Tuesday close of 4.2100 implying a 1.9% depreciation of the ringgit versus the dollar.

(ewen.chew@wsj.com)

Editor: MNG

0046 GMT [Dow Jones] Australia's economy is at a higher-than-normal risk of contracting at least once this year, warns UBS economist George Tharenou. He thinks the country's nominal gross domestic product may have already declined by 0.3% in the second quarter over the first, which would mark the weakest trend since the global financial crisis. But does that mean Australia will automatically slide into recession, defined as two consecutive quarters of negative growth? Tharenou thinks the chances are high the country will only see what he calls a "phantom recession"; not a broad downturn in housing and consumption, but rather a period of weak growth due to the collapse in business investment spending ahead of a "big boost from the full ramp-up of LNG exports in 2016". New official GDP numbers are due on September 2.(vera.sprothen@wsj.com)

Editor: KLH

0043 GMT [Dow Jones] The USD/JPY may enter mid-term downtrend if the pair (now at 118.83) fails to bounce back to its 200-day moving average of 120.70 for now, says Osamu Takashima, chief FX strategist at Citigroup Global Markets Japan, in a morning note. "There still remains concern that the pair will try downside again," if China and Japan stocks lack luster today, says Takashima. The pair now clearly stays below its 200-day moving average for the first time in the past three years, meaning "the sentiment has turned to the worst level in the long-term process heading toward the yen's weakness." The pair's downside support is now tipped at 115.50, a Fibonacci retracement line. (hiroyuki.kachi@wsj.com)

Editor: KLH

0040 GMT [Dow Jones] Australia's equity market appears to have been unsettled by the sharp swings in U.S. stocks in overnight trading, opening the day sharply lower to release some of Tuesday's strong recovery. The ASX 200 is down 0.6% at 5109.2, having been down as much as 1.7% in the early minutes of trading. "Today will be one of those trading days when large moves in either direction are a real possibility," Ric Spooner, chief market analyst at CMC Markets, says. He adds the late fall in U.S. stocks on Tuesday suggests the fall in equity markets is more than just a reassessment of the outlook for growth in China, the world's second biggest economy and Australia's biggest trading partner. U.S. stock market hadn't had a major correction in some time, so are vulnerable to volatility that could take some time to settle down, he says. In Australia, shares in the big banks are leading the decline after helping lift the wider ASX 200 2.7% on Tuesday. ANZ (ANZ.AU) and NAB (NAB.AU) are both down more than 1%, and Commonwealth Bank (CBA.AU) is 0.3% lower. Still, resources stocks are showing resilience. Oil Search (OSH.AU) is up 3.6% as brokers weigh in on earnings results released Tuesday, and Origin Energy (ORG.AU) is up 1%. BHP Billiton (BHP.AU) is up 1.4% after it released its annual results after the ASX closed yesterday, and gold producer Newcrest (NCM.AU) is 1.6% higher. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

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0032 GMT [Dow Jones] The South Korea won's sharp overnight rise followed by retreat - which was seen in other risk-assets too - is an indication that investors aren't fully convinced that China's rate-cut announced late Tuesday is the panacea for its crumbling stock market. USD/KRW bounced from an implied low of around 1,180 (derived from the offshore-traded nondeliverable forwards market) to trade at around 1,191.5 now. A Wednesday close above 1,190 would keep the bullish chart pattern of the USD/KRW Bollinger uptrend channel intact, which would suggest that the won may weaken against the dollar ahead. While the won is currently stronger against the U.S. dollar compared to its last close, the inability for the won and other emerging market currencies to hold on to gains may be disconcerting. The rate-cut by China initially spurred a sharp stock market rally in the U.S. overnight, but it was short-lived and the benchmark S&P500 index closed 1.4% lower.

(ewen.chew@wsj.com)

Editor: MNG

0029 GMT [Dow Jones] Japanese stocks remain unstable. After opening up slightly, Japan's benchmark Nikkei is now down 0.02% at 17802.83. Hiroichi Nishi, general manager of equity at SMBC Nikko Securities, says Japanese stocks are supported by the Chinese central bank's fresh easing decisions and some recovery in European stocks, but high frequency traders are likely to continue creating some gyrations. Of the 33 Topix subindexes, 22 are higher. Major exporters are mixed: Toyota Motor Corp. (7203.TO) is up 2.2% at Y6,871. Kyocera Corp. (6971.TO) is down 0.7% at Y5,526. (kosaku.narioka@wsj.com)

Editor: MNG

0020 GMT [Dow Jones] USD/SGD fell sharply late Tuesday but then rebounded, after fresh monetary policy easing was announced by China. The central bank lowered its base interest rates and also slashed the Reserve Requirement Ratio for banks to promote lending. The initial drop in USD/SGD implied positive investor sentiment, but the quick turnaround revealed a skepticism that China's latest policy easing is indeed the antidote that the market needs. The rate-cut by China initially spurred a stock market rebound in the U.S. overnight, but gains were short-lived and the benchmark S&P500 index closed 1.4% lower. The safe haven U.S. dollar bounced broadly, while funding currencies recovered from intraday lows - a sign that deleveraging may be back on the cards. USD/SGD is now 1.4053 from its Tuesday close of 1.4048. A Wednesday close above 1.4066 would re-engage the Bollinger uptrend channel - a bullish chart pattern that would forecast more greenback strength in the near term. (ewen.chew@wsj.com)

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Editor: MNG

2323 GMT [Dow Jones] Selling in Japanese stocks has likely run its course for now, factoring in a slowdown in the global economy, says Shingo Kumazawa, strategist at Daiwa Securities. Japan's benchmark Nikkei lost 15% since its recent peak in late June amid China's slowdown concerns and uncertainty over the Federal Reserve policy outlook. In fact, Kumazawa says the selloffs might have been excessive, potentially leading for Japanese stocks to make some rebound in coming sessions. "The market probably overshot the (dimmer) economic outlook," he says. Because of heightened volatility, the rebound may also be fast, he says. Nikkei ended Tuesday down 4.0% at 17806.70. Nikkei 225 September futures ended Chicago trading at 17750, compared to an earlier close in Osaka at 17670.(kosaku.narioka@wsj.com)

25 Aug 2015 20:58 ET China's Rate & RRR Cuts Could Support Stock -2-

2307 GMT [Dow Jones] Virtus Health's (VRT.AU) valuation has become more compelling yet Macquarie questions whether investors have seen the last of the profit downgrades from the reproductive health specialist. Current industry demand and competitive pressures suggest risk to margins, while the consensus forecasts still appear to optimistic, it says. Still, it says there were some positive signs in Virtus' full-year results. Acquisitions offered a patch for what would otherwise have been lost market share. Prices and margins held relatively firm for the year, while the company's business in Ireland performed strongly. Macquarie sticks with a neutral recommendation and cuts its target price to A$6.25 from A$7 on the shares, which were last at A$4.76. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2257 GMT [Dow Jones] New Zealand exported NZ$4.2 billion worth of goods in July, up NZ$514 million, or 14%, versus July a year ago, Statistics New Zealand says. Fruit, New Zealand's fourth-largest export commodity group rose NZ$105 million or 51% to NZ$311 million. The rise was led by kiwifruit, which jumped 48%. Stats NZ says the falling New Zealand dollar contributed to the rise in total export values. "A weaker dollar means that exporters receive more New Zealand dollars for transactions in foreign currencies, while imports cost more," says international statistics senior manager Jason Attewell. According to Stats, the central bank's traded weighted index shows the NZD is 3.5% lower in July than in June and 14% lower than it was in July a year ago. (rebecca.howard@wsj.com; @FarroHoward)

