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# DOW JONES NEWSWIRES

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

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2016 年 2 月 24 日 18:20

Dow Jones Institutional News

DJDN

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 24,2016 01:05 PM

MARKET	MONEY FLOW (in millions)			RATIO
	TODAY	PREV DAY		
DJIA	-169.2	-255.7	0.93	
Blocks	-169.6	-217.4	0.55	
Russell 2000	-133.3	-1181.8	0.93	
Blocks	-83.5	-852.4	0.68	
S & P 500	-850.0	-119.0	0.93	
Blocks	-745.3	-41.9	0.58	
DJ U.S. Total Stock Market	-914.8	-1754.3	0.96	
Blocks	-547.3	-730.3	0.84	

ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
SPDR S&P 500	SPY	ARCA	190.68	+126.9	1.07
Finl Select Sector SPDR	XLF	ARCA	20.57	+96.8	2.97
Health Care Sel Sector	XLV	ARCA	65.81	+28.1	1.70
IQ Hedge Multi-Strategy	QAI	ARCA	28.08	+23.8	44.30
JPMorgan Chase	JPM	NYSE	55.00	+21.4	1.18
Home Depot	HD	NYSE	123.20	+18.5	1.16
SPDR Gold Tr	GLD	ARCA	118.84	+18.2	1.12
Bank Of America	BAC	NYSE	11.83	+17.5	1.10
iShares MSCI Emg Markets	EEM	ARCA	29.92	+16.4	1.34
Post Holdings	POST	NYSE	68.59	+16.2	2.81
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	114.47	+15.6	1.64
iShares Gold Trust	IAU	ARCA	11.99	+15.0	3.94
Huntington Bancshares	HBAN	NASD	8.45	+14.9	3.92
Wal-Mart Stores	WMT	NYSE	66.58	+14.9	1.26
Vanguard Short-Term Bond	BSV	ARCA	80.40	+14.0	3.02
iSh Core US Aggregate Bd	AGG	ARCA	110.07	+13.9	1.74
Tuttle Tactical Mgmt US	TUTT	NASD	21.40	+13.9	1620.71
ProShares Short <b>S&amp;P500</b>	SH	ARCA	22.16	+13.7	1.75
WisdomTree Japan SC	DFJ	ARCA	51.16	+13.6	51.46
Newfleet Multi Uncon Bd	NFLT	ARCA	24.64	+13.3	10.05

ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Xilinx	XLNX	NASD	46.77	-53.2	0.35
United Technologies	UTX	NYSE	93.04	-45.6	0.78
SPDR S&P Regional Bkg	KRE	ARCA	34.04	-42.0	0.28
Apple	AAPL	NASD	94.43	-39.5	0.88
Edison Intl	EIX	NYSE	67.34	-35.0	0.60
Alphabet Cl C	GOOG	NASD	684.21	-28.2	0.86
iSh NA Tech-Software	IGV	ARCA	89.90	-27.9	0.06
iShares JPM USD Emg Bd	EMB	ARCA	106.30	-25.4	0.11
Disney	DIS	NYSE	94.51	-23.2	0.74
Johnson & Johnson	JNJ	NYSE	103.64	-21.7	0.71
SPDR S&P Bank	KBE	ARCA	27.49	-20.5	0.43

Amazon.com	AMZN	NASD	534.82	-20.0	0.96
FirstMerit	FMER	NASD	19.10	-19.2	0.13
Boeing	BA	NYSE	113.93	-18.9	0.82
TJX Cos	TJX	NYSE	74.37	-17.6	0.83
iShares Russell 2000 ETF	IWM	ARCA	100.17	-16.8	0.91
Verizon Communications	VZ	NYSE	50.44	-16.8	0.69
Microsoft	MSFT	NASD	50.72	-15.1	0.81
ProShares Ultra <b>S&amp;P500</b>	SSO	ARCA	54.61	-14.6	0.80
ITC Holdings	ITC	NYSE	40.45	-14.4	0.35

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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# DOW JONES NEWSWIRES

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

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2016 年 2 月 24 日 17:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 24,2016 12:04 PM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	-164.5	-255.7	0.91		
Blocks	-159.1	-217.4	0.53		
Russell 2000	-128.0	-1181.8	0.92		
Blocks	-74.9	-852.4	0.64		
S & P 500	-726.9	-119.0	0.93		
Blocks	-638.3	-41.9	0.58		
DJ U.S. Total Stock Market	-840.8	-1754.3	0.96		
Blocks	-541.2	-730.3	0.81		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
SPDR S&P 500	SPY	ARCA	190.74	+163.8	1.12
Finl Select Sector SPDR	XLF	ARCA	20.63	+86.6	3.11
Health Care Sel Sector	XLV	ARCA	65.86	+28.4	1.93
JPMorgan Chase	JPM	NYSE	55.33	+22.1	1.23
SPDR Gold Tr	GLD	ARCA	119.13	+22.1	1.17
Home Depot	HD	NYSE	123.48	+19.9	1.22
Bank Of America	BAC	NYSE	11.90	+16.8	1.12
Target Corp	TGT	NYSE	76.31	+15.9	1.11
Huntington Bancshares	HBAN	NASD	8.46	+15.0	4.42
iShares Gold Trust	IAU	ARCA	12.03	+14.9	4.29
Newfleet Multi Uncon Bd	NFLT	ARCA	24.66	+14.5	78.69
iSh Nasdaq Biotech	IBB	NASD	254.35	+14.3	1.21
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	114.58	+14.0	1.70
Tuttle Tactical Mgmt US	TUTT	NASD	21.41	+13.9	2160.86
Verisk Analytics	VRSK	NASD	71.52	+13.3	1.50
ProShares Short <b>S&amp;P500</b>	SH	ARCA	22.17	+13.2	1.94
Vanguard Short-Term Bond	BSV	ARCA	80.42	+13.1	3.57
Schlumberger	SLB	NYSE	71.13	+12.8	1.27
Silver Run Acquisition Un	SRAQU	NCM	10.06	+12.2	19.50
Chipotle Mexican Grill	CMG	NYSE	517.12	+12.1	1.18
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Xilinx	XLNX	NASD	46.40	-42.0	0.37
SPDR S&P Regional Bkg	KRE	ARCA	34.13	-41.7	0.25
Apple	AAPL	NASD	94.10	-38.7	0.86
United Technologies	UTX	NYSE	92.76	-34.5	0.78
iSh NA Tech-Software	IGV	ARCA	89.77	-27.8	0.06
Alphabet Cl C	GOOG	NASD	684.71	-26.9	0.83
iShares JPM USD Emg Bd	EMB	ARCA	106.19	-24.7	0.09
Johnson & Johnson	JNJ	NYSE	103.43	-21.1	0.67
Disney	DIS	NYSE	94.40	-20.7	0.71
Boeing	BA	NYSE	113.17	-20.4	0.76
SPDR S&P Bank	KBE	ARCA	27.56	-19.8	0.42
TJX Cos	TJX	NYSE	74.30	-19.6	0.79
FirstMerit	FMER	NASD	19.05	-19.5	0.11

Verizon Communications	VZ	NYSE	50.37	-16.9	0.62
PepsiCo	PEP	NYSE	98.93	-15.3	0.71
ProShares Ultra S&P500	SSO	ARCA	54.60	-14.8	0.77
Honeywell Intl	HON	NYSE	102.30	-14.4	0.76
Liberty Global Cl C	LBTYK	NASD	35.75	-13.6	0.53
Consumer Disc Sel Sector	XLY	ARCA	73.11	-13.4	0.66
SPDR S&P Emerg Mkts SC	EWX	ARCA	35.16	-13.4	0.03

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

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2016 年 2 月 24 日 17:19

Dow Jones Institutional News

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Bank Of America	BAC	NYSE	11.90	+16.8	1.12
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Newfleet Multi Uncon Bd	NFLT	ARCA	24.66	+14.5	78.69
iSh Nasdaq Biotech	IBB	NASD	254.35	+14.3	1.21
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	114.58	+14.0	1.70
Tuttle Tactical Mgmt US	TUTT	NASD	21.41	+13.9	2160.86
Verisk Analytics	VRSK	NASD	71.52	+13.3	1.50
ProShares Short S&P500	SH	ARCA	22.17	+13.2	1.94
Vanguard Short-Term Bond	BSV	ARCA	80.42	+13.1	3.57
Schlumberger	SLB	NYSE	71.13	+12.8	1.27
Silver Run Acquisition Un	SRAQU	NCM	10.06	+12.2	19.50
Chipotle Mexican Grill	CMG	NYSE	517.12	+12.1	1.18

  

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Honeywell Intl	HON	NYSE	102.30	-14.4	0.76
Liberty Global Cl C	LBTYK	NASD	35.75	-13.6	0.53
Consumer Disc Sel Sector	XLY	ARCA	73.11	-13.4	0.66
SPDR S&P Emerg Mkts SC	EWX	ARCA	35.16	-13.4	0.03

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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# DOW JONES NEWSWIRES

Nordic Markets Seen Opening Higher -- Market Talk

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2016 年 2 月 22 日 07:13

Dow Jones Institutional News

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0713 GMT Nordic markets are seen opening higher Monday, with IG calling the OMXS30 0.8% higher at around 1367. Friday saw small falls in Europe, while the US **S&P500** index ended flat. Stock markets in Asia are higher this morning. "In China, authorities announced during the weekend that the head of the Securities Regulatory Commission is fired, which was received positively by the market," says SEB. Data today include Manufacturing PMI from the Eurozone and the U.S. OMXS30 closed at 1355.95 Friday, OMXN40 at 1410.70 and OBX at 492.17. (christina.zander@wsj.com)

Contact us in London. +44-20-7842-9464  
markettalk@wsj.com

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## DOW JONES NEWSWIRES

The Trader: Oversold Stocks Bounce 3% As Oil Prices Rise -- Barron's

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2016 年 2 月 20 日 05:08

Dow Jones Institutional News

DJDN

M3

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(FROM BARRON'S 2/22/16)

By Vito J. Racanelli

Stocks staged a sharp rally last week, with the major indexes rising nearly 3% in a holiday-shortened week. The market has rebounded almost 5% from the previous Thursday, when it hit 2016 lows, inspiring hope that at least a near-term bottom is within sight.

While investors welcomed the bullish turn, it was more style than substance. Given that buying was concentrated in the worst-performing stocks, last week's rally seems more of a knee-jerk reaction to an oversold condition. Crude prices rose last week, and the lack of bad news from that sector was good news for stocks. In general, U.S. economic data was mixed but leaned positive, a badly needed boost to morale.

The Dow Jones Industrial Average tacked on 418 points or 2.6%, to 16,391.99 last week, while the Standard & Poor's 500 index rose 2.8%, or 53, to 1917.78. The Nasdaq finished with a 4% gain to 4504.43.

It was a "happy," nearly 100-point jump in the S&P 500 over the past five trading days, says Jonathan Corpina, senior managing partner at Meridian Equity Partners. Nevertheless, "all the fear factors haven't gone away," and short covering helped. "It's not as if the economic data or earnings-reports releases were particularly better last week."

Bernie McGinn, CEO of McGinn Investment Management, concurs, adding that the rally had "more to do with bottom fishing than any major change in direction." For months, the story's been "energy, energy, energy, so when oil hangs around \$30, as it did last week, that's at least healthy." Crude rose 0.7% to settle at \$29.64 per barrel, snapping a two-week losing streak.

For the stock market to regain its equipoise, energy and financial stocks need to show strength, McGinn adds. Both sectors are down 14% over the past three months, the two worst sectors in the market. "Oil doesn't need to get back to \$75 per barrel, but even stabilization in the \$30s" would take the edge off bearish attitudes, he says.

Meridian's Corpina says Monday might be a good indicator for the action the rest of this week, as there's little in the way of important economic indicators or earnings news to influence prices. The market will be on its own, he notes.

Looking ahead a few months, there are three factors that would help stocks the most, says Kevin Mahn, chief investment officer at Hennen & Walsh Asset Management. The market needs economic data to be good, but not so strong as to force the Federal Reserve to raise rates in March. The European Central Bank must continue to ease monetary policy, and a real deal on cutting the world's supply of oil is necessary, he says. If things go the opposite way, however, then pressure on stocks will renew, Mahn adds.

### Thumbs Up for Lion's Gate

When the shares of a profitable company are chopped in half over the course of 90 days, it pays to take a closer look. Mr. Market sometimes gets emotional in the short term, which can present long-term-oriented investors with an attractive opportunity.

That appears to be the case at movie- and TV-program producer Lions Gate Entertainment (ticker: LGF), whose stock closed on Friday at \$19.87, down from \$41 in November. There are clouds now that weren't there then, but most if not all of the issues appear to be discounted in the stock price. Lions Gate could rise 50% in 24 months just by returning to form.

The punishment comes from intensifying industry worries and a few company missteps. Investors are well aware that media and entertainment firms suffer from "cord-cutting," as viewers choose Internet-delivered

entertainment over cable and broadcast. For some media firms, that threatens reduced viewership and advertising revenue. Movies now compete with a plethora of at-home entertainment, be it TV shows or videogames.

Lions Gate, however, doesn't deserve as big a discount for that, argues Aaron Clark, a portfolio manager at Gannett Welsh & Kotler. It's a pure-play content provider with no networks or cable assets, so it doesn't depend on advertising. One could argue, he adds, that cord-cutting makes content even more important to cable and network companies.

Lions Gate does depend, however, on the popularity of its wares, and that's where recent self-inflicted travails have originated. Last year, it had some clunkers, such as *Mortdecai*, with the normally box-office-dependable Johnny Depp. Though *The Hunger Games: Mockingjay -- Part 2* grossed over \$650 million globally, the box office was disappointing compared with expectations. Higher costs of this final part to the series also hurt returns.

In recent years, the British Columbia-domiciled firm's results have been "lumpy" and overly reliant on *Hunger Games*, so the end of the series has investors worried about future revenue comparisons. A weak box office led to worse-than-expected results in the fiscal third quarter, ended in December, and to lowered guidance.

The company reported on Feb. 4 that quarterly revenue fell to \$671 million from \$751 million and earnings per share, to 27 cents from 70 cents, in the year-ago period. Operating margins swung to negative 1% from 15%. CEO Jon Feltheimer said results were "tracking below" its previous guidance but didn't provide details.

That comment didn't inspire investors, who sent the stock reeling, says Clark. That, in turn, has jeopardized Lions Gate's talks to acquire premium cable channel Starz (STRZA). Still, Gannett Welsh & Kotler added to its already significant holding during the downdraft, and the money manager says the stock is greatly undervalued now because investors are ignoring the long-term positives.

Blockbusters aren't typical for Lions Gate, which is a "singles and doubles" hitter, he adds. Historically, its movies don't gross at the top of the league, but they give attractive returns because of their low costs. As that financial discipline reasserts itself, overall returns will improve to traditional levels.

The company has a nice lineup of movies to come with lower production costs expected, including some in collaboration with Hasbro (HAS), for example. At this stock price, the investor isn't paying for future movie success, says Clark. Lions Gate also has "considerable scarcity value" as a pure-play content company, particularly now, when the stock is down a lot and cord-cutting is favoring the providers.

Lions Gate hasn't exactly lost its movie mojo. Several 2015 films garnered critical acclaim and awards nominations at the Golden Globes and the Oscars. And it recently inked a new three-year deal for its popular *Orange Is the New Black* TV show with Netflix (NFLX).

Valuation seems cheap. The stock trades at 13 times forward consensus analyst estimates of \$1.60 per share, significantly below its median 20 price/earnings ratio. Clark estimates that EPS can grow to \$2 in fiscal 2018 and puts a 15 multiple on that for a \$30 stock price, 50% higher than today. Moreover, based on prior recent deal multiples, the company's TV and film library is at least equal to its \$3 billion market value, so there's some downside protection, he adds.

Lions Gate's stock price reflects a lot of bad news, and it doesn't move much with oil prices or China's economic growth. Sounds like a potential hit.

Value, Growth, or GARP?

Given the market turmoil, some investors like value stocks for protection. Others say growth stocks are the place to be in a world where there's little corporate profit growth.

Ned Davis Research says go for GARP -- that is, stocks offering growth at a reasonable price. NDR analyst John Lyon took a look at the spread between the cheapest decile of all stocks -- as measured by the earnings yield, or EPS divided by price -- versus the most expensive. (The higher the yield, the cheaper the stock.)

The spread between their valuations is more than three standard deviations above the five-year average, a level that historically has meant poor market performance in general, he says. These outlier spread periods also have coincided with value stocks outperforming, but Lyon notes that three of the most prominent current value sectors, energy, materials, and financials, are in unfavorable macro environments.

Instead, a hybrid approach might be called for, using growth stocks that are cheap by another measure: free-cash-flow yields, he says. That is the best-performing valuation factor in the NDR growth universe over the past 25 years.

NDR has come up with a list of about 50 names that meet this GARP approach. With a quantitative-based strategy, buying the entire portfolio mitigates the single-stock risk. Unfortunately, there is no exchange-traded fund to reflect this strategy.

The top names measured by free-cash-flow yield are Molina Healthcare (MOH); two tech stocks, WEX (WEX) and Sohu.com (SOHU); and two financials, Affiliated Managers Group (AMG) and OneMain Holdings (OMF). The top five names in the list by market value are Apple (AAPL), Gilead Sciences (GILD), Express Scripts (ESRX), HCA Holdings (HCA), and VMware (VMW).

### Wrong-Way Analysts

A few weeks ago, this column noted, not for the first time, that analyst ratings in the aggregate usually should be either discounted or used as a contrarian signal. The evidence backing that continues to pile up.

There are plenty of individual analysts who know their industries and the stocks they cover. However, studies show that analysts' stock-rating views taken as a whole typically reflect what the stock price already discounts, particularly over long periods of time (see The Trader, April 13, 2015).

Bespoke Investment Group regularly takes a running look at the Standard & Poor's 500 index performance on a number of measures, including analyst ratings. Other factors include market-cap size, high-versus-low dividend, and level of short interest, to name a few. There are eight factors in total, and the S&P 500 index members are broken into deciles by performance.

20 Feb 2016 00:08 ET The Trader: Oversold Stocks Bounce 3% As Oil -2-

The 50 stocks with the best aggregated analyst ratings have performed the worst year to date, as of Feb. 8 down nearly 17%. That's worse than the 10.3% decline for the same group as of Jan. 15. Meanwhile, some of the best-performing stocks -- meaning the least down -- at minus 4.5% to minus 7%, were in the three groups with the worst analyst ratings, but improved from a negative 7.5% in mid-January.

You don't need to go see The Big Short to get a low opinion of conventional Wall Street analysis.

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### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16391.99	+418.15	+2.62
DJTransportation	7285.95	+237.26	+3.37
DJUtilities	618.61	+7.74	+1.27
DJ65Stocks	5798.10	+145.62	+2.58
DJUSMarket	475.19	+13.97	+3.03
NYSEComp.	9485.96	+256.28	+2.78
NYSEMKTComp.	2077.68	+42.48	+2.09
<b>S&amp;P500</b>	1917.78	+53.00	+2.84
S&PMidCap	1305.68	+43.79	+3.47
S&PSmallCap	620.28	+21.76	+3.64
Nasdaq	4504.43	+166.92	+3.85
ValueLine(arith.)	4049.68	+162.35	+4.18
Russell2000	1010.01	+38.02	+3.91
DJUSTSMFloat	19614.05	+584.63	+3.07

	Last Week	Week Earlier
NYSE		
Advances	2,683	728
Declines	516	2,476
Unchanged	34	26
NewHighs	76	144
NewLows	116	978
AvDailyVol(mil)	4,497.0	5,013.5
Dollar		
(Finexspotindex)	96.59	95.97
T-Bond		

(CBTnearbyfutures)	166-190	166-150
Crude Oil		
(NYMlightsweetcrude)	29.64	29.44
Inflation KR-CRB		
(FuturesPriceIndex)	159.63	160.36
Gold		
(CMXnearbyfutures)	1230.40	1239.10
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February 20, 2016 00:08 ET (05:08 GMT)

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## DOW JONES NEWSWIRES

Press Release: AT&T, Samsung and Carnival Corporation Launch Virtual Reality Cruise Vacation Experience

2,041 字

2016 年 2 月 18 日 14:30

Dow Jones Institutional News

DJDN

英文

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AT&T, Samsung and Carnival Corporation Launch Virtual Reality Cruise Vacation Experience

National Initiative Debuts Feb. 19 in 133 AT&T Stores in 37 States, Highlighted by Experiential Event Feb. 27 at the AT&T Flagship Store on Chicago's Magnificent Mile

PR Newswire

DALLAS and MIAMI, Feb. 18, 2016

DALLAS and MIAMI, Feb. 18, 2016 /PRNewswire/ -- For most, tropical breezes and beaches are out of reach during the peak of winter -- but AT&T, Samsung Electronics America, Inc. and Carnival Corporation & plc are making it easier to access sun and fun on the high seas. Starting tomorrow, customers can walk in select AT&T stores and experience a fully immersive virtual reality cruise experience.

Kicking off in 133 AT&T stores across 37 states, customers can trial a unique experience on the Samsung Gear VR, powered by Oculus. Store visitors can walk up to the Gear VR demo, put on the headset and be surrounded by the sights and sounds of a warm and sunny cruise vacation. The virtual reality content is first-of-its-kind and exclusively developed by Carnival Corporation and its 10 global cruise line brands.

Samsung Gear VR(1) -- designed to accelerate virtual reality into the mainstream -- provides an untethered, fully-immersive experience with 360-degree content for an extremely high quality mobile VR experience. Built to work with Samsung's Galaxy S6, S6 edge, S6 edge+ and Note5, the Gear VR headset lets people enjoy an ever-growing library of premium and entertaining games, apps, photos and videos.

Consumers will also be able to enter a sweepstakes to win one of 10 seven-day cruises on Carnival Corporation's Holland America Line, Princess Cruises and Carnival Cruise Line brands by checking the virtual reality experience and sign up via an in-store tablet or by visiting [www.vrcruisewlcl.com](http://www.vrcruisewlcl.com). The sweepstakes is available Feb. 19 to Mar. 11.

"Our customers know they can come to an AT&T store to experience the future of a connected life. The Samsung Gear VR is awesome, especially with this great content from Carnival. We couldn't pass up the opportunity to show it off," said Brian Shay, president, Retail Sales and Distribution, AT&T.

"Samsung Gear VR delivers an innovative way for people to transport themselves to far-away locations from around the world," said Tim Baxter, president of Samsung Electronics America. "Now, people can immerse themselves into a one-of-a-kind cruise line adventure, powered by virtual reality. We are excited to work with the premier brand in leisure travel to bring the complete cruise line experience to AT&T's stores across the U.S."

"Globally, the growing popularity of cruising vacations is far outpacing land-based vacations, by a 23 percent margin," said Arnold Donald, CEO of Carnival Corporation, the world's largest leisure travel company. "But there are still many people who have not had a chance to enjoy the one-of-a-kind experience we provide with one of our 10 cruise line brands. With most of the U.S. dealing with winter weather, the timing for this launch is designed to give people a fully immersive look at why cruising is a great vacation -- and helps remind them to think about going on a cruise when planning their next vacation."

### AT&T In-Store Experience

The in-store virtual reality display uses the Samsung Gear VR headset. The headset has a wide field of view and precise head tracking for a great VR experience. The VR content, developed by Carnival Corporation, highlights decks, staterooms, entertainment venues and other exciting features. It showcases ships from the company's Holland America Line, Princess Cruises and Carnival Cruise Line brands and beach and excursion offerings in Barcelona, Mexico and other popular destinations. The experience and Carnival promotion will be in 133 AT&T stores -- a full list of participating AT&T locations is available here:

<http://www.vrcruisewlclredemption.com/locations/>. About 1100 more will have the content available on a Gear VR headset for demo by customers.

#### Chicago Activation with Glass Bodied Truck & Street Team to Spread the Word

On February 27 at AT&T's flagship store, located at 600 N. Michigan Avenue in Chicago's renowned Magnificent Mile. Customers will be treated to a variety of exciting offerings to transport them to warm cruise vacation in the middle of their day, including a mocktail bar, caricature station, hand massages, a photo booth and even a live DJ.

Additionally, visitors to the store will be able to step into a state-of-the-art "VR Lounge," a simulation of the deck of a luxury cruise ship at sea featuring lounge chairs and palm trees that complete the virtual reality adventure. Sensory inflection points will add to the experience, including heat and ocean breezes specially timed to match the unique VR program.

Chicagoans may also see a Carnival Corporation glass-bodied truck driving around the local streets from Feb. 21 to Feb. 27, featuring models and brand ambassadors on a "traveling cruise ship deck" complete with lounge chairs, bartenders and palm trees amid the winter cold. A street team of brand ambassadors sporting captain's jackets and cruise attire will also hit the streets of Chicago to engage people about finding warmer weather on a cruise vacation. The campaign is part of the initiative to introduce to potential cruisers that "your perfect vacation awaits."

#### Details on Sweepstakes for 10 Free Cruise Vacations & In-Store Discounts

As part of the ongoing promotion, consumers can enter a Carnival complementary sweepstakes via an in-store tablet or on online at [www.vrcruisewlcl.com](http://www.vrcruisewlcl.com). Participants will be eligible to win one of 10 seven-day cruises onboard Carnival Corporation's Holland America Line, Princess Cruises and Carnival Cruise Line brands. Contest rules are available at <http://www.vrcruisewlcl.com/terms-and-conditions/>.

If a customer purchases Samsung's GS6, GS6 Edge, GS6 Edge+ and Note 5 smartphones at one of the key 133 AT&T locations during the promotion, they will be eligible for onboard credit for a future cruise. It's valid within the next year on select Carnival Corporation brands -- Carnival Cruise Line: \$25 toward a 3-5 day cruise or \$100 toward a 6+ day cruise; Holland America Line: \$100; Princess Cruises: \$100.

Offer ends March 24, 2016. Req's installment agmt & elig. svc. Tax due at sale. If svc cancelled device balance is due. Get onboard credit within 60 days after register and submit proof of purchase to Carnival. Credit provided by Carnival and subject to its own terms & conditions. Charges & restrictions apply. See a participating store for offer details.

#### About AT&T

AT&T Inc. (NYSE:T) helps millions around the globe connect with leading entertainment, mobile, high speed Internet and voice services. We're the world's largest provider of pay TV. We have TV customers in the U.S. and 11 Latin American countries. We offer the best global coverage of any U.S. wireless provider\*. And we help businesses worldwide serve their customers better with our mobility and highly secure cloud solutions.

Additional information about AT&T products and services is available at <http://about.att.com>. Follow our news on Twitter at @ATT, on Facebook at <http://www.facebook.com/att> and YouTube at <http://www.youtube.com/att>.

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\*Global coverage claim based on offering discounted voice and data roaming; LTE roaming; voice roaming; and world-capable smartphone and tablets in more countries than any other U.S. based carrier. International service required. Coverage not available in all areas. Coverage may vary per country and be limited/restricted in some countries.

#### About Samsung Electronics America, Inc.

Headquartered in Ridgefield Park, NJ, Samsung Electronics America, Inc. (SEA), is a recognized innovation leader in consumer electronics design and technology. A wholly owned subsidiary of Samsung Electronics Co., Ltd., SEA delivers a broad range of digital consumer electronics, IT and home appliance products. Samsung is the market leader for HDTVs in the U.S and America's fastest growing home appliance brands. To discover more of the award-winning products you love with Samsung, please visit [www.samsung.com](http://www.samsung.com) and for the latest Samsung news, please visit [news.samsung.com/us](http://news.samsung.com/us) and follow on Twitter @SamsungNewsUS.

## About Carnival Corporation & plc

Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) is the largest leisure travel company in the world, and among the most profitable and financially strong in the industry. With a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 17 new ships scheduled to be delivered between 2016 and 2020. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au) and [www.pocruises.com](http://www.pocruises.com).

## Corporation Virtual Reality Sweepstakes Official Rules

NO PURCHASE NECESSARY TO ENTER OR WIN. A PURCHASE WILL NOT INCREASE YOUR CHANCE OF WINNING. VOID WHERE PROHIBITED BY LAW.

18 Feb 2016 09:30 ET Press Release: AT&T, Samsung and Carnival -2-

**Sweepstakes Period:** The Virtual Reality Sweepstakes (the "Sweepstakes") begins on February 19, 2016 and ends March 11, 2016 (the "Sweepstakes Period"). Times to enter the Sweepstakes are based on the method of entry. Entries made in a Store shall be subject to the participating Store's operating hours during the Sweepstakes Period. Entries through the Site shall be permitted during the Sweepstakes Period beginning at 12:00:00 A.M. (U.S. Eastern) on February 19, 2016 and ending at 11:59:59 P.M. (U.S. Eastern) on March 11, 2016. Entries by mail shall be subject to the terms below.

**Who May Enter:** THIS SWEEPSTAKES IS OPEN TO LEGAL RESIDENTS OF THE 50 UNITED STATES AND THE DISTRICT OF COLUMBIA WHO ARE 21 YEARS OF AGE OR OLDER. The following persons are not eligible to enter the Sweepstakes: (a) employees or officers of Carnival Corporation ("Sponsor"), Carnival plc, or their respective affiliates or subsidiaries; (b) employees or officers of AT&T Mobility, LLC, or its affiliates, parent company or subsidiaries; (c) employees or agents of any organizations directly involved with this Sweepstakes; (d) immediate family members (parent, child, sibling and spouse of each) and persons living in the same household as the persons identified in (a) through (c) above.

Full terms and conditions available here: <http://www.vrcruisewcl.com/terms-and-conditions/>

(1) "Read and follow warnings and instructions with the Headset before use. The Headset should be calibrated before each use. Not for use by children under 13. A virtual reality experience may trigger health reactions. See a doctor before use if you have a history of seizures. Stop use if you experience health reactions."

Logo - <http://photos.prnewswire.com/prnh/20140408/CG99935LOGO>

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<http://www.prnewswire.com/news-releases/att-samsung-and-carnival-corporation-launch-virtual-reality-cruise-vacation-experience-300221894.html>

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/Web site: <http://www.att.com>

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February 18, 2016 09:30 ET (14:30 GMT)

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## DOW JONES NEWSWIRES

Press Release: Got the Winter Blues? Take a Carnival Corporation Virtual Cruise

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Dow Jones Institutional News

DJDN

英文

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Got the Winter Blues? Take a Carnival Corporation Virtual Cruise

Carnival Corporation teams with AT&T and Samsung to offer virtual reality simulation of cruise vacation, inspiring consumers to "see" themselves aboard a winter getaway

National initiative to appear for a limited time in 133 AT&T stores beginning February 19, also include opportunities to win seven-day cruise

PR Newswire

MIAMI, Feb. 18, 2016

MIAMI, Feb. 18, 2016 /PRNewswire/ -- Carnival Corporation & plc, the world's largest leisure travel company, today announced a new virtual reality (VR) cruise simulation that will be available at 133 AT&T stores in 37 states around the United States from February 19 through March 11. Using Samsung Gear VR technology, the in-store virtual reality display will provide a compelling experience that promises a way to get away from the winter blues, using the latest VR innovations to "see" why millions of people choose to book Carnival Corporation cruise getaways.

The VR content, developed by Carnival Corporation specifically for this winter experience, showcases decks, staterooms, entertainment venues and other exciting features on ships from the company's Holland America Line, Princess Cruises and Carnival Cruise Line brands, as well as beach and excursion offerings in Mexico, Barcelona and other popular destinations throughout the world.

Consumers can also enter a Carnival sweepstakes to win one of 10 seven-day cruises on Carnival Corporation's Holland America Line, Princess Cruises and Carnival Cruise Line brands by checking out the virtual reality experience and signing up via an in-store tablet or by visiting the microsite dedicated to this effort, [www.vrcruisewlcl.com](http://www.vrcruisewlcl.com). Sweepstakes terms and conditions are available here: <http://www.vrcruisewlcl.com/terms-and-conditions/>.

"Globally, the growing popularity of cruising vacations is far outpacing land-based vacations, by a 23 percent margin," said Arnold Donald, CEO of Carnival Corporation, the world's largest leisure travel company. "But there are still many people who have not had a chance to enjoy the one-of-a-kind experience we provide with one of our 10 cruise line brands. With most of the U.S. dealing with winter weather, the timing for this launch is designed to give people a fully immersive look at why cruising has become so popular as a great vacation at an exceptional value -- and helps remind them to think about going on a cruise when planning their next vacation."

The in-store virtual reality display will utilize Samsung's proprietary Samsung Gear VR headset, wearable technology powered by Oculus featuring a wide field of view and precise head-tracking for a truly immersive experience. The VR experience, developed by Carnival Corporation, builds on the company's recent efforts to use virtual reality to attract new cruisers, including last year's unveiling of the all-new Carnival Vista where VR technology was used to preview the ship's innovative features before it officially launches in May 2016. Carnival Corporation's latest VR content is expanding to demonstrate both onboard and onshore experiences, giving consumers a fully immersive view of taking a cruise vacation.

In addition to experiencing the VR cruising simulator, any customer purchasing Samsung's GS6, GS6 Edge, GS6 Edge+ and Note 5 smartphones at one of the 133 AT&T locations during the promotion will be eligible for onboard credit for a future cruise within the next year on select Carnival Corporation brands -- Carnival Cruise Line: \$25 toward a 3-5 day cruise or \$100 toward a 6+ day cruise; Holland America Line: \$100; Princess Cruises: \$100.\* A full list of participating AT&T locations is available here: <http://www.vrcruisewlclredemption.com/locations/>. Cruise credit terms and conditions are available here: <http://www.vrcruisewlclredemption.com/onboard-credit-terms-conditions/>.

"The VR experience is just another way to bring people the message that there's an easy and convenient way to get away from the cold and the snow this winter, whether it's for three days or for a week or more," added Donald. "Of course, while this simulation can help visualize the experience, we hope it's just the first step to taking a real cruise onboard one of our brands in the near future."

\*Offer ends 3/24/16. Req's installment agmt & elig. svc. Tax due at sale. If svc cancelled device balance is due. Get onboard credit within 60 days after register and submit proof of purchase to Carnival. Credit provided by Carnival and subject to its own terms & conditions. Charges & restr's apply. See a participating store for offer details

#### About Carnival Corporation & plc

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Full terms and conditions available here: <http://www.vrcruisewlcl.com/terms-and-conditions/>

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February 18, 2016 09:59 ET (14:59 GMT)

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# DOW JONES NEWSWIRES

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

650 字

2016 年 2 月 16 日 17:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 16,2016 12:04 PM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	+107.9	+1535.0	1.06		
Blocks	+163.9	+1590.1	1.71		
Russell 2000	+117.1	+4637.3	1.10		
Blocks	-0.6	+4791.1	1.00		
S & P 500	+726.5	+305.5	1.07		
Blocks	+820.7	+175.4	1.79		
DJ U.S. Total Stock Market	+1535.4	+5431.1	1.08		
Blocks	+1379.2	+5202.6	1.50		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Energy Select Sector SPDR	XLE	ARCA	55.15	+274.6	3.66
iShares MSCI Japan ETF	EWJ	ARCA	10.72	+154.7	12.73
Consumer Disc Sel Sector	XLY	ARCA	70.89	+132.9	5.53
Alibaba Group Holding ADR	BABA	NYSE	65.52	+52.6	1.33
Bank Of America	BAC	NYSE	12.11	+51.6	1.39
Apple	AAPL	NASD	95.45	+51.2	1.18
Facebook Cl A	FB	NASD	101.23	+43.4	1.10
Amazon.com	AMZN	NASD	515.81	+39.1	1.11
Procter & Gamble	PG	NYSE	81.15	+38.1	1.84
iShares Russell 2000 ETF	IWM	ARCA	98.29	+35.4	1.18
Alphabet Cl A	GOOGL	NASD	714.88	+30.8	1.19
PwrShrs QQQ Tr Series 1	QQQ	NASD	99.42	+28.2	1.18
Citigroup	C	NYSE	38.34	+25.3	1.40
Industrial Select Sector	XLI	ARCA	50.27	+24.1	2.00
Vanguard Total Stock Mkt	VTI	ARCA	95.40	+23.6	1.80
McDonald's	MCD	NYSE	118.39	+20.8	1.39
Mkt Vectors Gold Miners	GDX	ARCA	18.18	+19.6	1.45
Keurig Green Mountain	GMCR	NASD	90.29	+19.3	3.27
WisdomTree Europe	HEDJ	ARCA	48.29	+18.3	2.23
Vanguard <b>S&amp;P500</b>	VOO	ARCA	172.85	+17.8	1.64
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Vanguard Energy	VDE	ARCA	75.95	-232.2	0.04
WisdomTree Japan Hdg Eqty	DXJ	ARCA	41.27	-111.9	0.23
iShares Russell 1000 Val	IWD	ARCA	90.22	-51.3	0.26
Johnson & Johnson	JNJ	NYSE	101.96	-31.5	0.65
Schwab US Large Cap	SCHX	ARCA	44.62	-27.4	0.26
ProShares Short <b>S&amp;P500</b>	SH	ARCA	22.45	-24.9	0.39
iShares MSCI Eurozone ETF	EZU	BATS	31.50	-24.8	0.33
ICICI Bank ADR	IBN	NYSE	5.59	-23.9	0.20
Team Health Holding	TMH	NYSE	33.99	-23.0	0.08
General Electric	GE	NYSE	28.79	-23.0	0.70
Health Care Sel Sector	XLV	ARCA	65.13	-21.4	0.74
Baxalta	BXLT	NYSE	38.64	-21.2	0.29
iSh 7-10Y Treasury Bond	IEF	ARCA	110.26	-20.9	0.33

Verizon Communications	VZ	NYSE	50.04	-20.8	0.68
iShares 1-3Y Credit Bond	CSJ	ARCA	104.79	-20.2	0.23
Chevron	CVX	NYSE	83.69	-17.8	0.77
SPDR Gold Tr	GLD	ARCA	116.05	-17.6	0.85
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	113.11	-17.5	0.59
Pentair PLC	PNR	NYSE	45.44	-15.2	0.49
VelocityShares 3x Lg	UWTI	ARCA	1.46	-14.7	0.64

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

16-02-16 1719GMT

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# DOW JONES NEWSWIRES

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

640 字

2016 年 2 月 16 日 16:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 16,2016 11:04 AM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	+138.8	+1535.0	1.11		
Blocks	+186.4	+1590.1	1.98		
Russell 2000	+105.2	+4637.3	1.14		
Blocks	+7.7	+4791.1	1.08		
S & P 500	+760.6	+305.5	1.12		
Blocks	+834.5	+175.4	2.06		
DJ U.S. Total Stock Market	+1405.3	+5431.1	1.10		
Blocks	+1235.8	+5202.6	1.55		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Energy Select Sector SPDR	XLE	ARCA	55.61	+277.2	4.96
iShares MSCI Japan ETF	EWJ	ARCA	10.72	+154.4	16.21
Alibaba Group Holding ADR	BABA	NYSE	65.29	+50.2	1.40
Apple	AAPL	NASD	95.34	+49.8	1.26
Facebook Cl A	FB	NASD	102.67	+43.0	1.17
Bank Of America	BAC	NYSE	12.31	+40.5	1.44
Amazon.com	AMZN	NASD	514.69	+39.9	1.14
Procter & Gamble	PG	NYSE	81.09	+36.2	2.13
Alphabet Cl A	GOOGL	NASD	715.60	+31.0	1.24
PwrShrs QQQ Tr Series 1	QQQ	NASD	99.56	+29.2	1.24
Industrial Select Sector	XLI	ARCA	50.21	+24.6	2.54
Microsoft	MSFT	NASD	50.75	+24.2	1.73
iShares Russell 2000 ETF	IWM	ARCA	98.06	+24.0	1.18
Vanguard Total Stock Mkt	VTI	ARCA	95.41	+20.3	2.01
McDonald's	MCD	NYSE	117.91	+20.1	1.53
Wells Fargo	WFC	NYSE	47.90	+20.1	1.68
Citigroup	C	NYSE	38.80	+20.0	1.44
JPMorgan Chase	JPM	NYSE	58.07	+19.8	1.31
Keurig Green Mountain	GMCR	NASD	90.24	+18.9	3.92
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Johnson & Johnson	JNJ	NYSE	102.00	-29.4	0.60
Schwab US Large Cap	SCHX	ARCA	44.61	-27.3	0.19
ADT Corp.	ADT	NYSE	40.17	-23.6	0.86
Team Health Holding	TMH	NYSE	33.90	-23.0	0.05
Health Care Sel Sector	XLV	ARCA	65.16	-22.7	0.71
SPDR S&P 500	SPY	ARCA	188.49	-20.8	0.97
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文件 RTNW000020160216ec2g000d9

## MARKET WEEK

Stocks --- The Trader: Friday Stock Rebound Mitigates a Tough Week

By Vito J. Racanelli

1,976 字

2016 年 2 月 15 日

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Thursday, crude received a boost after the United Arab Emirates energy minister said OPEC was ready to cooperate on production cuts, says Jason Ware, chief investment officer at Albion Financial Group. Though low oil prices are good for the global economy, the stock market continues to follow the oil market slavishly, he says.

What's happening in the real economy isn't as bad as traders' screens would have it, he adds, pointing to U.S. January retail sales and weekly jobless claims data out last week that were above consensus.

Brad McMillan, chief investment officer at Commonwealth Financial Network, concurs. The market is slowly coming to terms with the removal of the Fed security blanket -- its extraordinary easing policy. "The negative first-quarter earnings seasons is mostly behind us, and it's gradually sinking in that this isn't as bad as 2008," he adds.

Still, the heretofore nonstop fretting in 2016 about Chinese economic growth magically disappeared last week. It might be because Chinese markets were closed last week for the Asian New Year, notes Louie Nguyen, chief investment officer at Soledad Investment Management. "It's as if the play was missing its main actor," he says.

When China returns from the wings this week, there could be some volatility if growth slowdown fears return, Nguyen adds. Moreover, on Monday, U.S. markets are closed for Presidents' Day, and it might not be so relaxing for traders when Chinese markets reopen Sunday evening, U.S. time.

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Viacom's revenue fell 6% in the fiscal first quarter ended December, the fifth consecutive quarterly drop, while earnings per share declined 6%. The company cut guidance on subscription-fee growth. Separately,

investors anxiously await news on the renewal of its distribution deal with satellite TV provider Dish Network (DISH), and Viacom is in a weakened negotiating position.

It is a third issue, however, that contributed the most to last week's Viacom stock pain: the Dauman factor. CEO Philippe Dauman added the title of chairman Feb. 4, succeeding 92-year-old Sumner Redstone. As rumors surfaced Feb. 3 that Redstone, who controls nearly 80% of Viacom's voting power, would resign as chairman, hopes rose for change, as did Viacom's stock, which surged as much as 10% in heavy trading. When 10-year Viacom veteran Dauman was named, however, the stock promptly fell the same amount from highs of \$47.

Dauman has come under heavy pressure thanks to a stock that's down two-thirds since mid-2014. In a tense earnings conference call Feb. 10, he was irked by an analyst who questioned why the board had chosen him to succeed Redstone, given the stock's poor performance over the past several years. Eric Jackson, a managing director at SpringOwl Asset Management and a vocal critic of Dauman, says the conference call comments did nothing to comfort investors. Dauman was "supremely defiant" and purposely vague, instead of providing further details about exactly how the company would turn around its fortunes.

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"Dauman should go," says Jackson. "No other single action would push up the stock more." We don't disagree. Dauman, who received \$54 million in compensation last year, including a \$17 million signing bonus, wasn't available for comment.

In response, a Viacom spokesperson says, "All of Viacom, particularly Mr. Dauman, is completely focused on protecting and building value for all of Viacom's shareholders. The extraordinary recent events have intensified our resolve to make that happen."

SpringOwl, which has increased its stake by purchasing shares in the downdraft, also says Viacom's board is insufficiently independent. This board is "too large, too cozy, and too overpaid," Jackson asserts.

Management has no control over the stock price in the short run, but over a decade the blame or credit goes to the executives running the show, and that's been Dauman. He became CEO in September 2006, and the stock is down 13% since then.

While Redstone is still around, nothing much might change. If he dies, his voting stake passes to a trust with its own seven-member board, including Dauman and Redstone's daughter Shari, the lone Viacom board member to vote against the CEO as chairman. It is generally thought two trust board members are allies of Shari Redstone, and the three independent members could side with Dauman, but who knows what might occur if Viacom stock continues to fall.

The assets remain undervalued. But when we suggested long-term oriented investors might find Viacom attractive, we didn't realize just how long that might take.

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Meanwhile, cost increases remain stubbornly high. The 44% rise last year marks the fourth year out of the last five that they outpaced sales, much of that from increasing management stock compensation. The intense competition in the social-media space isn't likely to ease costs soon.

The company reported 2015 revenue of \$3 billion, but a net loss of \$166 million or \$1.29 per share on generally accepted accounting principles (GAAP), much wider than 2014's GAAP loss of 13 cents. An important item hurting the bottom line is noncash stock-compensation expense, so LinkedIn bulls focus on the much better-looking non-GAAP figures, which exclude such costs, among others. In 2015, non-GAAP net

EPS was \$2.84 versus \$2.04 in 2014. Looks good, but investors ignore GAAP accounting and the sales growth deceleration at their peril.

David Trainer, whose skepticism informed our 2014 missive, says LinkedIn is still significantly overvalued. Stock compensation represents ownership, notes Trainer, president of New Constructs, an independent forensic-accounting research firm: "At the end of the day, you are taking value out of the hands of shareholders."

In 2016, stock compensation will jump again, to an estimated \$630 million from \$510 million last year, about double the \$319 million in 2014. Over the years, LinkedIn investors have been diluted by a factor of nearly three: Shares outstanding have ballooned to 130 million from 46 million in 2010. That will rise about 5% again this year.

Additionally, margins are declining, Trainer says. To justify the current price, the company's pretax margin would have to rise to 4%, last achieved in 2014, from negative 2.7% over the 12 months ended last September. When calculating pretax margins and net operating profit after tax, New Constructs strips out nonoperating gains and losses from results.

Many investors also might miss the significant off-balance-sheet debt in the form of operating-lease obligations to finance office space and data centers, Trainer says. New Constructs estimates that at \$1.1 billion, roughly equal to LinkedIn's long-term debt.

How "cheap" is LinkedIn? Even using the flattering non-GAAP EPS, the answer is not very. The stock trades at 31 times 2016 consensus analyst non-GAAP EPS of \$3.23 this year. That's down from LinkedIn's once triple-digit price/earnings ratios, but it's too high for a company whose sales growth is steadily deteriorating, with non-GAAP EPS growth of 14% this year. The consensus GAAP EPS is another loss of \$1.77, even wider than 2015's. When the stock compensation is taken into account, the "cheap" multiple appears less attractive.

LinkedIn declined to comment.

There's much more skepticism and fear in the market now, not auspicious for firms relying on non-GAAP profits. And with no positive catalyst in sight, LinkedIn's sales growth is likely to continue decelerating.

Investors should steer clear.

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## Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	15973.84	-231.13	-1.43
DJTransportation	7048.69	+105.87	+1.52
DJUtilities	610.87	-13.75	-2.20
DJ65Stocks	5652.48	-44.75	-0.79
DJUSMarket	461.22	-4.62	-0.99
NYSEComp.	9229.68	-160.65	-1.71
NYSEMKTComp.	2035.21	-11.09	-0.54
<b>S&amp;P500</b>	1864.78	-15.27	-0.81
S&PMidCap	1261.89	-17.43	-1.36
S&PSmallCap	598.52	-6.64	-1.10
Nasdaq	4337.51	-25.63	-0.59
ValueLine(arith.)	3887.33	-72.34	-1.83
Russell2000	971.99	-13.63	-1.38
DJUSTSMFloat	19029.42	-197.76	-1.03

	Last Week	Week Earlier
NYSE		
Advances	728	1,072
Declines	2,476	2,133
Unchanged	26	25
NewHighs	144	197
NewLows	978	378

AvDailyVol(mil)	5,013.5	4,780.7
Dollar		
(Finexspotindex)	95.97	96.96
T-Bond		
(CBTnearbyfutures)	166-150	163-080
Crude Oil		
(NYMlightsweetcrude)	29.44	30.89
Inflation KR-CRB		
(FuturesPriceIndex)	160.36	161.93
Gold		
(CMXnearbyfutures)	1239.10	1157.80

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## DOW JONES NEWSWIRES

The Trader: Friday Stock Rebound Mitigates A Tough Week -- Barron's

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Dow Jones Institutional News

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(FROM BARRON'S 2/15/16)

By Vito J. Racanelli

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13 Feb 2016 00:09 ET The Trader: Friday Stock Rebound Mitigates A -2-

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DJUSMarket	461.22	-4.62	-0.99
NYSEComp.	9229.68	-160.65	-1.71
NYSEMKTComp.	2035.21	-11.09	-0.54
<b>S&amp;P500</b>	1864.78	-15.27	-0.81
S&PMidCap	1261.89	-17.43	-1.36
S&PSmallCap	598.52	-6.64	-1.10
Nasdaq	4337.51	-25.63	-0.59
ValueLine(arith.)	3887.33	-72.34	-1.83
Russell2000	971.99	-13.63	-1.38
DJUSTSMFloat	19029.42	-197.76	-1.03

Last Week    Week Earlier

NYSE		
Advances	728	1,072
Declines	2,476	2,133
Unchanged	26	25

NewHighs	144	197
NewLows	978	378
AvDailyVol(mil)	5,013.5	4,780.7
Dollar		
(Finexspotindex)	95.97	96.96
T-Bond		
(CBTnearbyfutures)	166-150	163-080
Crude Oil		
(NYMlightsweetcrude)	29.44	30.89
Inflation KR-CRB		
(FuturesPriceIndex)	160.36	161.93
Gold		
(CMXnearbyfutures)	1239.10	1157.80

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(END) Dow Jones Newswires

February 13, 2016 00:09 ET (05:09 GMT)

文件 DJDN000020160213ec2d0008s



Need to Know

News & Commentary

Just one thing can cushion investors when stock market hits bottom; Critical intelligence before the U.S. market opens

Barbara Kollmeyer, MarketWatch

1,476 字

2016 年 2 月 11 日 14:36

MarketWatch

MRKWC

英文

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Critical intelligence before the U.S. market opens

Federal Reserve Chairwoman Janet Yellen had a tall order going into her Capitol Hill testimony — give investors something to smile about. In the harsh daylight, she appears to have bitterly disappointed them, as she failed to release enough doves.

The dollar has been sent to levels not seen since October 2014 against the yen, and oil prices are under \$27. Stock futures point to nothing short of a bloodbath when Wall Street opens, if this keeps up. The yen, of course, has a long history of pushing around stock market bulls.

“A two-year floor at \$1,800 in the **S&P500** could be a defining level for global markets — if it gives way, then all bets are off,” says Jasper Lawler, market analyst at CMC Markets.

Yellen simply left the market “hanging,” said John Kicklighter, chief currency strategist at DailyFX.

“We do not have a clear view of how she is evaluating the markets, whether she is more hawkish or whether she is personally more dovish,” or whether the Fed itself falls in either camp, he said.

As for a Yellen-fired meltdown, our call of the day says we ain’t seen nothing yet. The markets are in the process of a long, torturous drop to the bottom. But how to survive? Gold, which is shining like a beacon in the dark this morning.

Our chart of the day revisits the PIIGS — Portugal, Ireland, Italy, Greece and Spain — who are clearly up to no good. And just how low can interest rates go? Ask the Swedish central bank, which went to minus 0.5% this morning.

Key market gauges

Pretty much post-Yellen mayhem out there. Futures on the Dow (YMZ6, US) and the S&P (ESZ6, US) are deep in the red. Hong Kong (HSI, HK) returned from the Lunar New Year holiday and tumbled 4%, and European stocks(SXXP, XX) are set to close at their worst levels since 2013.

The dollar is back above ¥112 against the yen (USDJPY, US) after earlier trading around ¥111, and there’s a rumor that the Bank of Japan may have dived in to prop it up.

Gold (GCG6, US) is on an absolute tear, up about \$45 to \$1,239.40 an ounce to about a 1-year high. Crude(CLZ6, US) is below \$27 a barrel.

The economy

Yellen will start the second of her congressional testimony sessions at 10 a.m. Eastern. Weekly jobless claims showed no sign of rising layoffs as new applications for benefits fell 16,000.

The call

Fred Hickey, the outspoken editor of investment newsletter [“The High-Tech Strategist”](#), says we’re well into a bear market now, even if technically we’re not there.

Hickey — who’s been warning about a meltdown for stocks since 2014, saying the end of the Fed’s QE3 would be a trigger — laid out his rationale in an interview with Swiss Business newspaper Finanz und Wirtschaft (h/t [ValueWalk](#).)

Investors should expect stocks to continue lower from here, with rallies in between, until the Fed is forced into more QE. And that won't happen soon, as the central bank just hiked in December, "which means investors are at risk for more losses," said Hickey.

And gold, he said, would be in the "best environment possible," as central bankers scramble to fight a market meltdown with the usual QE tools. That means we could see "multi thousand dollar levels for the price of gold," he said.

Outside of gold itself, he likes miners, which haven't had any "malinvestments." But be patient on the miners, as they'll need to triple in price to catch up to bullion. His favorites: Agnico Eagle Mines (AEM, CA) , (AEM, US) Detour Gold (DGC, CA) , New Gold (NGD, CA), Goldcorp (G, CA) and Alamos Gold (AGI, CA) are all on his list.

But he said don't put all your money in gold and miners, because you need to be ready to invest when the Fed launches QE4 and sends the market flying again. Fascinating interview. Read the full version [here](#).

#### The chart

Remember the PIIGS? They're spelling trouble again, says J. Lyons Fund Management's Dana Lyons on his Tumblr blog.

After Mario Draghi's "whatever it takes" moment in 2012, the PIIGS stock composite rallied nearly 75%, before peaking in May last year, notes Lyons. (The composite is equal weight Portugal, Ireland, Italy, Greece, Spain.)

Since then, the PIIGS have gradually deflated. As of this week, that composite is near three-year lows — levels not seen since the European Central Bank president's bold message.

"This is not a pretty situation shaping up for the eurozone once again. Whatever benefit that accrued as a result of "whatever it takes" may have largely run its course," says Lyons, who says the days of dazzler rallies out of this bunch are probably over. Read his full blog [here](#).

Also check out: How to play the eurozone's most-troubled economies

#### Earnings

Twitter (TWTR, US) disappointed with stagnant monthly active users and disappointed on revenue. Pacific Crest was the first to downgrade — to sector weight — this morning. Shares are off 6% in premarket. CEO Jack Dorsey failed to cheer anyone up on his call either.

Tesla (TSLA, US) posted a disappointing quarter, but CEO Elon Musk made some bold predictions for the electric car maker this year and shares are up 3%.

Expedia (EXPE, US) swung to a loss, but bookings rose and shares are up 10%. The online travel company told MarketWatch it sees no threat from Airbnb.

Whole Foods (WFM, US) beat estimates, and shares in the food retailer are down almost 2%. Cisco (CSCO, US) is up 5.5%. The networking-equipment maker beat estimates and raised its dividend. Zynga (ZNGA, US) posted strong bookings, but fewer customers and shares are down nearly 10%.

Miner Rio Tinto (RIO, US) (RIO, UK) swung to a loss and scrapped one of its dividend

Ahead of the bell, PepsiCo (PEP, US) said profit topped estimates, and Avon (AVP, US) shares are down 8% after results. Kellogg (K, US) (K, US) beat on earnings.

(K, US) (K, US) Man United (MANU, US), Reynolds (RAI, US), After the close, it's AIG (AIG, US) , Pandora (P, US) , CBS (CBS, US) and FireEye (FEYE, US).

#### The buzz

Walgreens, a unit of Walgreens Boots Alliance (WBA, US) , has threatened to ax its deal with blood-testing group Theranos. That's unless Theranos quickly fixes the problems unearthed by federal inspectors at a laboratory in California, according to sources. Walgreens shares are down 2.6%

Amazon (AMZN, US) climbed in late trade after the e-commerce group announced a \$5 billion share buyback program. But in a down market this morning it's off 1%.

Mylan (MYL, US) said it will buy Swedish pharma Meda (MEDAA, SE) for \$7.2 billion in cash and stock, as it also posted disappointing growth in the fourth quarter. Mylan shares are down 11%

BP's (BP, US) CEO Bob Dudley said governments need to do more to cut carbon emissions at a conference in London.

The stat

25% — that's how much central-bank buying of gold shot up in the second half of last year, the second highest annual demand on record, according to the World Gold Council. "Central banks are keeping their foot firmly on the gold purchasing pedal," the group said in its report.

The quote

"The view that China has years of reserves to burn through is misinformed. China's back is completely up against the wall today, which is one of the primary reasons why the government is hypersensitive to any comments regarding its reserve levels or a hard landing." That's Kyle Bass, of Hayman Capital Management LP, in a letter to clients on Wednesday.

Random reads

North Korea has reportedly executed its top general

A woman lay dead in her car in a Wal-Mart parking lot for three months [and no one noticed](#)

The New York Daily News unearthed some scary stuff about [the city's day cares](#)

The FBI is closing in on four holdouts at a wildlife refuge in Oregon

Prankster trolls Trump at rally in South Carolina with [steak sign](#)

Passengers tell of [harrowing journey aboard](#) Royal Caribbean cruise ship that steered right into a storm

<https://twitter.com/jaybrag/status/697233972741279744> Need to Know starts early and is updated until the opening bell, but sign up here to get it delivered once to your email box. Be sure to check the Need to Know item. The emailed version will be sent out at about 7:30 a.m. Eastern.

文件 MRKWC00020160211ec2b001uq

## DOW JONES NEWSWIRES

Fear of Fear Itself Spooks Global Markets -- Barron's Asia

By Wayne Arnold

1,042 字

2016 年 2 月 11 日 04:30

Dow Jones Institutional News

DJDN

英文

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Poor Janet Yellen can't win for losing. The U.S. Federal Reserve chair did her best yesterday in testimony to Congress that she, too, was mindful of slowing global growth and how it might hurt the American economy. But she wasn't gloomy enough to suit investors hoping for a new fix of cheap-money morphine.

Markets in Asia were already tolling their unhappiness Thursday morning. Stocks in South Korea, a bellwether for global trade, were down as much as 2.5% and Taiwan's dollar and Malaysia's ringgit were leading what seemed likely to be another bad day for currencies in Asia's smaller, export-dependent economies.

If you're perplexed how the Fed saying the world's largest economy is holding up pretty well sends global markets into a new tailspin, join the club. But try this explanation on for size: markets are bracing for a scenario in which the Fed continues to raise interest rates while central banks in China, Europe, Japan and emerging markets have to keep lowering them.

That would mean a continued torrent of funds out of those economies and their currencies into the U.S. and its dollar. As Fitch analyst James McCormack explains, that would be bad news for Asian borrowers: "If the dollar continues to strengthen this year, emerging-market sovereign credits will continue to face stress." A rising dollar is also kryptonite for big multinationals that dominate the **S&P500**. Their global sales are likely to get hit by a higher dollar. Markets would love it if Yellen threw her hands in the air and sobbed that the Fed's rate hike last December, its first in nearly a decade, was a tragic mistake.

But Fed watchers and fund managers are saluting Yellen's bravery in standing up to the market's tantrums: "Yellen did not appear to be intimidated by the turmoil in financial markets and the economic developments abroad," wrote Rabobank's senior U.S. strategist Philip Marey.

Ultimately, higher U.S. rates and a stronger dollar would be good for the global economy. Not only would they herald a more powerful U.S. engine for global growth, but they would help end what fund managers and economists decry as an era of excessively cheap credit that has encouraged bad investors to reward badly run companies and badly run economies with cheap funds.

Unwinding all that is driving markets into the tizzy we've seen so far this year. The problem now is that, while Yellen's statements suggest to Fed watchers like Marey that she's backing away from plans to hike again in March, the market has already decreed there should be no rate hike until next year. That leaves a huge gap in perceptions between when the Fed might hike and when the market thinks the global economy will be ready for it.

Those concerns might not be so severe if investors thought efforts elsewhere to cut rates were doing any good. But Bank of Japan Gov. Haruhiko Kuroda's surprise attack on deflation last month has clearly backfired. Declaring he would charge, rather than pay, interest on new commercial bank deposits failed to release any new money into the Japanese economy.

Instead, Kuroda's move fueled a global retreat from risk, pulling cash back into Japan and the relative safety of bonds. Yields on Japanese government bonds have sunk below zero, which is good for the heavily indebted Japanese government. But the yen has soared more than 5% since Kuroda announced his negative interest rate policy. That's sent Japanese stocks down more than 9%.

Worse, it's given investors something more to worry about than a Trump vs. Sanders U.S. presidential race: NIRP raised questions about how Japan's big banks and insurers would maintain margins if the safest investment in town yields a negative return. In a market racked with fear, those concerns have fed worries that falling prices for assets, notably oil, are forcing leveraged investors to liquidate to meet margin calls. That could undermine the collateral European banks having against loans, sparking a wave of defaults, forcing banks to shed assets and raise capital. . .

So markets have thus managed to work themselves into a full-fledged hissy fit over global liquidity, forced selling and asset quality -- what AMP Capital's Shane Oliver calls fear of fear itself. That is causing some quizzical moves in the market: the dollar, for instance has fallen this month against other major currencies like the yen, the Euro and the Swiss franc as leveraged bets unwind. And gold, traditionally a hedge against inflation rather than deflation, has soared 8%.

And all of this while China was closed for its long Lunar New Year holiday! The only peep from the People's Republic in the past week was Sunday's disclosure of a continued, 3% slide in China's foreign-currency reserves in January as the People's Bank of China struggled to keep capital outflows from pulling the yuan down faster than it wants.

Jefferies strategist Sean Darby has joined Bank of America Merrill Lynch in predicting another big devaluation could come as part of a coordinated stimulus when the Group of 20 finance ministers and central bankers meet at the end of the month in Shanghai.

Either way, more investors are lining up with this column's prediction that the PBoC will eventually let the yuan slide further. Hayman Capital Management's Kyle Bass, who's hedge fund is betting billions against the yuan, wrote to clients this week he reckons the PBoC's \$3.2 trillion in published reserves overstates how much it has in liquid assets to defend the yuan.

Given how much central banks despise being front-run by speculators, Bass' big mouth may have just boosted the odds against devaluation. As wild as markets will go if and when it does, it could go worse for China and global markets if it doesn't.

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Comments? E-mail us at [wayne.arnold@barrons.com](mailto:wayne.arnold@barrons.com)

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Comments? E-mail us at [asiaeditors@barrons.com](mailto:asiaeditors@barrons.com)

(END) Dow Jones Newswires

February 10, 2016 23:30 ET (04:30 GMT)

文件 DJDN000020160211ec2b0009f

# DOW JONES NEWSWIRES

Three Reasons Boeing is in the Dog House -- Barron's Blog

By Ben Levisohn

382 字

2016 年 2 月 10 日 16:54

Dow Jones Institutional News

DJDN

英文

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RBC analyst Robert Stallard and team offer three reasons why "Boeing (BA) is in the dog house":

It's not been the best start to the year for Boeing, with the stock underperforming the **S&P500** by 9%. Although there have arguably been communication problems, we think that there are also fundamental issues that are weighing on investor sentiment and could ultimately have negative implications for profits and cashflow as well.

1. 777 transition: The elephant in the room has been the 777. Although Boeing has finally conceded to a weaker than hoped demand environment, and cut the 777-300 rate to 7/month, there is concern that there could be further downside. We calculate that Boeing still needs to sell to 140\* 777-300s to bridge the gap until 2021 even at 5/month. We also estimate that the 777X will create a \$2bn/year cash headwind as it ramps.

2. The Cycle: Look back over 40 years, and Boeing is clearly a cyclical stock. Investors are not convinced that "it's different this time", and with aerospace into year 7 of this up-cycle, there is nervousness about how long the good times can last. About half of the Boeing Commercial Aircraft backlog is exposed to emerging markets, where there are real concerns over growth and FX pressures. This has not yet flowed through to the airlines, but the concern is that it is just a matter of time.

3. 737 transition: Perhaps the biggest bombshell in the 4Q15 results was the unexpected dip in 737 deliveries this year. There is now concern that the move from the NG to the MAX is not the "non issue" that many have assumed. There is now more focus on whether all of the NG slots have been sold and what sort of profit/cash hit is expected from the transition. We pushed back the 2018--19 rate increases as we trim our MAX and NG forecasts.

Shares of Boeing have dropped 0.6% to \$117.06 at 11:48 a.m. today.

More at Barron's Stocks to Watch blog,  
<http://blogs.barrons.com/stockstowatchtoday/>  
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February 10, 2016 11:54 ET (16:54 GMT)

文件 DJDN000020160210ec2a002lh

# DOW JONES NEWSWIRES

## Exchange Traded Funds Top 10 Percentage Losers

139 字

2016 年 2 月 10 日 22:32

Dow Jones Institutional News

DJDN

英文

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STOCK (Symbol)	NET LAST	% CHG	CHG
Direxion Rg Banks Bear 3X WDRW	54.20	-3.90	-6.71
DXN DLY GLDMNR 3x BR DUST	6.98	-0.46	-6.14
WisTree Jpn Tech Media DXJT	21.71	-1.35	-5.85
DXN DLY RSSA BEAR 3X RUSS	40.56	-2.51	-5.83
Highland HFR Global ETF HHFR	17.85	-1.08	-5.71
Direxion Homebldr Bear 3X CLAW	70.05	-4.12	-5.55
Direxion Japan Bull 3x JPNL	28.94	-1.69	-5.52
Guggenheim <b>S&amp;P500</b> Real Es EWRE	23.02	-1.28	-5.26
WisTree Jpn Financials DXJF	17.64	-0.91	-4.91
QuantShares Hedged Div DIVA	21.90	-1.10	-4.78

(END) Dow Jones Newswires

February 10, 2016 17:32 ET (22:32 GMT)

文件 DJDN000020160210ec2a0046g

 [Three Reasons Boeing is in the Dog House](#)

Barron's Blogs, 2016 年 2 月 10 日 16:54, 357 字, By Ben Levisohn, (英文)

RBC analyst Robert Stallard and team offer three reasons why "Boeing (BA) is in the dog house": It's not been the best start to the year for Boeing, with the stock underperforming the S&P500 by 9%. Although there have arguably been ...

文件 WCBBE00020160210ec2a001e1

# DOW JONES NEWSWIRES

\*Guggenheim **S&P500** Real Es (EWRE) Resumed Trading

22 字

2016 年 2 月 10 日 14:51

Dow Jones Institutional News

DJDN

英文

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February 10, 2016 09:51 ET (14:51 GMT)

文件 DJDN000020160210ec2a0024e

# DOW JONES NEWSWIRES

\*Guggenheim **S&P500** Real Es (EWRE) Halt: Single-Stock Circuit Breaker

25 字

2016 年 2 月 10 日 14:45

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英文

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February 10, 2016 09:45 ET (14:45 GMT)

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# DOW JONES NEWSWIRES

\*Guggenheim **S&P500** Real Es (EWRE) Halt:

21 字

2016 年 2 月 10 日 14:45

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# DOW JONES NEWSWIRES

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

625 字

2016 年 2 月 4 日 16:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 04,2016 11:04 AM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	-80.2	+949.1	0.95		
Blocks	-84.9	+955.7	0.67		
Russell 2000	-20.2	+1784.1	0.98		
Blocks	-3.6	+1929.2	0.96		
S & P 500	-388.7	+87.0	0.96		
Blocks	-355.1	+68.4	0.77		
DJ U.S. Total Stock Market	-621.4	+2577.8	0.97		
Blocks	-663.1	+2712.6	0.78		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
(in millions)					
iSh Short Maturity Bd	NEAR	BATS	50.00	+75.5	9.34
iShares Russell 2000 ETF	IWM	ARCA	101.55	+64.4	1.27
Energy Select Sector SPDR	XLE	ARCA	58.18	+44.0	1.58
Comcast	CMCSA	NASD	58.88	+42.3	1.74
Facebook Cl A	FB	NASD	110.77	+35.2	1.09
Alphabet Cl C	GOOG	NASD	716.20	+33.2	1.10
Broadcom	AVGO	NASD	136.55	+24.7	1.35
EQT GP Holdings	EQGP	NYSE	19.16	+22.2	80.08
iShares U.S. Healthcare	IYH	ARCA	136.46	+18.9	4.67
Procter & Gamble	PG	NYSE	80.59	+18.3	1.76
Chevron	CVX	NYSE	85.57	+16.0	1.25
iShares MSCI Emg Markets	EEM	ARCA	30.59	+15.9	1.18
Johnson & Johnson	JNJ	NYSE	103.26	+15.4	1.32
Intel	INTC	NASD	29.79	+15.4	1.80
iSh Nasdaq Biotech	IBB	NASD	268.48	+14.9	1.11
Valeant Pharm Intl	VRX	NYSE	99.07	+14.7	1.26
IBM	IBM	NYSE	128.15	+14.5	1.31
AbbVie	ABBV	NYSE	57.00	+14.2	1.55
Gilead Sciences	GILD	NASD	86.97	+13.4	1.18
St. Jude Medical	STJ	NYSE	52.95	+13.2	3.60
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
(in millions)					
iSh Curr Hdg MSCI Germany	HEWG	ARCA	21.86	-85.2	0.03
iShares MSCI Eurozone ETF	EZU	BATS	32.79	-80.2	0.11
PwrShrs QQQ Tr Series 1	QQQ	NASD	102.06	-65.7	0.76
iShares MSCI Germany ETF	EWG	ARCA	24.12	-54.1	0.08
Monsanto	MON	NYSE	93.85	-52.0	0.36
Amazon.com	AMZN	NASD	530.00	-47.0	0.88
WM EM Local Debt	ELD	ARCA	34.29	-35.3	0.01
Pfizer	PFE	NYSE	29.30	-32.4	0.62
Bank Of America	BAC	NYSE	13.53	-30.9	0.78
Verizon Communications	VZ	NYSE	50.23	-30.5	0.52
Honeywell Intl	HON	NYSE	103.38	-29.3	0.57
SPDR S&P 500	SPY	ARCA	192.27	-26.9	0.98
Alphabet Cl A	GOOGL	NASD	734.38	-26.3	0.94

Genesee & Wyoming	GWR	NYSE	54.41	-24.6	0.16
Teva Pharmaceutical ADR	TEVA	NYSE	59.47	-24.0	0.41
Wells Fargo	WFC	NYSE	48.42	-22.6	0.71
Citigroup	C	NYSE	41.45	-21.0	0.72
General Electric	GE	NYSE	29.39	-19.5	0.72
Thermo Fisher Scientific	TMO	NYSE	128.09	-18.4	0.49
Vanguard <b>S&amp;P500</b>	VOO	ARCA	176.26	-15.7	0.70

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

04-02-16 1619GMT

文件 RTNW000020160204ec24000h7



Barrons Asia  
Asian Stock Volatility Forces Portfolio Rejig

By Wayne Arnold

824 字

2016 年 2 月 3 日

Barron's Online

BON

英文

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They say a watched pot never boils, but let's not let that stop us from seeing just how well or poorly our recommendations from last month have fared.

Regular readers may recall that about this time last month, this column recommended [10 Asian holdings that might help investors beat the MSCI AC Asia Pacific index](#). The recommendations leaned heavily on Chinese government bonds as ballast, three Japanese defense stocks and a handful of regional ETFs led by underpriced China stocks listed in Hong Kong and South Korea.

The thinking on those holdings was that 2016 was likely to be a bad year for stocks. That was obviously wrong. It is instead turning out to be a truly horrible year for stocks. The MSCI AC Asia Pacific index has fallen 7.7% so far this year, mirroring the 6.9% tumble by the **S&P500** and the 7.5% drop in the MSCI World Index.

For most of January, our picks were outperforming the benchmark. Until, that is, last Friday when Bank of Japan Governor Haruhiko Kuroda launched his negative interest rate policy. That revived risk appetite and buoyed many Asian markets, but left our picks dead even with the benchmark at the end of the month. So much for outperformance.

Related coverage

[10 Asian Portfolio Picks to Survive 2016](#)

[Is It Time to Buy Asia?](#)

[Jakarta Attack Adds to Investors' Wall of Worries](#)

[What's Driving China's Stock Market Selloff?](#)

What killed that outperformance? In a word, China. Chinese stocks listed in Hong Kong, known as H-Shares looked cheap a month ago at about roughly seven times earnings. They look even cheaper now at 5.8 times. H-shares have fallen almost 17% since last year, helping to pull our chosen ETF, Germany-listed iShares Dow Jones China Offshore 50, down about 16% in dollar terms. That's still better than stocks did in Shanghai, where the benchmark index has fallen 22%.

One bright spot in our recommendations stands out: mainland sportswear company China Dongxiang (3818.HK) has climbed as much as 7% in the short time since [this column singled it out late last month](#).

Where to go from here? The prognosis for Asia's markets remains dim. With central banks now vying to devalue their currencies, any gains in stocks of export companies risk being offset by foreign exchange losses. That said, markets now appear to be pricing in a global recession that most economists say isn't coming. Fund managers and strategists from BNP Paribas to Bank of America Merrill Lynch advise not to sell in a panic, but rather to keep hunting for value, even if value stocks inflict short-term pain.

So, with fears rising of a China meltdown that is threatening to pull the Yuan ever lower, it may be wise to scale back on CSOP China 5-Year Treasury Bond ETF (3199.HK), which has lost 2% so far this year. Our picks in Japanese defense -- Marubun (ticker: [7537.JP](#)), ShinMaywa ([7224.JP](#)) and Mitsubishi Electric ([6503.JP](#)) -- have done much worse, suffering double-digit declines. But all three still represent excellent values at below 11 times forecast earnings, and stand to bounce back as Japanese military outlays rise alongside regional tensions.

Among the handful of country ETFs this column named last month, there are two -- the Philippines and Australia -- that no longer look cheap enough to warrant holding. iShares MSCI Philippine ETF (EPHE)

rebounded 3.2% after we [advised picking some up](#) following the Jakarta terrorist attacks in mid-January. But rising foreign-currency debt is raising the risk that the Philippine peso extends its 2% decline so far this year. Better to shop for bargains among individual names in Manila.

And even after falling roughly 6% so far this year, Australia stocks still don't look cheap at 15.7 times projected earnings. With commodity prices still dropping, we'll be steering well above the land Down Under this month. It's time, therefore, to cut our losses in iShares MSCI Australia (EWA).

Instead, it looks like a good time to add some of the Hong Kong Tracker Fund (2800.HK) to our H-share ETF. After tumbling 11% so far this year, Hong Kong's benchmark index – which includes many of those oversold H shares – looks irresistibly cheap at 9.7 times projected earnings.

Among individual stocks, we'll be hanging on to Taiwanese iPad supplier Compal Electronics (2324.TW), which has returned 1.1% so far this year. But with worries about Apple's sales mounting and analysts now predicting only about 9% more upside for Compal's shares this year, it's tempting to take some profits and use them to buy more shares of China Dongxiang.

Comments? E-mail us at [wayne.arnold@barrons.com](mailto:wayne.arnold@barrons.com)

Comments? E-mail us at [asia.editors@barrons.com](mailto:asia.editors@barrons.com)

文件 B0N0000020160203ec230005I

## DOW JONES NEWSWIRES

Asian Stock Volatility Forces Portfolio Rejig -- Barron's Asia

By WAYNE ARNOLD

806 字

2016 年 2 月 3 日 06:44

Dow Jones Institutional News

DJDN

英文

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They say a watched pot never boils, but let's not let that stop us from seeing just how well or poorly our recommendations from last month have fared.

Regular readers may recall that about this time last month, this column recommended 10 Asian holdings that might help investors beat the MSCI AC Asia Pacific index. The recommendations leaned heavily on Chinese government bonds as ballast, three Japanese defense stocks and a handful of regional ETFs led by underpriced China stocks listed in Hong Kong and South Korea.

The thinking on those holdings was that 2016 was likely to be a bad year for stocks. That was obviously wrong. It is instead turning out to be a truly horrible year for stocks. The MSCI AC Asia Pacific index has fallen 7.7% so far this year, mirroring the 6.9% tumble by the **S&P500** and the 7.5% drop in the MSCI World Index.

For most of January, our picks were outperforming the benchmark. Until, that is, last Friday when Bank of Japan Governor Haruhiko Kuroda launched his negative interest rate policy. That revived risk appetite and buoyed many Asian markets, but left our picks dead even with the benchmark at the end of the month. So much for outperformance.

What killed that outperformance? In a word, China. Chinese stocks listed in Hong Kong, known as H-Shares looked cheap a month ago at about roughly seven times earnings. They look even cheaper now at 5.8 times. H-shares have fallen almost 17% since last year, helping to pull our chosen ETF, Germany-listed iShares Dow Jones China Offshore 50, down about 16% in dollar terms. That's still better than stocks did in Shanghai, where the benchmark index has fallen 22%.

One bright spot in our recommendations stands out: mainland sportswear company China Dongxiang (3818.HK) has climbed as much as 7% in the short time since this column singled it out late last month.

Where to go from here? The prognosis for Asia's markets remains dim. With central banks now vying to devalue their currencies, any gains in stocks of export companies risk being offset by foreign exchange losses. That said, markets now appear to be pricing in a global recession that most economists say isn't coming. Fund managers and strategists from BNP Paribas to Bank of America Merrill Lynch advise not to sell in a panic, but rather to keep hunting for value, even if value stocks inflict short-term pain.

So, with fears rising of a China meltdown that is threatening to pull the Yuan ever lower, it may be wise to scale back on CSOP China 5-Year Treasury Bond ETF (3199.HK), which has lost 2% so far this year. Our picks in Japanese defense -- Marubun (ticker: 7537.JP), ShinMaywa (7224.JP) and Mitsubishi Electric (6503.JP) -- have done much worse, suffering double-digit declines. But all three still represent excellent values at below 11 times forecast earnings, and stand to bounce back as Japanese military outlays rise alongside regional tensions.

Among the handful of country ETFs this column named last month, there are two - the Philippines and Australia - that no longer look cheap enough to warrant holding. iShares MSCI Philippine ETF (EPHE) rebounded 3.2% after we advised picking some up following the Jakarta terrorist attacks in mid-January. But rising foreign-currency debt is raising the risk that the Philippine peso extends its 2% decline so far this year. Better to shop for bargains among individual names in Manila.

And even after falling roughly 6% so far this year, Australia stocks still don't look cheap at 15.7 times projected earnings. With commodity prices still dropping, we'll be steering well above the land Down Under this month. It's time, therefore, to cut our losses in iShares MSCI Australia (EWA).