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DOW JONES
NEWSWIRES

Nikkei Remains Volatile; China Easing Supports -- Market Talk

1,605 字
2015 年 8 月 26 日 01:30
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0013 GMT [Dow Jones] USD/CNY is likely to rise Wednesday, implying a weaker yuan versus the greenback, after the offshore yuan declined late Tuesday on fresh monetary policy easing by China. Lowered interest rates diminish the potential value of holding a currency. The People's Bank of China after market hours announced a 25 basis point cut in its 1-year lending and deposit rates, as well as a 50 basis point reduction in the Reserve Requirement Ratio for banks. The moves were the latest measures by the government to boost economic growth and shore up investor confidence, after a series of steep falls in the stock market. On Tuesday, the Shanghai Composite index ended 7.6% lower. It remains to be seen if equity investors will latch on to this latest round of policy-easing as a reason to stop selling - or even start buying again. The rate-cut by China initially spurred a stock market rebound in the U.S. overnight, but gains were short-lived and the benchmark S&P500 index closed 1.4% lower. (ewen.chew@wsj.com)

Editor: MNG

2323 GMT [Dow Jones] Selling in Japanese stocks has likely run its course for now, factoring in a slowdown in the global economy, says Shingo Kumazawa, strategist at Daiwa Securities. Japan's benchmark Nikkei lost 15% since its recent peak in late June amid China's slowdown concerns and uncertainty over the Federal Reserve policy outlook. In fact, Kumazawa says the selloffs might have been excessive, potentially leading for Japanese stocks to make some rebound in coming sessions. "The market probably overshot the (dimmer) economic outlook," he says. Because of heightened volatility, the rebound may also be fast, he says. Nikkei ended Tuesday down 4.0% at 17806.70. Nikkei 225 September futures ended Chicago trading at 17750, compared to an earlier close in Osaka at 17670.(kosaku.narioka@wsj.com)

2307 GMT [Dow Jones] Virtus Health's (VRT.AU) valuation has become more compelling yet Macquarie questions whether investors have seen the last of the profit downgrades from the reproductive health specialist. Current industry demand and competitive pressures suggest risk to margins, while the consensus forecasts still appear to optimistic, it says. Still, it says there were some positive signs in Virtus' full-year results. Acquisitions offered a patch for what would otherwise have been lost market share. Prices and margins held relatively firm for the year, while the company's business in Ireland performed strongly. Macquarie sticks with a neutral recommendation and cuts its target price to A$6.25 from A$7 on the shares, which were last at A$4.76. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2257 GMT [Dow Jones] New Zealand exported NZ$4.2 billion worth of goods in July, up NZ$514 million, or 14%, versus July a year ago, Statistics New Zealand says. Fruit, New Zealand's fourth-largest export commodity group rose NZ$105 million or 51% to NZ$311 million. The rise was led by kiwifruit, which jumped 48%. Stats NZ says the falling New Zealand dollar contributed to the rise in total export values. "A weaker dollar means that exporters receive more New Zealand dollars for transactions in foreign currencies, while imports cost more," says international statistics senior manager Jason Attewell. According to Stats, the central bank's traded weighted index shows the NZD is 3.5% lower in July than in June and 14% lower than it was in July a year ago. (rebecca.howard@wsj.com; @FarroHoward)

2251 GMT [Dow Jones] The need for "mega" capital raisings now appears to be behind Australia's biggest banks, although Credit Suisse suggests Westpac (WBC.AU) may yet have to undertake another underwritten dividend reinvestment plan to raise capital. Following a round of big capital raisings in August, the brokerage now estimates the capital accumulation task for the big four banks has moderated to A$20 billion from A$28 billion prior to the raisings. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

16:50 EDT - A late plunge in the stock market is again shaking investor confidence on a day that markets earlier had managed to stabilize from their recent rout. Dollar is paring its gains, though still up on the day. The euro and yen built momentum against the greenback as investors began to shed riskier positions that the two currencies funded. That involved buying some euros and yen back that had been sold to put trades on for higher-yielding assets, says Societe Generale's Carl Forcheski. "Investors in general are still looking for signs of stability," he says. "We got some with China's rate cut, but it didn't last." Euro down 0.9% to $1.1517, after trading at $1.1423 at 3 pm. Dollar up 0.3% to Y118.82 after trading at Y119.73 an hour before stocks closed. (james.ramage@wsj.com)

2018 GMT - NZD/USD is weaker early in New Zealand after "the People's Bank of China put some more fuel in the liquidity pump overnight to help ease pressures and calm global equity markets," ANZ Bank says. It notes that despite the easing measures, downward pressure could persist on CNY which is a "negative for commodity prices as it reduces Chinese purchasing power." As a result, "against commodity currencies like NZD, CAD and AUD markets were sceptical," it says. A late dive in U.S. equities likely also weighed on sentiment. The pair is at 0.6476 and it tips a short-term range of 0.6420 - 0.6560. (rebecca.howard@wsj.com; @FarroHoward)

15:51 EDT - Gains in US stocks have evaporated but Treasurys aren't seeing the usual benefits. Bond prices are only slightly off session lows, continuing what has been a muted version of swings in other financial markets, bond traders say. They say positions in Treasurys are very well-balanced, so there isn't much impetus for the market to capitulate in either direction. Columbia Threadneedle portfolio manager Gene Tannuzzo says the worries about global growth swaying stocks today were already reflected in bonds. He sees the Fed raising rates in December, which should keep an upward pressure on yields. Ten-year notes down 30/32 to yield 2.10%. (cynthia.lin@wsj.com; @cynthialin_dj)

15:33 EDT - Iran continues to increase exports from its fleet of oil tankers sitting in the Persian Gulf, Macquarie Group says. The latest, the 2M-barrel Nancy, was anchored in the Gulf since early April but was last seen Sunday off the coast of United Arab Emirates. This follows at least two other tankers carrying Iranian crude and ultralight oil that have left the fleet since the US and world powers approved a nuclear agreement with Iran. Market analysts have been closely watching the fleet of about 20 tankers to see if Iran begins selling oil onto global markets before sanctions are fully lifted. Iranian exports "will weigh on current physical market fundamentals," firm says, adding that the rate appears to be about 70kbd. (christian.berthelsen@wsj.com)