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(END) Dow Jones Newswires

February 03, 2016 01:44 ET (06:44 GMT)

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# DOW JONES NEWSWIRES

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

647 字

2016 年 2 月 2 日 21:53

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Feb 02,2016 04:38 PM

MARKET	MONEY FLOW (in millions)			RATIO		
	TODAY	PREV DAY				
DJIA	+142.6	+1392.9	1.03			
Blocks	+165.3	+1394.7	1.17			
S & P 500	-793.3	+3572.1	0.97			
Blocks	-394.5	+3724.6	0.92			
Russell 2000	-369.1	+2.5	0.90			
Blocks	-224.6	+53.2	0.65			
DJ U.S. Total Stock Market	-3808.4	+2477.4	0.94			
Blocks	-2762.2	+2837.2	0.76			
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO	
	(in millions)					
Gilead Sciences	GILD	NASD	82.70	+181.5	1.88	
McDonald's	MCD	NYSE	123.95	+134.3	1.85	
JPMorgan Chase	JPM	NYSE	57.03	+131.6	1.93	
Amer Campus Communities	ACC	NYSE	43.17	+102.8	2.40	
Citigroup	C	NYSE	40.42	+102.5	1.73	
AT&T	T	NYSE	36.06	+86.7	1.70	
Merck	MRK	NYSE	50.41	+85.2	2.05	
General Electric	GE	NYSE	28.24	+79.8	1.65	
iSh Short Maturity Bd	NEAR	BATS	50.00	+76.7	8.18	
Verizon Communications	VZ	NYSE	49.91	+66.6	1.48	
PG&E	PCG	NYSE	56.67	+60.6	2.42	
Mkt Vectors Russia Tr	SBI	RSX	ARCA	13.29	+59.8	3.38
Apple	AAPL	NASD	94.48	+58.8	1.10	
Comcast	CMCSA	NASD	54.59	+57.9	1.62	
Alphabet Cl A	GOOGL	NASD	780.91	+57.4	1.04	
Disney	DIS	NYSE	93.12	+54.1	1.48	
Matls Select Sector SPDR	XLB	ARCA	38.67	+53.1	2.88	
iSh 0-5Y Hi Yd Corp Bd	SHYG	ARCA	43.47	+51.5	24.21	
Wal-Mart Stores	WMT	NYSE	66.86	+41.7	1.31	
iSh Core US Aggregate Bd	AGG	ARCA	109.32	+41.1	1.37	
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO	
	(in millions)					
iShares Core S&P 500 ETF	IVV	ARCA	191.09	-322.8	0.42	
Mkt Vectors Gold Miners	GDX	ARCA	14.30	-210.3	0.14	
iShares MSCI Emg Markets	EEM	ARCA	29.30	-176.2	0.39	
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	113.66	-171.3	0.29	
SPDR S&P 500	SPY	ARCA	190.16	-164.5	0.95	
PwrShs SP 500 Hi Quality	SPHQ	ARCA	22.42	-136.0	0.01	
PwrShrs QQQ Tr Series 1	QQQ	NASD	102.15	-130.9	0.77	
iSh 7-10Y Treasury Bond	IEF	ARCA	109.47	-130.1	0.31	
Raytheon	RTN	NYSE	125.44	-127.7	0.48	
YUM! Brands	YUM	NYSE	72.32	-105.0	0.54	
Franklin Shrt Duration US	FTSD	ARCA	98.10	-93.8	0.00	
ExxonMobil	XOM	NYSE	74.59	-93.2	0.73	
Finl Select Sector SPDR	XLF	ARCA	21.03	-92.7	0.49	

Schwab US Dividend Equity	SCHD	ARCA	37.06	-86.8	0.06
Procter & Gamble	PG	NYSE	80.22	-82.9	0.51
Facebook Cl A	FB	NASD	114.61	-81.0	0.95
ITC Holdings	ITC	NYSE	39.29	-80.7	0.17
Vanguard <b>S&amp;P500</b>	VOO	ARCA	174.37	-75.6	0.66
American Express	AXP	NYSE	53.66	-74.7	0.54
iShares iBoxx \$ HY Cp Bd	HYG	ARCA	77.87	-73.7	0.62

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

02-02-16 2153GMT

文件 RTNW000020160202ec22000kw

## MARKET WEEK

Stocks --- The Trader: BOJ Move Prompts Market to Late-Week Rally

By Vito J. Racanelli

2,029 字

2016 年 2 月 1 日

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Stocks jumped Friday, turning an otherwise punk week into a winner. The major indexes rose about 2%, and investors cheered a surprise action by the Bank of Japan overnight Thursday to move its benchmark interest rate below zero.

With U.S. fourth-quarter gross-domestic-product numbers -- out Friday morning -- showing poor growth, 0.7% annualized, the BOJ move rescued a market worried that energy-sector carnage will hurt overall growth.

Crude oil, too, cooperated, up for a second consecutive week, 4.4% to \$33.62 per barrel. A Federal Reserve statement Wednesday said it was watching "global economic and financial developments," in a nod to market volatility over the past two months. However, the market was disappointed there were no indications it is backing away from the expected four rate hikes this year.

The Dow Jones Industrial Average gained 373 points, or 2.3%, to 16466.30 last week, while the Standard & Poor's 500 index rose 1.8%, or 33, to 1940.24. Both fell over 5% last month. The Nasdaq picked up 0.5%, to 4613.95, last week.

Some of the factors pressuring the market -- weak oil prices and fear of a global growth slowdown -- were temporarily relieved, says Peter Boockvar, chief market analyst at Lindsey Group. "The market continues to respond positively to any global easing," he adds. The BOJ move was welcome given investors are fretting over whether the Fed will push back its rate-hike plan.

There will be diminishing returns to easing moves, however, predicts Boockvar, who notes many sectors and countries are already in a bear market, even if the U.S. isn't -- yet. Bear markets -- not bulls -- are characterized by these sharp, violent moves upward, he adds.

Concern has grown that the oil-patch weakness of the past 18 months won't stay confined to that sector and will eventually "leak into" and affect the wider economy, says Anwiti Bahuguna, a senior portfolio manager at Columbia Threadneedle Investments.

The equity rally could continue with more central bank action, she adds, but investors remain skittish. "If we don't see better U.S. economic data, we haven't seen the end of market weakness," Bahuguna says.

Some investors might see two up weeks in a row as a turning point, but if that were true then why did defensive sectors -- such as telecom, utilities, and consumer staples, up 3% to 4% -- make up three of the top four sectors last week?

We are back to bad news is good again, something that's characterized the market's churning since midsummer. Since the top last May, with each new rally we've seen a cycle of lower highs, not a particularly encouraging sign.

## Viacom's Hidden Value

Like most media companies, Viacom (ticker: VIAB) is suffering from "cord cutting" as younger folks eschew cable and broadcast viewing for Internet-delivered entertainment. For Viacom's popular networks, including Nickelodeon and MTV, among others, this has led to a slump in viewership and ad revenue.

At \$45.64 a share, Viacom's class B shares are down about 50% from mid-2014 all-time highs, and off 6% since March 2011. The stock has significantly underperformed both the market and its peers. Yet long-term-oriented value investors might find Viacom shares attractive, now that activist firm SpringOwl Asset Management has invested in the company and is agitating for change.

Apart from industry issues, Viacom has its own problems, including stagnant revenue growth, at an annual \$13 billion or so in the four years ended Sept. 30. Earnings per share have risen mainly due to debt-funded share buybacks, with class B shares outstanding at about 346 million, down from 750 million 10 years ago. Debt stands at \$12.3 billion, or 3.4 times shareholder equity. Viacom is more leveraged than its peers. Another concern is that pay TV provider Dish Network (DISH) might drop Viacom's networks.

Still, Viacom has unique assets that are undervalued, says Christopher Tsai, president of Tsai Capital, which has been buying shares recently. It has a well-liked portfolio of networks, including VH1 and Comedy Central; a global presence, with 380 million worldwide subscribers at Nickelodeon and 540 million for MTV; and it owns Paramount Pictures, with a library of 3,300 films. Cord cutting is a worrisome issue, with social media hurting MTV in particular, says Tsai. But content is king and Viacom has plenty of it, to go by the subscriber base.

Eric Jackson, a managing director at SpringOwl, also thinks the stock is cheap, but he's a fierce critic of the way the company has been run in the past decade. Viacom management has been "egregiously overpaid," despite poor stock performance, with CEO Philippe Dauman and COO Thomas Dooley getting a combined \$432 million in compensation in the past five years, more than any other media company in the same period, Jackson says.

Viacom declined to comment on SpringOwl's criticisms. A source close to the company asserts the compensation figure is exaggerated by using highs in the stock price. The value received is much lower, as some 70% of compensation is stock, which has fallen sharply, the source says.

SpringOwl also censures Viacom for the \$15 billion spent on share buybacks from 2011 through 2015 -- not too far below the current market cap. Shares were bought back at an average price of about \$61 per share, with little boost in the price to show for it. The source says that is money returned to shareholders and that the company is committed to its investment-grade rating.

Jackson is also critical of Viacom's "minimal" digital strategy, saying a management change, including the removal of Chairman Sumner Redstone, 92, is needed to avoid missing the media shift to digital distribution platforms, and to remove the stock's discount. Our source says that six of Viacom's top 10 networks, although not MTV or Comedy Central, are growing again.

Redstone controls 79% of Viacom's voting power through ownership of the class A shares, and questions about his health feature prominently in two recent lawsuits, one filed by a former companion and the other by a shareholder.

In connection with the former suit, a California judge recently ordered Redstone to undergo a mental examination. The latter suit charges, among other things, that the board hid the deteriorating state of his health. Viacom's board will evaluate Redstone's health situation and chairmanship in the March-May time frame, the source says.

Tsai considers Viacom's shares cheap, given his expectations for 8% to 9% growth in EPS in the next five years. Some will come as a result of continued buybacks. The B shares trade for about eight times consensus analyst earnings estimates of \$5.78 a share for the fiscal year ending in September. Viacom's median price/earnings multiple is 12.

If the stock climbed back to that P/E, it would be worth more than \$65, some 50% higher, Tsai says. SpringOwl's Jackson says, "With a new CEO, cleaned up governance, and greater cost cuts, we think this stock trades \$80 to \$90 a share."

Viacom's shares offer a dividend yield of almost 4%, so investors are being paid to wait for changes. Given the mounting pressure on underperforming management, something's got to give.

#### Virtu Financial's Many Virtues

Third-quarter currency-trading volume was weaker than expected at Virtu Financial (VIRT), leading the stock to underperform the market in late 2015. Lately, however, the shares have turned up, as market volatility is a tail wind for this global electronic market maker of U.S. and international equities, commodities, and currencies. The shares, which came public last April, have rallied 6%, to \$22.70, from a December low of \$21.27. More gains could be in store.

"Virtu is one of our favorite mid-caps in the financial space," says Jeff Bahl, a portfolio manager at Bahl & Gaynor. The money-management firm has been buying Virtu shares regularly for clients since the initial public offering.

Virtu benefits in the short term from big market gyrations, as the bid-ask spread on various assets, whether stocks or oil, widens, even by a few pennies, Bahl says. That allows an electronic market maker like Virtu a

potentially bigger profit as it buys and sells various assets, collecting the difference and providing liquidity to the market. Higher volumes, which also occur in volatile times, also help Virtu's bottom line, he notes.

While episodic market volatility is nice for Virtu, the long term organic-growth picture is more important. According to Bahl, it is a "prime beneficiary of the powerful macro trend of continued disintermediation of trading" -- that is, a move to electronic and automated trading both across asset classes and around the globe. For example, while roughly 50% of U.S. equity trading is fully automated, U.S. futures and options, European equities, and various other international markets are about one-third automated, or much less in some cases, he says.

As these asset classes and regions go further down the road to fully electronic trading, it's a boon to firms like Virtu. The New York-based market maker, which sports leading operating margins versus peers, could also benefit from regulatory reform limiting how much capital big investment banks can put to work in trading. Virtu could take share from them, says Bahl.

Virtu trades for 16 times this year's estimated earnings of \$1.38, versus a broad market multiple of 15. Analysts don't expect growth this year, but Bahl estimates Virtu will lift its earnings by 8% to 10%, much more than the market. Virtu's revenue is diversified, he adds, with no asset class of trading more than a quarter of revenue, and there the company has many opportunities internationally.

The stock could also perform like a hedge against volatile markets. It could rise if the market calms down but will outperform if instability characterizes 2016, as it has so far. Virtu yields 4.3%.

Bahl says fourth-quarter results this Thursday might be ho-hum compared to the third quarter, as the last part of 2015 wasn't as volatile as the month of August. It will be more important to see the company's guidance on the huge volatility that occurred in January 2016.

A caveat with Virtu is its short history as a publicly traded company, although its predecessor firms have been in business for 12 years. Also, it is controlled by one person, founder and Chairman Vincent Viola, former chairman of the Nymex. The move to electronic trading seems set to continue internationally, and with it, benefits to a market maker like Virtu.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16466.30	+372.79	+2.32
DJTransportation	6906.76	+128.22	+1.89
DJUtilities	611.35	+22.21	+3.77
DJ65Stocks	5717.76	+137.34	+2.46
DJUSMarket	481.35	+7.92	+1.67
NYSEComp.	9632.71	+205.80	+2.18
NYSEMKTComp.	2085.22	+102.14	+5.15
<b>S&amp;P500</b>	1940.24	+33.34	+1.75
S&PMidCap	1317.74	+29.97	+2.33
S&PSmallCap	629.95	+14.98	+2.44
Nasdaq	4613.95	+22.77	+0.50
ValueLine(arith.)	4075.93	+96.37	+2.42
Russell2000	1035.38	+14.72	+1.44
DJUSTSMFloat	19880.78	+323.98	+1.66

#### Last Week    Week Earlier

NYSE		
Advances	2,370	1,888
Declines	845	1,299
Unchanged	16	43
NewHighs	96	26
NewLows	253	1,451
AvDailyVol(mil)	4,646.9	5,286.8
Dollar		
(Finexspotindex)	99.57	99.53
T-Bond		

(CBTnearbyfutures)	161-010	159-010
Crude Oil		
(NYMlightsweetcrude)	33.62	32.19
Inflation KR-CRB		
(FuturesPriceIndex)	166.75	163.80
Gold		
(CMXnearbyfutures)	1116.40	1097.20
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文件 B000000020160130ec2100012

# DOW JONES NEWSWIRES

Nordic Stocks Seen Opening Just Higher -- Market Talk

185 字

2016 年 2 月 1 日 07:43

Dow Jones Institutional News

DJDN

英文

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0743 GMT Nordic markets are seen opening just higher Monday, with IG calling the OMXS30 0.2% higher at around 1359. "Stock markets had a very strong finish last week as easing from Bank of Japan and better-than-expected earnings from Microsoft fuelled the sharpest one-day rally since 8 September," says Danske Bank. Chinese PMI data overnight sent conflicting signals as the private Caixin manufacturing PMI is pointing to moderate recovery, whereas the official NBS manufacturing PMI hit the lowest level in two and a half years, Danske adds. "The market reaction to the PMI data has been muted. Chinese stocks are slightly lower, while the **S&P500** future is holding on to the strong gains from Friday." Of note today is US ISM manufacturing and US core PCE deflator.

OMXS30 closed at 1356.32, OMXN40 at 1472.30 and OBX at 500.38. (dominic.chopping@wsj.com)

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February 01, 2016 02:43 ET (07:43 GMT)

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# DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

982 字

2016 年 2 月 1 日 14:22

Dow Jones Institutional News

DJDN

英文

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

1422 GMT The FTSE 100 extends its losses, dropping 1% to 6022.88 after ticking into negative territory mid-morning. Mining companies like Glencore (down 2.7%) drop thanks to weak manufacturing and slowing consumer figures from China, and falling oil prices. Brent Crude is now down 2.2% to \$35.18 a barrel. This hurts oil companies too, down off their Shell-BG-related gains of last week. Financial companies with large exposure to China, such as Prudential (down 3.4%) weigh heavily on the market. Airlines rise, with some solid results coming out of Ryanair, and housebuilders benefit from positive Bank of England mortgage approvals. (david.hodari@wsj.com; @davidhodari)

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1125 GMT Peel Hunt lowers its forecasts and target price on Lakehouse (LAKE.LN) after the energy support services company warned that results for the current year will fall short of previous expectations. The broker reduces its fiscal 2016 pretax profit estimate to GBP20m from GBP25.2M and lowers its target price to 100p from 130p. Shares down 55% at 37.5p. (jana.simmons@wsj.com)

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1124 GMT Serabi Gold shares trade 9.1% higher at 3p after the Brazilian focused gold miner said it recorded higher gold production in 2015. CEO Mike Hodgson said the year closed with "almost 33,000 ounces of gold production, close to doubling the company's gold production from our maiden year of production in 2014." Mr. Hodgson remains optimistic and expects further increase in production. He estimates that gold production for 2016 rise to 37,000 ounces. (razak.baba@wsj.com; Twitter: @Raztweet)

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0946 GMT European stocks lose lukewarm opening gains, sagging as Brent crude drops 1.8% to \$35.35 a barrel. The Spanish IBEX is one of the few markets in the green, up 0.2% after strong PMI figures see banks push higher. The FTSE 100 is now down, dropping 0.4% to 6057.9 under the weight of dropping financial services companies and insurers. This, despite a rally from miners. The STOXX Europe 600 sags 0.1% to 341.86. Tech companies weigh after weak transatlantic figures from Apple and Samsung last week, and Alphabet announcing later in the day. Italian banks mitigate some of those losses. (david.hodari@wsj.com; @davidhodari)

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0833 GMT The FTSE 100 trades largely flat at 6085.13, pausing for breath after Friday's rally. Brent crude drops 2.3% to \$35.17 a barrel, dragging shares in oil giant BP down 1%. Media companies gain, with BT posting its strongest revenue growth in seven years and completing its acquisition of EE. Miners also rise, led by Anglo American which is up 1.7%. Travel companies perform strongly, as do housebuilders - Berkeley is up 1%. ARM Holdings gains after a difficult week for Apple and Samsung over in the US. Alphabet's results today may also affect the company. (david.hodari@wsj.com; @davidhodari)

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0743 GMT Nordic markets are seen opening just higher Monday, with IG calling the OMXS30 0.2% higher at around 1359. "Stock markets had a very strong finish last week as easing from Bank of Japan and better-than-expected earnings from Microsoft fuelled the sharpest one-day rally since 8 September," says Danske Bank. Chinese PMI data overnight sent conflicting signals as the private Caixin manufacturing PMI is pointing to moderate recovery, whereas the official NBS manufacturing PMI hit the lowest level in two and a half years, Danske adds. "The market reaction to the PMI data has been muted. Chinese stocks are slightly lower, while the **S&P500** future is holding on to the strong gains from Friday." Of note today is US ISM manufacturing and US core PCE deflator. OMXS30 closed at 1356.32, OMXN40 at 1472.30 and OBX at 500.38. (dominic.chopping@wsj.com)

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0741 GMT Germany's DAX is expected to open largely flat at 9797, according to Lang & Schwarz. German corporate upgrades are lifting sentiment, supported by a 2% rise in the Nikkei 225. That said, weakness on China's markets will weigh, though investors will likely attribute part of it to the upcoming Chinese New Year holiday. Investors to watch corporate earnings this week, such as Infineon Tuesday and Daimler Thursday, in addition to developments in Brussels regarding the U.K.'s negotiations with the EU, as well as the German government's proposals on migrants. (nikki.houston@wsj.com)

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markettalk@wsj.com

0728 GMT France's CAC-40 stock index is seen opening 0.3% higher at 4427.50 Monday following a strong increase on Wall Street Friday. Shares of ArcelorMittal may fall after steel makers in China issued profit warnings during the weekend. Off the CAC-40, investors will focus on Vallourec, which announced a capital increase and new measures to lift profitability. The market may react to the release of eurozone manufacturing PMI for January at 0900 GMT. (inti.landauro@wsj.com)

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## DOW JONES NEWSWIRES

### UK Market Talk Roundup: Brokers Comments

1,466 字

2016 年 2 月 1 日 16:40

Dow Jones Institutional News

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英文

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Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk, [markets.eu@dowjones.com](mailto:markets.eu@dowjones.com)  
1640 GMT France's CAC-40 ends 0.6% lower at 4392.33 as fresh signs of weakness in China's manufacturing sector adds concerns to slowing growth. Falling oil prices also push Total shares 2.3% down. Lower energy prices, however, help Air France-KLM, which closes up 3.2%. Vallourec shares also end 7.7% higher after it says that it will raise EUR1 billion in cash, suspend its dividend, and ax more than 2,500 jobs. Tuesday, EU unemployment figures for December will be released at 1000 GMT and the U.S. ISM-NY Report on Business published at 1445 GMT. ([noemie.bisserbe@wsj.com](mailto:noemie.bisserbe@wsj.com))

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[markettalk@wsj.com](mailto:markettalk@wsj.com)

1639 GMT The FTSE 100 claws back some of its losses, and closes 0.4% lower at 6060.10. Weak Chinese manufacturing PMI figures translate to lower share prices for oil companies, mining companies and emerging market-exposed financial companies. Airlines mitigate some of those losses, with strong Ryanair figures reading across to its rivals. The same goes for BT, which bought a chunk of EE Friday, and outperformed consensus expectations with results released earlier in the day. Bank of England mortgage acceptances also outstripped projections, and combined with the London launch of 'Help To Buy', housebuilders gain. ([david.hodari@wsj.com](mailto:david.hodari@wsj.com); [@davidhodari](https://twitter.com/davidhodari))

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1634 GMT Nordic markets close lower Monday, in line with the rest of Europe, after lackluster manufacturing reports from the eurozone and China. OMXN40 finishes down 1.1% at 1455.96, while Oslo's OBX drops 1.1% to 494.68. Nokia shares slump 11% as investors are left disappointed over a patent deal reached with Samsung. Autoliv trades up 1.7% after having dropped 10% Friday due to a disappointing full year guidance. Local focus Tuesday will be on earnings on from Nordic companies like Swedbank, Danske Bank, Alfa Laval and SKF. ([christina.zander@wsj.com](mailto:christina.zander@wsj.com))

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1606 GMT The after-effects of China's weak manufacturing purchasing managers index figures and slowed services growth continue to be felt by the FTSE 100, IG analyst David Madden says. Financial services companies Prudential and Standard Chartered are two of the index's biggest fallers, both down more than 2%. They are joined by sagging oil and mining companies, heavily weighed by Asian events and attendant dropping oil prices. Glencore drops 2.2% and BP is down 2.8%. Mr. Madden says that concerns of a slowdown would not be so pronounced if services growth had not slowed in the middle of a Chinese economic transition. ([david.hodari@wsj.com](mailto:david.hodari@wsj.com); [@davidhodari](https://twitter.com/davidhodari))

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1554 GMT Last week's relief, when oil prices recovered swiftly, seems to be over for Russian assets, at least for now. USD/RUB is 1.3% higher at 70.41 rubles, limiting losses in the ruble-traded Micex index. The Micex is down 0.8% to 1771.38, while its dollar-traded peer RTS falls 2.1% to 729.79. "Short-term potential for

Micex and RTS growth from current levels is exhausted," says Obrazovanie bank. Gazprom falls 2%, Lukoil down 0.9%. (andrey.ostroukh@wsj.com)

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markettalk@wsj.com

1422 GMT The FTSE 100 extends its losses, dropping 1% to 6022.88 after ticking into negative territory mid-morning. Mining companies like Glencore (down 2.7%) drop thanks to weak manufacturing and slowing consumer figures from China, and falling oil prices. Brent Crude is now down 2.2% to \$35.18 a barrel. This hurts oil companies too, down off their Shell-BG-related gains of last week. Financial companies with large exposure to China, such as Prudential (down 3.4%) weigh heavily on the market. Airlines rise, with some solid results coming out of Ryanair, and housebuilders benefit from positive Bank of England mortgage approvals. (david.hodari@wsj.com; @davidhodari)

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1124 GMT Serabi Gold shares trade 9.1% higher at 3p after the Brazilian focused gold miner said it recorded higher gold production in 2015. CEO Mike Hodgson said the year closed with "almost 33,000 ounces of gold production, close to doubling the company's gold production from our maiden year of production in 2014." Mr. Hodgson remains optimistic and expects further increase in production. He estimates that gold production for 2016 rise to 37,000 ounces. (razak.baba@wsj.com; Twitter: @Raztweet)

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## DOW JONES NEWSWIRES

Press Release: Carnival Corporation's AIDA Cruises Launches Global Casting Call for Entertainers

825 字

2016 年 2 月 1 日 16:00

Dow Jones Institutional News

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Carnival Corporation's AIDA Cruises Launches Global Casting Call for Entertainers

AIDA Cruises, Germany's largest and most popular cruise brand, is seeking nearly 600 performers for onboard shows in seven countries and 11 cities, including Los Angeles and New York

PR Newswire

MIAMI, Feb. 1, 2016

MIAMI, Feb. 1, 2016 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest leisure travel company, today announced its German-based AIDA Cruises brand is planning a series of worldwide auditions in search of the 570 entertainers needed for the 24 stages on its 10 cruise ships.

The casting calls for singers, actors, dancers and other performers will be held in 11 cities and seven countries, with the first casting call being held today through Wednesday in London's renowned Pineapple Dance Studios. The calls will provide opportunities for performers in cities from Kiev to Los Angeles and New York to showcase their talents in hopes of securing a coveted position on Germany's largest and most popular cruise line.

"In addition to a first-class dance and artist ensemble, we are looking for excellent rock, pop and musical singers whose talents will thrill our guests every day at our exclusive and innovative shows," said Christoph Süssens, head of casting at AIDA Cruises. "Our performers must be able to not only sing and dance, they must also be consummate entertainers who will instantly spellbind audiences with their expressiveness and charm."

Once performers are selected, they will rehearse up to 12 shows across genres in Hamburg at the brand's AIDA Entertainment facility, where the elaborate shows are developed and produced by a creative team.

There is additional excitement this year with the launch of the brand's newest ship, AIDAprima, which will begin sailing in April 2016 as the first German cruise ship to operate year-round from Hamburg. Some of the entertainers will be chosen to perform on the new ship's AIDA Beachclub and Club Nightfly during itineraries that take guests to ports of call throughout Western Europe.

The search for the world's top talent includes events in 11 cities spanning seven countries, including:

- London, February 1-3
- Amsterdam, February 29-March 1
- Hamburg, Germany, March 7-8
- Gothenburg, Sweden, March 14-15
- Stockholm, Sweden, March 16-17
- Kiev, Ukraine, April 16-17
- Los Angeles, April 21-22
- New York, April 25-27
- Copenhagen, Denmark, May 9-10

-- London, June 6-8

Performers who are auditioning should be able to speak English. For singers, being able to speak German is not required during auditions, but those who are selected will be expected to learn to sing two to three songs in German during the rehearsal period at AIDA Entertainment.

Performers looking for additional information on the upcoming auditions are invited to visit <http://www.aida.de/casting> for dates, locations and requirements to apply.

#### About AIDA Cruises

AIDA Cruises is one of Germany's fastest growing and most financially successful tourism businesses and currently employs around 7,000 people from 40 countries. Of these employees, 6,000 work on board and 1,000 work at the company headquarters in Rostock and Hamburg. With its 10 cruise ships, AIDA operates and markets one of the most state-of-the-art fleets in the world. The ships are operated in compliance with the highest international quality, environmental, and safety standards. By 2020, the AIDA fleet will expand to 14 ships.

#### About Carnival Corporation & plc

Carnival Corporation & plc is the largest leisure travel company in the world, and among the most profitable and financially strong in the industry. With a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 17 new ships scheduled to be delivered between 2016 and 2020. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au) and [www.pocruises.com](http://www.pocruises.com).

To view the original version on PR Newswire, visit:

<http://www.prnewswire.com/news-releases/carnival-corporations-aida-cruises-launches-global-casting-call-for-entertainers-300212818.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

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## DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

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2016 年 2 月 1 日 11:25

Dow Jones Institutional News

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# DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

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2016 年 2 月 1 日 08:33

Dow Jones Institutional News

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## DOW JONES NEWSWIRES

The Trader: BOJ Move Prompts Market To Late-Week Rally -- Barron's

2,062 字

2016 年 1 月 30 日 05:09

Dow Jones Institutional News

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(FROM BARRON'S 2/1/16)

By Vito J. Racanelli

Stocks jumped Friday, turning an otherwise punk week into a winner. The major indexes rose about 2%, and investors cheered a surprise action by the Bank of Japan overnight Thursday to move its benchmark interest rate below zero.

With U.S. fourth-quarter gross-domestic-product numbers -- out Friday morning -- showing poor growth, 0.7% annualized, the BOJ move rescued a market worried that energy-sector carnage will hurt overall growth.

Crude oil, too, cooperated, up for a second consecutive week, 4.4% to \$33.62 per barrel. A Federal Reserve statement Wednesday said it was watching "global economic and financial developments," in a nod to market volatility over the past two months. However, the market was disappointed there were no indications it is backing away from the expected four rate hikes this year.

The Dow Jones Industrial Average gained 373 points, or 2.3%, to 16466.30 last week, while the Standard & Poor's 500 index rose 1.8%, or 33, to 1940.24. Both fell over 5% last month. The Nasdaq picked up 0.5%, to 4613.95, last week.

Some of the factors pressuring the market -- weak oil prices and fear of a global growth slowdown -- were temporarily relieved, says Peter Boockvar, chief market analyst at Lindsey Group. "The market continues to respond positively to any global easing," he adds. The BOJ move was welcome given investors are fretting over whether the Fed will push back its rate-hike plan.

There will be diminishing returns to easing moves, however, predicts Boockvar, who notes many sectors and countries are already in a bear market, even if the U.S. isn't -- yet. Bear markets -- not bulls -- are characterized by these sharp, violent moves upward, he adds.

Concern has grown that the oil-patch weakness of the past 18 months won't stay confined to that sector and will eventually "leak into" and affect the wider economy, says Anwiti Bahuguna, a senior portfolio manager at Columbia Threadneedle Investments.

The equity rally could continue with more central bank action, she adds, but investors remain skittish. "If we don't see better U.S. economic data, we haven't seen the end of market weakness," Bahuguna says.

Some investors might see two up weeks in a row as a turning point, but if that were true then why did defensive sectors -- such as telecom, utilities, and consumer staples, up 3% to 4% -- make up three of the top four sectors last week?

We are back to bad news is good again, something that's characterized the market's churning since midsummer. Since the top last May, with each new rally we've seen a cycle of lower highs, not a particularly encouraging sign.

### Viacom's Hidden Value

Like most media companies, Viacom (ticker: VIAB) is suffering from "cord cutting" as younger folks eschew cable and broadcast viewing for Internet-delivered entertainment. For Viacom's popular networks, including Nickelodeon and MTV, among others, this has led to a slump in viewership and ad revenue.

At \$45.64 a share, Viacom's class B shares are down about 50% from mid-2014 all-time highs, and off 6% since March 2011. The stock has significantly underperformed both the market and its peers. Yet long-term-oriented value investors might find Viacom shares attractive, now that activist firm SpringOwl Asset Management has invested in the company and is agitating for change.

Apart from industry issues, Viacom has its own problems, including stagnant revenue growth, at an annual \$13 billion or so in the four years ended Sept. 30. Earnings per share have risen mainly due to debt-funded share buybacks, with class B shares outstanding at about 346 million, down from 750 million 10 years ago. Debt stands at \$12.3 billion, or 3.4 times shareholder equity. Viacom is more leveraged than its peers. Another concern is that pay TV provider Dish Network (DISH) might drop Viacom's networks.

Still, Viacom has unique assets that are undervalued, says Christopher Tsai, president of Tsai Capital, which has been buying shares recently. It has a well-liked portfolio of networks, including VH1 and Comedy Central; a global presence, with 380 million worldwide subscribers at Nickelodeon and 540 million for MTV; and it owns Paramount Pictures, with a library of 3,300 films. Cord cutting is a worrisome issue, with social media hurting MTV in particular, says Tsai. But content is king and Viacom has plenty of it, to go by the subscriber base.

Eric Jackson, a managing director at SpringOwl, also thinks the stock is cheap, but he's a fierce critic of the way the company has been run in the past decade. Viacom management has been "egregiously overpaid," despite poor stock performance, with CEO Philippe Dauman and COO Thomas Dooley getting a combined \$432 million in compensation in the past five years, more than any other media company in the same period, Jackson says.

Viacom declined to comment on SpringOwl's criticisms. A source close to the company asserts the compensation figure is exaggerated by using highs in the stock price. The value received is much lower, as some 70% of compensation is stock, which has fallen sharply, the source says.

SpringOwl also censures Viacom for the \$15 billion spent on share buybacks from 2011 through 2015 -- not too far below the current market cap. Shares were bought back at an average price of about \$61 per share, with little boost in the price to show for it. The source says that is money returned to shareholders and that the company is committed to its investment-grade rating.

Jackson is also critical of Viacom's "minimal" digital strategy, saying a management change, including the removal of Chairman Sumner Redstone, 92, is needed to avoid missing the media shift to digital distribution platforms, and to remove the stock's discount. Our source says that six of Viacom's top 10 networks, although not MTV or Comedy Central, are growing again.

Redstone controls 79% of Viacom's voting power through ownership of the class A shares, and questions about his health feature prominently in two recent lawsuits, one filed by a former companion and the other by a shareholder.

In connection with the former suit, a California judge recently ordered Redstone to undergo a mental examination. The latter suit charges, among other things, that the board hid the deteriorating state of his health. Viacom's board will evaluate Redstone's health situation and chairmanship in the March-May time frame, the source says.

Tsai considers Viacom's shares cheap, given his expectations for 8% to 9% growth in EPS in the next five years. Some will come as a result of continued buybacks. The B shares trade for about eight times consensus analyst earnings estimates of \$5.78 a share for the fiscal year ending in September. Viacom's median price/earnings multiple is 12.

If the stock climbed back to that P/E, it would be worth more than \$65, some 50% higher, Tsai says. SpringOwl's Jackson says, "With a new CEO, cleaned up governance, and greater cost cuts, we think this stock trades \$80 to \$90 a share."

Viacom's shares offer a dividend yield of almost 4%, so investors are being paid to wait for changes. Given the mounting pressure on underperforming management, something's got to give.

#### Virtu Financial's Many Virtues

Third-quarter currency-trading volume was weaker than expected at Virtu Financial (VIRT), leading the stock to underperform the market in late 2015. Lately, however, the shares have turned up, as market volatility is a tail wind for this global electronic market maker of U.S. and international equities, commodities, and currencies. The shares, which came public last April, have rallied 6%, to \$22.70, from a December low of \$21.27. More gains could be in store.

"Virtu is one of our favorite mid-caps in the financial space," says Jeff Bahl, a portfolio manager at Bahl & Gaynor. The money-management firm has been buying Virtu shares regularly for clients since the initial public offering.

Virtu benefits in the short term from big market gyrations, as the bid-ask spread on various assets, whether stocks or oil, widens, even by a few pennies, Bahl says. That allows an electronic market maker like Virtu a

potentially bigger profit as it buys and sells various assets, collecting the difference and providing liquidity to the market. Higher volumes, which also occur in volatile times, also help Virtu's bottom line, he notes.

While episodic market volatility is nice for Virtu, the long term organic-growth picture is more important. According to Bahl, it is a "prime beneficiary of the powerful macro trend of continued disintermediation of trading" -- that is, a move to electronic and automated trading both across asset classes and around the globe. For example, while roughly 50% of U.S. equity trading is fully automated, U.S. futures and options, European equities, and various other international markets are about one-third automated, or much less in some cases, he says.

As these asset classes and regions go further down the road to fully electronic trading, it's a boon to firms like Virtu. The New York-based market maker, which sports leading operating margins versus peers, could also benefit from regulatory reform limiting how much capital big investment banks can put to work in trading. Virtu could take share from them, says Bahl.

Virtu trades for 16 times this year's estimated earnings of \$1.38, versus a broad market multiple of 15. Analysts don't expect growth this year, but Bahl estimates Virtu will lift its earnings by 8% to 10%, much more than the market. Virtu's revenue is diversified, he adds, with no asset class of trading more than a quarter of revenue, and there the company has many opportunities internationally.

The stock could also perform like a hedge against volatile markets. It could rise if the market calms down but will outperform if instability characterizes 2016, as it has so far. Virtu yields 4.3%.

30 Jan 2016 00:09 ET The Trader: BOJ Move Prompts Market To Late-Week -2-

Bahl says fourth-quarter results this Thursday might be ho-hum compared to the third quarter, as the last part of 2015 wasn't as volatile as the month of August. It will be more important to see the company's guidance on the huge volatility that occurred in January 2016.

A caveat with Virtu is its short history as a publicly traded company, although its predecessor firms have been in business for 12 years. Also, it is controlled by one person, founder and Chairman Vincent Viola, former chairman of the Nymex. The move to electronic trading seems set to continue internationally, and with it, benefits to a market maker like Virtu.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16466.30	+372.79	+2.32
DJTransportation	6906.76	+128.22	+1.89
DJUtilities	611.35	+22.21	+3.77
DJ65Stocks	5717.76	+137.34	+2.46
DJUSMarket	481.35	+7.92	+1.67
NYSEComp.	9632.71	+205.80	+2.18
NYSEMKTComp.	2085.22	+102.14	+5.15
<b>S&amp;P500</b>	1940.24	+33.34	+1.75
S&PMidCap	1317.74	+29.97	+2.33
S&PSmallCap	629.95	+14.98	+2.44
Nasdaq	4613.95	+22.77	+0.50
ValueLine(arith.)	4075.93	+96.37	+2.42
Russell2000	1035.38	+14.72	+1.44
DJUSTSMFloat	19880.78	+323.98	+1.66

#### Last Week Week Earlier

NYSE		
Advances	2,370	1,888
Declines	845	1,299
Unchanged	16	43
NewHighs	96	26
NewLows	253	1,451
AvDailyVol(mil)	4,646.9	5,286.8
Dollar		

(Finexspotindex)	99.57	99.53
T-Bond		
(CBTnearbyfutures)	161-010	159-010
Crude Oil		
(NYMlightsweetcrude)	33.62	32.19
Inflation KR-CRB		
(FuturesPriceIndex)	166.75	163.80
Gold		
(CMXnearbyfutures)	1116.40	1097.20
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# DOW JONES NEWSWIRES

Investors Fight Central Banks for Easy Money -- Barron's Asia

By WAYNE ARNOLD

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2016 年 1 月 29 日 07:47

Dow Jones Institutional News

DJDN

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This year is already shaping up as an epic 12-round re-match between financial markets and economists, traders versus central bankers, over the direction of the global economy. Ladies and gentlemen, in the red corner, weighing in at \$78 trillion soaking wet, the global economy and its anxious managers, the central banks. And in the blue corner, weighing in at, oh, \$1.2 quadrillion, the global financial market, a rippling mass of fear and greed constantly poked and prodded by an army of traders.

In Round One, a.k.a. January, the market appears to have deployed a rope-a-dope strategy of sorts. Economists and central bankers continue to insist the global economy could be better but remains in the fight. The market, meanwhile, has backed itself into a corner as if a stumbling global economy has already landed it on the ropes. While the **S&P500** has fallen 7.4% this year, the MSCI Asia-Pacific index has dropped 9.4%, led by stocks in China, which have tumbled 24%.

The market's aim: convince central banks they need to unleash yet more monetary stimulus, the easy lending and cheap money that have become the performance-enhancing drug to which markets have become addicted since the global financial crisis. The market scored a direct hit today when the Bank of Japan adopted a negative interest-rate policy, charging rather than paying interest on deposits.

Indeed, for markets, the best-case scenario this year is one in which policymakers in the world's two largest economies, the United States and China, come 'round to their bleak view of things. That requires the Federal Reserve hold off on further interest-rate increases and even cut rates. And it demands policymakers in Beijing boost spending and other efforts to stimulate growth, hold back on painful structural reforms, and that the People's Bank of China keep cutting interest rates. If 2015 was any indication, markets are likely to get their way.

While that may be the best outcome for asset prices in the short term, it comes at a long-term cost. Many economists, central bankers and investors agree that the global economy and financial markets can not only sustain higher rates, but would benefit from them in the long run as they root out excessive risk-taking and more efficiently allocate capital. "I hope the Fed keeps raising rates," Arthur Kwong, who manages BNP Paribas' Asian equity funds, told me this week. "They shouldn't be reacting to what the market is doing."

Yet investors were disappointed by what they perceived as insufficient dovishness in the Fed's pronouncements earlier this week. Explaining its decision to keep rates unchanged, the Fed's rate-setting committee recognized that U.S. growth had slowed and said it was monitoring global conditions. But the Fed's continued confidence that inflation will rise spooked investors worried job growth is improving at the expense of corporate profits. The market took a dive.

We can't dismiss the market's ruse entirely, however. It's developed a knack for knowing what the Fed will do before the Fed does. A month ago, investors were betting the Fed would hike no sooner than June. Now they're predicting no hike until November. If and when the economic data - or the market's face turning blue -- convince the Fed that its own forecast for four rate hikes this year is overly optimistic, the market may come bouncing back.

Then there's China. As this column noted last week, fears of a sharp slowdown in China are worry number-one for investors in 2016. While Beijing insists everything is hunky-dory, investors know different. That's reflected in the growing torrent of cash out of China and the persistent discount between yuan traded offshore to China's official rate.

Most economists and investors recognize that short, sharp structural reform, while likely to trigger a wave of bankruptcies and job losses, would put China more quickly onto a stable growth path. "If they really did it I would be very bullish," says Kwong. "Bankruptcy is a strong growth engine."

Yet few believe China has the stomach for such strong medicine. The market is instead counting on more short-term palliatives that keep easy money flowing and heavily indebted companies and local governments

afloat. That includes not only rate cuts and more government spending, but more support for property and stock prices.

Stocks in Shanghai, which long ago became a weathervane for policy stimulus, have thus been tumbling in the absence of any visible new support.

IF THE MARKET GETS ITS WAY, THE WORLD WILL BE AWASH WITH EASY MONEY. This bodes well for stock prices and high-yielding bonds almost everywhere, but particularly in China and other big exporters like Taiwan.

But there's a catch: part of China's stimulus efforts, it has revealed, is to steer its yuan lower. Doing so offsets the impact of outflows, boosts export earnings and inflation and so helps borrowers service their debts. China has said it will guide the yuan lower alongside the currencies of its major trading partners, meaning no currency can fall very far against the yuan.

If the Fed halts its rate hikes at the same time, the dollar's climb might also be cut short. U.S. growth might accelerate with lower rates and a less-strong dollar, but not necessarily how much the rest of the world earns exporting to it. That would force central bankers in Europe and other nations trying to use weak currencies to revive growth, like Japan, to start fighting amongst themselves. The BOJ's move today to start charging banks 0.1% a year on deposits they leave with it is thus a counter-punch to the right cross China landed as it let the yuan fall 6% since last August.

But with nowhere for cheap money to turn for better yields, we would end up right back where we've been since 2010, with all assets moving roughly in sync and little difference in investor returns. The market may thus win the fight for cheap money. But the global economy could end up taking the market down with it.

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Barrons Asia  
Investors Fight Central Banks for Easy Money

By Wayne Arnold  
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2016 年 1 月 29 日  
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While that may be the best outcome for asset prices in the short term, it comes at a long-term cost. Many economists, central bankers and investors agree that the global economy and financial markets can not only sustain higher rates, but would benefit from them in the long run as they root out excessive risk-taking and more efficiently allocate capital. "I hope the Fed keeps raising rates," Arthur Kwong, who manages BNP Paribas' Asian equity funds, told me this week. "They shouldn't be reacting to what the market is doing."

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Home

Stock Bullishness is Seen in VIX Trading

By John Kimelman

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Despite Tuesday's rally, U.S. stocks and the price of oil are off sharply this month amid signs of a global slowdown.

The negative economic news shadowing stock markets has not surprising been pushing up the stock market's so-called "fear gauge" — the Chicago Board Options Exchange Volatility Index, known more familiarly by its nickname, VIX.

As stocks have fallen this year, the VIX has climbed 23%, to its current 22.43 as of Tuesday's close.

During the financial crisis of 2008, the fear gauge hit an all-time high of 89, though as Steve Sears, Barron's options editor, has pointed out, "the high 40s tends to be a more pedestrian panic peak."

But according to a new story by Bloomberg, many traders, who are betting that stocks are due to recover, are making their bullish bet by wagering that the VIX will fall.

In the past month, [writes Bloomberg](#), "traders yanked \$850 million from two of the most popular exchange-traded products tracking moves" in the VIX. And that's even as the gauge of investor anxiousness is set for its biggest monthly surge since August, the article adds.

Two VIX funds that have experienced big outflows are the iPath S&P 500 VIX Short-Term Futures ETN (ticker: VXX) and the ProShares Ultra VIX Short-Term Futures (UVXY).

"What's more, short interest for the two has risen, according to Markit data," adds Bloomberg. "It surged to 89% of shares outstanding for the iPath ETN and to 29% for the ProShares fund."

In betting that the VIX will fall, these investors evidently aren't buying the thinking contained in [a recent column by Sears](#).

Sears quotes a trader who says "you haven't seen the selling climax. VIX is in the 20s, not in the 30s, and nowhere near 40." In other words, the VIX certainly has room to rise and stocks have potential room to fall.

But Sears also quotes an indicator that may be somewhat heartening to stock investors. The Credit Suisse Fear Barometer, he writes, is at a level that suggests investors "are still relatively calm about the future of the stock market."

Meanwhile, for those investors who remain long the market but fear that stocks have further to fall, a news-you-can-use piece on the Zero Hedge site offers up a list of cheap stock-market hedges.

Many financial advisors steer investors into expensive long-short hedge funds as a way to hedge market-directional portfolios.

But as the Zero Hedge Website points out there are a number of low cost exchange-traded funds that investors can easily buy put contracts on.

The list was provided by Benjamin Bowler, co-head of global equity derivatives research at Bank of America, who laid out a matrix of hedge options that are ranked by underlying assets as well as by "richness" of the hedge.

For example, investors can "proxy hedge" the S&P 500 with puts on the Russell 200 Index (RTY).

Why the RTY instead of the SPDR S&P 500 ETF (SPY)?

According to Zero Hedge, "In fact — at current pricing — RTY puts would have offered 45% better value than **S&P500** puts during the latest sell-off. Moreover, RTY puts would have delivered similar or superior protection to S&P puts in 8 of the top 10 S&P drawdowns since '06."

For investors looking for a bit of low-cost hedging, this information-rich blog post is worth your time.

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## MARKET WEEK

Stocks --- The Trader: Market U-Turn Lifts Stocks 1.4% for the Week

By Vito J. Racanelli

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2016 年 1 月 25 日

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Stocks finished more than 1% higher last week, but not before investors were treated to the market's version of the Coney Island Cyclone, a ride equal parts thrilling and frightening. The scary nadir was reached Wednesday, when the two major broad indexes fell three-quarters of the way to a bear market, down about 15% from last May's all-time highs.

On the week, the market dropped 4% before turning and soaring higher, finishing up better than 5% from the low. The violent moves were driven by similarly volatile oil prices, which hit a low Wednesday but finished up 9% on the week to \$32.16 per barrel, up 21% from lows. Traders scrambled to cover their short positions.

Last week, the Dow Jones Industrial Average gained 105 points or 0.7%, to 16,093.51, and the Standard & Poor's 500 index rose 1.4%, or 27, to 1906.90. The Nasdaq picked up 2.3%, to 4591.18

Energy stocks jumped 2%. While the oil market ruled the day, equities also were boosted by comments about further stimulative central bank measures from officials in Europe and Japan last week. In the background, fears lurk about global growth, despite a decent 6.8% fourth quarter China GDP growth number released last week. Though a bit less than expected, it was much better than investors' worst fears. Nevertheless, it was the lowest in a quarter century.

"There was a coiled spring of short positions" that were released in the upsurge, says Michael Purves, chief global strategist at Weeden. The oil bounce was particularly interesting as it occurred against a challenging backdrop of a rising dollar and news of rising U.S. crude supplies.

The oil rally is interesting from a historical view, as well. Two of the last three times crude prices closed up at least 9% on the week happened within the same week as a bottom in the stock market, in March 2009, and August 2015, according to WSJ Market Data Group.

Nevertheless, Adam Sarhan, CEO of Sarhan Capital, views last week's recovery as just a relief rally from much oversold levels. Indeed, on Thursday, according to Bespoke Investment Group, the S&P 500 index had closed two standard deviations below its 50-day moving average for 11 straight days. Such a streak is rare, and the last one that long was October 2008, and before that September 2001.

Sarhan expects the broad stock indexes to enter a bear market and join many subgroups of stocks -- commodity, small caps, banks, among others -- already there. The market put in a "near term low" Wednesday, he says, but not "the low."

Big violent rallies are par for the course in bear markets, not in bull markets, he adds. The market has not had a good time of it going right back to when the Federal Reserve ended its quantitative easing program in October 2014. The biggest driver of the bull was its easy monetary policy.

No moves are expected, but investors will be paying close attention this Tuesday and Wednesday, when the Federal Open Market Committee meets.

### Safer Way to Play Oil?

Was last week's 9% crude-oil price recovery a bottoming signal or another head fake, like previous rallies that faded? With many energy stocks down 50% and more, the temptation to buy them is strong. But this column is still smarting from a couple of bad oil-patch stock picks last year. Oil might be bottoming -- or maybe not.

For an investor who wants or needs an energy component in the portfolio, investment-grade corporate bonds of the larger exploration companies offer a less risky way to participate in the sector, at least until the smoke

clears. The bonds are trading at a significant discount, some at 70 to 80 cents on the dollar. "They are trading like high-yield debt," says Peter Andersen, a portfolio manager at Congress Asset Management.

"We don't know what a company's oil price break-even point is, but a bond coupon is more robust than a dividend. The latter, along with capital expenditures, will be cut before the company misses a coupon," he says. Last week, for example, struggling Chesapeake Energy (ticker: CHK), whose debt is not investment grade, suspended preferred stock dividends to repurchase its debt.

"Following the huge stock drops, many energy companies are working for bondholders because they know they have to pay the coupon and the banks," Andersen adds.

He owns the ConocoPhillips (COP) A-rated 2.4% bond due December 2022, which trades at 89 cents on the dollar, down from 96 cents just a few months ago, and yields 4.3%. The stock dividend is 8%.

Other energy issues of potential interest include the BBB rated Marathon Oil (MRO) 2.8% bond due 2022, which trades around 67 cents on the dollar, yielding about 9.4%. That compares to a stock dividend of 2.2%.

Similarly, Hess' (HES) BBB rated 8½% coupon bonds due 2019 were yielding 6.5% versus 2.7% from its stock yield.

Like stocks, bonds have risks, and investment grade isn't an absolute guarantee. Interest payment coverage ratios are dropping. For example, at Marathon the ratio of annual earnings before interest, taxes, depreciation, and amortization to annual interest charge dropped from 24 times in September 2014 to nine times one year later.

If a ratings firm, like Standard & Poor's or Moody's, should downgrade a company's bonds, selling pressure could ensue. Moody's is considering a downgrade of the Marathon bond noted above.

Many oil-exploration bonds and stocks made 52-week lows last week. For individual investors, buying a bond isn't as easy as trading stocks online, but it can be done through a broker. Should crude rise unexpectedly, the stocks will rise faster than the bonds, but they will both rise. But if oil stays where it is or goes down more, bonds will let you sleep a little better.

#### Pension Accounting Magic

As fourth-quarter earnings reports come out, investors should look for pension accounting changes that will artificially flatter earnings by tens of millions of dollars or more in 2016 at some firms. For example, Deere (DE) already announced implementation of what's called the spot-rate method, which will result in a \$175 million boost to profits this year.

With analyst consensus earnings per share estimates coming down fast, "expect more companies to jump on the [spot-rate] bandwagon" to bump up their 2016 EPS numbers or guidance, says David Zion, an accounting and tax analyst at Credit Suisse, now that the Securities and Exchange Commission blessed it about a month ago.

Some companies that adopt the changes -- it's voluntary -- might see big savings in the annual service and interest costs of their pension and other post-employment benefits, such as health care, particularly in the first year of adoption. Besides Deere, 18 other companies have made the switch as of January 15, and it's expected to drive pension costs down by \$50 million or more at Walt Disney (DIS), 3M (MMM), Navistar (NAV), and United Technologies (UTX), among others, he estimates.

Typically, firms currently provide a single overall pension-obligation discount rate. The new spot rate, or full yield-curve approach, results in the use of two additional discount rates, one for the service costs and another for the interest cost portions of the annual pension bill.

Companies can use a discount rate that is higher (than the overall rate) for service costs, causing them to fall. Service is the present value of future benefits earned by active employees in the current year. A lower rate can be used to determine the annual pension interest expense, which causes that cost to fall as well. Interest cost is the increase in pension obligations due to the passage of time.

To make matters confusing, this method doesn't affect the overall discount rate used to measure the total pension obligation, the number traditionally disclosed in annual reports. Neither the status of the plan -- whether underfunded or overfunded -- nor cash flow is changed by this. Those that adopt the new method will be providing three discount rates.

It's not free money. The magic of increasing earnings now will be paid for in the future. As an actuarial change, lowering costs now could mean higher costs down the road, Zion notes. If both service and interest

costs shrink, something else has to grow on the balance sheet, and that's usually an item called unrecognized actuarial losses.

That cost should, over time, find its way back into the income statement through amortization of actuarial losses. Zion estimates that Deere, for example, might have to book an unrecognized actuarial loss of roughly \$91 million, to be amortized later.

Pension service and interest costs were about 10.7% of aggregate pre-tax income for the S&P 500 index from 2010 to 2014, he says, and the spot rate approach would have boosted the S&P 500 index's pre-tax income by 1.7%. If that seems low, the S&P 500 index EPS will likely be down 1% to 2% in 2015 and down 5% for the fourth quarter. This year's numbers are coming down as well.

It's important for some individual companies -- Zion found 146 of them in the S&P 500 index -- where service and interest cost was more than 10% of aggregate pre-tax income over the past five years. At a few it was more than 75%: Alcoa (AA); Owens-Illinois (OI); Goodyear Tire & Rubber (GT); Delta Air Lines (DAL); Motorola Solutions (MSI); Boeing (BA); Textron (TXT); and Weyerhaeuser (WY).

We contacted all eight companies. An Alcoa spokesperson said "spot rate" is under consideration, but Owens Illinois said it isn't applicable. Textron and Goodyear declined comment and the others didn't respond.

At many firms, Zion notes, the spot rate method could cut service and interest costs 5% and 20%, respectively, and raise pre-tax income by 5%. Not bad when earnings growth is hard to find. However, you might not want to put much of a price/earnings multiple on that profit "increase," he says. We agree.

#### Analysts' Ratings -- Again

From time to time, this column takes sell-side analyst ratings to task. Studies show that taken collectively, their ratings typically reflect what the stock price already discounts, particularly over long periods of time (The Trader, April 13, 2015).

Bespoke Investment Group, which did the last study we cited, took another look at the S&P 500 Index's performance during the 8% drop in the first two weeks of January. The decile of stocks with the best analyst ratings fell 10.3%. Those with the worst? Off 7.5%. Enough said.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16093.51	+105.43	+0.66
DJTransportation	6778.54	+89.48	+1.34
DJUtilities	589.14	+6.35	+1.09
DJ65Stocks	5580.42	+50.56	+0.91
DJUSMarket	473.43	+6.32	+1.35
NYSEComp.	9426.91	+127.29	+1.37
NYSEMKTComp.	1983.08	+33.63	+1.73
<b>S&amp;P500</b>	1906.90	+26.57	+1.41
S&PMidCap	1287.77	+17.94	+1.41
S&PSmallCap	614.97	+6.34	+1.04
Nasdaq	4591.18	+102.76	+2.29
ValueLine(arith.)	3979.56	+73.72	+1.89
Russell2000	1020.66	+12.94	+1.28
DJUSTSMFloat	19556.80	+260.51	+1.35

#### Last Week    Week Earlier

NYSE		
Advances	1,888	461
Declines	1,299	2,756
Unchanged	43	20
NewHighs	26	46

NewLows	1,451	1,283
AvDailyVol(mil)	5,286.8	5,019.2
Dollar		
(Finexspotindex)	99.53	98.95
T-Bond		
(CBTnearbyfutures)	159-010	159-040
Crude Oil		
(NYMlightsweetcrude)	32.19	29.42
Inflation KR-CRB		
(FuturesPriceIndex)	163.80	159.93
Gold		
(CMXnearbyfutures)	1097.20	1091.50
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## DOW JONES NEWSWIRES

General Electric: Yes, Its Transformation is Still on Track -- Barron's Blog

By Ben Levisohn

342 字

2016 年 1 月 25 日 18:33

Dow Jones Institutional News

DJDN

英文

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RBC's Deane Dray and team contend that General Electric's (GE) "transformation thesis" is "still on track" despite a messy earnings report last week. They explain why:

General Electric's transformation still on track; reaffirmed guidance, with earnings visibility and cost-out discipline. Since April 2015, GE's investment thesis has centered on its game-changing portfolio transformation and the rating implications of the **S&P500**'s most under-owned large-cap. We believe the transformation story is carrying into 2016, but 4Q15 earnings put the spotlight back on operating results. General Electric was the first big industrial to report 4Q15 against what we expect to be a rocky earnings season for the Multi-Industry sector, reflecting the ongoing industrial recession. Our take is that General Electric's performance and reaffirmed outlook will stand out comparatively better in two weeks after many of its peers will have likely buckled from tough operating conditions. As with every General Electric quarter, there were plenty of puts & takes to dissect. General Electric naysayers are carping about the sizeable revenue miss, tax-assisted beat, back-end-weighted guidance, and reaffirmed 2%-4% organic growth target, with a high-end that now looks more aspirational. Among the positives, we believe General Electric's long-cycle mix with its record \$315 bil backlog will provide cushion and revenue visibility on +10 quarters. We are lowering our 2016E EPS by 4c to \$1.47, just above the low-end of guidance, and 1Q from 24c to 19c (including -5c of naked restructuring). Our price target moves \$1 lower to \$33.

Shares of General Electric have ticked up 0.3% to \$28.31 at 1:30 p.m. today, even as the Industrial Select Sector SPDR ETF (XLI) has dipped 0.4% to \$48.43.

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

January 25, 2016 13:33 ET (18:33 GMT)

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 [General Electric: Yes, Its Transformation is Still on Track](#)

Barron's Blogs, 2016 年 1 月 25 日 18:33, 316 字, By Ben Levisohn, (英文)

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## DOW JONES NEWSWIRES

The Trader: Market U-Turn Lifts Stocks 1.4% For The Week -- Barron's

2,083 字

2016 年 1 月 23 日 05:08

Dow Jones Institutional News

DJDN

M3

英文

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(FROM BARRON'S 1/25/16)

By Vito J. Racanelli

Stocks finished more than 1% higher last week, but not before investors were treated to the market's version of the Coney Island Cyclone, a ride equal parts thrilling and frightening. The scary nadir was reached Wednesday, when the two major broad indexes fell three-quarters of the way to a bear market, down about 15% from last May's all-time highs.

On the week, the market dropped 4% before turning and soaring higher, finishing up better than 5% from the low. The violent moves were driven by similarly volatile oil prices, which hit a low Wednesday but finished up 9% on the week to \$32.16 per barrel, up 21% from lows. Traders scrambled to cover their short positions.

Last week, the Dow Jones Industrial Average gained 105 points or 0.7%, to 16,093.51, and the Standard & Poor's 500 index rose 1.4%, or 27, to 1906.90. The Nasdaq picked up 2.3%, to 4591.18

Energy stocks jumped 2%. While the oil market ruled the day, equities also were boosted by comments about further stimulative central bank measures from officials in Europe and Japan last week. In the background, fears lurk about global growth, despite a decent 6.8% fourth quarter China GDP growth number released last week. Though a bit less than expected, it was much better than investors' worst fears. Nevertheless, it was the lowest in a quarter century.

"There was a coiled spring of short positions" that were released in the upsurge, says Michael Purves, chief global strategist at Weeden. The oil bounce was particularly interesting as it occurred against a challenging backdrop of a rising dollar and news of rising U.S. crude supplies.

The oil rally is interesting from a historical view, as well. Two of the last three times crude prices closed up at least 9% on the week happened within the same week as a bottom in the stock market, in March 2009, and August 2015, according to WSJ Market Data Group.

Nevertheless, Adam Sarhan, CEO of Sarhan Capital, views last week's recovery as just a relief rally from much oversold levels. Indeed, on Thursday, according to Bespoke Investment Group, the S&P 500 index had closed two standard deviations below its 50-day moving average for 11 straight days. Such a streak is rare, and the last one that long was October 2008, and before that September 2001.

Sarhan expects the broad stock indexes to enter a bear market and join many subgroups of stocks -- commodity, small caps, banks, among others -- already there. The market put in a "near term low" Wednesday, he says, but not "the low."

Big violent rallies are par for the course in bear markets, not in bull markets, he adds. The market has not had a good time of it going right back to when the Federal Reserve ended its quantitative easing program in October 2014. The biggest driver of the bull was its easy monetary policy.

No moves are expected, but investors will be paying close attention this Tuesday and Wednesday, when the Federal Open Market Committee meets.

Safer Way to Play Oil?

Was last week's 9% crude-oil price recovery a bottoming signal or another head fake, like previous rallies that faded? With many energy stocks down 50% and more, the temptation to buy them is strong. But this column is still smarting from a couple of bad oil-patch stock picks last year. Oil might be bottoming -- or maybe not.

For an investor who wants or needs an energy component in the portfolio, investment-grade corporate bonds of the larger exploration companies offer a less risky way to participate in the sector, at least until the smoke

clears. The bonds are trading at a significant discount, some at 70 to 80 cents on the dollar. "They are trading like high-yield debt," says Peter Andersen, a portfolio manager at Congress Asset Management.

"We don't know what a company's oil price break-even point is, but a bond coupon is more robust than a dividend. The latter, along with capital expenditures, will be cut before the company misses a coupon," he says. Last week, for example, struggling Chesapeake Energy (ticker: CHK), whose debt is not investment grade, suspended preferred stock dividends to repurchase its debt.

"Following the huge stock drops, many energy companies are working for bondholders because they know they have to pay the coupon and the banks," Andersen adds.

He owns the ConocoPhillips (COP) A-rated 2.4% bond due December 2022, which trades at 89 cents on the dollar, down from 96 cents just a few months ago, and yields 4.3%. The stock dividend is 8%.

Other energy issues of potential interest include the BBB rated Marathon Oil (MRO) 2.8% bond due 2022, which trades around 67 cents on the dollar, yielding about 9.4%. That compares to a stock dividend of 2.2%.

Similarly, Hess' (HES) BBB rated 8½% coupon bonds due 2019 were yielding 6.5% versus 2.7% from its stock yield.

Like stocks, bonds have risks, and investment grade isn't an absolute guarantee. Interest payment coverage ratios are dropping. For example, at Marathon the ratio of annual earnings before interest, taxes, depreciation, and amortization to annual interest charge dropped from 24 times in September 2014 to nine times one year later.

If a ratings firm, like Standard & Poor's or Moody's, should downgrade a company's bonds, selling pressure could ensue. Moody's is considering a downgrade of the Marathon bond noted above.

Many oil-exploration bonds and stocks made 52-week lows last week. For individual investors, buying a bond isn't as easy as trading stocks online, but it can be done through a broker. Should crude rise unexpectedly, the stocks will rise faster than the bonds, but they will both rise. But if oil stays where it is or goes down more, bonds will let you sleep a little better.

#### Pension Accounting Magic

As fourth-quarter earnings reports come out, investors should look for pension accounting changes that will artificially flatter earnings by tens of millions of dollars or more in 2016 at some firms. For example, Deere (DE) already announced implementation of what's called the spot-rate method, which will result in a \$175 million boost to profits this year.

With analyst consensus earnings per share estimates coming down fast, "expect more companies to jump on the [spot-rate] bandwagon" to bump up their 2016 EPS numbers or guidance, says David Zion, an accounting and tax analyst at Credit Suisse, now that the Securities and Exchange Commission blessed it about a month ago.

Some companies that adopt the changes -- it's voluntary -- might see big savings in the annual service and interest costs of their pension and other post-employment benefits, such as health care, particularly in the first year of adoption. Besides Deere, 18 other companies have made the switch as of January 15, and it's expected to drive pension costs down by \$50 million or more at Walt Disney (DIS), 3M (MMM), Navistar (NAV), and United Technologies (UTX), among others, he estimates.

Typically, firms currently provide a single overall pension-obligation discount rate. The new spot rate, or full yield-curve approach, results in the use of two additional discount rates, one for the service costs and another for the interest cost portions of the annual pension bill.

Companies can use a discount rate that is higher (than the overall rate) for service costs, causing them to fall. Service is the present value of future benefits earned by active employees in the current year. A lower rate can be used to determine the annual pension interest expense, which causes that cost to fall as well. Interest cost is the increase in pension obligations due to the passage of time.

To make matters confusing, this method doesn't affect the overall discount rate used to measure the total pension obligation, the number traditionally disclosed in annual reports. Neither the status of the plan -- whether underfunded or overfunded -- nor cash flow is changed by this. Those that adopt the new method will be providing three discount rates.

It's not free money. The magic of increasing earnings now will be paid for in the future. As an actuarial change, lowering costs now could mean higher costs down the road, Zion notes. If both service and interest

costs shrink, something else has to grow on the balance sheet, and that's usually an item called unrecognized actuarial losses.

That cost should, over time, find its way back into the income statement through amortization of actuarial losses. Zion estimates that Deere, for example, might have to book an unrecognized actuarial loss of roughly \$91 million, to be amortized later.

Pension service and interest costs were about 10.7% of aggregate pre-tax income for the S&P 500 index from 2010 to 2014, he says, and the spot rate approach would have boosted the S&P 500 index's pre-tax income by 1.7%. If that seems low, the S&P 500 index EPS will likely be down 1% to 2% in 2015 and down 5% for the fourth quarter. This year's numbers are coming down as well.

It's important for some individual companies -- Zion found 146 of them in the S&P 500 index -- where service and interest cost was more than 10% of aggregate pre-tax income over the past five years. At a few it was more than 75%: Alcoa (AA); Owens-Illinois (OI); Goodyear Tire & Rubber (GT); Delta Air Lines (DAL); Motorola Solutions (MSI); Boeing (BA); Textron (TXT); and Weyerhaeuser (WY).

We contacted all eight companies. An Alcoa spokesperson said "spot rate" is under consideration, but Owens Illinois said it isn't applicable. Textron and Goodyear declined comment and the others didn't respond.

At many firms, Zion notes, the spot rate method could cut service and interest costs 5% and 20%, respectively, and raise pre-tax income by 5%. Not bad when earnings growth is hard to find. However, you might not want to put much of a price/earnings multiple on that profit "increase," he says. We agree.

Analysts' Ratings -- Again

23 Jan 2016 00:09 ET The Trader: Market U-Turn Lifts Stocks 1.4% For -2-

From time to time, this column takes sell-side analyst ratings to task. Studies show that taken collectively, their ratings typically reflect what the stock price already discounts, particularly over long periods of time (The Trader, April 13, 2015).

Bespoke Investment Group, which did the last study we cited, took another look at the S&P 500 Index's performance during the 8% drop in the first two weeks of January. The decile of stocks with the best analyst ratings fell 10.3%. Those with the worst? Off 7.5%. Enough said.

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e-mail: vito.racanelli@barrons.com

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## Vital Signs

Friday's Close    Week's Change    Week's % Chg.

DJIndustrials	16093.51	+105.43	+0.66
DJTransportation	6778.54	+89.48	+1.34
DJUtilities	589.14	+6.35	+1.09
DJ65Stocks	5580.42	+50.56	+0.91
DJUSMarket	473.43	+6.32	+1.35
NYSEComp.	9426.91	+127.29	+1.37
NYSEMKTComp.	1983.08	+33.63	+1.73

<b>S&amp;P500</b>	1906.90	+26.57	+1.41
S&PMidCap	1287.77	+17.94	+1.41
S&PSmallCap	614.97	+6.34	+1.04
Nasdaq	4591.18	+102.76	+2.29
ValueLine(arith.)	3979.56	+73.72	+1.89
Russell2000	1020.66	+12.94	+1.28
DJUSTSMFloat	19556.80	+260.51	+1.35

Last Week    Week Earlier

NYSE		
Advances	1,888	461
Declines	1,299	2,756

Unchanged	43	20
NewHighs	26	46
NewLows	1,451	1,283
AvDailyVol(mil)	5,286.8	5,019.2
Dollar		
(Finexspotindex)	99.53	98.95
T-Bond		
(CBTnearbyfutures)	159-010	159-040
Crude Oil		
(NYMlightsweetcrude)	32.19	29.42
Inflation KR-CRB		
(FuturesPriceIndex)	163.80	159.93
Gold		
(CMXnearbyfutures)	1097.20	1091.50
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(END) Dow Jones Newswires

January 23, 2016 00:09 ET (05:09 GMT)

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## MARKET WEEK

Stocks --- The Trader: Dow, S&P 500 End Week Down 2.2%

By Vito J. Racanelli

2,074 字

2016 年 1 月 18 日

Barron's

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U.S. equities tanked for the third consecutive week, down another 2%. Investors were socked by high volatility, and the Standard & Poor's 500 index finished in correction territory -- defined as a drop of 10% or more from highs -- for the second time since last August.

Once again, the debacle was blamed on fresh fears about slowing global and Chinese economic growth and on the now more than 16-month old slump in oil prices. Crude fell 11% last week to \$29.42 per barrel. In June 2014, it was \$107. That continues to take a painful toll on both the energy stock sector, down 2% last week and 44% since mid-2014, and the broader market as well.

Bank stocks fell into a bear market last week -- defined as a 20% drop or more from highs -- as investors expect the Federal Reserve will slow down the pace of interest-rate hikes.

Last week, the Dow Jones Industrial Average and the S&P 500 both fell 2.2%; that was a 358-point fall for the Dow, to 15,988.08, and a 42-point fall for the S&P 500, to 1880.33 -- and off 12% from highs. The Nasdaq fell 3.3%, to 4488.42.

The volatility caused by oil and China derives from the same investor concern: the state of domestic and global demand, says Peter Kenny, independent equity strategist at Kenny and Co. Last year, the slow-but-steady U.S. economy was the rock upon which the market's high was built. Now, he adds, the latest U.S. numbers -- whether gross domestic product, retail sales, or industrial production -- seem to suggest a waning economy.

Kenny says he is cautious near-term, adding "It's not unreasonable to think we'll flirt with a bear market." (More on that below.) Some sectors are already there, such as bank stocks and small companies. For the bull to return, the market needs demand to improve, the Fed to hold off, and oil to stabilize, he says.

He's not alone: "Without an improvement in oil prices and energy stocks, it becomes very difficult for this market to rally," adds JonesTrading market strategist Yousef Abbasi.

Normally, a Monday holiday would be welcome after such a week, but Abbasi notes a slew of Chinese data will be issued next week, including GDP and industrial production on Monday evening in the U.S. "If it's light, it could send global demand expectations lower again." The fourth-quarter earnings report season will be in full swing next week, too.

Friday, December industrial production fell for a third straight month, the Fed said, off 0.4% from November, and dragged down by utilities and mild weather. It was worse than the -0.2% consensus.

Not everyone is gloomy. David Kelly, chief global strategist at JPMorgan Asset Management says he expects the market turmoil to last two weeks or so, adding investors shouldn't succumb to emotional reactions during these violent swings. The correction needs fuel to keep going, he says, but the state of China, oil prices, the U.S. economy, corporate earnings, and equity valuations don't support the downdraft.

## Strategists Dial it Down

Just two dreadful trading weeks into 2016 and two top strategists from Barron's 2016 annual outlook have turned significantly less bullish. One, Stephen Auth, chief investment officer at Federated Investors -- historically the most bullish of the 10 experts surveyed -- says a bear market is possible before stocks right themselves.

The market's 8% drop this year and 12% correction from the May 2015 high have been too violent to ignore. Auth slashed his S&P 500 index target for year-end to 2150 from 2500, and his S&P 500 index earnings per share estimate to \$120 from \$125.

He pushed back his 2500 S&P 500 index target to year-end 2017 and cut next year's EPS estimate to \$130 from \$135. "There's been a dramatic reversal in my view. An awful lot has happened that changes the outlook for the year," says Auth.

Goldman Sachs chief U.S. equity strategist David Kostin, the least bullish of the strategists in our survey ("Bullish, but Cautious," Dec. 14, 2015), reduced his 2016 EPS estimate by \$3 per share to \$117, mainly on concerns about the energy sector.

After last August's surprise yuan devaluation and recent "off-again, on again, off-again" market controls, Chinese authorities have demonstrated an inability to signal a consistent policy, adds Auth. He still expects a "soft" landing for China's economic slowdown, but global markets are in a "show-me mood and it will take months to play out."

The drop in oil prices evidences no sign of slowing, and oil could fall into the "low \$20s" per barrel, Auth adds. Recent reports that Saudi Arabia is considering a public offering of part of its crown jewel Aramco (Saudi Arabian Oil Co.) suggests the Saudi government is prepared for prolonged crude weakness. Friday, oil closed at \$29.42 per barrel.

Goldman's Kostin says that once all the 2015 figures are in, energy sector operating EPS will register the first loss since 1967. He now expects a smaller contribution from the oil patch to his 2016 S&P 500 earnings, compared to his estimate a month ago.

Auth's change of heart includes an expectation that the Federal Reserve will put its planned rate hikes on hold. The Fed has indicated four rate hikes this year, but he looks for just one more. That's likely to hurt financial services companies' EPS, he adds.

Nevertheless, the Federated CIO remains a secular bull. He's not forecasting a global recession and says "we are nowhere near" the severity of the 2008-2009 issues that killed the previous bull. There is, however, "potential for more downside." A "cyclical bear" of short duration and traditional magnitude, that is, a 20% drop from highs, could occur inside the longer bull market, Auth says. For the S&P 500 index, the bear market level is just below 1700.

A small group of popular big-cap equities is propping up the S&P 500. If they were to join the many stocks already in a bear market, that could shove the entire S&P 500 index into a bear phase, he says. "At this point, even a flat 2016 would be a victory. The problems will take time to resolve," Auth says.

Kostin holds out a hope that buybacks, which have historically kicked in during big downdrafts, could stabilize the market. By Feb. 5, companies representing about 75% of the market value of the S&P 500 index will have reported. At that point, the window to buy back shares will be open at many companies, and they likely will, he says.

After the first two weeks of 2016, investors can only hope he's right.

#### Qlik's Waning Value

The market thinks software developer Qlik Technologies is growing fast. We don't buy it. Eventually, investors won't either.

After falling a third from their highs, Qlik's shares (ticker: QLIK), at \$27.26, still trade at nosebleed valuations that more reflect strong prior revenue growth than a less-rosy future. The market believes Qlik can regain its salad days, but industry dynamics and the company's track record suggest otherwise.

Radnor, Pa.-based Qlik develops business intelligence software, a sweet spot of investor interest. It combines enterprise analytics and search functionality into a single platform that can be used by information technology professionals and non-pros. For example, a pharmaceutical company representative can use Qlik software on a mobile device to call up drug industry trends and a doctor's prescription history on a sales call visit to a physician.

Qlik has had a nice niche in a growing business, but its sales growth has slowed steadily and significantly for nearly four years. In 2011, sales rose a rip-snorting 41% -- net income was \$9 million, or 11 cents per share -- but fell to a mellow 11% gain in 2014 and then 9% in the first nine months of 2015. Granted, the rise in the U.S. dollar has been painful for Qlik, which gets more than two-thirds of revenue overseas. But competitors face the same head wind.

The company missed third-quarter expectations last year, and there could be more investor dissatisfaction to come. Profits have eluded the company since 2012, before the greenback's rise. In the first nine months of 2015, the net loss widened to \$59.4 million, or 65 cents per share, from \$50.5 million, or 56 cents per share, in the year-ago period. Blame that on fast-rising costs, an average 30% in recent years, and high executive compensation, 7% of revenue.

"Profits are negative, sales growth declining, it's a super crowded space, and the competition from bigger and better funded rivals is intensifying," points out a skeptical David Trainer, president of New Constructs, an independent forensic accounting research outfit. Qlik hasn't lacked for new products, but they haven't done the trick.

Investors are ignoring the declining fundamentals and the red flags, he adds. Qlik's profitability doesn't measure up to software rivals, including giants like Microsoft (MSFT) and Oracle (ORCL), and smaller competitors like Tableau Software (DATA), among others, he says.

If Qlik wants to keep up, it will have to pour more money into research and development, stretching already high costs, he says. Qlik has 37,000 customers as of the third quarter, while Tableau, which started 10 years after Qlik, has 35,000. Though Tableau stock has an even higher valuation, it is growing six times faster than Qlik.

Qlik bulls point out that a big chunk of its costs come from noncash items, like stock compensation, which is common at young technology firms. Like many overvalued software firms, Qlik quarterly earnings releases include results using non-Generally Accepted Accounting Principles (non-GAAP), which make the financial picture look better than GAAP numbers. Yet even if you back out compensation and other adjustments, there still would have been a non-GAAP loss of \$7.9 million, or 9 cents, in the first nine months of 2015, flat with the previous year period.

Stock compensation needs to be taken into account in the multiple. When it is, the picture appears much less attractive. And Trainer says investors should be wary when executives are being paid on non-GAAP performance measures, as Qlik managers are.

Then there's the valuation: Qlik shares trade at a rich 56 times analysts' non-GAAP consensus estimate of 49 cents per share. On expected GAAP earnings of 5 cents a share, the P/E is 580 times. Trainer values the stock at \$21, 25% below Friday's price.

A Qlik spokeswoman declined to respond to Barron's questions about profitability and growth, citing an upcoming earnings report. On intensifying competition, she says, Qlik has strong competitive positions.

Fourth-quarter results come out Feb. 11. A stock this highly valued in a weak broad market will see more pressure unless Qlik can muster stronger sales growth.