14:56 EDT - Financial markets are much calmer today, but that's not stopping research firm Stone & McCarthy from reassessing its outlook on Fed policy after the recent tumult. "Even if the roller coaster that is the stock market smoothes out its ride, we are scarcely four weeks away from the FOMC meeting on September 16-17," firm's economic analyst Terry Sheehan says, thinking now that a rate liftoff at the October or December meeting is more probable. Sheehan notes that moving at either of those meetings would still uphold Yellen's remarks that tightening could happen "later this year." (cynthia.lin@wsj.com; @cynthialin_dj)

(END) Dow Jones Newswires

August 25, 2015 20:30 ET (00:30 GMT)

文件 DJDN000020150826eb8q0003b

DOW JONES
NEWSWIRES

*DJIA Falls 204.9 Points (1.3%), to 15666.44; Merck, Chevron Fall Most

68 字
2015 年 8 月 25 日 21:09
Dow Jones Institutional News
DJDN
英文

25 Aug 2015 16:10 ET *S&P500 Drops 25.60 Points (1.4%), to 1867.61; Utilities, Telecom Fall Most

25 Aug 2015 16:10 ET *Nasdaq Composite Falls 19.76 Points (0.4%) to 4506.49

(MORE TO FOLLOW) Dow Jones Newswires

August 25, 2015 16:10 ET (20:10 GMT)

文件 DJDN000020150825eb8p0039e

DOW JONES
NEWSWIRES

Nikkei Down 3.8%, Hits Lowest Level Since February -- Market Talk

1,725 字
2015 年 8 月 25 日 01:24
Dow Jones Institutional News
DJDN
英文

0023 GMT [Dow Jones] Japanese stocks are down as global slowdown concerns persist and selloffs continue in various markets globally. The benchmark Nikkei is down 3.8% at 17830.09, the lowest level since February 10. A higher yen, which has been bought on the safe-haven demand, is hitting major Japanese exporters: Toyota Motor Corp. (7203.TO) is down 4.5% at Y6,683. Kyocera Corp. (6971.TO) is 3.3% lower at Y5,653.

(kosaku.narioka@wsj.com)

Editor: MNG

0021 GMT [Dow Jones] The Australian dollar has rebounded from a 6.5-year low of 0.7051 notched Monday as bullish-greenback bets were trimmed on the possibility that the U.S. Federal Reserve won't lift interest rates next month. Mayhem in global stock markets has spread to Wall Street over the last few days, sending U.S. stocks into correction territory - defined as a 10% fall from the peak. If the Fed were to tighten monetary policy in September as most market participants had previously expected, it could send global equity markets into utter chaos. The Aussie could be staging a relief rally also on hopes that China's central bank will pull another rabbit out of the hat. Since late last week, economists have suggested that the People's Bank of China might cut banks' Reserve Requirement Ratio as a form of monetary policy easing to boost lending and rebuild equity investor confidence. AUD/USD is now 0.7190 from its Monday close of 0.7153. (ewen.chew@wsj.com)

Editor: MNG

0020 GMT [Dow Jones] Asian investors brace for another day of plummeting share prices in a triumph of fear over fundamentals, says Mardi Dungey, professor of economics and finance at the University of Tasmania. What really sparked the selloff, says Dungey, is a phenomenon called contagion--an over-reaction by investors who are spooked that fundamental economic relationships responded differently to what they had expected. "The current currency uncertainty in Asia is a good case in point," says Dungey. "To date, there is no real evidence of the currency war that had been feared by some commentators. Instead, lowered expectations for future growth...have created falls in the value of other Asian currencies." Typically it takes investors a little while to sort out their reaction and recalibrate expectations after being rattled by contagion, says Dungey. (vera.sprothen@wsj.com)

Editor: KLH

0008 GMT [Dow Jones] Expectation for the BOJ easing may increase if the USD/JPY weakens to 115, says SMBC Nikko senior strategist Makoto Noji in a morning note. The bar is being set high for BOJ easing now, as depicted in Prime Minister Shinzo Abe's comments yesterday that the BOJ's missing 2% inflation target due to oil price fall can't be helped. When the government apparently allowed the BOJ to wait to reach the target in January, the USD/JPY stayed around 120. But a further JPY strength on the back of dovish monetary policy in the U.S. and the eurozone may heighten hopes for BOJ easing. Given the USD/JPY's slide toward 116 overnight, "possibility is high for the dollar to touch Y115 if the Fed clearly shows its stance to push back raising rates," he says. (hiroyuki.kachi@wsj.com)

Editor: MNG

0011 GMT [Dow Jones] USD/KRW opens sharply lower Tuesday at 1,192 versus its Monday close of 1,199 as the plunge in global stock markets reduces the possibility of a U.S. interest rate-rise. The greenback has retreated against Asian currencies - which hit multi-year lows on Monday when risk aversion was in full swing - as traders pare bets that the U.S. Federal Reserve will lift interest rates in September. Another steep fall in U.S. stocks Monday has flipped expectations of the Fed's upcoming FOMC decision, due to the potentially disastrous impact it would have on already-negative investor sentiment. If the Fed doesn't blink and goes ahead with a rate-increase, stocks could head into a full apocalypse and emerging market currencies will likely tumble again. USD/KRW is now 1,194.8 from its Monday close of 1,199.0. (ewen.chew@wsj.com)

Editor: MNG

0005 GMT [Dow Jones] USD/SGD subsided overnight from its 5-year high of 1.4166 as U.S. stocks plunged in a follow-up move to China's stock market collapse Monday. The greenback has come off against Asian currencies as traders are now pricing in the possibility that financial market upheaval might force the U.S. Federal Reserve to push back its first interest rate-rise. The desire to avert a prolonged stock market selloff might motivate the U.S. Federal Reserve to consider tightening monetary policy in December, or perhaps early next year instead of September as expected previously. U.S. stocks managed to recover some losses after panic selling faded, but the S&P500 stock index still ended Monday down 3.9%. USD/SGD is now 1.4100 from its Monday close of 1.4099, and will maintain a bullish technical bias if it ends Tuesday above 1.4063 thus inside the Bollinger uptrend channel. (ewen.chew@wsj.com)

Editor: MNG

2358 GMT [Dow Jones] What investors are watching is a sharp correction within a bull market, not the start of a bear market, similar but more dramatic than what was seen in 2011, Market Matters says. The Dow industrials hit an 18-month closing low, but Market Matters notes that the Dow had rallied for over three years without a 10% correction--statistically very unusual. It concedes it underestimated the pull-back in Australia's ASX 200, but reckons there are opportunities as the market opens Tuesday. The big four banks, for instance, are a strong buy, it says. The banks have recapitalized and are paying "amazing" yields. "Today we are very likely to be able to buy ANZ (ANZ.AU) paying well over 7%, CBA (CBA.AU) paying well over 6%, NAB (NAB.AU) paying well over 7.5% and WBC (WBC.AU) close to 7%. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2339 [Dow Jones] -- Despite Lend Lease (LLC.AU) benefiting from strong residential property markets, UBS downgrades its earnings guidance for the company due to the weak performance of its construction business. Shaves earnings forecasts by about 2% in FY16 and 4% in FY17, but upgrades FY18E by 1% based on the timing of apartment settlements. "A poor result for Australian construction has led us to downgrade this business for the third time in 12 months; FY16 and FY17 estimates are now down 30-40% from 12 months ago," the broker says. "Downgrades have been driven by project cancellations (East West Link), project mix (lower margin building vs engineering) and larger long dated projects." Cuts price target to A$17.15 a share from A$18.80. Keeps Buy rating. (rebecca.thurlow@wsj.com; @beckthurlow)

2325 GMT [Dow Jones] Australia's Treasurer Joe Hockey says global stock market volatility is a correction and does not signal a repeat of a 2008-style financial crisis. He adds that a meeting of global finance ministers and central bankers next week in Turkey will be a chance for policymakers to discuss their response to sharp downturns in China and elsewhere. "The world is coming together to deal with these sorts of issues," Mr. Hockey tells Australian television. "I'm absolutely confident, absolutely confident, that the fundamentals of the Australian economy and the global economy are still good. Without doubt that is the situation." Market economists have expressed confidence that recent sharp falls in equity prices will not filter through into much weaker investment or consumption in Australia, even though equity prices in Australia are still 16% lower than at the peak in April. (rob.taylor@wsj.com; Twitter: @WSJRobTaylor)

2323 GMT [Dow Jones] It was clear that investor concerns about a deterioration in the asset quality of Australia's banks was heightened this earnings season. Digging through the numbers, Credit Suisse finds the data was fairly benign. The impaired ratio across the four big banks declined by 2 basis points to 0.26% in the June-ended quarter, while the past-due ratio was flat at 0.24% after a deterioration in the March quarter. In business lending, the impaired ratios declined for all the banks, while for mortgages impaireds were lower for all banks other than Commonwealth Bank (CBA.AU), the brokerage says. There was a second consecutive quarter of rising impaireds for credit cards, although Credit Suisse adds that seasonally that's common. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

2320 GMT [Dow Jones] -- Japanese stocks may remain unstable on global slowdown concerns and volatility in various markets. Following the recent selloffs, some market participants are anticipating the market to bottom out soon, but it is hard to pin down the precise level, says Yoshihiro Okumura, general manager of research at Chibagin Asset Management. He says some Japanese stocks are becoming undervalued. Still, what market participants want is comments from Federal Reserve officials to ease market concerns, he says. Nikkei ended Monday down 4.6% at 18540.68. Nikkei 225 September futures ended Chicago trading at 17810, compared to an earlier close in Osaka at 18410. (kosaku.narioka@wsj.com)

2313 GMT [Dow Jones] -- While Australia's major banks haven't yet shown a deterioration in asset quality, the steady improvements in stressed exposures appears to be at an end, UBS says. Over the last three years, real average earnings in Australia have fallen a cumulative 3.7%. The brokerage argues that if this spreads to a further rise in the jobless rate, then an increase in consumer arrears appears inevitable. And that would also lead to pressure on asset prices. The recent fall in bank shares means they are no longer expensive, but UBS says it is concerned by the outlook for bad and doubtful debts. It prefers Westpac (WBC.AU) and Commonwealth Bank (CBA.AU), given their strong asset quality and greater leverage to repricing loans. (robb.stewart@wsj.com; Twitter: @RobbMStewart)

(END) Dow Jones Newswires

August 24, 2015 20:24 ET (00:24 GMT)

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DOW JONES
NEWSWIRES

USD/SGD Retreats on Possibly Delayed U.S. Rate-Rise -- Market Talk

187 字
2015 年 8 月 25 日 01:17
Dow Jones Newswires Chinese (English)
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英文

0005 GMT [Dow Jones] USD/SGD subsided overnight from its 5-year high of 1.4166 as U.S. stocks plunged in a follow-up move to China's stock market collapse Monday. The greenback has come off against Asian currencies as traders are now pricing in the possibility that financial market upheaval might force the U.S. Federal Reserve to push back its first interest rate-rise. The desire to avert a prolonged stock market selloff might motivate the U.S. Federal Reserve to consider tightening monetary policy in December, or perhaps early next year instead of September as expected previously. U.S. stocks managed to recover some losses after panic selling faded, but the S&P500 stock index still ended Monday down 3.9%. USD/SGD is now 1.4100 from its Monday close of 1.4099, and will maintain a bullish technical bias if it ends Tuesday above 1.4063 thus inside the Bollinger uptrend channel. (ewen.chew@wsj.com)

Editor: MNG

(END) Dow Jones Newswires

25-08-15 0017GMT

文件 RTNW000020150825eb8p0000o

BARRON'S

MARKET WEEK
Stocks --- The Trader: Dow Drops by More Than 1,000 Points

By Vito J. Racanelli
2,007 字
2015 年 8 月 24 日
Barron's
B
M3
英文

So much for the lazy late summer.

Traders had to take cover against a market swoon that clobbered stocks around the world last week. Intensifying anxiety about slowing economic growth, particularly in China, sent stocks down a painful 6% on the week. It culminated in a nasty blowoff Friday, when the Dow Jones Industrial Average fell more than 500 points.

Energy equities were most punished, down 8.7%. Investors fled to "havens" like utilities and telecom stocks, down only 1% to 3%, and U.S. Treasury bonds. The yield on the 10-year note fell to 2.05% from 2.19%. (Bond prices move inversely to yields.)

Following the devaluation of the Chinese yuan, and a poor China data point released Friday, " . . . investors have come to the realization that global growth in the second half isn't going to reaccelerate as previously hoped," says Margaret Patel, a portfolio manager with Wells Fargo Asset Management.

Energy prices haven't stabilized either, again contrary to expectation. Crude oil fell 5% last week to $40.24 per barrel. "Stocks have been priced for growth, and if that doesn't happen, it takes the air out of the market," she says.

For years, the emerging markets were where U.S. multinationals, especially companies in the Dow, have been making investments for growth, says Paul Karos, a money manager with Whitebox Advisors. Now there's fear of an emerging-markets recession, he adds.

Last week, the Dow plunged 5.8%, or 1018 points, to 16,459.75, while the Standard & Poor's 500 index shed 121, or 5.8%, to 1970.89. For both, it was the biggest weekly point decline since October 2008. The Nasdaq Composite fell 6.8%, or 342, to 4706.04. World stocks dropped 6%. (For more on world markets, see page 20.)

Markit said Friday that the August preliminary Caixin/Markit China Manufacturing Purchasing Managers' Index, a measure of national manufacturing, fell to 47.1 from July's 47.8, to the lowest level in over six years. Below 50 is seen as a sign of contraction.

On a relative basis, the U.S. looks like an oasis of growth, but can it hold up if other economies recede? American domestic data will be key for U.S. stocks in the next few months, Karos says. "We still see slow but positive U.S. growth," he says. A few weeks ago, most investors thought the Federal Reserve would raise interest rates in September. Now, not so much.

"It feels bad. We haven't had a correction -- a 10% drop from highs -- in nearly four years," says Randy Frederick, a managing director at Charles Schwab. "The investor with an average risk tolerance should wait a few days before looking for bargains."