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## Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	15988.08	-358.37	-2.19
DJTransportation	6689.06	-257.30	-3.70
DJUtilities	582.79	+3.97	+0.69
DJ65Stocks	5529.86	-118.80	-2.10
DJUSMarket	467.11	-11.66	-2.44
NYSEComp.	9299.62	-229.14	-2.40
NYSEMKTComp.	1949.45	-77.91	-3.84
<b>S&amp;P500</b>	1880.33	-41.70	-2.17
S&PMidCap	1269.83	-38.65	-2.95
S&PSmallCap	608.63	-14.79	-2.37
Nasdaq	4488.42	-155.21	-3.34
ValueLine(arith.)	3905.84	-142.97	-3.53
Russell2000	1007.72	-38.48	-3.68
DJUSTSMFloat	19296.29	-498.32	-2.52

Last Week    Week Earlier

NYSE

Advances	461	725
Declines	2,756	2,502
Unchanged	20	15
NewHighs	46	162
NewLows	1,283	665
AvDailyVol(mil)	5,019.2	4,367.5
Dollar		
(Finexspotindex)	98.95	98.38
T-Bond		
(CBTnearbyfutures)	159-040	156-120
Crude Oil		
(NYMlightsweetcrude)	29.42	33.16
Inflation KR-CRB		
(FuturesPriceIndex)	159.93	168.58
Gold		
(CMXnearbyfutures)	1091.50	1097.80

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文件 B000000020160116ec1i0000w

## DOW JONES NEWSWIRES

China's High Stock Valuations Worry Investors

By Chao Deng

810 字

2016 年 1 月 18 日 08:51

Dow Jones Newswires Chinese (English)

RTNW

英文

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HONG KONG--The plunge in Chinese stock markets this year has already grabbed global attention. Judged by the frothy prices at which shares there still trade relative to their earnings alone, they could have further to fall.

The main index of Shanghai, China's biggest stock market with a total value of \$3.7 trillion, has already dropped 18% this year, to its lowest level in more than a year. Still, the median stock traded in Shanghai is valued at 24 times the profit analysts expect it to generate this year, a common measure investors use to assess company valuations, according to analysts at Bank of Communications Co.

The figures are more eye-popping still for the \$2.8 trillion Shenzhen market, now also one of the world's biggest bourses. There, the median stock trades at 33 times expected earnings. By contrast, the median stock in the **S&P500** index of U.S. shares trades at 16 times expected earnings and at 15 times in the Stoxx Europe 600, the index of leading European listed companies.

"China is one of the most expensive major stock markets across the board," says Hao Hong, managing director at Bank of Communications Co. "It's almost like buying a lottery, that's how bad it is."

The high valuations reveal the difficulty of forecasting when the current market slide might end. In markets like Shanghai, where small investors account for about 80% of daily transactions, critics say it is the herd mentality, more than fundamentals like company earnings or growth prospects, that drive prices. But if the market outlook sours, shareholders are more likely to rush to sell expensive stocks, which could trigger a steep slide in the Chinese markets.

Investors are already jittery. An unconfirmed report in a midsize state-owned newspaper that Shanghai-based banks were no longer accepting stocks as collateral for loans led to a sudden selloff in the stock market Friday afternoon, with the Shanghai index ending 3.6% lower.

Meanwhile, Beijing is giving mixed signals on how much it will intervene in the market and where it wants shares to trade. In the past, the central government has bought shares to support the market and devoted spending to sectors that would buoy the economy. Lately, it hasn't hinted at any upcoming stimulus that would catalyze share gains, analysts say.

By contrast, in early 2015, a number of newspaper editorials offered bullish comments on the market, helping to drive Shanghai shares by June to their highest prices since the global financial crisis.

One reason the Shenzhen market is trading at a higher valuation is that many companies listed there are from sectors such as technology, retail and health care, which are expected to drive China's growth as it shifts away from a reliance on heavy industry.

Even so, valuations have reached dizzying heights. At the extreme, apparel group Shanghai Metersbonwe Fashion & Accessories Co. trades at 1,104 times current year earnings, while Internet operator Shanghai Ganglian E-Commerce Holdings trades at 2,440 times, according to China-focused database Wind Info.

Investors have been willing to pay up for shares, even when the firms are losing money. Shanghai-listed electric power firm Guangdong Meiyuan Hydropower Co. posted losses in the first three quarters of 2015 and in 2014 amid weak energy demand in China. But after a volatile ride, the company's shares are up 53% since August, when it said China Securities Finance Corp. became its leading shareholder. The government agency is part of the so-called National Team that has stepped in regularly to support some Chinese stocks in recent months to try to prop up the broader market.

Mark Hu, a 40-year-old Beijing resident who works in the technology industry, says he had "a few million" yuan, including in stocks trading on the ChiNext, China's Nasdaq-like board, which are some of Shenzhen's most expensive small-cap firms because of their high growth expectations.

But he says he sold all his holdings at the start of this year as the recent losses showed how pessimistic sentiment has turned.

"There are structural risks because of how the market is designed," he says, explaining that Chinese investors have placed a low value on blue-chip stocks while overvaluing small caps.

Blue-chip Foshan Haitian Flavoring & Food Co., China's biggest soy-sauce company, has lost 19% on the Shanghai bourse since June, when the market first tumbled. That is even as analysts expect Foshan's profits to grow by about 20% on average the next three years as Chinese soy consumption per head catches up with that in developed countries.

Write to Chao Deng at [Chao.Deng@wsj.com](mailto:Chao.Deng@wsj.com)

(END) Dow Jones Newswires

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文件 RTNW000020160118ec1i0008j

# DOW JONES NEWSWIRES

The Trader: Dow, S&P 500 End Week Down 2.2% -- Barron's

2,109 字

2016 年 1 月 16 日 05:07

Dow Jones Institutional News

DJDN

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英文

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(FROM BARRON'S 1/18/16)

By Vito J. Racanelli

U.S. equities tanked for the third consecutive week, down another 2%. Investors were socked by high volatility, and the Standard & Poor's 500 index finished in correction territory -- defined as a drop of 10% or more from highs -- for the second time since last August.

Once again, the debacle was blamed on fresh fears about slowing global and Chinese economic growth and on the now more than 16-month old slump in oil prices. Crude fell 11% last week to \$29.42 per barrel. In June 2014, it was \$107. That continues to take a painful toll on both the energy stock sector, down 2% last week and 44% since mid-2014, and the broader market as well.

Bank stocks fell into a bear market last week -- defined as a 20% drop or more from highs -- as investors expect the Federal Reserve will slow down the pace of interest-rate hikes.

Last week, the Dow Jones Industrial Average and the S&P 500 both fell 2.2%; that was a 358-point fall for the Dow, to 15,988.08, and a 42-point fall for the S&P 500, to 1880.33 -- and off 12% from highs. The Nasdaq fell 3.3%, to 4488.42.

The volatility caused by oil and China derives from the same investor concern: the state of domestic and global demand, says Peter Kenny, independent equity strategist at Kenny and Co. Last year, the slow-but-steady U.S. economy was the rock upon which the market's high was built. Now, he adds, the latest U.S. numbers -- whether gross domestic product, retail sales, or industrial production -- seem to suggest a waning economy.

Kenny says he is cautious near-term, adding "It's not unreasonable to think we'll flirt with a bear market." (More on that below.) Some sectors are already there, such as bank stocks and small companies. For the bull to return, the market needs demand to improve, the Fed to hold off, and oil to stabilize, he says.

He's not alone: "Without an improvement in oil prices and energy stocks, it becomes very difficult for this market to rally," adds JonesTrading market strategist Yousef Abbasi.

Normally, a Monday holiday would be welcome after such a week, but Abbasi notes a slew of Chinese data will be issued next week, including GDP and industrial production on Monday evening in the U.S. "If it's light, it could send global demand expectations lower again." The fourth-quarter earnings report season will be in full swing next week, too.

Friday, December industrial production fell for a third straight month, the Fed said, off 0.4% from November, and dragged down by utilities and mild weather. It was worse than the -0.2% consensus.

Not everyone is gloomy. David Kelly, chief global strategist at JPMorgan Asset Management says he expects the market turmoil to last two weeks or so, adding investors shouldn't succumb to emotional reactions during these violent swings. The correction needs fuel to keep going, he says, but the state of China, oil prices, the U.S. economy, corporate earnings, and equity valuations don't support the downdraft.

Strategists Dial it Down

Just two dreadful trading weeks into 2016 and two top strategists from Barron's 2016 annual outlook have turned significantly less bullish. One, Stephen Auth, chief investment officer at Federated Investors -- historically the most bullish of the 10 experts surveyed -- says a bear market is possible before stocks right themselves.

The market's 8% drop this year and 12% correction from the May 2015 high have been too violent to ignore. Auth slashed his S&P 500 index target for year-end to 2150 from 2500, and his S&P 500 index earnings per share estimate to \$120 from \$125.

He pushed back his 2500 S&P 500 index target to year-end 2017 and cut next year's EPS estimate to \$130 from \$135. "There's been a dramatic reversal in my view. An awful lot has happened that changes the outlook for the year," says Auth.

Goldman Sachs chief U.S. equity strategist David Kostin, the least bullish of the strategists in our survey ("Bullish, but Cautious," Dec. 14, 2015), reduced his 2016 EPS estimate by \$3 per share to \$117, mainly on concerns about the energy sector.

After last August's surprise yuan devaluation and recent "off-again, on again, off-again" market controls, Chinese authorities have demonstrated an inability to signal a consistent policy, adds Auth. He still expects a "soft" landing for China's economic slowdown, but global markets are in a "show-me mood and it will take months to play out."

The drop in oil prices evidences no sign of slowing, and oil could fall into the "low \$20s" per barrel, Auth adds. Recent reports that Saudi Arabia is considering a public offering of part of its crown jewel Aramco (Saudi Arabian Oil Co.) suggests the Saudi government is prepared for prolonged crude weakness. Friday, oil closed at \$29.42 per barrel.

Goldman's Kostin says that once all the 2015 figures are in, energy sector operating EPS will register the first loss since 1967. He now expects a smaller contribution from the oil patch to his 2016 S&P 500 earnings, compared to his estimate a month ago.

Auth's change of heart includes an expectation that the Federal Reserve will put its planned rate hikes on hold. The Fed has indicated four rate hikes this year, but he looks for just one more. That's likely to hurt financial services companies' EPS, he adds.

Nevertheless, the Federated CIO remains a secular bull. He's not forecasting a global recession and says "we are nowhere near" the severity of the 2008-2009 issues that killed the previous bull. There is, however, "potential for more downside." A "cyclical bear" of short duration and traditional magnitude, that is, a 20% drop from highs, could occur inside the longer bull market, Auth says. For the S&P 500 index, the bear market level is just below 1700.

A small group of popular big-cap equities is propping up the S&P 500. If they were to join the many stocks already in a bear market, that could shove the entire S&P 500 index into a bear phase, he says. "At this point, even a flat 2016 would be a victory. The problems will take time to resolve," Auth says.

Kostin holds out a hope that buybacks, which have historically kicked in during big downdrafts, could stabilize the market. By Feb. 5, companies representing about 75% of the market value of the S&P 500 index will have reported. At that point, the window to buy back shares will be open at many companies, and they likely will, he says.

After the first two weeks of 2016, investors can only hope he's right.

#### Qlik's Waning Value

The market thinks software developer Qlik Technologies is growing fast. We don't buy it. Eventually, investors won't either.

After falling a third from their highs, Qlik's shares (ticker: QLIK), at \$27.26, still trade at nosebleed valuations that more reflect strong prior revenue growth than a less-rosy future. The market believes Qlik can regain its salad days, but industry dynamics and the company's track record suggest otherwise.

Radnor, Pa.-based Qlik develops business intelligence software, a sweet spot of investor interest. It combines enterprise analytics and search functionality into a single platform that can be used by information technology professionals and non-pros. For example, a pharmaceutical company representative can use Qlik software on a mobile device to call up drug industry trends and a doctor's prescription history on a sales call visit to a physician.

Qlik has had a nice niche in a growing business, but its sales growth has slowed steadily and significantly for nearly four years. In 2011, sales rose a rip-snorting 41% -- net income was \$9 million, or 11 cents per share -- but fell to a mellow 11% gain in 2014 and then 9% in the first nine months of 2015. Granted, the rise in the U.S. dollar has been painful for Qlik, which gets more than two-thirds of revenue overseas. But competitors face the same head wind.

The company missed third-quarter expectations last year, and there could be more investor dissatisfaction to come. Profits have eluded the company since 2012, before the greenback's rise. In the first nine months of 2015, the net loss widened to \$59.4 million, or 65 cents per share, from \$50.5 million, or 56 cents per share, in the year-ago period. Blame that on fast-rising costs, an average 30% in recent years, and high executive compensation, 7% of revenue.

"Profits are negative, sales growth declining, it's a super crowded space, and the competition from bigger and better funded rivals is intensifying," points out a skeptical David Trainer, president of New Constructs, an independent forensic accounting research outfit. Qlik hasn't lacked for new products, but they haven't done the trick.

Investors are ignoring the declining fundamentals and the red flags, he adds. Qlik's profitability doesn't measure up to software rivals, including giants like Microsoft (MSFT) and Oracle (ORCL), and smaller competitors like Tableau Software (DATA), among others, he says.

If Qlik wants to keep up, it will have to pour more money into research and development, stretching already high costs, he says. Qlik has 37,000 customers as of the third quarter, while Tableau, which started 10 years after Qlik, has 35,000. Though Tableau stock has an even higher valuation, it is growing six times faster than Qlik.

Qlik bulls point out that a big chunk of its costs come from noncash items, like stock compensation, which is common at young technology firms. Like many overvalued software firms, Qlik quarterly earnings releases include results using non-Generally Accepted Accounting Principles (non-GAAP), which make the financial picture look better than GAAP numbers. Yet even if you back out compensation and other adjustments, there still would have been a non-GAAP loss of \$7.9 million, or 9 cents, in the first nine months of 2015, flat with the previous year period.

16 Jan 2016 00:07 ET The Trader: Dow, S&P 500 End Week Down 2.2% -- -2-

Stock compensation needs to be taken into account in the multiple. When it is, the picture appears much less attractive. And Trainer says investors should be wary when executives are being paid on non-GAAP performance measures, as Qlik managers are.

Then there's the valuation: Qlik shares trade at a rich 56 times analysts' non-GAAP consensus estimate of 49 cents per share. On expected GAAP earnings of 5 cents a share, the P/E is 580 times. Trainer values the stock at \$21, 25% below Friday's price.

A Qlik spokeswoman declined to respond to Barron's questions about profitability and growth, citing an upcoming earnings report. On intensifying competition, she says, Qlik has strong competitive positions.

Fourth-quarter results come out Feb. 11. A stock this highly valued in a weak broad market will see more pressure unless Qlik can muster stronger sales growth.

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## Vital Signs

Friday's Close    Week's Change    Week's % Chg.

DJIndustrials	15988.08	-358.37	-2.19
DJTransportation	6689.06	-257.30	-3.70
DJUtilities	582.79	+3.97	+0.69
DJ65Stocks	5529.86	-118.80	-2.10
DJUSMarket	467.11	-11.66	-2.44
NYSEComp.	9299.62	-229.14	-2.40
NYSEMKTComp.	1949.45	-77.91	-3.84

<b>S&amp;P500</b>	1880.33	-41.70	-2.17
S&PMidCap	1269.83	-38.65	-2.95
S&PSmallCap	608.63	-14.79	-2.37
Nasdaq	4488.42	-155.21	-3.34
ValueLine(arith.)	3905.84	-142.97	-3.53
Russell2000	1007.72	-38.48	-3.68
DJUSTSMFloat	19296.29	-498.32	-2.52

Last Week    Week Earlier

NYSE		
Advances	461	725
Declines	2,756	2,502
Unchanged	20	15
NewHighs	46	162
NewLows	1,283	665
AvDailyVol(mil)	5,019.2	4,367.5
Dollar		
(Finexspotindex)	98.95	98.38
T-Bond		
(CBTnearbyfutures)	159-040	156-120
Crude Oil		
(NYMlightsweetcrude)	29.42	33.16
Inflation KR-CRB		
(FuturesPriceIndex)	159.93	168.58
Gold		
(CMXnearbyfutures)	1091.50	1097.80
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# THE WALL STREET JOURNAL.

Heard on the Street

Markets

Corporate Bonds Offer Little Comfort For Jumpy Markets; Corporate bonds haven't seen a 2016 plunge like stock markets have, but are still under pressure

By Richard Barley

555 字

2016 年 1 月 15 日 14:36

The Wall Street Journal Online

WSJO

英文

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Equity markets have been center-stage in 2016, [posting steep declines that have rattled investors](#). Credit markets have seen less spectacular moves—but are still sending signals that aren't reassuring.

Compared with the 9.5% decline for the Stoxx Europe 600 or the 6% drop in the **S&P500**, corporate-bond returns over the year-to-date look unremarkable. But they are still moving in the wrong direction: U.S. high-yield bonds are down 1.7% according to Bank of America Merrill Lynch indexes, while their European peers are down 1.5%.

U.S. investment-grade bonds have even eked out a small gain—up 0.5%—but that is down to the rally in Treasuries. Investment-grade spreads in both the U.S. and Europe have widened by 0.1 percentage point.

True, this week brought a clear example that there is still good demand for corporate bonds: brewer Anheuser-Busch InBev NV sold \$46 billion of bonds in [the second-biggest issue on record](#), drawing over \$100 billion of demand.

But while such deals can be bellwethers, AB Inbev's success may not say that much about wider conditions. As a consumer-focused company it is on the list of favorites in the current environment. It has strong investment-grade ratings and the sheer size of the deal means it will play a significant role in bond indexes, practically guaranteeing demand.

Besides, the primary market, where new bonds are sold, has always been the point at which investors have the most liquid opportunities. The secondary market is a different story.

Despite last year's rise in yields—potentially making markets such as U.S. high-yield more attractive—investors may yet find it hard to scoop up bargains. Investors are largely faced with an unappetizing choice between low-yielding paper from companies with stronger balance sheets, or high-yielding bonds from borrowers facing challenges.

The middle of the road offers thin pickings. While the overall U.S. high-yield market, excluding energy, offers a spread of 6 percentage points over Treasuries, just 15% of bonds trade at spreads between 5 and 7 points, Deutsche Bank calculated recently.

Forty percent of the market is made up of solid credits, trading at a spread of less than 4 points, while 25% is trading at a spread of more than 8 points, indicating trouble. Strikingly, in June 2014, when the market hit its peak, over half the market was trading close to the index spread level, Deutsche says.

Meanwhile, [credit ratings are deteriorating](#) at their fastest pace since the 2008-2009 financial crisis, and investment-grade companies have been engaged in financial engineering such as acquisitions and stock buybacks.

Europe looks more shielded than the U.S. from this trend, plus European high-yield bonds have higher ratings and less exposure to commodities. Still, the continued expansion in domestic demand in Europe and the U.S. faces increasing headwinds.

Corporate bonds aren't sending full-blown alarm signals yet. But the market is clearly in choppy waters. Investors should watch for signs of a squall.

Write to Richard Barley at [richard.barley@wsj.com](mailto:richard.barley@wsj.com)

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# DOW JONES NEWSWIRES

Corporate Bonds Offer Little Comfort For Jumpy Markets -- Heard on the Street

By Richard Barley

554 字

2016 年 1 月 15 日 14:36

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Write to Richard Barley at [richard.barley@wsj.com](mailto:richard.barley@wsj.com)

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# DOW JONES NEWSWIRES

General Electric: Boston, Here We Come -- Barron's Blog

By Ben Levisohn

486 字

2016 年 1 月 14 日 15:33

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With tongue planted firmly in cheek, Stifel's Robert McCarthy and team consider the impact of General Electric's (GE) decision to leave Connecticut for Boston:

We think the Boston HQ move is a clear incremental positive for the company and the region. Ever the trendsetter, we anticipated this move and decamped to Boston a year in advance of the announcement in anticipation. The principal benefits for General Electric include: (1) better tax breaks provided than CT; (2) access to the Boston area technology talent; (3) excellent lobster rolls and clam chowder; (4) consistently winning sports teams; and (5) of course, closer proximity to key General Electric sell side coverage. Positive effects for the area include continued real estate appreciation in suburbs (Brookline, Weston, Wellesley, Newton, Hingham, etc.), and of course, Nantucket.

Societe General's Henry Kirn and team like General Electric's healthcare business but rates the stock a Neutral:

We see a solid outlook for GE Healthcare's business, which is currently benefiting from improving US markets as management expects low single-digit organic growth for Healthcare in 2016. Near term, we see opportunity for the business to improve margins as it continues to have significant runway to operate more efficiently, while longer term, we believe that an improving US outlook and potential return to growth in emerging markets should lead to a solid growth outlook (similar to our view on Philips).

Our GE Healthcare organic growth forecasts of 3% for 2016 and 4% for 2017 are in line with our forecasts for Philips Healthcare...

While we currently maintain a Hold rating on GE based on a valuation that we see as appropriate but not attractive, the same positive drivers that we identify for Philips hold for GE Healthcare.

How we value the stock Our TP reflects a 20% premium, or a P/E of 17.4x, to the consensus 2017e **S&P500** multiple of 14.5x on 2017e EPS, when we expect GE to approach its desired largely industrial mix. GE generally traded at a 20%+ premium to S&P in the 1990s/early 2000s as investors viewed it as a premium global industrial. We see GE's industrial business as equally well positioned now (heavy aftermarket & late cycle exposure, broad global capabilities) and are using a premium to the S&P on what will likely be 90%+ Industrial earnings (as the company executes its GE Capital divestitures between now and the end of the year) to arrive at our TP [of \$31].

Shares of General Electric have gained 2.4% to \$28.91 at 10:30 a.m. today, while the Industrial Select Sector SPDR ETF (XLI) has advanced 0.9% to \$49.36.

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

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## DOW JONES NEWSWIRES

\*Carnival Corporation Appoints Roger Chen As Chairman In China >CCL.LN

874 字

2016 年 1 月 14 日 14:00

Dow Jones Institutional News

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英文

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14 Jan 2016 09:00 ET Press Release: Carnival Corporation Appoints Roger Chen as Chairman in China

Carnival Corporation Appoints Roger Chen as Chairman in China

25-year veteran Chinese executive will oversee Carnival Corporation's industry-leading presence in China and facilitate the company's long-term growth plans for cruising in the region

PR Newswire

MIAMI, Jan. 14, 2016

MIAMI, Jan. 14, 2016 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest travel and leisure company, today announced that Roger Chen has been appointed chairman in China, effective January 1, 2016. A native of China, Chen will be based in Shanghai and lead all government relations and port development, while also supporting the company's joint ventures in China. In this new role, Chen will have responsibility for representing all of Carnival Corporation's brands in China to continue growing the company's industry-leading presence and scale in the region.

Chen will report directly to Alan Buckelew, chief operations officer for Carnival Corporation, who relocated to Shanghai in 2014 to oversee operations in China. Buckelew will continue to provide strategic leadership to drive the company's long-term growth plans in Asia. Michael Ungerer, recently named chief operations officer-shared services for Carnival Asia, continues in his strategic role to support growth across the brands in Asia, reporting to Michael Thamm, CEO of Costa Group, with a dotted line to Chen.

"Roger comes to us with over 25 years of experience working for major global companies that have significant operations in China, as well as time spent working within the Chinese government, all of which will be invaluable to our growth strategy in China and Asia as a whole," said Alan Buckelew, chief operations officer for Carnival Corporation. "We look forward to Roger's leadership and deep knowledge of government affairs as he oversees Carnival Corporation's strategic initiatives across all our brands in China, where we expect continued growth and expansion as the leading cruise operator in what has quickly become one of the fastest growing markets in the world."

As a veteran leader in China, Chen's background includes strong expertise in corporate and government affairs, and in-depth knowledge of the Chinese government's policies and operations. Chen's experience includes several senior positions where he led strategic efforts in China for major multi-national corporations, including General Electric, Microsoft, Volvo Group and Alcatel. Most recently, Chen served as China president for Volvo Group, representing the company's interests across all business groups in China.

With the appointments of Roger Chen and Michael Ungerer, Carnival Corporation continues to bolster its Asia leadership team, which already includes veteran brand leaders Buhdy Bok, president of Costa Asia, and Anthony Kaufman, executive vice president, international operations for Princess Cruises. Among their overall responsibilities, Bok and Kaufman oversee operations in China for their respective brands, which currently anchor Carnival Corporation's market-leading presence in China with four total ships.

In 2016, Costa and Princess will again expand with each brand adding a ship to its fleet in China, representing a 58 percent increase in capacity in China in 2016, and making Carnival Corporation the first global cruise company with six total ships based in China later this year. In summer 2017, Princess Cruises will launch the first vessel built specifically for Chinese guests, Majestic Princess, which will be based in China year-round.

Additionally, the company has announced plans to operate two additional cruise brands in China in 2017. Carnival Cruise Line and AIDA Cruises will join Costa Cruises and Princess Cruises in the Chinese market in 2017, making Carnival Corporation the first company to operate four cruise brands in China. In December,

the company announced it will build two new 135,500-ton ships with Italian-shipbuilder Fincantieri S.p.A. for Costa Asia for deployment in China by 2020.

#### About Carnival Corporation & plc

Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 17 new ships scheduled to be delivered between 2016 and 2020. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au) and [www.pocruises.com](http://www.pocruises.com).

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SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

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# DOW JONES NEWSWIRES

Press Release: Carnival Corporation & plc Declares Dividend

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Carnival Corporation & plc Declares Dividend

PR Newswire

MIAMI, Jan. 14, 2016

MIAMI, Jan. 14, 2016 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) has announced that it has declared a dividend of \$0.30 per share.

The company's board of directors approved a record date for the quarterly dividend of February 19, 2016, and a payment date of March 11, 2016.

Holders of Carnival Corporation common stock and Carnival plc ADSs will receive the dividend payable in U.S. dollars. The dividend for Carnival plc ordinary shares will be payable in U.S. dollars or sterling. In the absence of instructions or elections to the contrary, holders of Carnival plc ordinary shares will automatically receive the dividend in sterling.

Dividends payable in sterling will be converted from U.S. dollars at the exchange rate quoted by the Bank of England in London at 12 noon on March 1, 2016. Holders of Carnival plc ordinary shares wishing to receive their dividend in U.S. dollars or participate in the Carnival plc Dividend Reinvestment Plan must elect to do so by February 19, 2016.

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To view the original version on PR Newswire, visit: <http://www.prnewswire.com/news-releases/carnival-corporation--plc-declares-dividend-300204615.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnival.com>

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January 14, 2016 12:30 ET (17:30 GMT)

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# THE WALL STREET JOURNAL.

Heard on the Street

Markets

Global Markets and the Battle With Economic Reality; It is shaping up to be a tough year for markets, with economic challenges accumulating. Holding more cash looks sensible

By Richard Barley

568 字

2016 年 1 月 13 日 13:38

The Wall Street Journal Online

WSJO

英文

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The past couple of days in markets have offered hard-pressed investors [some relief after a tough start to 2016](#). As much as that is welcome, caution should be the watchword for money managers.

On the face of it, there were few truly new developments to justify the steep downdraft that started the year. The MSCI World index of advanced-country stocks was down 6.1% through Tuesday while its Emerging Market peer was down 8.9%.

China and emerging markets were as much a source of worry last year [as they are now](#). Falling commodities prices aren't a new story, although [the scale of their decline is shocking](#). The shakeout in risky credit markets started more than a year ago. Meanwhile, cyclical economic recoveries in the U.S. and Europe have continued, although they are far from impressive.

There are bright spots still. Falling unemployment, lower oil prices and low inflation are good news for developed-market consumers—still a powerful force in the global economy. That markets have bounced a little is therefore understandable.

But subpar cyclical recoveries driven by domestic consumers may fade in the face of building global headwinds and the risk of policy missteps. The steady accumulation of economic worries poses a threat to investors.

Developed markets, after all, have already come a long way, propelled by ultraloose monetary policy. From 2009's trough to 2015's peak, the **S&P500** tripled; it is now still only 9% below that peak. Government bond yields are low, limiting their ability to provide income and to act as a hedge against declining stocks. Corporate bond spreads have widened since 2014, but yields, except in U.S. high yield, are still relatively low; defaults and [ratings downgrades are becoming more frequent](#).

With more bad news stories grabbing investors' attention, the fear of losses and the hope for gains are far more evenly balanced than they have been.

Overlaid on this is the concern that liquidity in markets has been reduced. Regulators have been seeking to make banks safer but liquidity risk has been transferred to asset managers. This might be a year in which nimble investors could benefit from swings in prices, but investment banks' pullback from trading may make this strategy risky.

These issues, for now, are a bigger problem for markets than for Main Street. And the picture could change for the better, perhaps via greater confidence in Chinese policy, signs that emerging-market growth is picking up, or calmer waters in credit markets that funnel financing to the real economy. If more serious problems develop, intervention from policy makers is a possibility, though the bar for action from the U.S. Federal Reserve, still the most influential for global markets, is higher now that it has started raising interest rates.

Caution and cash look like good strategies to pursue in this environment. KKR's team of asset allocators has just lifted its target for cash to 7% of the portfolio, from 1% in September. Challenges to global growth have mounted, creating a new obstacle to scale: an increasing number of things need to go right even to lift the gloom.

Write to Richard Barley at [richard.barley@wsj.com](mailto:richard.barley@wsj.com)

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# DOW JONES NEWSWIRES

Press Release: Carnival Corporation's New Sustainability Report Highlights Key Environmental and Social Initiatives

1,501 字

2016 年 1 月 12 日 14:00

Dow Jones Institutional News

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Carnival Corporation's New Sustainability Report Highlights Key Environmental and Social Initiatives

Report details company's 2020 goals, reinforcing commitment to protecting environment by increasing water efficiency and reducing waste production, greenhouse gases and other emissions

Additional highlights from world's largest travel and leisure company include recognition for sustainability efforts and transparency

PR Newswire

MIAMI, Jan. 12, 2015

MIAMI, Jan. 12, 2015 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest travel and leisure company, released its 2014 Sustainability Report in December detailing the company's sustainability efforts across its 10 cruise line brands, including its 2020 sustainability goals. The sustainability report was prepared in accordance with the Global Reporting Initiative (GRI) G4 "core" level, and a full copy can be downloaded from Carnival Corporation's site.

"As the largest cruise company in the world, with healthy oceans and seas core to our operations and with most of our employees living and working at sea, the very essence of our business is built on sustainable and transparent practices," said Bill Burke, chief maritime officer for Carnival Corporation. "Our goal is to make sure our 11 million annual guests have a great vacation experience, and to maintain a positive and thriving workplace for our employees. We maintain this commitment by keeping our guests and crew members safe, providing extraordinary customer service, protecting the environment in which we work and live, hiring great employees passionate about their work, having positive relationships with our suppliers and other stakeholders, enhancing the port communities our ships visit and the communities where we work, and maintaining our fiscal strength. These core values are among the cornerstones to our success as a business."

## Sustainability Goals

As highlighted in the report, Carnival Corporation has established 10 goals for reducing its environmental footprint over the next five years, while enhancing the health, safety and security of its guests and crewmembers, and ensuring sustainable business practices among its brands, business partners and suppliers. Three of the 10 goals focus on developing, deploying and operating exhaust gas cleaning systems for clean air emissions, increasing cold ironing capacity and further reducing the intensity of equivalent carbon dioxide emissions (CO<sub>2</sub>e). View Carnival Corporation's 2020 sustainability goals infographic [here](#).

Carnival Corporation announced in November 2014 that it had met its corporate goal to reduce its rate of CO<sub>2</sub>e emissions from shipboard operations by 20 percent -- a year ahead of its initial plan. After meeting its initial goal a year ahead of schedule, Carnival Corporation has renewed its goal to continue reducing the rate of CO<sub>2</sub>e emissions -- also known as greenhouse gas emissions -- by 25 percent from its 2005 baseline.

This renewed goal for 2020 extends and reinforces the company's aggressive initiative to further reduce the intensity of greenhouse gas emissions. As part of the effort, the company and its 10 global brands have developed strategic energy reduction and conservation initiatives, many of which exceed current laws and regulations.

## Sustainable Practices Highlighted in Report

Recently the company announced its four next-generation cruise ships to be built for Costa Cruises and AIDA Cruises will be the first in the industry to be powered at sea by Liquefied Natural Gas (LNG), the world's cleanest burning fossil fuel. Pioneering a new era in the use of low carbon fuels, these new ships will use

LNG to generate 100 percent of the ship's power both in port and on the open sea -- an innovation that will significantly reduce exhaust emissions to help protect the environment and support overall sustainability initiatives.

In 2014, the company released its Business Partner Code of Conduct and Ethics to help business partners within the supply chain to more fully understand and comply with Carnival Corporation's expectation for legal compliance and ethical behavior. This includes the areas of labor and human rights, environmental protection, business integrity and health, safety and security.

In June 2014, the Carnival Foundation donated \$2.5 million over a five-year period to The Nature Conservancy, one of the world's leading conservation organizations, to advance the preservation of the world's oceans and seas. Carnival Corporation's support to The Nature Conservancy will significantly accelerate coral reef restoration initiatives, enhance the value of marine ecosystem services through the Mapping Ocean Wealth program and continue to advance important science that shows how natural systems can help reduce risks to coastal communities from storms and rising sea levels.

In June 2015, the company introduced Fathom, a new brand pioneering a new travel category called impact travel, which is built around mindful, purpose-driven activities and programs that enable guests to make a real sustainable impact in the communities to which the company travels. In 2016, Fathom will make its maiden voyages to two vibrant Caribbean destinations - Cuba and the Dominican Republic - each with different cultures and each with different objectives, but both with common dreams for the well-being of their people.

#### Additional Sustainable Initiatives

In addition to these initiatives, Carnival Corporation and its 10 brands implement extensive measures to deliver on the corporate commitment to continue to keep guests and crewmembers safe and comfortable, protect the environment, develop and provide opportunities for its workforce, strengthen its stakeholder relations and enhance the communities in which the company visits and operates. These efforts are detailed in the 2014 sustainability report -- highlights include:

- Spotighting Carnival Corporation & plc Board Member Debra Kelly-Ennis for her leadership and board membership since 2012.
- Designing and developing an industry-first Maritime Security Training Program in the Philippines in 2013 and 2014. The program was launched in January 2015. Corporate Security standards require all new security guards to attend the certified training program prior to joining a company ship.
- Focusing on hiring and retaining a team of diverse, highly motivated and engaged employees, a key factor in delivering vacation experiences that exceed guests' expectations. The company placed a number of executives into new roles during the year, including five brand presidents and several executive operations and staff roles.
- Taking more than 10.6 million guests on vacation across 100 ships in 2014. Over 3.4 million of them were first-time cruisers.

#### Recognition for Carnival's Sustainable Efforts

In September 2015, the Global Environmental Management Initiative (GEMI), the global leader in developing insights and creating collaborative sustainability solutions for business, published its "GEMI Quick Guide on Materiality". A materiality case study from Carnival Corporation was part of the guide. The guide is designed to help corporations understand materiality and its relationship to sustainability, and to recognize the importance of materiality in defining an appropriate sustainability strategy.

In November 2015, Carnival Corporation was identified as a leader for the quality of climate change-related information that it has disclosed to investors and other stakeholders through CDP, the international nonprofit organization that drives sustainable economies. Carnival Corporation was awarded a position on the FTSE 350 and the S&P 500 Climate Disclosure Leadership Index (CDLI), recently released in the United Kingdom and S&P editions of CDP's annual global climate change reports. Carnival Corporation has earned its position on the index by disclosing high quality carbon emissions and energy data through CDP's climate change program. The reported data has been independently assessed against CDP's scoring methodology and marked out of 100. Those organizations graded within the top 10 percent constitute the CDLI. Carnival Corporation received a score of 99.

## About Carnival Corporation & plc

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<http://www.prnewswire.com/news-releases/carnival-corporations-new-sustainability-report-highlights-key-environmental-and-social-initiatives-300202875.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

(END) Dow Jones Newswires

January 12, 2016 09:00 ET (14:00 GMT)

文件 DJDN000020160112ec1c001uh

## MARKET WEEK

Stocks --- The Trader: Stocks Drop 6% in Worst-Ever Year Opening

By Vito J. Racanelli

2,036 字

2016 年 1 月 11 日

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Stock markets around the world slumped 6% right off the bat in 2016, and the two major U.S. indexes -- the Dow Jones Industrial Average and Standard & Poor's 500 -- suffered their worst opening week in history. The Dow is now in correction territory, off nearly 11% from its high, while the broader S&P 500 is a hairbreadth away, down 9.8% from highs set last May.

A 1.5% drop in the Chinese yuan and a 10% plunge in China's stock markets combined last week with sliding oil prices to knock down every big equity market on the planet. That giant whooshing sound you heard? More than \$2.2 trillion sucked out of global equity markets in just the first four trading days of the year, according to Bank of America Merrill Lynch chief investment strategist Michael Hartnett.

Chinese authorities engineered the largest reduction since August in the value of the yuan, much to the markets' surprise. The move reignited concerns about China's sagging economic growth, and left investors wondering if the currency will fall further.

Stock-trading halts and severe volatility in China's market unnerved U.S. investors, but a panic it wasn't.

In part, that's because Friday's report on U.S. job growth was far stronger than expected. The Labor Department said nonfarm payrolls rose by a hefty 292,000 in December. The unemployment rate was flat at 5%. U.S. stocks popped on the news, but later gave up their moderate gains.

The Dow lost 6.2%, or 1,079 points, last week, to 16,346.45, and the S&P 500 dropped 6%, or 122 points, to 1,922.03. The average stock in the S&P 500 index is in a bear market -- that is, down 22.6%, according to Bespoke Investment Group. Meanwhile, the Nasdaq plummeted 7.3%, to 4,643.63. The MSCI World Index lost 6%.

Some investors consider the turmoil in China, which authorities have been at a loss to combat, to be on par with what the U.S. experienced in 2008, says Michael Yoshikami, CEO of Destination Wealth Management. "That isn't my view," he says. The correction and a continuing improvement in employment suggest consumer stocks, such as retailers -- down 9% since mid-November -- could be an opportunity, he adds. "The jobs data shows the U.S. economy is on track."

Still, the uncertainty of China's currency situation is nagging at sentiment, says Joe Saluzzi, co-head of trading at Themis Trading. How long will it last? Is it going to be a drip-drip-drip drop in the yuan or a big devaluation? Does it mean China's growth continues to slow? "These are the questions being asked," he says, "and no one knows the answers."

## United Parcel Ups Its Game

Big Brown has gotten the cold shoulder from Mr. Market for over two years. At \$91.39, shares of United Parcel Service (ticker: UPS) are effectively unchanged from late 2013, and in a bear market, down 20% from highs. Meanwhile, over the same period, including last week's debacle, the Standard & Poor's 500 index is up 12%.

The giant package-delivery and logistics firm has had its problems -- noted below -- but things should look up. For a long-term-oriented investor wanting a robust, income-generating company that has stood the test of time, UPS stock fits the bill. With a 3.2% dividend, it could deliver double-digit total returns in the next 12 to 24 months.

Investor trust is challenged by several factors ailing UPS. Annual revenue has been flat at \$58 billion for two years, while profit margins have hovered around 16% for half a decade. There were delivery-execution issues

around the Christmas holiday periods of both 2013 and 2014, though for different reasons. Online commerce, a volume boon to the company, has led to an increase in less-profitable residential delivery.

To solve those problems, UPS has made large investments over the past two years by expanding its hubs and introducing more automation, and buying Coyote Logistics, among other assets. The extra cost helped trigger a drop in the 2016 consensus analyst earnings-per-share estimate, from \$7 two years ago to \$5.77 now. Amazon.com (AMZN) is looking at making deliveries itself, and there are other new competitors, though this seems the least important of UPS' worries, given its incumbent advantages.

It isn't a sexy company, says John Lueken, chief investment strategist at CapWealth Advisors, "but when you peel away the issues" to get to its strengths, like new investments, the introduction of dynamic pricing, and the e-commerce potential, "UPS is positioned for outsized growth."