The market is more than halfway to a correction, heading into what are traditionally the most treacherous months. Maybe a correction is needed. Maybe it would be a good thing.

More Fizz for Coke?

Coca-Cola's stock, at $39.53 (ticker: KO) has effectively flatlined in the past 12 months. But the weakening broad market, combined with nascent signs of change at the soft-drinks behemoth, encourages us to warm to Coke. If the Atlanta-based company realizes its restructuring plan, there could be a 30% total return over the next couple of years.

Coke faces secular head winds of decreasing demand for carbonated soft drinks in the developing world. Weak emerging markets and the strong dollar are issues because it gets most of its operating income overseas.

Last Oct. 21, the maker of Coke, Fanta, Sprite, and other drinks announced $3 billion in annual cost cuts by 2019, which includes the divestment of a majority of its capital-intensive North American bottling assets by the end of 2017.

A year from now, that restructuring will be far enough along to make a significant reduction in Coke's capital needs more visible, avers Matt Dmytryszyn, a LaSalle Street Capital Management portfolio manager who's recently become bullish on the stock. LaSalle has been buying Coke shares in recent months.

Earnings and cash flow are at an "inflection point. It's a little clearer now that the $3 billion can happen," he says. Not all of it will fall to the bottom line, as Coke needs to reinvest in areas like marketing, but enough will.

The money manager says that $1 billion to $1.5 billion can come from lower capital requirements following the disposition of the North American bottling assets, which should be two-thirds complete next year. At that point, Coke's gross profit margin should approach its historic 64% level from the 61% seen after it bought those bottlers in 2010. Though the strong greenback remains an issue, the earnings pain should be lapped by next year.

Total carbonated-soda volumes, more than two-thirds of Coke's business, were up 1% in the second quarter and in the first six months, compared with year-earlier periods. North American carbonated-drinks volumes, in particular, appear to have stabilized recently. The region's volume fell from a 2% rise in 2012, to flat in 2013 and negative 1% last year. But it was flat in the most recent first half and up 1% in the second quarter. That seems like a small change but the direction is important for Coke.

Additionally, Coke's smaller noncarbonated businesses, such as juices, SmartWater and Honest Tea, are growing fast. The company continues to diversify away from its most famous brand. Coke last Wednesday acquired a minority stake in Suja Life, a small juice producer. That follows June's $2.15 billion purchase of a 16% stake in Monster Beverage (MNST).

The appointment earlier this month of James Quincey as president and chief operating officer was welcomed by big investors. He's viewed as heir apparent to Chairman and CEO Muhtar Kent, who's not popular with some investors, both for the poor returns of recent years and the row in 2014 over a new management compensation plan, which was subsequently modified.

Dmytryszyn values the stock at $50 by applying the current price/earnings ratio of 20 times to his earnings per share estimate of $2.50 in 2018, a number investors will be looking at a year from now. While Coke's shares aren't bargain-basement cheap, the 3.3% dividend yield looks attractive, and the stock could be good ballast in a market that is volatile and might even fall.

Reservations About HMS

Last Monday, a Bank of America Merrill Lynch report said health-care claims auditor HMS Solutions (HMSY) is "likely . . . insufficiently reserved," following a June 30 letter from the Centers for Medicare and Medicaid Services (CMS), which requested the return of about $28.6 million, an amount twice HMS' 2014 net income of $14 million.

Yet much of the stock's 50% drop to $8.84 since then probably results from other issues, which we'll get to later, as many investors probably hadn't known of the letter. The company didn't mention it in the Aug. 7 second quarter press release or earnings call.

The disclosure came Aug. 10 on page 19 of HMS' 10-Q filing with the Securities and Exchange Commission. The letter also states that the amount requested could rise as the CMS finalizes a settlement process with health-care providers. HMS acknowledged in the 10-Q that there could be "material negative impact" if the amount exceeds accrued reserves.

HMS operates in the health-care cost-containment market. Customers hire it to, among other things, review claims and make sure that providers, like hospitals, bill accurately. HMS revenues are based, in part, on amounts it recovers for clients in cases of provider overbilling.

Providers sometimes appeal overbilling decisions and win. Consequently, HMS keeps reserves on its balance sheet. When a client loses an appeals judgment, it could reduce already booked HMS' revenue and profit. The $28.6 million request follows a recent settlement by the CMS with some hospitals to clear a big backlog of pending appeals.

The money the CMS wants would be a huge percentage of HMS' current $40 million total reserve. That amount is meant to cover HMS's appeals risk for all its clients, which include the Veterans Hospital Administration, some 46 state Medicaid programs, and over 200 commercial customers.

HMS declined to comment to Barron's but is expected to contest the CMS request. Legally it seems unclear what HMS' refund responsibility is to the CMS in the event of a "settlement" instead of an appeals loss. In the 10-Q HMS says it disagrees with the CMS, stating that the CMS data may be inaccurate and incomplete. It will continue discussions with the CMS regarding the amount determined. HMS could pay less or more.

Longer-term, the ability of HMS and other incumbent Medicare auditors to continue working with the CMS as in the past is uncertain. Some CMS payment terms and contract modifications are mired in a Congressional moratorium, after lobbying by providers, until Sept. 30.

CMS incumbents might be extended until next year, but, more importantly, it's doubtful that auditors will get the kind of revenue from the CMS they have had in the past. HMS had $108 million in CMS annual revenue in 2013, but that's fallen to about $3 million per quarter this year.

Meanwhile, the stock has plunged, but that's more likely because HMS lost a rebid of its New Jersey Medicaid contract a few weeks ago, about 10% of 2014 annual revenue, and its Illinois Medicaid contract.

HMS plans to challenge the New Jersey decision and has won renewals with other states. The two recent losses were to Public Consulting Group, a relatively new entrant, and one thought to be significantly underbidding HMS. Price competition is troubling to investors who are used to HMS winning. HMS' state Medicaid contracts represented about 51% of revenue last year, according to Oppenheimer analyst Mohan Naidu.

HMS holds New York's Medicaid contract through January, and the state is expected to announce Saturday, Aug. 22, the winner of the new contract. If HMS is renewed, expect the stock to pop Monday. But if it loses, the stock could drop some more.

HMS faces fewer state renewals next year. Its commercial business, 42% of second-quarter revenue, has grown at double-digit rates. Nevertheless, government business remains a big chunk of the total. Over the past three years, HMS revenue growth has slowed sharply, and fell in 2014.

Still, our beef is that even if HMS believes it will prevail against the CMS refund request, it's a fair question why HMS didn't say exactly that while at the same time disclosing the CMS letter in a more timely manner.

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16459.75	-1017.65	-5.82
DJTransportation	7872.06	-446.64	-5.37
DJUtilities	597.65	-6.64	-1.10
DJ65Stocks	5900.13	-306.13	-4.93
DJUSMarket	496.36	-29.95	-5.69
NYSEComp.	10195.69	-586.55	-5.44
NYSEMKTComp.	2235.55	-146.30	-6.14
S&P500	1970.89	-120.65	-5.77
S&PMidCap	1423.20	-78.52	-5.23
S&PSmallCap	676.91	-29.99	-4.24
Nasdaq	4706.04	-342.20	-6.78
ValueLine(arith.)	4407.23	-238.13	-5.13
Russell2000	1156.79	-55.90	-4.61
DJUSTSMFloat	20585.55	-1227.98	-5.63

	Last Week	Week Earlier
NYSE		
Advances	384	1,890
Declines	2,878	1,362
Unchanged	24	35
NewHighs	143	164
NewLows	697	379

AvDailyVol(mil)	3,628.4	3,466.3
Dollar		
(Finexspotindex)	94.80	96.59
T-Bond		
(CBTnearbyfutures)	160-060	158-040
Crude Oil		
(NYMlightsweetcrude)	40.45	42.50
Inflation KR-CRB		
(FuturesPriceIndex)	191.34	197.97
Gold		
(CMXnearbyfutures)	1159.60	1112.90

5035

文件 B000000020150822eb8o0000x

DOW JONES
NEWSWIRES

NYSE Deploys Measures to Ensure Orderly Trading -- Update

By Saumya Vaishampayan and Bradley Hope
291 字
2015 年 8 月 24 日 15:35
Dow Jones Institutional News
DJDN
英文

The New York Stock Exchange on Monday deployed measures to ensure orderly trading amid financial-market turmoil, and traders were watching whether market-wide circuit breakers will be triggered for the first time in 18 years.

The exchange invoked the rarely used Rule 48 for Monday morning's stock market open in anticipation of very volatile trading amid a global market slump.

Invoking Rule 48 means designated market makers don't have to disseminate price indications before the opening bell in an effort to make it easier and faster to open stocks.

It is intended for times when potentially extreme market volatility could have a floor-wide impact, according to NYSE.

Investors and traders are now watching to see whether market-wide circuit breakers will be tripped due to the selloff. The last time that happened was on October 27, 1997, when the Dow Jones Industrial Average plunged 554 points, or 7.2%--the worst single-day loss in the index's history up to that point.

Circuit breakers halt trading for a specified length of time once a selloff reaches a certain magnitude.

In the wake of the 2010 "flash crash," the trigger for the market-wide circuit breaker was switched to the S&P 500 instead of the Dow. If the S&P500 Index today drops by 7%, below 1832.92 points, before 3:25 p.m., then NYSE will halt for 15 minutes.

Circuit breakers for many individual stocks were activated early Monday.

Write to Saumya Vaishampayan at saumya.vaishampayan@wsj.com and Bradley Hope at bradley.hope@wsj.com

(END) Dow Jones Newswires

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DOW JONES
NEWSWIRES

Money Flow Table For Major U.S. Indexes And Stocks

609 字
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Dow Jones Newswires Chinese (English)
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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Aug 24,2015 10:05 AM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	-453.2	-2358.7	0.82
Blocks	-465.9	-2097.9	0.49
Russell 2000	-282.4	-7725.0	0.60
Blocks	-177.3	-6911.3	0.17
S & P 500	-1830.9	-1731.3	0.77
Blocks	-1850.1	-1606.1	0.39
DJ U.S. Total Stock Market	-3545.2	-9470.5	0.78
Blocks	-3367.7	-7736.1	0.40

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Facebook Inc. Cl A	FB	NASD	80.88	+158.6	1.76
SPDR Gold Tr	GLD	ARCA	111.55	+85.5	3.76
Google Cl A	GOOGL	NASD	624.33	+69.8	1.56
Wells Fargo	WFC	NYSE	51.51	+60.4	2.23
Johnson & Johnson	JNJ	NYSE	91.39	+52.8	1.51
ExxonMobil	XOM	NYSE	70.14	+51.6	2.01
JPMorgan Chase	JPM	NYSE	61.71	+48.9	2.06
Procter & Gamble	PG	NYSE	70.04	+40.6	1.82
Verizon Communications	VZ	NYSE	44.95	+36.8	1.61
Nike Inc	NKE	NYSE	102.07	+33.0	2.34
Chevron	CVX	NYSE	73.86	+31.6	1.71
ProShrs UltraShort S&P500	SDS	ARCA	24.45	+25.9	2.10
iPath SP 500 VIX Sht Tm	VXX	ARCA	24.49	+21.4	1.18
Coca-Cola	KO	NYSE	37.60	+21.3	1.69
Caterpillar	CAT	NYSE	73.17	+20.7	1.91
ProShares Short S&P500	SH	ARCA	23.04	+20.5	1.97
Union Pacific	UNP	NYSE	83.66	+20.4	2.61
VS Inverse VIX STerm	XIV	NASD	29.32	+20.1	1.45
Boeing	BA	NYSE	126.10	+19.9	1.47
Bristol-Myers	BMY	NYSE	57.54	+19.0	1.85

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Apple	AAPL	NASD	102.76	-432.5	0.54
Disney	DIS	NYSE	96.18	-88.4	0.46
Vanguard Total Stock Mkt	VTI	ARCA	98.28	-85.4	0.30
Netflix	NFLX	NASD	94.23	-80.3	0.62
Alibaba Group Holding ADR	BABA	NYSE	64.97	-74.7	0.45
Bank Of America	BAC	NYSE	15.51	-71.8	0.44
AT&T	T	NYSE	32.55	-60.5	0.47
Citigroup	C	NYSE	51.10	-56.6	0.39
Gilead Sciences	GILD	NASD	100.01	-56.5	0.54
VISA Cl A	V	NYSE	68.04	-54.1	0.53
iShares Core S&P 500 ETF	IVV	ARCA	191.82	-51.1	0.30
Amazon.com	AMZN	NASD	469.74	-49.7	0.77
VanguardS&P500	VOO	ARCA	174.05	-42.5	0.40

Microsoft	MSFT	NASD	41.60	-42.0	0.52
Google Cl C	GOOG	NASD	593.27	-39.5	0.72
iSh Nasdaq Biotech	IBB	NASD	323.35	-39.1	0.57
Tesla Motors	TSLA	NASD	219.69	-36.9	0.66
Home Depot	HD	NYSE	112.18	-35.9	0.64
Schlumberger	SLB	NYSE	74.64	-33.3	0.31
Celgene	CELG	NASD	113.97	-31.9	0.51

Moneyflow figures are the dollar value of composite uptick trades minus the dollar value of downtick trades. The up/down ratio reflects the value of uptick trades relative to the value of downtick trades.

Source: WSJ Market Data Group

(END) Dow Jones Newswires

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*ProShares S&P500 Div Aris (NOBL) Halt:

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The Trader: Dow Drops By More Than 1,000 Points -- Barron's

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(FROM BARRON'S 8/24/15)
By Vito J. Racanelli
So much for the lazy late summer.

Traders had to take cover against a market swoon that clobbered stocks around the world last week. Intensifying anxiety about slowing economic growth, particularly in China, sent stocks down a painful 6% on the week. It culminated in a nasty blowoff Friday, when the Dow Jones Industrial Average fell more than 500 points.