Big Brown has done a lot of retooling to meet its customers' demands. Lueken predicts that fourth-quarter results, out on Feb. 2, will show that it got the holiday season right. CapWealth has a longstanding UPS position and has been adding to it lately.

While the U.S. economy stumbles along at a 2% growth rate, e-commerce is expanding four times as fast. But one thing little discussed, Lueken notes, is last September's opening of a New Jersey hub specifically for medical-device deliveries, he adds. Through it, UPS claims it will be possible for manufacturers to reach 80% of U.S. hospitals within four hours -- no small advantage given the U.S.'s aging demographics.

With investors retreating, the stock valuation has dropped. On an absolute level, the price/earnings ratio of 14 times the consensus EPS projection of \$6.33 in 2017 isn't dirt cheap. But it and other valuation metrics, such as its P/E relative to the market's P/E, are nicely below historical median values.

In 2014, UPS was missing quarterly estimates, but in 2015, thanks to the improvements, it has begun to beat. Lueken says UPS earnings will grow faster than expected this year. He sees revenue growth of 3% to 4%, and the stock rising 25% or more, to \$119 to \$125, as operating margins improve and investor confidence is restored.

One nonfundamental issue that UPS must solve is an 83% funded pension-and-benefits plan, but that's a long-term problem that should be at least partially ameliorated with the anticipated rise in interest rates in coming years. There has been talk lately of a recession next year, but it isn't supported by the data. UPS wouldn't be excluded from the deleterious effects, of course, but tough macroeconomic times don't seem particularly worrisome for a 108-year-old firm.

#### Fried Chipotle Shares

The news at Chipotle Mexican Grill (CMG) keeps getting worse, and the stock is now down 45% from its all-time high of \$759 per share in August 2015. Last week, it fell to \$413.29 from \$479, as the company revealed it had received a Federal grand jury subpoena in December related to a Simi Valley, Calif., restaurant that experienced a norovirus incident last August, which sickened 234 people. That news follows numerous E. coli outbreaks over the past few months in a dozen states.

Despite the stock drop, we aren't inclined to change our skeptical viewpoint, published in late October, when the stock was trading at \$650. We pointed out that supply-chain problems could crop up. Chipotle eschews food with genetically modified organisms, for example, and the production chain of such specialized supplies for quick-service restaurants remains relatively embryonic. Customers like Chipotle's fresh ingredients, but that comes with safety requirements that differ from frozen foods.

The Denver-based chain faces a long road to regain investor trust. That's the view of Howard Penney, an industry analyst with decades of experience at Hedgeye Risk Management, an independent research firm. He has been spot on since he turned skeptical on Oct. 19, 2015.

Is Chipotle now a cheap stock, given its heretofore 20% revenue and 30% EPS growth over the past seven years? Penney remains bearish. He has put together a (partially) tongue-in-cheek, five-stage life-cycle restaurant guide for investors tempted by Chipotle's 45% decline.

Typically, a fast-growing restaurant loses its operational integrity when unit growth exceeds the company's capacity to manage that growth, he says. Managements are unwilling to acknowledge the issues and try to grow through the problems.

Chipotle same-store sales fell 14.6% in the fourth quarter, an extraordinary drop and the fifth-straight quarter of worsening declines. In stage No. 1 of Penney's life cycle, the traditional management reaction in the face of slowing sales trends is to accelerate unit growth or raise prices. Chipotle did both in the second and third quarters of 2015. Penney says it takes 12 to 24 months for Wall Street analysts to incorporate the slowing sales into profit estimates and for consumer traffic to decline in response to higher prices.

That's often followed by stage No. 2, denial or blame on external factors by management. Initially, Chipotle played down the outbreaks.

Then comes panic, when management talks about changes to operations or slowing unit growth. Chipotle hasn't reached stage No. 3. Instead, he says, it's the market that's panicking.

Stage No. 4 is depression, "where things get ugly. . . and major changes need to be made across the enterprise." Managements typically cut labor at underperforming restaurants or implement menu discounting, which sacrifices margins to traffic.

Eventually, management psychology will signal a bottom in the stock price, he says. In stage No. 5, management decides to close stores, slow growth, and stop discounting to improve profitability. That's the time to buy, says Penney, who has a \$275 price target on Chipotle, down another 33%. He bases that on a still rich P/E of 27 times his estimate of \$10 a share this year.

Chipotle didn't respond to a request for comment.

#### Buybacks' Appeal Fading

Share buybacks have given a significant boost to the nearly seven-year-old bull market. In the third quarter, according to Standard & Poor's, companies spent \$151 billion on stock buybacks, up from \$145 billion in the prior quarter and \$132 billion in the third quarter a year ago.

Investors, however, are losing their attraction to companies that do share buybacks. Tony Welch, an exchange-traded-fund strategist at Ned Davis Research, says the PowerShares Buyback Achievers Portfolio ETF (PKW) -- which outpaced the market for years but is down 14% from its peak this year of \$50 -- has underperformed since April-May, right about when both the S&P 500 index and the advance-decline line, or market breadth, peaked. The PowerShares Buyback ETF holds about 200 stocks that have repurchased at least 5% of their shares in the past 12 months.

Should investors continue to disdain buybacks, corporate executives will notice and slow their stock purchases. That won't be a good thing for an already weak market breadth.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16346.45	-1078.58	-6.19
DJTransportation	6946.36	-562.35	-7.49
DJUtilities	578.82	+1.00	+0.17
DJ65Stocks	5648.66	-329.68	-5.51
DJUSMarket	478.77	-31.06	-6.09
NYSEComp.	9528.77	-614.65	-6.06
NYSEMKTComp.	2027.36	-121.78	-5.67
<b>S&amp;P500</b>	1922.03	-121.91	-5.96
S&PMidCap	1308.48	-90.10	-6.44
S&PSmallCap	623.42	-48.32	-7.19
Nasdaq	4643.63	-363.78	-7.26
ValueLine(arith.)	4048.81	-309.88	-7.11
Russell2000	1046.20	-89.69	-7.90
DJUSTSMFloat	19794.61	-1306.33	-6.19

	Last Week	Week Earlier
NYSE		
Advances	725	1,128
Declines	2,502	2,090
Unchanged	15	25
NewHighs	162	150
NewLows	665	93
AvDailyVol(mil)	4,367.5	2,486.1
Dollar		
(Finexspotindex)	98.38	98.69

T-Bond		
(CBTnearbyfutures)	156-120	153-240
Crude Oil		
(NYMlightsweetcrude)	33.16	37.04
Inflation KR-CRB		
(FuturesPriceIndex)	168.58	176.27
Gold		
(CMXnearbyfutures)	1097.80	1060.30
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# DOW JONES NEWSWIRES

U.S. Stocks: Overvaluation Meets Technical Weakness -- Market Talk

150 字

2016 年 1 月 11 日 07:48

Dow Jones Institutional News

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0748 GMT ...says BMI Research. The research firm says that U.S. stocks are in the "fragile position of being extremely overvalued and trending weaker in an economic environment that is looking increasingly recessionary. The equity weakness that followed the non-farm payrolls report on Friday is a classic sign of asset markets falling on ostensible good news." In the past, those conditions have left the market "prone to huge downside and we expect this to be another one of those occasions," it says. "2000 and 2008 are the most recent examples and we believe investors should not rule out a halving of the **S&P500** over the coming years." (matthew.cowley@wsj.com)

Contact us in London. +44-20-7842-9464  
markettalk@wsj.com

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January 11, 2016 02:48 ET (07:48 GMT)

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# DOW JONES NEWSWIRES

The Trader: Stocks Drop 6% In Worst-Ever Year Opening -- Barron's

2,069 字

2016 年 1 月 9 日 05:08

Dow Jones Institutional News

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(FROM BARRON'S 1/11/16)

By Vito J. Racanelli

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around the Christmas holiday periods of both 2013 and 2014, though for different reasons. Online commerce, a volume boon to the company, has led to an increase in less-profitable residential delivery.

To solve those problems, UPS has made large investments over the past two years by expanding its hubs and introducing more automation, and buying Coyote Logistics, among other assets. The extra cost helped trigger a drop in the 2016 consensus analyst earnings-per-share estimate, from \$7 two years ago to \$5.77 now. Amazon.com (AMZN) is looking at making deliveries itself, and there are other new competitors, though this seems the least important of UPS' worries, given its incumbent advantages.

It isn't a sexy company, says John Lueken, chief investment strategist at CapWealth Advisors, "but when you peel away the issues" to get to its strengths, like new investments, the introduction of dynamic pricing, and the e-commerce potential, "UPS is positioned for outsized growth."

Big Brown has done a lot of retooling to meet its customers' demands. Lueken predicts that fourth-quarter results, out on Feb. 2, will show that it got the holiday season right. CapWealth has a longstanding UPS position and has been adding to it lately.

While the U.S. economy stumbles along at a 2% growth rate, e-commerce is expanding four times as fast. But one thing little discussed, Lueken notes, is last September's opening of a New Jersey hub specifically for medical-device deliveries, he adds. Through it, UPS claims it will be possible for manufacturers to reach 80% of U.S. hospitals within four hours -- no small advantage given the U.S.'s aging demographics.

With investors retreating, the stock valuation has dropped. On an absolute level, the price/earnings ratio of 14 times the consensus EPS projection of \$6.33 in 2017 isn't dirt cheap. But it and other valuation metrics, such as its P/E relative to the market's P/E, are nicely below historical median values.

In 2014, UPS was missing quarterly estimates, but in 2015, thanks to the improvements, it has begun to beat. Lueken says UPS earnings will grow faster than expected this year. He sees revenue growth of 3% to 4%, and the stock rising 25% or more, to \$119 to \$125, as operating margins improve and investor confidence is restored.

One nonfundamental issue that UPS must solve is an 83% funded pension-and-benefits plan, but that's a long-term problem that should be at least partially ameliorated with the anticipated rise in interest rates in coming years. There has been talk lately of a recession next year, but it isn't supported by the data. UPS wouldn't be excluded from the deleterious effects, of course, but tough macroeconomic times don't seem particularly worrisome for a 108-year-old firm.

#### Fried Chipotle Shares

The news at Chipotle Mexican Grill (CMG) keeps getting worse, and the stock is now down 45% from its all-time high of \$759 per share in August 2015. Last week, it fell to \$413.29 from \$479, as the company revealed it had received a Federal grand jury subpoena in December related to a Simi Valley, Calif., restaurant that experienced a norovirus incident last August, which sickened 234 people. That news follows numerous E. coli outbreaks over the past few months in a dozen states.

Despite the stock drop, we aren't inclined to change our skeptical viewpoint, published in late October, when the stock was trading at \$650. We pointed out that supply-chain problems could crop up. Chipotle eschews food with genetically modified organisms, for example, and the production chain of such specialized supplies for quick-service restaurants remains relatively embryonic. Customers like Chipotle's fresh ingredients, but that comes with safety requirements that differ from frozen foods.

The Denver-based chain faces a long road to regain investor trust. That's the view of Howard Penney, an industry analyst with decades of experience at Hedgeye Risk Management, an independent research firm. He has been spot on since he turned skeptical on Oct. 19, 2015.

Is Chipotle now a cheap stock, given its heretofore 20% revenue and 30% EPS growth over the past seven years? Penney remains bearish. He has put together a (partially) tongue-in-cheek, five-stage life-cycle restaurant guide for investors tempted by Chipotle's 45% decline.

Typically, a fast-growing restaurant loses its operational integrity when unit growth exceeds the company's capacity to manage that growth, he says. Managements are unwilling to acknowledge the issues and try to grow through the problems.

Chipotle same-store sales fell 14.6% in the fourth quarter, an extraordinary drop and the fifth-straight quarter of worsening declines. In stage No. 1 of Penney's life cycle, the traditional management reaction in the face of slowing sales trends is to accelerate unit growth or raise prices. Chipotle did both in the second and third quarters of 2015. Penney says it takes 12 to 24 months for Wall Street analysts to incorporate the slowing sales into profit estimates and for consumer traffic to decline in response to higher prices.

That's often followed by stage No. 2, denial or blame on external factors by management. Initially, Chipotle played down the outbreaks.

Then comes panic, when management talks about changes to operations or slowing unit growth. Chipotle hasn't reached stage No. 3. Instead, he says, it's the market that's panicking.

Stage No. 4 is depression, "where things get ugly. . . and major changes need to be made across the enterprise." Managements typically cut labor at underperforming restaurants or implement menu discounting, which sacrifices margins to traffic.

Eventually, management psychology will signal a bottom in the stock price, he says. In stage No. 5, management decides to close stores, slow growth, and stop discounting to improve profitability. That's the time to buy, says Penney, who has a \$275 price target on Chipotle, down another 33%. He bases that on a still rich P/E of 27 times his estimate of \$10 a share this year.

Chipotle didn't respond to a request for comment.

#### Buybacks' Appeal Fading

Share buybacks have given a significant boost to the nearly seven-year-old bull market. In the third quarter, according to Standard & Poor's, companies spent \$151 billion on stock buybacks, up from \$145 billion in the prior quarter and \$132 billion in the third quarter a year ago.

9 Jan 2016 00:08 ET The Trader: Stocks Drop 6% In Worst-Ever Year -2-

Investors, however, are losing their attraction to companies that do share buybacks. Tony Welch, an exchange-traded-fund strategist at Ned Davis Research, says the PowerShares Buyback Achievers Portfolio ETF (PKW) -- which outpaced the market for years but is down 14% from its peak this year of \$50 -- has underperformed since April-May, right about when both the S&P 500 index and the advance-decline line, or market breadth, peaked. The PowerShares Buyback ETF holds about 200 stocks that have repurchased at least 5% of their shares in the past 12 months.

Should investors continue to disdain buybacks, corporate executives will notice and slow their stock purchases. That won't be a good thing for an already weak market breadth.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	16346.45	-1078.58	-6.19
DJTransportation	6946.36	-562.35	-7.49
DJUtilities	578.82	+1.00	+0.17
DJ65Stocks	5648.66	-329.68	-5.51
DJUSMarket	478.77	-31.06	-6.09
NYSEComp.	9528.77	-614.65	-6.06
NYSEMKTComp.	2027.36	-121.78	-5.67
<b>S&amp;P500</b>	1922.03	-121.91	-5.96
S&PMidCap	1308.48	-90.10	-6.44
S&PSmallCap	623.42	-48.32	-7.19
Nasdaq	4643.63	-363.78	-7.26
ValueLine(arith.)	4048.81	-309.88	-7.11
Russell2000	1046.20	-89.69	-7.90
DJUSTSMFloat	19794.61	-1306.33	-6.19

#### Last Week Week Earlier

NYSE		
Advances	725	1,128
Declines	2,502	2,090
Unchanged	15	25
NewHighs	162	150
NewLows	665	93
AvDailyVol(mil)	4,367.5	2,486.1
Dollar		

(Finexspotindex)	98.38	98.69
T-Bond		
(CBTnearbyfutures)	156-120	153-240
Crude Oil		
(NYMlightsweetcrude)	33.16	37.04
Inflation KR-CRB		
(FuturesPriceIndex)	168.58	176.27
Gold		
(CMXnearbyfutures)	1097.80	1060.30

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(END) Dow Jones Newswires

January 09, 2016 00:08 ET (05:08 GMT)

文件 DJDN000020160109ec190007j

Barrons Asia

What's Driving China's Stock Market Selloff?

By Wayne Arnold

1,033 字

2016 年 1 月 8 日

Barron's Online

BON

英文

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Just as they did when Chinese stocks swooned in July, global investors appear to be learning the right lessons about China for all the wrong reasons. Investors who can see through the haze and confusion can keep picking up bargains in undervalued markets like Indonesia.

First and foremost, the latest stock-market turmoil does not mean that China's economy is in a meltdown. Yes, China's economy is still slowing as investment retreats and exports decline. Spending by China's emerging middle class remains a bright spot. But the service sector's growth isn't powerful enough to counteract the slowdown in China's industrial sector. Most predictions are for growth of roughly 6.4% this year, slightly below the government's 6.5% target.

What's driving the selloff? Not global investors jittery about China's growth prospects. China's markets remain highly restricted to foreigners, who represent a tiny fraction of trading. On the contrary, trading in China is dominated by domestic, retail investors. This makes the market relatively volatile. Retail investors everywhere tend to trade more frequently are more prone to herd behavior. Many in China fled the market after last summer's turmoil, which has left the market in the hands of an even smaller group of jittery, retail punters.

That's why China's new circuit breakers turned out to be such a bad idea. Intended to halt panics so cooler heads could prevail, the trading curbs proved too narrow for a market as volatile as China's. In the U.S., a much less volatile market, trading pauses for 15 minutes if the **S&P500** drops 7% or more and halts for the day only if the index falls 20%. China's circuit breaker imposed a 15-minute halt after a 5% drop and halted trading if its CSI300 index fell 7%, a fluctuation all too common last year. So as stocks started falling, retail investors nervous they might be frozen into positions if the circuit breakers tripped joined the stampede to sell. The circuit breakers thus heightened volatility. Realizing this, regulators scotched the breakers Thursday night.

Most of these domestic, retail investors in the stock market aren't middle-class consumers. They're relatively affluent individuals who invest a conservative portion of their net worth in stocks. Volatility in China's stock market therefore poses little threat to the overall wealth of China's middle class and its ability to spend.

So what caused these wealthy punters to take flight? Because China's economy is so tightly controlled by the government, and the stock market so dominated by big government-controlled companies, investors in Shanghai have long looked to signals on policy, rather than corporate profits, to drive markets. Beijing's intervention in the stock market last summer has only reinforced this logic. So signals over the weekend that President Xi Jinping might favor painful economic reform over feel-good stimulus measures touched off this week's selling.

Does that mean we shouldn't be worried? Absolutely not. While China's slowdown by itself isn't enough to derail global growth, it won't help. As times get tougher, growing labor unrest is a worrisome red flag. And the more growth slows, the more difficult it will be for China Inc. to service a mountain of corporate and local government debt that by some estimates has swelled to 250% of GDP. China is inching closer to a possible credit crisis.

That's particularly true now that China has removed its gloves to join the global currency war already underway between Japan and Europe. It fired a shot across the bow in August with a one-time depreciation of its currency, the yuan. Then in December, the People's Bank of China started marking the yuan down with the currencies of China's major trading partners.

Some economists believe most of that revaluation lower is complete. Not likely. Central banks in Europe and Japan, which are using weaker currencies to try to revive growth, will now likely need to push their own currencies lower still, which will prompt China to nudge the yuan lower with them. That creates a vicious circle of depreciation.

Worse, China's decision to move the yuan lower appears to be accelerating what was already a torrent of outflows by Chinese savers eager to get their cash out of the way of the slowing economy and a widening crackdown on corruption. China is trying to discourage the outflows by cracking down on foreign-exchange transactions and even trying to influence rates for yuan offshore. But the vacuum of funds out of banks is pushing up the cost of credit, forcing the PBoC to print yet more yuan to inject into the banking system – a measure that stands to weaken the yuan even further. And Jefferies warns that liquidity is likely to tighten even more ahead of the Lunar New Year holidays a month from now.

A weaker yuan will ultimately be good for China's exporters and stocks. But because it inflates China's economy by exporting deflation, the cheaper yuan is bad for economies that rely on exporting to China, like Australia, or that are using a weaker currency to try to inflate their own growth, like Japan.

Not surprisingly, stocks in Australia and Japan suffered the biggest declines in Asia outside China this week, falling 5.8% and 5.4%, respectively. Also hit hard was South Korea, which has one of the region's highest exposures to China's import demand. Stocks there have dropped 2.8%.

But the turmoil doesn't alter the overall outlook for regional markets this column laid out earlier this week. Because it's most likely to enjoy government support, [China's stock market is still likely to outperform its neighbors](#)'. And stocks in a handful of Asian markets still stand to exceed investors' rock-bottom expectations. This week's declines have made stocks in Jakarta, for example, even more attractive.

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## DOW JONES NEWSWIRES

What's Driving China's Stock Market Selloff? -- Barron's Asia

By WAYNE ARNOLD

1,046 字

2016 年 1 月 8 日 04:36

Dow Jones Institutional News

DJDN

英文

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Just as they did when Chinese stocks swooned in July, global investors appear to be learning the right lessons about China for all the wrong reasons. Investors who can see through the haze and confusion can keep picking up bargains in undervalued markets like Indonesia.

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That's why China's new circuit breakers turned out to be such a bad idea. Intended to halt panics so cooler heads could prevail, the trading curbs proved too narrow for a market as volatile as China's. In the U.S., a much less volatile market, trading pauses for 15 minutes if the **S&P500** drops 7% or more and halts for the day only if the index falls 20%. China's circuit breaker imposed a 15-minute halt after a 5% drop and halted trading if its CSI300 index fell 7%, a fluctuation all too common last year. So as stocks started falling, retail investors nervous they might be frozen into positions if the circuit breakers tripped joined the stampede to sell. The circuit breakers thus heightened volatility. Realizing this, regulators scotched the breakers Thursday night.

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January 07, 2016 23:36 ET (04:36 GMT)

文件 DJDN000020160108ec18000cs

 [Facebook, LinkedIn, Alphabet: Cantor Raises Targets on Mobile, Social Gains](#)

Barron's Blogs, 2016 年 1 月 7 日 17:01, 759 字, By Tiernan Ray, (英文)

Cantor Fitzgerald's Youssef Squali this morning pounds the table for Internet names, including Facebook (FB), Alphabet (GOOGL), Expedia (EXPE) and LinkedIn (LNKD), writing that the group should see gains this year as global ad spending ...

文件 WCBBE00020160107ec17001ry

 [Airlines: Fly Higher Already!](#)

Barron's Blogs, 2016 年 1 月 7 日 15:34, 458 字, By Ben Levisohn, (英文)

Credit Suisse analysts Julie Yates and Parker Kim think airlines like American Airlines (AAL), United Continental (UAL), Delta Air Lines (DAL), and Southwest Airlines (LUV) can outperform in 2016 after a sluggish 2015--but it may take a ...

文件 WCBBE00020160107ec170015p

 [Apple: Maxim, Wells Defend, Rosenblatt Cuts to Hold on iPhone Worries](#)

Barron's Blogs, 2016 年 1 月 6 日 14:48, 1108 字, By Tiernan Ray, (英文)

That report yesterday on Apple (AAPL) by the Nikkei News Service saying that the company has cut orders for its iPhone by a third for the March quarter appears to have legs, as several parties issued responses overnight.

文件 WCBBE00020160106ec160012x

## DOW JONES NEWSWIRES

Press Release: Carnival Corporation to Launch Four New Ships in 2016

1,473 字

2016 年 1 月 6 日 14:45

Dow Jones Institutional News

DJDN

英文

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Carnival Corporation to Launch Four New Ships in 2016

To meet rising demand for cruise vacations -- one of the fastest growing segments of the vacation industry -- four of company's 10 brands will add new ships in 2016

New ships underscore the world's largest travel and leisure company's commitment to bring innovative, energy efficient and state-of-the-art ships to industry-leading fleet

PR Newswire

MIAMI, Jan. 6, 2016

MIAMI, Jan. 6, 2016 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest travel and leisure company, will launch four new ships in 2016 across four of its global cruise brands. These additions are part of the 17 ships scheduled for delivery for Carnival Corporation's 10 brands through 2020, creating measured capacity growth over time that enables the company's global fleet to meet accelerating demand for cruise vacations in every region of the world.

"As we execute our fleet enhancement plan -- which includes a long-term strategy for bringing highly efficient, state-of-the-art ships to market and elevating the overall cruise experience, we are excited about seeing these new ships come to life this year," said Arnold Donald, CEO of Carnival Corporation. "With each new ship we introduce, we generate new levels of excitement it creates for our guests and the industry. It also supports our goal to provide the best possible vacation experience at a value that land-based vacations cannot match. In the end, with our existing and new ships, our focus is for our guests to come away from a cruise vacation having had a great time and looking forward to going on another cruise."

Donald added: "We also remain focused on managing our fleet capacity in a responsible way by delivering and refurbishing ships that are innovative and efficient, while we phase out some of our existing ships -- all designed to reinvigorate the options available to travelers looking to explore the more than 700 destinations we visit around the world."

The four new ships scheduled to join Carnival Corporation's industry-leading fleet of 99 ships in 2016 include:

Holland America Line: ms Koningsdam -- Official delivery date expected in April 2016

Currently under construction at Fincantieri's Marghera shipyard in Italy, the 99,500 gross ton Koningsdam represents a new Pinnacle Class of ship for Holland America Line and it is being designed by famed hospitality designer Adam D. Tihany and Architect and Designer Bjørn Storbraaten. Guests will have the opportunity to enjoy fine dining in several alternative restaurants, including Sel de Mer, a new French seafood brasserie; a new immersive farm-to-table dinner experience in the Culinary Arts Center presented by Food & Wine magazine; a re-designed casual Lido Market with themed serving stations; a stunning main dining room; and favorites such as Pinnacle Grill, Canaletto Italian restaurant and pan-Asian Tamarind. The ship also will feature Holland America Line's first purpose-built staterooms for families, in addition to single staterooms that together make up spacious accommodations for the ship's 2,650 guests. Onboard entertainment will be taken to a new level with the energetic Music Walk area featuring all genres of music showcased in venues including Lincoln Center Stage, offering chamber music nightly; Billboard Onboard, where live musicians rock the crowd with chart-topping hits; and the popular B.B. King's Blues Club in the Queen's Lounge, bringing the best of Memphis music to sea. World Stage brings 270-degree LED projection to the main show lounge, enabling new concepts for show-time performances and immersing the audience in panoramic visual and sound effects.

Carnival Cruise Line: Carnival Vista -- Official delivery expected in April 2016

From a unique suspended cycling experience called SkyRide and the innovative Family Harbor staterooms and suites featuring a "family concierge" to cruising's first IMAX Theater and the line's first on-board brewery, Carnival Vista promises fun for guests of all ages. The largest ship in the Carnival fleet, Carnival Vista will measure 133,500 tons, 1,055 feet long and have a guest capacity of 3,954. Carnival Vista is scheduled to enter service on May 1, 2016, initially sailing from Europe. After repositioning to New York for a series of voyages in November 2016, Carnival Vista will reposition to Miami to launch year-round Caribbean service later that month.

AIDA Cruises: AIDAprima -- Official delivery date expected in April 2016

AIDAprima will be the newest flagship for AIDA Cruises, with 1,643 cabins at 124,100 gross tons. In addition to being one of the most technologically advanced vessels in the world, it will join its fleet as the most environmentally friendly cruise ship in the world. A new air lubrication system will pump bubbles below the waterline, reducing friction and lowering fuel consumption by allowing the ship to ride on a cushion of air. Ship features include "The Beach Club" -- a transparent dome providing a place for guests to hang out by the pool regardless of weather -- a water slide, high ropes course and the new AIDA Mini Club, which will provide childcare for kids six months and up.

Seabourn: Seabourn Encore -- Official delivery date expected in December 2016

Seabourn Encore, fashioned by hospitality design icon Adam D. Tihany, will feature contemporary interiors and modern design elements and innovations consistent with the line's reputation for understated elegance. Seabourn Encore will expand and build on the line's award-winning and highly acclaimed Odyssey-class ships, which revolutionized ultra-luxury cruising with enhanced accommodations and innovative amenities when they were introduced between 2009 and 2011. The 40,350-gross ton ship will be configured with one additional deck and new expanded public areas, and is expected to carry 600 guests, based on double occupancy. In addition, every suite will feature a private veranda. Seabourn Encore will maintain the line's high ratio of space per guest, enabling highly personalized service by close to one staff member for each guest on board.

More New Ships to Join the Fleet in Coming Years

In December, Carnival Corporation announced that it has signed a memo of agreement with Italian shipbuilder Fincantieri S.p.A. to build four new cruise ships with final contracts expected to be executed in 2016. Two of the four new ships will be built for Costa Asia for deployment in China, and one will be built each for P&O Cruises Australia and Princess Cruises.

Additionally, in 2015 Carnival announced the finalization of a contract with Meyer Werft to build four next-generation cruise ships with the largest guest capacity in the world. The ships will be manufactured for Costa Cruises and AIDA Cruises, and they will be the first in the cruise industry to be powered at sea by Liquefied Natural Gas (LNG) -- the world's cleanest burning fossil fuel.

With these new agreements, Carnival Corporation has 17 new ships scheduled to be delivered between 2016 and 2020.

About Carnival Corporation & plc

Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 17 new ships scheduled to be delivered between 2016 and 2020. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au) and [www.pocruises.com](http://www.pocruises.com).

To view the original version on PR Newswire, visit:

<http://www.prnewswire.com/news-releases/carnival-corporation-to-launch-four-new-ships-in-2016-300200138.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

6 Jan 2016 09:45 ET \*Carnival Corp To Launch Four New Ships In 2016

6 Jan 2016 09:45 ET \*Carnival Corp to Launch Four New Ships in 2016

6 Jan 2016 09:45 ET \*Carnival: 17 Ships Scheduled For Delivery For 10 Brands Through 2020 >CCL

6 Jan 2016 09:47 ET \*Carnival Says 17 New Ships Scheduled to Be Delivered Between 2016 and 2020  
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January 06, 2016 09:47 ET (14:47 GMT)

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# THE WALL STREET JOURNAL.

## Markets

York Capital Management Partner Michael Weinberger Leaving Firm; York veteran starting own hedge-fund firm in second half of year

By Juliet Chung

743 字

2016 年 1 月 5 日 03:31

The Wall Street Journal Online

WSJO

英文

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A top partner at York Capital Management is leaving to launch his own hedge-fund firm in the second half of this year, according to letters reviewed by The Wall Street Journal.

York veteran Michael Weinberger, who oversees billions in U.S. stock investments for the New York hedge-fund firm, will stay on at York through the end of January, spend time with his family and then gear up to launch his own fund, according to a letter by Mr. Weinberger that was distributed Monday.

York founder James Dinan and chief investment officer Daniel Schwartz will be investing in Mr. Weinberger's new fund, the letter said.

"Creating and running my own business has been a lifelong dream and the time is right to pursue this next phase of my career," Mr. Weinberger wrote, calling his decision to leave York "difficult."

The 40-year-old Mr. Weinberger joined York almost 16 years ago when the firm managed \$600 million with a handful of people out of New York, according to his letter. The firm now has nearly \$23 billion in assets under management and offices across the world.

When Credit Suisse [bought a 30% stake](#) in York in 2010 for \$425 million, Mr. Weinberger was one of a handful of key people at York who agreed to stay on for a substantial period, said people familiar with the matter. In his letter, Mr. Weinberger said the end of a five-year commitment he made to Mr. Dinan in 2010 to stay on at the firm presented a good time to reflect on his plans for the future. Mr. Weinberger said in the letter he wanted to run "a more streamlined fund around a more narrow focus."

The other key people, who include William Vratton, who oversees York's credit investments, and Christophe Aurand, who manages the European fund, have no plans to leave the firm, one of the people said.

The average annualized return in the last roughly 14 years for investments overseen by Mr. Weinberger in the York Select Fund, formerly known as the York Global Value Fund, was 12.1% compared with 7.9% for the S&P 500, the letter said. The roughly \$900 million fund was down more than 15% for the year through November, according to people familiar with the fund.

"Michael played an important role in York's growth and we were very fortunate to have him as part of the firm," Messrs. Dinan and Schwartz wrote in a separate Monday letter to clients announcing Mr. Weinberger's resignation. "We wish Michael only the best."

York's \$6.6 billion flagship fund was among many hedge funds that stumbled during 2015, losing 12% through mid-December, according to people familiar with the matter, though its average annualized return stands at 13%. Another sizable York fund, the more than \$4 billion European fund, was up 4.6% for the year through November, with an 8.1% average annualized return, one of the people said.

According to early estimates from research-firm HFR Inc., hedge funds in 2015 lost more than 3% on average, while the **S&P500**'s total return was 1.4%.

Messrs. Dinan and Schwartz wrote in their letter that York's partners and investment team were "focused on improving our funds' performance." Mr. Schwartz is assuming part of Mr. Weinberger's responsibilities and others are being assumed by some of York's 60 investment professionals, said a person familiar with the matter.

The new fund by Mr. Weinberger, described by one trader who knows him as an investor who isn't afraid to buy when he believes a stock is oversold, is one of several launches expected this year from well-known figures in the industry.

Others include Key Square Group by Scott Bessent, the chief investment officer of George Soros's investment firm since 2011 and One Tusk Investment Partners LP by Vivian Lau, the former co-chief investment officer at Serengeti Asset Management.

Write to Juliet Chung at [juliet.chung@wsj.com](mailto:juliet.chung@wsj.com)

Corrections & Amplifications: The other key people, who include William Vratton, who oversees York's credit investments, and Christophe Aurand, who manages the European fund, have no plans to leave the firm, one of the people said. An earlier version of this article incorrectly spelled Mr. Vratton's name.

文件 WSJO000020160104ec14007pu

## MARKET WEEK

Stocks --- The Trader: 2015's Tally: Stocks Drop Nearly 1%

By Vito J. Racanelli

1,967 字

2016 年 1 月 4 日

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The annual drop was the first since 2008. So much, too, for the traditional Santa Claus rally: Stocks fell 1.8% in December. In quiet, holiday-shortened trading last week, equities moved in lockstep with oil prices. Oil ended at \$37.04 a barrel, down 3%, and off 31% for the year, not far from seven-year lows.

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The Standard & Poor's 500 index lost 17 points, or 0.8% last week, to 2043.94. In 2015, that made for a 0.7% drop but a total return of 1.4% when dividends are included. The best sector was consumer discretionary, up 8.4% last year, while energy fell 24%. The Nasdaq Composite Index, replete with strong tech stocks, fell 0.8% last week to 5007.41. For 2015, it finished in the black, up 5.7%.

Given the problems faced over the past 12 months -- weak corporate earnings, declining commodity prices, and slow global growth -- the fact "that the market finished essentially flat is a testament to its resilience," avers Douglas Cote, chief market strategist at Voya Investments.

Energy was "the" story in 2015, according to Jonathan Golub, chief equity strategist at RBC Capital Markets. The price of oil "significantly affected both its own sector and the rest of the market." It's no coincidence, he adds, that the market's poor 2015 performance reflected weak growth in the S&P 500 index's earnings per share.

In 2015, stock gains weren't shared evenly. The market-cap-weighted S&P 500 index was boosted disproportionately by a handful of successful big caps. Jessica Binder Graham, a Goldman Sachs analyst, identified how many points these performers contributed to the S&P 500 index level of 2044: Amazon (AMZN), 15.8; Alphabet (GOOGL/GOOG), formerly Google, 15.8; Microsoft (MSFT), 8; Facebook (FB), 6.5 points. If you exclude these names, along with four other big-cap gainers, the S&P 500 would have been down 4%.

The average S&P 500 index stock was down almost 4%, according to Bespoke Investment Group. The narrowness of 2015 gives pause for this year. More on that follows.

The year's moves among major global indexes and asset classes show U.S.-based investors who shorted oil and energy stocks or bought the dollar did well. The rest? Not so much (see table above).

Looking on the bright side, it won't take much for 2016 to be better than 2015.

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Not everyone is as sanguine. Lowry Research, which specializes in analyzing the technical trading aspects of the stock market, is downright bearish. Ongoing deterioration in several technical measures, such as breadth, among others, are "signs of a major market top . . . a bear market or 20% drop," says Lowry analyst Tracy Knudsen.

With the S&P 500 index just 4% below its all-time high of 2131 set May 21, readers might accuse us of hyperventilating. Where's the recession? Most bear markets have been caused by recessions, and few see an economic contraction this year.

"The index price can be deceiving. We've been seeing a process of deterioration since May," Knudsen replies, with the S&P 500 index diverging -- because of a narrow advance created by a few big caps, as noted above -- from the experience of many components. Because only a handful of big caps are doing really well, the number of stocks participating in an uptrend is less than the overall index level would have it, Knudsen adds.

For example, she says, in May the index reached a new high, but the advance/decline (A/D) line did not. Though the A/D line has improved a bit since October, it's remained in a generally steady downtrend since April. The A/D line is a cumulative breadth indicator based on the number of advancing stocks less the number of declining stocks.

Confirming the A/D line weakness is another technical indicator: individual stocks already in a bear market, that is, down 20% or more from their respective highs. As of Dec. 28, 30% of the stocks in the S&P 500 index were in bear territory. That level has risen steadily: 23%, when the market peaked on Nov. 3, 19% in July, 15% in June, and 12% at the May peak. Each time, the index tried and failed to reach a new high, and the underlying stock participation worsened, she notes. There's been a mirror-image decrease, too, in the number of stocks within 2% of their 52-week highs.

Big-cap gains are masking poor performance elsewhere. About 37% of stocks in the S&P 400 Midcap index are down 20% or more, as are 46% of those in the S&P 600 Smallcap index. Typically, large caps are the last to roll over during the formation of a major market top, she says.

This column has harped on poor breadth a few times this year. If one or two or more of those outperforming big caps were to falter, the index's underlying weakness would become more evident. Even if the U.S. isn't in recession, many countries and regions, like Japan and some emerging market countries, are already or nearly there. The U.S. economy doesn't depend on them, but maybe stock-market sentiment does.

How's Lowry's track record? Knudsen says a similar signal was seen before the 2007, 2000, and 1987 market highs. What about false positives? In 2006, a market-top signal was generated before a drop of "only" 8%, and in 2011 the indications came well into the 17% correction that year.

Where could Lowry be wrong? "If we see sustained strong demand for stocks and participation outside the big caps," Knudsen says.

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Brazilian stocks have been roiled by recession, while serious political problems have hurt major companies and sapped investor confidence. Its sovereign debt has been downgraded, and there's no quick fix in sight.

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Many companies that suffer a 90% stock drop never recover. That isn't likely to be the case with Vale. It isn't going to be profitable and will probably show negative free-cash flow of about \$2 billion in 2015, dropping to a negative \$1 billion this year.

The gloom, however, hides Vale's substantial bona fides. It is the low-cost producer and has a stable balance sheet. With costs mainly in Brazilian reals, the rising dollar is a plus in terms of Vale's costs. The company has a substantial cash generated outside Brazil, and assets outside the country.

Vale has been selling a number of assets to raise cash, something on the order of \$10 billion in 2015-2016, according to credit analyst Jay Djemal, director of Latin America corporates at Fitch Ratings. That will help fund its giant Carajas S11D iron-ore project in northern Brazil, which should open in 2017, reducing its already league-leading costs further.

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The stock trades at less than eight times the forward analyst estimate of \$1.68 in 2017. Admittedly, the P/E has less importance when there are so many head winds and poor sentiment, but the stock looks washed out here.

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### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17425.03	-127.14	-0.72
DJTransportation	7508.71	-113.90	-1.49
DJUtilities	577.82	-3.20	-0.55
DJ65Stocks	5978.34	-54.79	-0.91
DJUSMarket	509.82	-4.31	-0.84
NYSEComp.	10143.42	-115.12	-1.12
NYSEMKTComp.	2149.15	-29.50	-1.35
<b>S&amp;P500</b>	2043.94	-17.05	-0.83
S&PMidCap	1398.58	-17.52	-1.24
S&PSmallCap	671.74	-11.51	-1.68
Nasdaq	5007.41	-41.08	-0.81
ValueLine(arith.)	4358.69	-66.04	-1.49
Russell2000	1135.89	-18.87	-1.63
DJUSTSMFloat	21100.93	-187.81	-0.88

### Last Week Week Earlier

NYSE		
Advances	1,128	2,853
Declines	2,090	371
Unchanged	25	25
NewHighs	150	88
NewLows	93	215
AvDailyVol(mil)	2,486.1	3,010.3
Dollar		
(Finexspotindex)	98.69	97.90
T-Bond		
(CBTnearbyfutures)	153-240	155-020
Crude Oil		

(NYMlightsweetcrude)	37.04	38.10
Inflation KR-CRB		
(FuturesPriceIndex)	176.27	176.09
Gold		
(CMXnearbyfutures)	1060.30	1077.20
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## DOW JONES NEWSWIRES

The Trader: 2015's Tally: Stocks Drop Nearly 1% -- Barron's

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2016 年 1 月 2 日 05:07

Dow Jones Institutional News

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(FROM BARRON'S 1/4/16)

By Vito J. Racanelli

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e-mail: vito.racanelli@barrons.com

2 Jan 2016 00:08 ET The Trader: 2015's Tally: Stocks Drop Nearly 1% -2-

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NewHighs	150	88
NewLows	93	215
AvDailyVol(mil)	2,486.1	3,010.3
Dollar		
(Finexspotindex)	98.69	97.90
T-Bond		

(CBTnearbyfutures)	153-240	155-020
Crude Oil		
(NYMlightsweetcrude)	37.04	38.10
Inflation KR-CRB		
(FuturesPriceIndex)	176.27	176.09
Gold		
(CMXnearbyfutures)	1060.30	1077.20
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(END) Dow Jones Newswires

January 02, 2016 00:08 ET (05:08 GMT)

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## DOW JONES NEWSWIRES

Press Release: Carnival Corporation to Build Four Cruise Ships as Part of Memo of Agreement with Fincantieri S.p.A.

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2015 年 12 月 30 日 16:45

Dow Jones Institutional News

DJDN

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Carnival Corporation to Build Four Cruise Ships as Part of Memo of Agreement with Fincantieri S.p.A.

Four new ships, to be built for Costa Asia, P&O Cruises Australia and Princess Cruises, will cater to growing cruise markets and enhance industry-leading fleet

World's largest travel and leisure company has 17 new ships scheduled for delivery between 2016 and 2020

PR Newswire

MIAMI, Dec. 30, 2015

MIAMI, Dec. 30, 2015 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest travel and leisure company, today announced that it has signed a memo of agreement with Italian shipbuilder Fincantieri S.p.A. to build four new cruise ships with final contracts expected to be executed in 2016. Two of the four new ships will be built for Costa Asia for deployment in China, and one will be built each for P&O Cruises Australia and Princess Cruises. With the new agreement, Carnival Corporation has 17 new ships scheduled to be delivered between 2016 and 2020.

The four new ships will be built by one of the world's largest cruise ship building companies, Fincantieri, at the company's shipyards in Monfalcone and Marghera, Italy, with deliveries expected in 2019 and 2020. The two new 135,500-ton ships for Costa Asia and one new ship for P&O Cruises Australia will carry 4,200 passengers.

Additionally, Princess Cruises' new 143,700-ton ship will carry 3,560 passengers and will be its fourth "Royal Princess" class vessel, featuring the successful design platform used on Royal Princess, Regal Princess and Majestic Princess scheduled for delivery in 2017. Each of the four new ships will be specifically designed and developed for the brand and guests it will serve, and support the company's overall goal of providing exceptional vacation experiences for its guests.

"We will deliver on our fleet enhancement plan with the construction of these four new, exciting ships that are consistent with our long-term strategy of measured capacity growth over time," said Arnold Donald, CEO of Carnival Corporation. "These ships will be great additions to our fleet that support our goal to exceed guest expectations and create great vacation memories for each guest onboard our ships. These strategic investments in new ships that wow our guests are an important part of our measured growth strategy, which includes replacing less efficient ships with newer, larger and more efficient vessels over a very specific period of time."

"The signing of this agreement happens during a real and beyond all expectations boom of the cruise sector," said Giuseppe Bono, CEO of Fincantieri. "This announcement confirms - once again - the effectiveness of our strategy: with these projects we ensure continuity and development for our company, and we also further strengthen our already consolidated partnership with the Carnival group."

The new Costa Cruises Asia ships will prominently feature the brand's "Italy's finest" experience, with the new ship design serving to enhance the overall onboard immersion Italy's unique style, hospitality, entertainment and culinary excellence. The new ship order will also strengthen Costa Asia's leadership and position in the region, as well as its commitment and confidence to continuously develop Asia Pacific and China to be one of the leading cruise markets in the world. In the past nine years, Costa Asia has created a multitude of industry firsts and has been widely recognized as the industry leader in the region, including being named as the first-ever Asia Best Cruise Line in the Asia Cruise Awards this year.

The new P&O Cruises Australia ship will join the leading cruise line's fleet that was recently expanded with the addition of Pacific Aria and Pacific Eden in November 2015 and will reach six total with the introduction of Pacific Explorer in 2017 to meet growing demand for cruises in Australia. Australia is one of the top

performing cruise markets in the world, with an average annual passenger growth rate of 20 percent over the past decade. The new 4,200-passenger ship will have the largest passenger capacity from the line, with the next largest ship, Pacific Explorer, carrying 2,250 passengers, and will continue the brand's tradition of innovative ships that reflect modern Australia.

The new Princess Cruises ship will include the signature elements that have become synonymous with the Princess guest experience such as a soaring central atrium hub with multiple dining, entertainment and retail venues; Movies Under the Stars outdoor cinema experience, and 80 percent of all staterooms with balconies. The ship will also include some brand-new innovations to enhance the guest experience even further.

In March 2015 Carnival entered into a strategic partnership with Fincantieri under which these four ships have been developed. Specific features and amenities for the ships, along with deployment details, will be revealed in the coming months.

#### About Carnival Corporation & plc

Carnival Corporation, Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 17 new ships scheduled to be delivered between 2016 and 2020. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au), [www.pocruises.com](http://www.pocruises.com) and [www.fathom.org](http://www.fathom.org).

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SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

(END) Dow Jones Newswires

December 30, 2015 11:45 ET (16:45 GMT)

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## MARKET WEEK

Stocks --- The Trader: Stocks Rise 3% on Week, as Oil Issues Rally

By Vito J. Racanelli

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2015 年 12 月 28 日

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17552.17	+423.62	+2.47
DJTransportation	7622.61	+258.57	+3.51
DJUtilities	581.02	+13.08	+2.30
DJ65Stocks	6033.13	+160.21	+2.73
DJUSMarket	514.13	+13.88	+2.78
NYSEComp.	10258.55	+290.90	+2.92
NYSEMKTComp.	2178.65	+73.68	+3.50
<b>S&amp;P500</b>	2060.99	+55.44	+2.76
S&PMidCap	1416.10	+40.83	+2.97
S&PSmallCap	683.25	+20.57	+3.10
Nasdaq	5048.49	+125.41	+2.55
ValueLine(arith.)	4424.73	+158.77	+3.72
Russell2000	1154.76	+33.74	+3.01
DJUSTSMFloat	21288.74	+576.25	+2.78

#### Last Week    Week Earlier

NYSE		
Advances	2,853	1,517
Declines	371	1,721
Unchanged	25	20
NewHighs	88	78
NewLows	215	793
AvDailyVol(mil)	3,010.3	4,805.4
Dollar		
(Finexspotindex)	97.92	98.72
T-Bond		
(CBTnearbyfutures)	155-020	156-120
Crude Oil		

(NYMlightsweetcrude)	38.10	34.73
Inflation KR-CRB		
(FuturesPriceIndex)	176.09	172.16
Gold		
(CMXnearbyfutures)	1077.20	1066.20
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文件 B000000020151226ebcs0000n

# DOW JONES NEWSWIRES

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

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2015 年 12 月 28 日 19:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Dec 28,2015 02:04 PM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	-253.4	-43.3	0.86		
Blocks	-158.1	+29.9	0.25		
Russell 2000	-71.4	+200.5	0.95		
Blocks	+9.8	+357.1	1.10		
S & P 500	-691.6	+46.9	0.92		
Blocks	-396.2	+6.7	0.51		
DJ U.S. Total Stock Market	-1668.7	+876.3	0.92		
Blocks	-993.7	+1114.6	0.65		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
(in millions)					
iSh MSCI EAFE Min Vol	EFAV	ARCA	64.94	+136.0	15.51
PwrShrs QQQ Tr Series 1	QQQ	NASD	112.25	+96.9	1.62
iShares 20+Y					
Treasury Bd	TLT	ARCA	121.99	+80.2	2.37
iShares S&P 500 Growth	IVW	ARCA	116.25	+50.8	3.79
Vanguard FTSE Europe ETF	VGK	ARCA	50.55	+28.4	2.18
General Growth Prop	GGP	NYSE	27.00	+20.5	8.67
PwrShs Ex Tr Finl Prd	PGF	ARCA	18.69	+19.1	8.24
BlackRock	BLK	NYSE	341.02	+18.5	1.52
iSh MSCI Denmark Capped	EDEN	BATS	56.12	+17.7	6.96
Vangrd Intermed-Trm Cp Bd	VCIT	NASD	84.25	+17.6	4.15
Vanguard Total Stock Mkt	VTI	ARCA	104.80	+16.5	1.39
SPDR S&P Hlth Care Svcs	XHS	ARCA	57.52	+13.8	7.15
PS S&P 500 Lo Voltl Prtf	SPLV	ARCA	38.79	+13.8	1.56
iShares MSCI Japan ETF	EWJ	ARCA	12.12	+13.5	1.78
iSh iBoxx \$ Invt Gr Cp Bd	LQD	ARCA	114.47	+13.5	1.53
Vanguard Health Care	VHT	ARCA	132.95	+11.7	3.35
iSh Natl AMT-Free Muni Bd	MUB	ARCA	110.36	+10.2	2.55
PwrShs S&P 500 Downside	PHDG	ARCA	24.76	+10.1	22.50
Alphabet Cl C	GOOG	NASD	758.60	+9.1	1.06
Delta Air	DAL	NYSE	52.05	+8.7	1.26
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
(in millions)					
iShares MSCI EAFE ETF	EFA	ARCA	59.23	-182.9	0.30
Apple	AAPL	NASD	107.05	-60.0	0.86
iShares 1-3Y Credit Bond	CSJ	ARCA	104.43	-52.5	0.16
SPDR S&P 500	SPY	ARCA	204.90	-50.6	0.95
iSh MSCI AC xJapan	AAXJ	NASD	53.91	-48.1	0.06
iSh Intermediate Cred Bd	CIU	ARCA	107.31	-41.1	0.11
Ally Financial	ALLY	NYSE	18.57	-39.4	0.06
iShares Russell 1000 Val	IWD	ARCA	98.22	-36.6	0.46
Grupo Televisa ADR	TV	NYSE	27.87	-32.8	0.08
iShares US Preferred	PFF	ARCA	38.62	-30.9	0.28
iShares Russell 1000 Gwth	IWF	ARCA	99.95	-30.4	0.52
Vanguard FTSE DevMkts	VEA	ARCA	37.01	-28.7	0.60
Facebook Cl A	FB	NASD	105.46	-28.0	0.87

iShares iBoxx \$ HY Cp Bd	HYG	ARCA	79.97	-27.2	0.53
Brookdale Senior Living	BKD	NYSE	18.62	-25.4	0.17
iSh 7-10Y Treasury Bond	IEF	ARCA	106.01	-23.4	0.50
Oracle	ORCL	NYSE	36.71	-23.0	0.45
Vanguard <b>S&amp;P500</b>	VOO	ARCA	187.84	-22.1	0.69
Valeant Pharm Intl	VRX	NYSE	101.81	-18.9	0.94
Disney	DIS	NYSE	107.27	-18.3	0.89

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

28-12-15 1919GMT

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## DOW JONES NEWSWIRES

The Trader: Stocks Rise 3% On Week, As Oil Issues Rally -- Barron's

1,959 字

2015 年 12 月 26 日 05:05

Dow Jones Institutional News

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(FROM BARRON'S 12/28/15)

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26 Dec 2015 00:05 ET The Trader: Stocks Rise 3% On Week, As Oil Issues -2-

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### Vital Signs

Friday's Close    Week's Change    Week's % Chg.

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DJUtilities	581.02	+13.08	+2.30
DJ65Stocks	6033.13	+160.21	+2.73
DJUSMarket	514.13	+13.88	+2.78
NYSEComp.	10258.55	+290.90	+2.92
NYSEMKTComp.	2178.65	+73.68	+3.50

<b>S&amp;P500</b>	2060.99	+55.44	+2.76
S&PMidCap	1416.10	+40.83	+2.97
S&PSmallCap	683.25	+20.57	+3.10
Nasdaq	5048.49	+125.41	+2.55
ValueLine(arith.)	4424.73	+158.77	+3.72
Russell2000	1154.76	+33.74	+3.01
DJUSTSMFloat	21288.74	+576.25	+2.78

Last Week    Week Earlier

NYSE		
Advances	2,853	1,517
Declines	371	1,721
Unchanged	25	20
NewHighs	88	78
NewLows	215	793
AvDailyVol(mil)	3,010.3	4,805.4
Dollar		
(Finexspotindex)	97.92	98.72
T-Bond		

(CBTnearbyfutures)	155-020	156-120
Crude Oil		
(NYMlightsweetcrude)	38.10	34.73
Inflation KR-CRB		
(FuturesPriceIndex)	176.09	172.16
Gold		
(CMXnearbyfutures)	1077.20	1066.20
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December 26, 2015 00:05 ET (05:05 GMT)

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 [Biotech: If You Thought 2015 Was Tough...](#)

Barron's Blogs, 2015 年 12 月 24 日 14:52, 419 字, By Ben Levisohn, (英文)

After outperforming the S&P 500 by 20 percentage points in 2014 and 30 points in 2013, the iShares Biotechnology ETF (IBB) has outperformed by "just" nine points heading into the end of the year. In a report released on Dec. 21, RBC's ...

文件 WCBBE00020151224ebco000rt

# DOW JONES NEWSWIRES

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

643 字

2015 年 12 月 24 日 16:19

Dow Jones Newswires Chinese (English)

RTNW

英文

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MONEY FLOW - UPTICK/DOWNTICK TRADING DOLLAR VOLUME Dec 24,2015 11:04 AM

MARKET	MONEY FLOW (in millions)			RATIO	
	TODAY	PREV DAY			
DJIA	-172.1	-999.2	0.80		
Blocks	-124.8	-933.6	0.28		
Russell 2000	+7.5	-654.6	1.01		
Blocks	+9.8	-754.0	1.22		
S & P 500	-263.6	+214.4	0.92		
Blocks	-146.9	+67.4	0.71		
DJ U.S. Total Stock Market	-403.9	-31.9	0.94		
Blocks	-209.5	-465.4	0.80		
ISSUE GAINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Baxter International	BAX	NYSE	38.26	+52.7	23.49
iShares Russell 3000 ETF	IWV	ARCA	121.49	+19.7	5.23
iSh MSCI Denmark Capped	EDEN	BATS	55.96	+17.7	6.96
MGIC Invest	MTG	NYSE	9.07	+14.4	14.01
Microsoft	MSFT	NASD	55.68	+13.9	1.58
Alphabet Cl A	GOOGL	NASD	766.61	+13.5	1.41
Facebook Cl A	FB	NASD	104.95	+11.5	1.21
iSh ST Natl AMT-Fr Mun Bd	SUB	ARCA	105.79	+10.1	21.65
iSh Curr Hd MSCI Eurozone	HEZU	ARCA	26.28	+9.4	7.68
Energy Select Sector SPDR	XLE	ARCA	61.59	+8.8	1.36
PwrShrs QQQ Tr Series 1	QQQ	NASD	112.68	+8.3	1.18
Ulta Salon Cosmetics	ULTA	NASD	184.60	+7.9	2.91
Cisco Systems	CSCO	NASD	27.43	+7.6	2.04
Biogen	BIIB	NASD	302.24	+7.6	1.67
Freeport-McMoRan	FCX	NYSE	7.44	+7.3	1.59
Qualcomm	QCOM	NASD	49.61	+6.7	1.41
iSh Curr Hdgd MSCI Japan	HEWJ	ARCA	28.90	+6.4	16.93
Host Hotels & Resorts	HST	NYSE	15.99	+5.6	5.63
iShares MSCI Japan ETF	EWJ	ARCA	12.13	+5.4	2.10
Comcast	CMCSA	NASD	57.38	+5.4	1.69
ISSUE DECLINERS	SYMBOL	EXCH	LAST PRICE	MONEY FLOW	RATIO
	(in millions)				
Apple	AAPL	NASD	108.33	-54.2	0.71
Verisk Analytics	VRSK	NASD	77.06	-30.8	0.08
SPDR S&P 500	SPY	ARCA	205.69	-30.3	0.89
Nike Cl B	NKE	NYSE	62.80	-23.7	0.84
iSh S&P Totl US Stk Mkt	ITOT	ARCA	93.72	-23.1	0.05
Chevron	CVX	NYSE	92.50	-17.8	0.65
General Electric	GE	NYSE	30.75	-17.0	0.53
WisdomTree Europe	HEDJ	ARCA	54.60	-14.6	0.34
WisdomTree Japan Hdq Eqty	DXJ	ARCA	50.23	-13.9	0.22
Vanguard Total World Stk	VT	ARCA	58.19	-13.2	0.13
iShares MSCI Emg Markets	EEM	ARCA	33.00	-12.7	0.54
Bank Of America	BAC	NYSE	17.30	-11.9	0.63
iShares Core S&P 500 ETF	IVV	ARCA	206.88	-11.4	0.75

Alibaba Group Holding ADR	BABA	NYSE	83.68	-10.9	0.73
iSh MSCI Norway Capped	ENOR	BATS	19.45	-10.4	0.04
SPDR S&P MidCap 400 ETF	MDY	ARCA	257.13	-10.1	0.49
McDonald's	MCD	NYSE	118.58	-8.1	0.52
Vanguard <b>S&amp;P500</b>	VOO	ARCA	188.60	-7.6	0.67
WW Grainger	GWW	NYSE	205.49	-7.4	0.31
Celgene	CELG	NASD	121.30	-7.2	0.78

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

24-12-15 1619GMT

文件 RTNW000020151224ebco0007q

 [Still a F.A.N.G. Year in '16, Says Morgan Stanley; Maybe Qualcomm, Apple](#)

Barron's Blogs, 2015 年 12 月 22 日 20:44, 487 字, By Tiernan Ray, (英文)

Is there anything to own in 2016 besides FANG — Facebook ( FB ), Amazon.com ( AMZN ), Netflix ( NFLX ), and Alphabet/Google ( GOOGL )? That's one question tackled today by Morgan Stanley's Adam Parker in a think piece about what to do after ...

文件 WCBBE00020151222ebcm002s1

## MARKET WEEK

Stocks --- The Trader: Stocks Surge Before Fed Rate Hike, Then Sag

By Vito J. Racanelli

2,074 字

2015 年 12 月 21 日

Barron's

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Stocks fell 0.3% last week, but the pain was worse than it looked. A 3% market surge ahead of the Federal Reserve's widely expected interest-rate hike Wednesday proved fleeting and was followed by a nasty hangover of selling in the last two days of trading.

Investors are dissatisfied with the Fed's indicated pace of future rate hikes. The selloff was also driven by further weakness in commodity prices, which reignited fears of a slowing global economy. Crude lost 2.5% to \$34.73 per barrel, the third consecutive weekly drop and a 52-week low.

The Dow Jones Industrial Average fell 137 points, or 0.8%, to 17,128.55, and the Standard & Poor's 500 gave up 7 or 0.3% to 2005.55. As of Friday the S&P 500 index was down 2.6% for the year, while the Dow was off 4%. The Nasdaq Composite Index is down 10, or 0.2%, to 4923.08.

The Fed hit its mark and raised federal-funds rates Wednesday by 25 basis points -- the first hike in nearly a decade -- to a target of 0.25% to 0.5%. While Fed Chair Janet Yellen made clear in her press conference after the meeting that the path higher would be "gradual," the Fed's estimate for the fed-funds rate is 1.38% at the end of 2016.

That represents four rate hikes and is higher than the market consensus, which is somewhere around two to possibly three. There was some euphoria going into the Fed meeting, but afterwards the reality of four hikes set in, as weak U.S. economic data was released, says Timothy Ghriskey, chief investment officer of Solaris Asset Management.

The market is telling the Fed that the U.S. economy isn't strong enough for four increases, says Andrew Ahrens, CEO of Ahrens Investment Partners in Lafayette, La.

Economic data outside employment continues to be flat to weak. In November U.S. industrial production fell 0.6%, the Fed said Wednesday, the biggest drop in over three years. The flash purchasing-managers' index compiled by Markit hit 51.3 from a final reading of 52.8 in December.

"It's not terrible data but it shows the American economy is choppy and anemic," Ghriskey adds.

Cameron Hinds, regional chief investment officer for Wells Fargo Private Bank, says that weak oil prices and slowing global growth remain overriding investor concerns. Look for more volatility in coming weeks if oil isn't seen to be making a bottom, he says.

Volatility might increase over the near term for a couple of other technical reasons. Institutional investors will be selling their dogs to take advantage of tax losses in 2015, both Hinds and Ahrens note. That, plus the likelihood that many market participants will be away in the next two holiday-shortened weeks, and you have the makings of potentially big swings -- up or down -- in the rest of December because of low trading volume.

## 2015 Stock Market in Review

As we count down to the end of 2015, U.S. stocks seem headed for a flat to down finish. That innocuous result belies a roller coaster year, to which many investors will likely say "good riddance." The U.S. dollar aside, most asset classes didn't fare well. Among mutual funds, a majority are trailing the market, except for the large-cap growth-fund sector.

Four factors dogged stocks this year: a further and unexpected decline in commodity prices, particularly oil; continued strength in the dollar; soft economic growth and a currency devaluation in China; and a Federal Reserve that only last week felt confident enough about the U.S. economy to begin raising interest rates. Twelve months ago, many expected that to happen as early as the first quarter of 2015.

"These cumulative head winds became too much . . . . There was a deeply rooted fear that China's growth might hit a wall," says Thomas Lee, head of research at Fundstrat Global Advisors. "The market had a hard time standing up to all that."

Blame that partly on Wall Street's bullish outlook as 2015 opened. "Most people thought it would be a better year," says Kate Warne, investment strategist at Edward Jones, of market sentiment last January. Indeed, the S&P 500 index hit an all-time high of 2131 in May.

Market strategists were looking for a rise in stocks of 10% or more. The Trader projected a 5% to 10% advance. Analysts anticipated a near-double-digit percentage increase in the S&P 500's earnings per share, to \$129 from about \$118 in 2014.

That didn't happen. The second leg of the crude-oil drop, which began in July, and the Fed's hesitancy in raising rates proved to be significant negative surprises, Warne says.

Plunging oil prices decimated energy- stock earnings, and the raging dollar hurt U.S. corporations with overseas sales. The upshot is that, contrary to expectations 12 months ago, S&P 500 earnings could end up declining in 2015, when all the fourth-quarter data are in.

One lesson for investors is that an oil-price decline of 45% in 2014 didn't preclude another of 30% in 2015, to around \$35 per barrel. That "energy double whammy," notes Chris Hyzy, chief investment officer of Bank of America Global Wealth & Investment Management, began the skid seen in lower-quality oil stocks. Their high-yield corporate bonds fell sharply, and the carnage there spilled over into nonenergy high-yield corporates.

Similarly, the U.S. dollar surprised investors by rising more than 10% this year, on top of a 12% gain last year, even though the Fed didn't raise rates as quickly as expected.

Speaking of interest rates, in some weeks investors appeared to love the idea of lower rates for longer, pushing stocks toward highs. Other times, when the Fed's hesitancy was interpreted as a lack of confidence in U.S. economic growth, stocks fell. The market had a 12% correction in the August-September period when China devalued the yuan, sparking fears that growth had hit the wall.

We can't omit mention of uncertain technical indicators, poor breadth prime among them. If your portfolio didn't include the double- and triple-digit percentage gains from a few supernova stocks, including Amazon.com (ticker: AMZN), Netflix (NFLX), Facebook (FB), and Alphabet (GOOGL), then it's likely your performance began with two strikes against it, says Nicholas Colas, the chief market strategist at Convergenx.

"A handful of stocks support the index's performance this year," says Mark Luschini, the chief investment strategist at Janney Montgomery Scott.

Other indexes are more reflective of what investors actually experienced, he adds. About 65% of the stocks in the broader Russell 3000 index, which is off 3.3% year to date, are down 15% or more from highs, he says.

It looks like the market remains in correction phase, even if the S&P 500 index is about 6% below its 2015 high. The best sector performer this year is consumer discretionary stocks, up 7.4% -- thanks, Amazon and Netflix. The worst was -- no surprise -- energy, down 25%, following a 10% drop in 2014. Next week, we'll address 2016 and whether the oil patch will finally be attractive.

#### The Trader's 2015 Report Card

At year end, The Trader comes clean on the results of the column's stock picks and pans in the past 12 months or so. The column makes 60 to 80 stock calls annually, some bullish, others bearish. Our report card isn't scientific, but here are the main guidelines: guest-columnist picks aren't included, and performance covers ideas published from October of the previous year through September of this year. We don't audit fourth-quarter views because it's too soon. They'll be included next year.

Each stock is measured against the S&P 500's return from the same Friday close through Dec. 14, 2015. Our "portfolio" is equal-weighted, unlike the capitalization-weighted S&P 500 index and many mutual funds. The price change and total return of each pick is incorporated into a single average. Even picks made explicitly with a two-year time frame in mind are included in the annual reckoning.

Unfortunately, the Trader underperformed the market this year, unlike in 2014.

First, to accentuate the positive, the 22 stocks about which we were skeptical fell an average of 11%, with a total return of negative 10.2%, compared with a 0.4% drop and positive 1% total return for the S&P. Our performance on the short-selling side was burnished by good negative calls on Valeant Pharmaceuticals

International (VRX), Potbelly (PBPB), Shake Shack (SHAK), Del Frisco's Restaurant Group (DFRG), Whole Foods Markets (WFM), and Men's Wearhouse (MW), among others.

Valeant, in particular, was noteworthy. The Trader criticized the drug firm's aggressive accounting and high leverage way back in the summer of 2014. That bearish call hurt for a time as the stock soared to more than \$260 this past summer from \$120. But we doubled down with another skeptical call last October. Eventually, the stock plunged to \$71 at one point, as the market questioned the company's ability to hike drug prices and use debt to buy growth, among numerous other issues.

One big skeptical item didn't pan out: McDonald's (MCD) shares are up 23% since we wrote negatively about the company in February. We cut our losses last month and changed our view to bullish on Mickey D, and hope to see it as a successful bullish pick 12 months hence. In general, we had luck with Dow components. Including the drag from McDonald's (through Nov. 9), our Dow picks were up 3%, flat with Dow Jones industrials. Our total return was 5.1% versus 4.6%, respectively.

The average change among all our bullish picks was minus 13%, with a total return of negative 12%. Double ouch. By comparison, the S&P 500 index was down 1% over the same period, with a total return of 1%.

Energy hurt us, but not directly. We waded into too many industrial stocks, where sales to energy companies made up a chunk of total sales. That includes Colfax (CFX) and Fluor (FLR), among others. The market didn't make such distinctions, whacking these picks 50% in some cases.

These stocks won't be included in next year's reckoning, but it will be interesting to see if they bounce back should oil prices stabilize next year.

Without these "energy" picks, the Trader's performance on long ideas is in line with large-cap value managers, who are down nearly 6% this year, according to Morningstar. That isn't particularly satisfactory, and not surprising, since the column traditionally takes a large-cap value approach. Among the long picks that did well were General Electric (GE), up 25%, and Paychex (PAYX), up 17%.

Excluding energy, our poorest-performing picks included Latin American airline Copa Holdings (CPA), down 55%, and retailer Michael Kors (KORS), down 39%. The stock market is a humbling place.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17128.55	-136.66	-0.79
DJTransportation	7364.04	-160.60	-2.13
DJUtilities	567.94	+16.81	+3.05
DJ65Stocks	5872.92	-33.47	-0.57
DJUSMarket	500.25	-1.87	-0.37
NYSEComp.	9967.64	-9.01	-0.09
NYSEMKTComp.	2104.97	-0.04	-0.00
<b>S&amp;P500</b>	2005.55	-6.82	-0.34
S&PMidCap	1375.27	-13.89	-1.00
S&PSmallCap	662.68	-3.40	-0.51
Nasdaq	4923.08	-10.38	-0.21
ValueLine(arith.)	4265.96	-36.64	-0.85
Russell2000	1121.02	-2.59	-0.23
DJUSTSMFloat	20712.49	-71.01	-0.34

	Last Week	Week Earlier
NYSE		
Advances	1,517	386
Declines	1,721	2,844
Unchanged	20	28
NewHighs	78	80
NewLows	793	639
AvDailyVol(mil)	4,805.4	4,089.5
Dollar		
(Finexspotindex)	98.72	97.63

T-Bond		
(CBTnearbyfutures)	158-280	157-070
Crude Oil		
(NYMlightsweetcrude)	34.73	35.62
Inflation KR-CRB		
(FuturesPriceIndex)	172.16	174.86
Gold		
(CMXnearbyfutures)	1066.20	1076.90
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文件 B000000020151219ebcl0000x

# DOW JONES NEWSWIRES

Stocks: Is There Life After FANG? -- Barron's Blog

By Ben Levisohn

534 字

2015 年 12 月 21 日 16:01

Dow Jones Institutional News

DJDN

英文

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Morgan Stanley's Adam Parker and team argued there's life outside of Facebook ( FB), Amazon.com ( AMZN), Netflix ( NFLX), and the company formerly known as Google ( GOOGL)—otherwise known as FANG—which have done the heavy lifting for the market this year. They explain why:

In nearly every investor meeting we have been in over the past few weeks, the issue of breadth has surfaced. Facebook, Amazon, Netflix, and GOOGL, a.k.a. F.A.N.G., have performed incredibly well, but market breadth has been pretty narrow. So most investors we talk to view this as a bearish indicator of subsequent market performance. Firstly, we need to point out that market breadth is NOT a predictor of subsequent stock market performance. Sometimes it means the market will roll over, sometimes it means it will expand. Clearly, predicting the overall market level isn't that easy. If it were, a lot of us wouldn't have our current jobs...

Where will the broadening go when that happens? Consumer, financials, healthcare, and technology are 65 % of the **S&P500**, and industrials, materials, and energy are less than 20%. We think the market can work without the latter group recovering. Energy is 6.9% of the **S&P500**, or roughly the size of Apple ( AAPL) and GOOGL combined. We are underweight energy and industrials because current fundamentals are awful. We know hedge fund positioning is extremely light there, but our best guess is fundamentals don't improve for quarters, not months, and therefore any energy or metals and mining rallies will be short-lived. Our judgment is that market broadening will happen in the big four sectors -- including perhaps other areas of technology beyond F.A.N.G., such as financial technology, software, security, and in Apple and Qualcomm ( QCOM) potentially later in 2016. We like healthcare, where we think stocks like McKesson ( MCK) were oversold, and where more deals in biotechnology are likely. In addition to the big banks, which we mentioned earlier, we have a substantial position in the credit card companies as a way to play the improving consumer. We are reducing our exposure to Crown Castle International ( CCI) from 3% to 1%, and adding a 2% position in Synchrony Financial ( SYF), consistent with the credit card bet. The latter stock screens well in our disciplined strategies and is rated Overweight by Betsy Graseck. We also like defense, as growth in shareholder return is substantial and current fundamentals seem solid. We are adding a 1% position in Northrop Grumman ( NOC) and reducing our exposure in Honeywell International ( HON), which has performed very strongly, from 2% to 1%. Our sector bets are unchanged.

Shares of Facebook have gained 0.5% to \$104.53 at 10:55 a.m. today, while Amazon.com has ticked up 0.3% to \$665.84, Netflix has dipped 0.4% to \$117.55, Alphabet has risen 0.7% to \$762.08, and Apple is off 0.1% at \$105.93.

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

December 21, 2015 11:01 ET (16:01 GMT)

文件 DJDN000020151221ebcl00237

# DOW JONES NEWSWIRES

Press Release: Carnival Corporation Announces Timeline for Sourcing 100% Cage-Free Eggs

623 字

2015 年 12 月 21 日 12:00

Dow Jones Institutional News

DJDN

英文

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Carnival Corporation Announces Timeline for Sourcing 100% Cage-Free Eggs

The Humane Society of the United States Welcomes Cruise Leader's Commitment

PR Newswire

MIAMI and WASHINGTON, Dec. 21, 2015

MIAMI and WASHINGTON, Dec. 21, 2015 /PRNewswire/ -- Carnival Corporation & plc, working with The Humane Society of the United States, announced that it will switch to 100 percent cage-free eggs across all of its brands by 2025. This announcement is the latest step in Carnival Corporation's years-long work to address animal welfare in its supply chain.

Carnival Corporation--the world's largest travel and leisure company--includes 10 global cruise line brands including Carnival Cruise Line, Princess Cruises, Seabourn, Holland America Line, Cunard, AIDA Cruises, Costa Cruises, P&O UK and P&O Australia, as well as its newest brand, Fathom, dedicated to social impact travel.

"Carnival Corporation and our brands recognize animal welfare is an important issue for our guests, and addressing it is part of our ongoing commitment to how we operate," said Roger Frizzell, chief communications officer with Carnival Corporation. "We have been working with our suppliers in this area, and look forward to continuing our efforts as we work towards our goal of 100 percent cage-free eggs."

Matthew Prescott, senior food policy director for HSUS, said, "Carnival Corporation is the world's largest cruise company and has shown real leadership on animal welfare over the years. We welcome the company's commitment to source 100 percent cage-free eggs."

About Carnival Cruise Line

Carnival Corporation, Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK). Together, these brands operate 99 ships totaling 216,000 lower berths with 18 new ships scheduled to be delivered between 2016 and 2022. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices. Additional information can be found on [carnival.com](http://carnival.com), [fathom.org](http://fathom.org), [hollandamerica.com](http://hollandamerica.com), [princess.com](http://princess.com), [seabourn.com](http://seabourn.com), [aida.de](http://aida.de), [costacruise.com](http://costacruise.com), [cunard.com](http://cunard.com), [pocruises.com.au](http://pocruises.com.au), and [pocruises.com](http://pocruises.com).

About The Humane Society of the United States

The Humane Society of the United States is the nation's largest animal protection organization, rated most effective by our peers. For 60 years, we have celebrated the protection of all animals and confronted all forms of cruelty. We are the nation's largest provider of hands-on services for animals, caring for more than 100,000 animals each year, and we prevent cruelty to millions more through our advocacy campaigns. Read more about our 60 years of transformational change for animals, and visit us at [humanesociety.org](http://humanesociety.org).

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SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

21 Dec 2015 07:00 ET \*Carnival Corp Announces Timeline For Sourcing 100% Cage-Free Eggs

21 Dec 2015 07:01 ET \*Carnival: To Switch To 100 % Cage-Free Eggs Across All Brands By 2025

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December 21, 2015 07:01 ET (12:01 GMT)

文件 DJDN000020151221ebcl0018n

## DOW JONES NEWSWIRES

The Trader: Stocks Surge Before Fed Rate Hike, Then Sag -- Barron's

2,120 字

2015 年 12 月 19 日 05:08

Dow Jones Institutional News

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(FROM BARRON'S 12/21/15)

By Vito J. Racanelli

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That didn't happen. The second leg of the crude-oil drop, which began in July, and the Fed's hesitancy in raising rates proved to be significant negative surprises, Warne says.

Plunging oil prices decimated energy- stock earnings, and the raging dollar hurt U.S. corporations with overseas sales. The upshot is that, contrary to expectations 12 months ago, S&P 500 earnings could end up declining in 2015, when all the fourth-quarter data are in.

One lesson for investors is that an oil-price decline of 45% in 2014 didn't preclude another of 30% in 2015, to around \$35 per barrel. That "energy double whammy," notes Chris Hyzy, chief investment officer of Bank of America Global Wealth & Investment Management, began the skid seen in lower-quality oil stocks. Their high-yield corporate bonds fell sharply, and the carnage there spilled over into nonenergy high-yield corporates.

Similarly, the U.S. dollar surprised investors by rising more than 10% this year, on top of a 12% gain last year, even though the Fed didn't raise rates as quickly as expected.

Speaking of interest rates, in some weeks investors appeared to love the idea of lower rates for longer, pushing stocks toward highs. Other times, when the Fed's hesitancy was interpreted as a lack of confidence in U.S. economic growth, stocks fell. The market had a 12% correction in the August-September period when China devalued the yuan, sparking fears that growth had hit the wall.

We can't omit mention of uncertain technical indicators, poor breadth prime among them. If your portfolio didn't include the double- and triple-digit percentage gains from a few supernova stocks, including Amazon.com (ticker: AMZN), Netflix (NFLX), Facebook (FB), and Alphabet (GOOGL), then it's likely your performance began with two strikes against it, says Nicholas Colas, the chief market strategist at Convergenx.

"A handful of stocks support the index's performance this year," says Mark Luschini, the chief investment strategist at Janney Montgomery Scott.

Other indexes are more reflective of what investors actually experienced, he adds. About 65% of the stocks in the broader Russell 3000 index, which is off 3.3% year to date, are down 15% or more from highs, he says.

It looks like the market remains in correction phase, even if the S&P 500 index is about 6% below its 2015 high. The best sector performer this year is consumer discretionary stocks, up 7.4% -- thanks, Amazon and Netflix. The worst was -- no surprise -- energy, down 25%, following a 10% drop in 2014. Next week, we'll address 2016 and whether the oil patch will finally be attractive.

#### The Trader's 2015 Report Card

At year end, The Trader comes clean on the results of the column's stock picks and pans in the past 12 months or so. The column makes 60 to 80 stock calls annually, some bullish, others bearish. Our report card isn't scientific, but here are the main guidelines: guest-columnist picks aren't included, and performance covers ideas published from October of the previous year through September of this year. We don't audit fourth-quarter views because it's too soon. They'll be included next year.

Each stock is measured against the S&P 500's return from the same Friday close through Dec. 14, 2015. Our "portfolio" is equal-weighted, unlike the capitalization-weighted S&P 500 index and many mutual funds. The price change and total return of each pick is incorporated into a single average. Even picks made explicitly with a two-year time frame in mind are included in the annual reckoning.

Unfortunately, the Trader underperformed the market this year, unlike in 2014.

First, to accentuate the positive, the 22 stocks about which we were skeptical fell an average of 11%, with a total return of negative 10.2%, compared with a 0.4% drop and positive 1% total return for the S&P. Our

performance on the short-selling side was burnished by good negative calls on Valeant Pharmaceuticals International (VRX), Potbelly (PBPB), Shake Shack (SHAK), Del Frisco's Restaurant Group (DFRG), Whole Foods Markets (WFM), and Men's Wearhouse (MW), among others.

Valeant, in particular, was noteworthy. The Trader criticized the drug firm's aggressive accounting and high leverage way back in the summer of 2014. That bearish call hurt for a time as the stock soared to more than \$260 this past summer from \$120. But we doubled down with another skeptical call last October. Eventually, the stock plunged to \$71 at one point, as the market questioned the company's ability to hike drug prices and use debt to buy growth, among numerous other issues.