Energy equities were most punished, down 8.7%. Investors fled to "havens" like utilities and telecom stocks, down only 1% to 3%, and U.S. Treasury bonds. The yield on the 10-year note fell to 2.05% from 2.19%. (Bond prices move inversely to yields.)

Following the devaluation of the Chinese yuan, and a poor China data point released Friday, " . . . investors have come to the realization that global growth in the second half isn't going to reaccelerate as previously hoped," says Margaret Patel, a portfolio manager with Wells Fargo Asset Management.

Energy prices haven't stabilized either, again contrary to expectation. Crude oil fell 5% last week to $40.24 per barrel. "Stocks have been priced for growth, and if that doesn't happen, it takes the air out of the market," she says.

For years, the emerging markets were where U.S. multinationals, especially companies in the Dow, have been making investments for growth, says Paul Karos, a money manager with Whitebox Advisors. Now there's fear of an emerging-markets recession, he adds.

Last week, the Dow plunged 5.8%, or 1018 points, to 16,459.75, while the Standard & Poor's 500 index shed 121, or 5.8%, to 1970.89. For both, it was the biggest weekly point decline since October 2008. The Nasdaq Composite fell 6.8%, or 342, to 4706.04. World stocks dropped 6%. (For more on world markets, see page 20.)

Markit said Friday that the August preliminary Caixin/Markit China Manufacturing Purchasing Managers' Index, a measure of national manufacturing, fell to 47.1 from July's 47.8, to the lowest level in over six years. Below 50 is seen as a sign of contraction.

On a relative basis, the U.S. looks like an oasis of growth, but can it hold up if other economies recede? American domestic data will be key for U.S. stocks in the next few months, Karos says. "We still see slow but positive U.S. growth," he says. A few weeks ago, most investors thought the Federal Reserve would raise interest rates in September. Now, not so much.

"It feels bad. We haven't had a correction -- a 10% drop from highs -- in nearly four years," says Randy Frederick, a managing director at Charles Schwab. "The investor with an average risk tolerance should wait a few days before looking for bargains."

The market is more than halfway to a correction, heading into what are traditionally the most treacherous months. Maybe a correction is needed. Maybe it would be a good thing.

More Fizz for Coke?

Coca-Cola's stock, at $39.53 (ticker: KO) has effectively flatlined in the past 12 months. But the weakening broad market, combined with nascent signs of change at the soft-drinks behemoth, encourages us to warm to Coke. If the Atlanta-based company realizes its restructuring plan, there could be a 30% total return over the next couple of years.

Coke faces secular head winds of decreasing demand for carbonated soft drinks in the developing world. Weak emerging markets and the strong dollar are issues because it gets most of its operating income overseas.

Last Oct. 21, the maker of Coke, Fanta, Sprite, and other drinks announced $3 billion in annual cost cuts by 2019, which includes the divestment of a majority of its capital-intensive North American bottling assets by the end of 2017.

A year from now, that restructuring will be far enough along to make a significant reduction in Coke's capital needs more visible, avers Matt Dmytryszyn, a LaSalle Street Capital Management portfolio manager who's recently become bullish on the stock. LaSalle has been buying Coke shares in recent months.

Earnings and cash flow are at an "inflection point. It's a little clearer now that the $3 billion can happen," he says. Not all of it will fall to the bottom line, as Coke needs to reinvest in areas like marketing, but enough will.

The money manager says that $1 billion to $1.5 billion can come from lower capital requirements following the disposition of the North American bottling assets, which should be two-thirds complete next year. At that point, Coke's gross profit margin should approach its historic 64% level from the 61% seen after it bought those bottlers in 2010. Though the strong greenback remains an issue, the earnings pain should be lapped by next year.

Total carbonated-soda volumes, more than two-thirds of Coke's business, were up 1% in the second quarter and in the first six months, compared with year-earlier periods. North American carbonated-drinks volumes, in particular, appear to have stabilized recently. The region's volume fell from a 2% rise in 2012, to flat in 2013 and negative 1% last year. But it was flat in the most recent first half and up 1% in the second quarter. That seems like a small change but the direction is important for Coke.

Additionally, Coke's smaller noncarbonated businesses, such as juices, SmartWater and Honest Tea, are growing fast. The company continues to diversify away from its most famous brand. Coke last Wednesday acquired a minority stake in Suja Life, a small juice producer. That follows June's $2.15 billion purchase of a 16% stake in Monster Beverage (MNST).

The appointment earlier this month of James Quincey as president and chief operating officer was welcomed by big investors. He's viewed as heir apparent to Chairman and CEO Muhtar Kent, who's not popular with some investors, both for the poor returns of recent years and the row in 2014 over a new management compensation plan, which was subsequently modified.

Dmytryszyn values the stock at $50 by applying the current price/earnings ratio of 20 times to his earnings per share estimate of $2.50 in 2018, a number investors will be looking at a year from now. While Coke's shares aren't bargain-basement cheap, the 3.3% dividend yield looks attractive, and the stock could be good ballast in a market that is volatile and might even fall.

Reservations About HMS

Last Monday, a Bank of America Merrill Lynch report said health-care claims auditor HMS Solutions (HMSY) is "likely . . . insufficiently reserved," following a June 30 letter from the Centers for Medicare and Medicaid Services (CMS), which requested the return of about $28.6 million, an amount twice HMS' 2014 net income of $14 million.

Yet much of the stock's 50% drop to $8.84 since then probably results from other issues, which we'll get to later, as many investors probably hadn't known of the letter. The company didn't mention it in the Aug. 7 second quarter press release or earnings call.

The disclosure came Aug. 10 on page 19 of HMS' 10-Q filing with the Securities and Exchange Commission. The letter also states that the amount requested could rise as the CMS finalizes a settlement process with health-care providers. HMS acknowledged in the 10-Q that there could be "material negative impact" if the amount exceeds accrued reserves.

HMS operates in the health-care cost-containment market. Customers hire it to, among other things, review claims and make sure that providers, like hospitals, bill accurately. HMS revenues are based, in part, on amounts it recovers for clients in cases of provider overbilling.

Providers sometimes appeal overbilling decisions and win. Consequently, HMS keeps reserves on its balance sheet. When a client loses an appeals judgment, it could reduce already booked HMS' revenue and profit. The $28.6 million request follows a recent settlement by the CMS with some hospitals to clear a big backlog of pending appeals.

The money the CMS wants would be a huge percentage of HMS' current $40 million total reserve. That amount is meant to cover HMS's appeals risk for all its clients, which include the Veterans Hospital Administration, some 46 state Medicaid programs, and over 200 commercial customers.

HMS declined to comment to Barron's but is expected to contest the CMS request. Legally it seems unclear what HMS' refund responsibility is to the CMS in the event of a "settlement" instead of an appeals loss. In the 10-Q HMS says it disagrees with the CMS, stating that the CMS data may be inaccurate and incomplete. It will continue discussions with the CMS regarding the amount determined. HMS could pay less or more.

Longer-term, the ability of HMS and other incumbent Medicare auditors to continue working with the CMS as in the past is uncertain. Some CMS payment terms and contract modifications are mired in a Congressional moratorium, after lobbying by providers, until Sept. 30.

CMS incumbents might be extended until next year, but, more importantly, it's doubtful that auditors will get the kind of revenue from the CMS they have had in the past. HMS had $108 million in CMS annual revenue in 2013, but that's fallen to about $3 million per quarter this year.

Meanwhile, the stock has plunged, but that's more likely because HMS lost a rebid of its New Jersey Medicaid contract a few weeks ago, about 10% of 2014 annual revenue, and its Illinois Medicaid contract.

HMS plans to challenge the New Jersey decision and has won renewals with other states. The two recent losses were to Public Consulting Group, a relatively new entrant, and one thought to be significantly underbidding HMS. Price competition is troubling to investors who are used to HMS winning. HMS' state Medicaid contracts represented about 51% of revenue last year, according to Oppenheimer analyst Mohan Naidu.

HMS holds New York's Medicaid contract through January, and the state is expected to announce Saturday, Aug. 22, the winner of the new contract. If HMS is renewed, expect the stock to pop Monday. But if it loses, the stock could drop some more.

22 Aug 2015 00:09 ET The Trader: Dow Drops By More Than 1,000 Points -2-

HMS faces fewer state renewals next year. Its commercial business, 42% of second-quarter revenue, has grown at double-digit rates. Nevertheless, government business remains a big chunk of the total. Over the past three years, HMS revenue growth has slowed sharply, and fell in 2014.

Still, our beef is that even if HMS believes it will prevail against the CMS refund request, it's a fair question why HMS didn't say exactly that while at the same time disclosing the CMS letter in a more timely manner.

Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16459.75	-1017.65	-5.82
DJTransportation	7872.06	-446.64	-5.37
DJUtilities	597.65	-6.64	-1.10
DJ65Stocks	5900.13	-306.13	-4.93
DJUSMarket	496.36	-29.95	-5.69
NYSEComp.	10195.69	-586.55	-5.44
NYSEMKTComp.	2235.55	-146.30	-6.14
S&P500	1970.89	-120.65	-5.77
S&PMidCap	1423.20	-78.52	-5.23
S&PSmallCap	676.91	-29.99	-4.24
Nasdaq	4706.04	-342.20	-6.78
ValueLine(arith.)	4407.23	-238.13	-5.13
Russell2000	1156.79	-55.90	-4.61
DJUSTSMFloat	20585.55	-1227.98	-5.63

	Last Week	Week Earlier
NYSE		
Advances	384	1,890
Declines	2,878	1,362
Unchanged	24	35
NewHighs	143	164

NewLows	697	379
AvDailyVol(mil)	3,628.4	3,466.3
Dollar		
(Finexspotindex)	94.80	96.59
T-Bond		
(CBTnearbyfutures)	160-060	158-040
Crude Oil		
(NYMlightsweetcrude)	40.45	42.50
Inflation KR-CRB		
(FuturesPriceIndex)	191.34	197.97
Gold		
(CMXnearbyfutures)	1159.60	1112.90

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DOW JONES
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Money Flow Table For Major U.S. Indexes And Stocks

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Aug 21,2015 11:04 AM

MARKET	MONEY FLOW (in millions) TODAY	PREV DAY	RATIO
DJIA	-731.5	-1323.6	0.77
Blocks	-683.0	-1168.8	0.41
Russell 2000	-1263.0	-5177.4	0.50
Blocks	-1158.0	-4607.6	0.09
S & P 500	-2275.1	-306.9	0.82
Blocks	-2196.8	-93.5	0.51
DJ U.S. Total Stock Market	-4387.1	-6029.3	0.83
Blocks	-3942.4	-4238.6	0.48

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
SPDR S&P 500	SPY	ARCA	201.38	+240.8	1.15
Johnson & Johnson	JNJ	NYSE	97.61	+97.6	2.60
Gilead Sciences	GILD	NASD	110.10	+80.3	1.79
Berkshire Hathaway B	BRK/B	NYSE	136.39	+72.6	2.33
iShares Core S&P 500 ETF	IVV	ARCA	202.64	+71.4	1.48
JPMorgan ChaseJPM		NYSE	65.09	+66.6	2.21
Procter & Gamble	PG	NYSE	73.62	+59.9	2.60
IBMIBM		NYSE	152.55	+49.3	2.17
Celgene	CELG	NASD	122.95	+40.2	1.71
iSh Short Treasury Bd	SHV	ARCA	110.27	+39.6	15.03
Boeing	BA	NYSE	132.82	+37.6	1.51
Oracle	ORCL	NYSE	38.38	+35.2	3.86
Hewlett-Packard	HPQ	NYSE	28.56	+33.6	1.55
Wal-Mart Stores	WMT	NYSE	67.76	+33.6	2.06
CVS Health	CVS	NYSE	104.15	+30.3	1.79
Altria Group	MO	NYSE	54.54	+30.3	3.30
Eli Lilly	LLY	NYSE	86.53	+28.6	2.13
Vangrd Intermed-Trm Cp Bd	VCIT	NASD	84.94	+28.0	28.61
Target Corp	TGT	NYSE	79.97	+27.0	2.04
Time Warner	TWX	NYSE	73.79	+27.0	1.92

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW (in millions)	RATIO
Apple	AAPL	NASD	109.39	-341.3	0.65
Facebook Inc. Cl A	FB	NASD	87.79	-159.2	0.73
Microsoft	MSFT	NASD	45.11	-141.3	0.24
Amazon.com	AMZN	NASD	507.93	-113.8	0.68
Disney	DIS	NYSE	99.05	-103.9	0.74
ExxonMobil	XOM	NYSE	74.20	-85.1	0.46
Google Cl A	GOOGL	NASD	664.56	-79.1	0.67
Google Cl C	GOOG	NASD	631.71	-65.0	0.70
VISA (Cl A)	V	NYSE	72.71	-56.7	0.41
Verizon Communications	VZ	NYSE	46.49	-55.8	0.32
Intel	INTC	NASD	27.27	-55.0	0.36
PwrShrs QQQ Tr Series 1	QQQ	NASD	105.25	-53.6	0.82
Cisco Systems	CSCO	NASD	27.09	-53.0	0.37

Amgen	AMGN	NASD	160.09	-49.5	0.50
Starbucks	SBUX	NASD	53.74	-44.6	0.52
Comcast	CMCSA	NASD	57.72	-43.5	0.40
Netflix	NFLX	NASD	106.18	-41.3	0.90
Alibaba Group Holding ADR	BABA	NYSE	69.94	-41.0	0.75
Qualcomm	QCOM	NASD	59.85	-40.8	0.40
VanguardS&P500	VOO	ARCA	184.67	-40.3	0.56

Moneyflow figures are the dollar value of composite uptick trades minus

the dollar value of downtick trades. The up/down ratio reflects the value

of uptick trades relative to the value of downtick trades.

Source: WSJ Market Data Group

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