One big skeptical item didn't pan out: McDonald's (MCD) shares are up 23% since we wrote negatively about the company in February. We cut our losses last month and changed our view to bullish on Mickey D, and hope to see it as a successful bullish pick 12 months hence. In general, we had luck with Dow components. Including the drag from McDonald's (through Nov. 9), our Dow picks were up 3%, flat with Dow Jones industrials. Our total return was 5.1% versus 4.6%, respectively.

The average change among all our bullish picks was minus 13%, with a total return of negative 12%. Double ouch. By comparison, the S&P 500 index was down 1% over the same period, with a total return of 1%.

Energy hurt us, but not directly. We waded into too many industrial stocks, where sales to energy companies made up a chunk of total sales. That includes Colfax (CFX) and Fluor (FLR), among others. The market didn't make such distinctions, whacking these picks 50% in some cases.

19 Dec 2015 00:08 ET The Trader: Stocks Surge Before Fed Rate Hike, -2-

These stocks won't be included in next year's reckoning, but it will be interesting to see if they bounce back should oil prices stabilize next year.

Without these "energy" picks, the Trader's performance on long ideas is in line with large-cap value managers, who are down nearly 6% this year, according to Morningstar. That isn't particularly satisfactory, and not surprising, since the column traditionally takes a large-cap value approach. Among the long picks that did well were General Electric (GE), up 25%, and Paychex (PAYX), up 17%.

Excluding energy, our poorest-performing picks included Latin American airline Copa Holdings (CPA), down 55%, and retailer Michael Kors (KORS), down 39%. The stock market is a humbling place.

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#### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17128.55	-136.66	-0.79
DJTransportation	7364.04	-160.60	-2.13
DJUtilities	567.94	+16.81	+3.05
DJ65Stocks	5872.92	-33.47	-0.57
DJUSMarket	500.25	-1.87	-0.37
NYSEComp.	9967.64	-9.01	-0.09
NYSEMKTComp.	2104.97	-0.04	-0.00
<b>S&amp;P500</b>	2005.55	-6.82	-0.34
S&PMidCap	1375.27	-13.89	-1.00
S&PSmallCap	662.68	-3.40	-0.51
Nasdaq	4923.08	-10.38	-0.21
ValueLine(arith.)	4265.96	-36.64	-0.85
Russell2000	1121.02	-2.59	-0.23
DJUSTSMFloat	20712.49	-71.01	-0.34

#### Last Week    Week Earlier

NYSE		
Advances	1,517	386
Declines	1,721	2,844
Unchanged	20	28
NewHighs	78	80
NewLows	793	639

AvDailyVol(mil)	4,805.4	4,089.5
Dollar		
(Finexspotindex)	98.72	97.63
T-Bond		
(CBTnearbyfutures)	158-280	157-070
Crude Oil		
(NYMlightsweetcrude)	34.73	35.62
Inflation KR-CRB		
(FuturesPriceIndex)	172.16	174.86
Gold		
(CMXnearbyfutures)	1066.20	1076.90

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# DOW JONES NEWSWIRES

\*Carnival 4Q EPS 35c >CCL

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18 Dec 2015 09:15 ET \*Carnival 4Q Rev \$3.71B >CCL

18 Dec 2015 09:15 ET \*Carnival 4Q Net \$270M >CCL

18 Dec 2015 09:15 ET Press Release: Carnival Corporation & plc Reports A 40 Percent Increase In Full Year Earnings

Carnival Corporation & plc Reports A 40 Percent Increase In Full Year Earnings

PR Newswire

MIAMI, Dec. 18, 2015

MIAMI, Dec. 18, 2015 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) announced adjusted net income for the full year 2015 of \$2.1 billion, or \$2.70 diluted EPS, compared to \$1.5 billion, or \$1.93 diluted EPS, for the prior year. Full year 2015 U.S. GAAP net income was \$1.8 billion, or \$2.26 diluted EPS, which included unrealized losses (non-cash) on fuel derivatives of \$332 million and other net charges of \$17 million. Full year 2014 U.S. GAAP net income was \$1.2 billion, or \$1.56 diluted EPS, which included unrealized losses (non-cash) on fuel derivatives of \$268 million and other net charges of \$20 million. Revenues for the full year 2015 were \$15.7 billion compared to \$15.9 billion for the prior year due to the unfavorable impact from currency exchange rates of over \$800 million.

Carnival Corporation & plc President and Chief Executive Officer Arnold Donald noted, "We nearly doubled our fourth quarter results and ended the year with 40 percent higher earnings. Strong operational execution delivered \$0.25 per share higher earnings than the mid-point of our full year 2015 December guidance, despite a \$0.10 drag from the net impact of currency and fuel prices. This year we achieved a 4.3 percent improvement (constant currency) in revenue yields compared to the prior year due to higher onboard revenues and increased ticket prices as we have driven demand in excess of capacity growth, while our ongoing efforts to leverage our industry-leading scale helped to contain costs. Our strong performance led to record operating cash flow of well over \$4 billion versus \$3.4 billion last year," Donald stated.

Key metrics for the fourth quarter 2015 compared to the prior year were as follows:

- Net revenue yields (net revenue per available lower berth day or "ALBD") increased 4.1 percent in constant currency, which was better than the company's September guidance, up 3 percent. Gross revenue yields decreased 2.5 percent in current dollars due to changes in currency exchange rates.
- Net cruise costs excluding fuel per ALBD increased 3.2 percent in constant currency, which was in line with September guidance, up 3 percent. Gross cruise costs including fuel per ALBD decreased 10.7 percent in current dollars.
- Fuel prices declined 46 percent to \$316 per metric ton for 4Q 2015 from \$584 per metric ton in 4Q 2014 and were better than September guidance of \$366 per metric ton.
- Changes in currency exchange rates reduced earnings by \$0.08 per share.
- Adjusted net income was \$389 million, or \$0.50 diluted EPS, before U.S. GAAP unrealized losses (non-cash) on fuel derivatives of \$117 million, or \$0.15 diluted EPS. U.S. GAAP net income was \$270 million, or \$0.35

diluted EPS.

- The company repurchased approximately 8 million shares under its \$1 billion stock repurchase program.

Highlights during the fourth quarter included the grand opening of Amber Cove, a new Carnival Corporation cruise facility on the northern coast of the Dominican Republic, and the launch of P&O Cruises (Australia's) Pacific Aria and Pacific Eden, which have been impeccably appointed to suit Australian guests. In October, Carnival Cruise Line and AIDA Cruises announced they will each enter the China market in 2017 with a second Carnival Cruise Line ship to be positioned there in 2018. In 2016, there is already a combined fleet of six ships from the Costa Cruises and Princess Cruises brands scheduled to operate in China. Also, Princess Cruises will introduce the Majestic Princess to the Chinese market in 2017. That ship is currently under construction and will be the first vessel built specifically for Chinese guests incorporating a unique blend of international and Chinese features. Carnival Corporation also recently announced the formation of a joint venture with the China State Shipbuilding Corporation and the China Investment Corporation aimed at accelerating the development and growth of the overall cruise industry in China including the planned launch of the first world-class, multi-ship domestic cruise brand in the Chinese market. These latest developments further strengthen the company's leading position in China, which is expected to, over time, surpass North America as the world's largest cruising region.

#### 2016 Outlook

At this time, cumulative advance bookings for the first three quarters of 2016 are well ahead of the prior year at slightly higher constant currency prices. Since September, booking volumes for the first three quarters of 2016 are in line with last year's levels at higher prices.

Donald noted, "As we had anticipated, with less inventory remaining for sale, we have begun to sell at higher prices than the same time last year, particularly close to departure, affirming our expectation of continued yield improvement in 2016."

Based on current booking trends, the company forecasts full year 2016 net revenue yields in constant currency to be up approximately 3 percent compared to the prior year, of which approximately 1 percent is due to an accounting reclassification for the Europe, Australia and Asia segment. The company expects net cruise costs excluding fuel per ALBD in constant currency for full year 2016 to be up approximately 2 percent, of which approximately 1.5 percent is also due to the reclassification. The reclassification has no impact on operating income.

Current currency exchange rates and fuel prices, net of fuel derivatives, are \$0.22 per share favorable compared to the prior year. Taking the above factors into consideration, the company forecasts full year 2016 adjusted earnings per share to be in the range of \$3.10 to \$3.40, compared to 2015 adjusted earnings of \$2.70 per share.

Looking forward, Donald stated, "We have accelerated progress toward and remain well positioned to achieve our double digit return on invested capital threshold in the next two to three years. Over time, we expect to continue to return excess cash to shareholders as demonstrated by our recent 20 percent increase in quarterly dividends and more than \$400 million in share repurchases."

Donald also noted that four new ships are scheduled to enter service for Carnival Corporation brands in 2016. Holland America Line's Koningsdam and AIDAprima will debut in April, Carnival Vista will enter service in May, and Seabourn Encore in December. Each vessel has a wide variety of exciting and innovative new features that will generate consumer buzz for those brands.

#### First Quarter 2016 Outlook

First quarter constant currency net revenue yields are expected to be up 3.5 to 4.5 percent compared to the prior year. Net cruise costs excluding fuel per ALBD for the first quarter are expected to be 2.5 to 3.5 percent higher in constant currency compared to the prior year. Based on the above factors, the company expects adjusted earnings for the first quarter 2016 to be in the range of \$0.28 to \$0.32 per share, compared to 2015 adjusted earnings of \$0.20 per share.

#### Selected Key Forecast Metrics

	Full Year 2016		First Quarter 2016	
Year over	Current	Constant	Current	Constant
year	Dollars	Currency	Dollars	Currency
change:	-----	-----	-----	-----

Net revenue yields	Flat - up slightly	Approx. 3% (1.5)%	(0.5) to	3.5 to 4.5%
Net cruise costs excl. fuel / ALBD	Approx. 1%	Approx. 2%	0.0 to 1.0 %	2.5 to 3.5%

	Full Year 2016	First Quarter 2016
Fuel price per metric ton	\$246	\$239
Fuel consumption (metric tons in thousands)	3,260	800
Currency: Euro	\$1.10 to EUR1	\$1.10 to EUR1
Sterling	\$1.51 to GBP1	\$1.51 to GBP1
Australian dollar	\$0.73 to A\$1	\$0.73 to A\$1
Canadian dollar	\$0.73 to C\$1	\$0.73 to C\$1

#### Conference Call

The company has scheduled a conference call with analysts at 10:00 a.m. EST (3:00 p.m. GMT) today to discuss its 2015 fourth quarter and full year results. This call can be listened to live, and additional information can be obtained, via Carnival Corporation & plc's Web site at [www.carnivalcorp.com](http://www.carnivalcorp.com) and [www.carnivalplc.com](http://www.carnivalplc.com).

Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 18 new ships scheduled to be delivered between 2016 and 2022. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices. Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au), and [www.pocruises.com](http://www.pocruises.com).

#### Cautionary Note Concerning Factors That May Affect Future Results

18 Dec 2015 09:15 ET Press Release: Carnival Corporation & plc Reports -2-

Carnival Corporation and Carnival plc and their respective subsidiaries are referred to collectively in this release as "Carnival Corporation & plc," "our," "us" and "we." Some of the statements, estimates or projections contained in this release are "forward-looking statements" that involve risks, uncertainties and assumptions with respect to us, including some statements concerning future results, outlooks, plans, goals and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical facts are statements that could be deemed forward-looking. These statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and the beliefs and assumptions of our management. We have tried, whenever possible, to identify these statements by using words like "will," "may," "could," "should," "would," "believe," "depends," "expect," "goal," "anticipate," "forecast," "project," "future," "intend," "plan," "estimate," "target," "indicate" and similar expressions of future intent or the negative of such terms.

Forward-looking statements include those statements that may impact, among other things, the forecasting of our adjusted earnings per share; net revenue yields; booking levels; pricing; occupancy; operating, financing and tax costs, including fuel expenses; net cruise costs per available lower berth day; estimates of ship depreciable lives and residual values; liquidity; goodwill, ship and trademark fair values and outlook. Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied in this release. This note contains important cautionary statements of the known factors that we consider could materially affect the accuracy of our forward-looking statements and adversely affect our business, results of operations and financial position. It is not possible to predict or identify all such risks. There may be additional risks that we consider immaterial or which are unknown. These factors include, but are not limited to, the following:

- general economic and business conditions;
- increases in fuel prices;
- incidents, the spread of contagious diseases and threats thereof, adverse weather conditions or other natural disasters and other incidents affecting the health, safety, security and satisfaction of guests and crew;
- the international political climate, armed conflicts, terrorist and pirate attacks, vessel seizures, and threats thereof, and other world events affecting the safety and security of travel;
- negative publicity concerning the cruise industry in general or us in particular, including any adverse environmental impacts of cruising;
- geographic regions in which we try to expand our business may be slow to develop and ultimately not develop how we expect;
- economic, market and political factors that are beyond our control, which could increase our operating, financing and other costs;
- changes in and compliance with laws and regulations relating to the protection of persons with disabilities, employment, environment, health, safety, security, tax and other regulations under which we operate;
- our inability to implement our shipbuilding programs and ship repairs, maintenance and refurbishments on terms that are favorable or consistent with our expectations;
- increases to our repairs and maintenance expenses and refurbishment costs as our fleet ages;
- lack of continuing availability of attractive, convenient and safe port destinations on terms that are favorable or consistent with our expectations;
- continuing financial viability of our travel agent distribution system, air service providers and other key vendors in our supply chain and reductions in the availability of, and increases in the prices for, the services and products provided by these vendors;
- disruptions and other damages to our information technology and other networks and operations, and breaches in data security;
- failure to keep pace with developments in technology;
- competition from and overcapacity in the cruise ship and land-based vacation industry;
- loss of key personnel or our ability to recruit or retain qualified personnel;
- union disputes and other employee relationship issues;
- disruptions in the global financial markets or other events that may negatively affect the ability of our counterparties and others to perform their obligations to us;
- the continued strength of our cruise brands and our ability to implement our strategies;
- additional risks to our international operations not generally applicable to our U.S. operations;
- our decisions to self-insure against various risks or our inability to

obtain insurance for certain risks at reasonable rates;

-- litigation, enforcement actions, fines or penalties;

-- fluctuations in foreign currency exchange rates;

-- whether our future operating cash flow will be sufficient to fund future obligations and whether we will be able to obtain financing, if necessary, in sufficient amounts and on terms that are favorable or consistent with our expectations;

-- risks associated with our dual listed company arrangement;

-- uncertainties of a foreign legal system as

Carnival Corporation and

Carnival plc are not U.S. corporations and

-- the ability of a small group of shareholders effectively to control the outcome of shareholder voting.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, we expressly disclaim any obligation to disseminate, after the date of this release, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

CARNIVAL CORPORATION & PLC  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(UNAUDITED)  
(in millions, except per share data)

	Three Months Ended		Twelve Months Ended	
	November 30,		November 30,	
	2015	2014	2015	2014
Revenues				
Cruise				
Passenger tickets	\$ 2,709	\$ 2,745	\$ 11,601	\$ 11,889
Onboard and other	969	941	3,887	3,780
Tour and other	33	32	226	215
	3,711	3,718	15,714	15,884
Operating Costs and Expenses				
Cruise				
Commissions, transportation and other	490	520	2,161	2,299
Onboard and other	131	127	526	519
Payroll and related	471	491	1,859	1,942
Fuel	253	464	1,249	2,033
Food	244	245	981	1,005
Other ship operating	603	621	(a) 2,516	2,463 (a)
Tour and other	26	30	155	160
	2,218	2,498	9,447	10,421
Selling and administrative	564	547	2,067	2,054
Depreciation and amortization	419	408	(a) 1,626	1,637 (a)
	3,201	3,453	13,140	14,112
Operating Income	510	265	2,574	1,772

Nonoperating (Expense)				
Income				
Interest income	2	2	8	8
Interest expense, net of capitalized interest	(50)	(76)	(217)	(288)
Losses on fuel derivatives, net (b)	(198)	(280)	(576)	(271)
Other income (expense), net	7	(8)	10	4
	(239)	(362)	(775)	(547)
Income (Loss) Before				
Income Taxes	271	(97)	1,799	1,225
Income Tax Expense, Net	(1)	(7)	(42)	(9)
Net Income (Loss)	\$ 270	\$ (104)	\$ 1,757	\$ 1,216
Earnings (Loss) Per Share				
Basic	\$ 0.35	\$ (0.13)	\$ 2.26	\$ 1.57
Diluted	\$ 0.35	\$ (0.13)	\$ 2.26	\$ 1.56
Adjusted Earnings Per				
Share-Diluted (c)	\$ 0.50	\$ 0.27	\$ 2.70	\$ 1.93
Dividends Declared Per				
Share	\$ 0.30	\$ 0.25	\$ 1.10	\$ 1.00
Weighted-Average Shares				
Outstanding -- Basic	774	776	777	776
Weighted-Average Shares				
Outstanding -- Diluted	777	776	779	778

- (a) In the first quarter of 2015, we revised and corrected the accounting for one of our brands' marine and technical spare parts in order to consistently expense them fleetwide. Had we not revised, this accounting may have resulted in material inconsistencies to our financial statements in the future. Accordingly, we will revise other previously reported results in future filings. This revision increased our three and twelve months ended November 30, 2014 other ship operating expenses by \$1 million and \$18 million and depreciation expense by \$1 million and \$2 million, respectively.
- (b) During the three months ended November 30, 2015 and 2014, our losses on fuel derivatives, net include unrealized losses of \$117 million and \$277 million and realized losses of \$81 million and \$3 million, respectively. During the twelve months ended November 30, 2015 and 2014, our losses on fuel derivatives, net include unrealized losses of \$332 million and \$268 million and net realized losses of \$244 million and \$2 million, respectively.
- (c) See the U.S. GAAP net income (loss) to Adjusted net income reconciliations in the Non-GAAP Financial Measures included herein.

CARNIVAL CORPORATION & PLC  
CONSOLIDATED BALANCE SHEETS  
(UNAUDITED)  
(in millions, except par values)

November 30,

	2015	2014		
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents		\$ 1,395	\$ 331	
Trade and other receivables, net		303	332	
Insurance recoverables		109	154	
Inventories	330	349		
Prepaid expenses and other		314	322	
Total current assets	2,451	1,488		
Property and Equipment, Net		31,888	32,819	
Goodwill	3,010	3,127		
Other Intangibles	1,238	1,270		
Other Assets	650	744		
	\$ 39,237	\$ 39,448		

#### LIABILITIES AND SHAREHOLDERS' EQUITY

<b>Current Liabilities</b>				
Short-term borrowings		\$ 30	\$ 666	
Current portion of long-term debt		1,344	1,059	
Accounts payable	627	626		
Accrued liabilities and other	1,683	1,538		
Customer deposits	3,272	3,032		
Total current liabilities	6,956	6,921		
Long-Term Debt	7,413	7,363		
Other Long-Term Liabilities	1,097	960		
<b>Shareholders' Equity</b>				
Common stock of Carnival Corporation, \$0.01 par value; 1,960 shares authorized; 653 shares at 2015 and 652 shares at 2014 issued	7	7		
Ordinary shares of Carnival plc, \$1.66 par value; 216 shares at 2015 and 2014 issued	358	358		
Additional paid-in capital	8,562	8,384		
Retained earnings	20,060	19,158		
Accumulated other comprehensive loss	(1,741)	(616)		
Treasury stock, 70 shares at 2015 and 59 shares at 2014 of Carnival Corporation and 27 shares at 2015 and 32 shares at 2014 of Carnival plc, at cost	(3,475)	(3,087)		
Total shareholders' equity	23,771	24,204		
	\$ 39,237	\$ 39,448		

#### CARNIVAL CORPORATION & PLC OTHER INFORMATION

Three Months Ended		Twelve Months Ended	
November 30,		November 30,	
2015	2014	2015	2014

#### STATISTICAL INFORMATION

ALBDs (in thousands) (a)	19,622	19,170	77,307	76,000
Occupancy percentage (b)	102.5%	101.9%	104.8%	104.1%
Passengers carried (in thousands)	2,699	2,623	10,837	10,566
Fuel consumption in metric tons (in thousands)	802	794	3,181	3,194
Fuel consumption in metric				

tons per ALBD	0.041	0.041	0.041	0.042
Fuel cost per metric ton consumed	\$ 316	\$ 584	\$ 393	\$ 636
Currencies				
U.S. dollar to Euro	\$ 1.11	\$ 1.27	\$ 1.12	\$ 1.34
U.S. dollar to Sterling	\$ 1.53	\$ 1.60	\$ 1.54	\$ 1.66
U.S. dollar to Australian dollar	\$ 0.71	\$ 0.88	\$ 0.76	\$ 0.91
U.S. dollar to Canadian dollar	\$ 0.75	\$ 0.89	\$ 0.79	\$ 0.91

#### CASH FLOW INFORMATION

Cash from operations	\$ 978	\$ 637	\$ 4,545	\$ 3,430
Capital expenditures	\$ 590	\$ 906	\$ 2,294	\$ 2,583
Dividends paid	\$ 232	\$ 194	\$ 816	\$ 776

#### Notes to Statistical Information

- (a) ALBD is a standard measure of passenger capacity for the period that we use to approximate rate and capacity variances, based on consistently applied formulas that we use to perform analyses to determine the main non-capacity driven factors that cause our cruise revenues and expenses to vary. ALBDs assume that each cabin we offer for sale accommodates two passengers and is computed by multiplying passenger capacity by revenue-producing ship operating days in the period.
- (b) In accordance with cruise industry practice, occupancy is calculated using a denominator of ALBDs, which assumes two passengers per cabin even though some cabins can accommodate three or more passengers. Percentages in excess of 100% indicate that on average more than two passengers occupied some cabins.

#### CARNIVAL CORPORATION & PLC NON-GAAP FINANCIAL MEASURES

Consolidated gross and net revenue yields were computed by dividing the gross and net cruise revenues by ALBDs as follows (dollars in millions, except yields) (a) (b):

	Three Months Ended November 30,			Twelve Months Ended November 30,		
	2015	2015 Constant Dollar	2014	2015	2015 Constant Dollar	2014
Passenger ticket revenues	\$ 2,709	\$ 2,838	\$ 2,745	\$ 11,601	\$ 12,316	\$ 11,889
Onboard and other revenues	969	1,001	941	3,887	4,052	3,780
Gross cruise revenues	3,678	3,839	3,686	15,488	16,368	15,669
Less cruise costs						
Commissions, transportation and other	(490)	(516)	(520)	(2,161)	(2,324)	(2,299)
Onboard and other	(131)	(136)	(127)	(526)	(549)	(519)
	(621)	(652)	(647)	(2,687)	(2,873)	(2,818)

Net passenger

ticket revenues	2,219	2,322	2,225	9,440	9,992	9,590
Net onboard and other revenues	838	865	814	3,361	3,503	3,261
<hr/>						
Net cruise revenues	\$ 3,057	\$ 3,187	\$ 3,039	\$ 12,801	\$ 13,495	\$ 12,851
ALBDs	19,621,729	19,621,729	19,170,347	77,307,323	77,307,323	75,999,952
Gross revenue yields	\$ 187.46	\$ 195.65	\$ 192.29	\$ 200.34	\$ 211.73	\$ 206.17
% (decrease) increase vs. 2014	(2.5)%	1.7%	(2.8)%	2.7%		
Net revenue yields	\$ 155.80	\$ 162.44	\$ 158.53	\$ 165.58	\$ 174.57	\$ 169.09
% (decrease) increase vs. 2014	(1.7)%	2.5%	(2.1)%	3.2%		
Net passenger ticket revenue yields	\$ 113.09	\$ 118.34	\$ 116.07	\$ 122.11	\$ 129.25	\$ 126.18
% (decrease) increase vs. 2014	(2.6)%	2.0%	(3.2)%	2.4%		
Net onboard and other revenue yields	\$ 42.70	\$ 44.11	\$ 42.46	\$ 43.48	\$ 45.32	\$ 42.90
% increase vs. 2014	0.6%	3.9%	1.3%	5.6%		

	Three Months Ended November 30, 2015 Constant Currency		Twelve Months Ended November 30, 2015 Constant Currency	
	2014		2014	
<hr/>				
Net passenger ticket revenues	\$ 2,366	\$ 2,225	\$ 10,123	\$ 9,590
Net onboard and other revenues	872	814	3,513	3,261
<hr/>				
Net cruise revenues	\$ 3,238	\$ 3,039	\$ 13,636	\$ 12,851

18 Dec 2015 09:15 ET Press Release: Carnival Corporation & plc Reports -4-

ALBDs	19,621,729	19,170,347	77,307,323	75,999,952
Net revenue yields	\$ 165.00	\$ 158.53	\$ 176.39	\$ 169.09
% increase vs. 2014	4.1%		4.3%	
Net passenger ticket revenue yields	\$ 120.59	\$ 116.07	\$ 130.94	\$ 126.18
% increase vs. 2014	3.9%		3.8%	

Net onboard and

other revenue					
yields	\$	44.41	\$	42.46	\$ 45.45 \$ 42.90
% increase vs.					
2014		4.6%		5.9%	

(See Notes to Non-GAAP Financial Measures.)

CARNIVAL CORPORATION & PLC  
NON-GAAP FINANCIAL MEASURES (CONTINUED)

Consolidated gross and net cruise costs and net cruise costs excluding fuel per ALBD were computed by dividing the gross and net cruise costs and net cruise costs excluding fuel by ALBDs as follows (dollars in millions, except

costs per ALBD) (a) (b):

	Three Months Ended November 30, 2015 Constant Dollar			Twelve Months Ended November 30, 2015 Constant Dollar		
	2015	2014		2015	2014	
Cruise operating expenses	\$ 2,192	\$ 2,280	\$ 2,468	\$ 9,292	\$ 9,767	\$ 10,261
Cruise selling and administrative expenses	561	584	545	2,058	2,168	2,046
Gross cruise costs	2,753	2,864	3,013	11,350	11,935	12,307
Less cruise costs included above						
Commissions, transportation and other	(490)	(516)	(520)	(2,161)	(2,324)	(2,299)
Onboard and other	(131)	(136)	(127)	(526)	(549)	(519)
Restructuring expenses	(4)	(5)	(18)	(30)	(18)	
Gains (losses) on ship sales and ship impairment, net	2	(17)	8	8	(2)	
Net cruise costs	2,130	2,209	2,331	8,646	9,040	9,469
Less fuel	(253)	(253)	(464)	(1,249)	(1,249)	(2,033)
Net cruise costs excluding fuel	\$ 1,877	\$ 1,956	\$ 1,867	\$ 7,397	\$ 7,791	\$ 7,436
ALBDs	19,621,729	19,621,729	19,170,347	77,307,323	77,307,323	75,999,952
Gross cruise costs per ALBD	\$ 140.30	\$ 145.95	\$ 157.18	\$ 146.81	\$ 154.39	\$ 161.93
% decrease vs. 2014	(10.7)%	(7.1)%	(9.3)%	(4.7)%		
Net cruise costs per ALBD	\$ 108.53	\$ 112.61	\$ 121.61	\$ 111.83	\$ 116.94	\$ 124.59
% decrease vs. 2014	(10.8)%	(7.4)%	(10.2)%	(6.1)%		
Net cruise costs excluding fuel per ALBD	\$ 95.62	\$ 99.70	\$ 97.41	\$ 95.68	\$ 100.78	\$ 97.84
% (decrease) increase vs. 2014	(1.8)%	2.4%	(2.2)%	3.0%		

Three Months Ended

Twelve Months Ended

	November 30, 2015 Constant Currency		2014		November 30, 2015 Constant Currency		2014	
Net cruise costs excluding fuel	\$	1,972	\$	1,867	\$	7,828	\$	7,436
ALBDs		19,621,729		19,170,347		77,307,323		75,999,952
Net cruise costs excluding fuel per ALBD	\$	100.49	\$	97.41	\$	101.26	\$	97.84
% increase vs. 2014		3.2%				3.5%		

(See next page for Notes to Non-GAAP Financial Measures.)

CARNIVAL CORPORATION & PLC  
NON-GAAP FINANCIAL MEASURES (CONTINUED)

Adjusted fully diluted earnings per share was computed as follows (in millions, except per share data) (b):

	Three Months Ended November 30, 2015		2014		Twelve Months Ended November 30, 2015		2014	
Net income (loss)								
U.S. GAAP net income (loss)	\$	270	\$	(104)	\$	1,757	\$	1,216
Restructuring expenses (c)	4	18		25		18		
(Gains) losses on ship sales and ship impairment, net (c)	(2)	17		(8)		2		
Unrealized losses on fuel derivatives (d)	117	277		332		268		
Adjusted net income	\$	389	\$	208	\$	2,106	\$	1,504
Weighted-average shares outstanding (e)	777	776		779		778		
Earnings (loss) per share								
U.S. GAAP earnings (loss) per share	\$	0.35	\$	(0.13)	\$	2.26	\$	1.56
Restructuring expenses (c)	-	0.02		0.03		0.02		
Losses (gains) on ship sales and ship impairment, net (c)	-	0.02		(0.01)		-		
Unrealized losses on fuel derivatives (d)	0.15	0.36		0.42		0.35		
Adjusted earnings per share	\$	0.50	\$	0.27	\$	2.70	\$	1.93

## Notes to Non-GAAP Financial Measures

- (a) We use net cruise revenues per ALBD ("net revenue yields"), net cruise costs per ALBD and net cruise costs excluding fuel per ALBD as significant non-GAAP financial measures of our cruise segments' financial performance. These measures enable us to separate the impact of predictable capacity changes from the more unpredictable rate changes that affect our business; gains and losses on ship sales and ship impairments, net; and restructuring expenses that are not part of our core operating business. We believe these non-GAAP measures provide useful information to investors and expanded insight to measure our revenue and cost performance as a supplement to our U.S. GAAP consolidated financial statements.

Net revenue yields are commonly used in the cruise industry to measure a company's cruise segment revenue performance and for revenue management purposes. We use "net cruise revenues" rather than "gross cruise revenues" to calculate net revenue yields. We believe that net cruise revenues is a more meaningful measure in determining revenue yield than gross cruise revenues because it reflects the cruise revenues earned net of our most significant variable costs, which are travel agent commissions, cost of air and other transportation, certain other costs that are directly associated with onboard and other revenues and credit and debit card fees. Substantially all of our remaining cruise costs are largely fixed, except for the impact of changing prices and food expenses, once our ship capacity levels have been determined.

Net passenger ticket revenues reflect gross passenger ticket revenues, net of commissions, transportation and other costs. Net onboard and other revenues reflect gross onboard and other revenues, net of onboard and other cruise costs. Net passenger ticket revenue yields and net onboard and other revenue yields are computed by dividing net passenger ticket revenues and net onboard and other revenues by ALBDs.

Net cruise costs per ALBD and net cruise costs excluding fuel per ALBD are the most significant measures we use to monitor our ability to control our cruise segments' costs rather than gross cruise costs per ALBD. We exclude the same variable costs that are included in the calculation of net cruise revenues to calculate net cruise costs with and without fuel to avoid duplicating these variable costs in our non-GAAP financial measures. In addition, we exclude gains and losses on ship sales and ship impairments, net and restructuring expenses from our calculation of net cruise costs with and without fuel as they are not considered part of our core operating business.

18 Dec 2015 09:15 ET Press Release: Carnival Corporation & plc Reports -5-

As a result of our revision of 2014 cruise ship operating expenses, our previously reported results changed as follows (in millions, except per ALBD data):

	Three Months Ended November 30, 2014		Twelve Months Ended November 30, 2014	
	As Previously Reported	As Revised	As Previously Reported	As Revised
Gross cruise costs per				
ALBD	\$157.12	\$157.18	\$161.69	\$161.93
Net cruise costs per				
ALBD	\$121.55	\$121.61	\$124.35	\$124.59
Net cruise costs				

excluding fuel per				
ALBD	\$97.35	\$97.41	\$97.60	\$97.84
U.S. GAAP net (loss)				
income	\$(102)	\$(104)	\$1,236	\$1,216
Adjusted net income	\$210	\$208	\$1,524	\$1,504

CARNIVAL CORPORATION & PLC  
NON-GAAP FINANCIAL MEASURES (CONTINUED)

We have not provided estimates of future gross revenue yields or future gross cruise costs per ALBD because it would be too difficult to prepare a reliable U.S. GAAP quantitative reconciliations of forecasted gross cruise revenues to forecasted net cruise revenues or forecasted gross cruise costs to forecasted net cruise costs without unreasonable efforts. As such, management has not provided this reconciling information.

In addition, our Europe, Australia & Asia ("EAA") cruise brands utilize the euro, sterling and Australian dollar as their functional currency, the monetary unit of the primary economic environment in which they operate, to measure their results and financial condition. This subjects us to foreign currency translational risk. All of our North American ("NA") and EAA cruise brands also have revenues and expenses that are in a currency other than their functional currency. This subjects us to foreign currency transactional risk.

We report non-GAAP financial measures on a "constant dollar" and "constant currency" basis assuming the 2015 periods' currency exchange rates have remained constant with the 2014 periods' rates. These metrics facilitate a comparative view for the changes in our business in an environment with fluctuating exchange rates.

Constant dollar reporting is a Non-GAAP financial measure that removes only the impact of changes in exchange rates on the translation of our EAA brands.

Constant currency reporting is a Non-GAAP financial measure that removes the impact of changes in exchange rates on the translation of our EAA brands (as in constant dollar) plus the transactional impact of changes in exchange rates from revenues and expenses that are denominated in a currency other than the functional currency for both our NA and EAA brands.

Examples:

The translation of our EAA brand operations to our U.S. dollar reporting currency results in decreases in reported U.S. dollar revenues and expenses if the U.S. dollar strengthens against these foreign currencies and increases in reported U.S. dollar revenues and expenses if the U.S. dollar weakens against these foreign currencies. Our NA brands have a U.S. dollar functional currency but also have revenue and expense transactions in currencies other than the U.S. dollar. If the U.S. dollar strengthens against these other currencies it reduces the U.S. dollar revenues and expenses. If the U.S. dollar weakens against these other currencies it increases the U.S. dollar revenues and expenses. Our EAA brands have a euro, sterling and Australian dollar functional currency but also have revenue and expense transactions in currencies other than their functional currency. If their functional currency strengthens against these other currencies it reduces the functional currency revenues and expenses. If the functional currency weakens against these other currencies it increases the functional currency revenues and expenses.

Our foreign currency transactional impact is more significant to our 2015 results compared to 2014 given the continuing expansion of our global business and the heightened volatility in foreign currency exchange rates. This differed from previous years when our constant dollar reporting removed substantially all of the impact of changes in currency exchange rates between periods. Accordingly, we also reported on a constant currency basis beginning in 2015.

- (b) Our consolidated financial statements are prepared in accordance with U.S. GAAP. The presentation of our non-GAAP financial information is not intended to be considered in isolation from, as substitute for, or superior to the financial information prepared in accordance with U.S. GAAP. There are no specific rules for determining our non-GAAP as reported, constant dollar and constant currency financial measures and, accordingly, they are susceptible to varying calculations, and it is possible that they may not be exactly comparable to the like-kind information presented by other companies, which is a potential risk associated with using these measures to compare us to other companies.
- (c) We believe that the gains on ship sales and ship impairment, net and restructuring expenses recognized in the three and twelve months ended November 30, 2015 and 2014 are not part of our core operating business and, therefore, are not an indication of our future earnings performance. As such, we believe it is more meaningful for gains on ship sales and ship impairment, net and restructuring expenses to be excluded from our net income and earnings per share and, accordingly, we present adjusted net income and adjusted earnings per share excluding these items.
- (d) Under U.S. GAAP, the realized and unrealized gains and losses on fuel derivatives not qualifying as fuel hedges are recognized currently in earnings. We believe that unrealized gains and losses on fuel derivatives are not an indication of our earnings performance since they relate to future periods and may not ultimately be realized in our future earnings. Therefore, we believe it is more meaningful for the unrealized gains and losses on fuel derivatives to be excluded from our net income and earnings per share and, accordingly, we present adjusted net income and adjusted earnings per share excluding these unrealized gains and losses.
- (e) For the three months ended November 30, 2014, adjusted diluted weighted-average shares outstanding were 778 million, which includes the dilutive effect of equity plans.

We have excluded from our earnings guidance the impact of unrealized gains and losses on fuel derivatives because we do not believe they are an indication of our future earnings performance. Accordingly, our earnings guidance is presented on an adjusted basis only. As a result, management has not provided a reconciliation between forecasted adjusted earnings per share guidance and forecasted U.S. GAAP earnings per share guidance because it would be too difficult to prepare a reliable U.S. GAAP quantitative reconciliation without unreasonable effort. However, we do forecast realized gains and losses on fuel derivatives by applying current Brent prices to the derivatives that settle in the forecast period.

To view the original version on PR Newswire, visit:

<http://www.prnewswire.com/news-releases/carnival-corporation-plc-reports-a-40-percent-increase-in-full-year-earnings-300195075.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

18 Dec 2015 09:15 ET \*Carnival Sees 1Q Adj EPS 28c-Adj EPS 32c >CCL.LN

18 Dec 2015 09:15 ET \*Carnival Sees FY16 Adj EPS \$3.10-Adj EPS \$3.40 >CCL.LN

18 Dec 2015 09:16 ET \*Carnival 4Q Adj EPS 50c >CCL

18 Dec 2015 09:16 ET \*Carnival 4Q Constant-Dollar Net Rev Yields Up 4.1% >CCL

18 Dec 2015 09:17 ET \*Carnival 4Q Fuel Prices Fell 46% >CCL

18 Dec 2015 09:17 ET \*Carnival 4Q EPS Cut 8c By Forex >CCL

18 Dec 2015 09:18 ET \*Carnival: Cumulative Advance Bookings For 1st Three Qtrs Of FY16 Well Ahead of Year-Ago

18 Dec 2015 09:18 ET \*Carnival: Have Begun To Sell At Higher Prices Than Last Year >CCL

18 Dec 2015 09:19 ET \*Carnival Sees FY16 Constant-Currency Net Rev Yields Up About 3% >CCL

18 Dec 2015 09:20 ET \*Carnival Sees 1Q Constant-Currency Net Rev Yields Up 3.5%-4.5% >CCL

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December 18, 2015 09:20 ET (14:20 GMT)

文件 DJDN000020151218ebci001tx

# DOW JONES NEWSWIRES

Nordic Stocks Seen Opening Lower -- Market Talk

177 字

2015 年 12 月 18 日 07:53

Dow Jones Institutional News

DJDN

英文

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0753 GMT Nordic markets are seen opening lower Friday, with IG calling the OMXS30 down 0.9% at around 1425. "Risk sentiment declined last night as the relief rally following the Fed rate hike faded and concerns about the continued downward pressure on the oil price and growth outlook weighted on risk appetite," says Danske Bank. "U.S. equity markets traded lower, with the **S&P500** index closing 1.5% lower and Asian equity markets also trade lower this morning, while Brent Crude oil trades just above the \$37/barrel mark." Following a very intense few days, it's a relatively quiet day in terms of data releases, Danske adds, with just U.S. services PMI and a speech from the Fed's Lacker expected. OMXS30 closed at 1438.32, OMXN40 at 1535.03 and OBX at 534.87. (dominic.chopping@wsj.com)

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markettalk@wsj.com

(END) Dow Jones Newswires

December 18, 2015 02:53 ET (07:53 GMT)

文件 DJDN000020151218ebci000j5

# DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

984 字

2015 年 12 月 18 日 15:45

Dow Jones Institutional News

DJDN

英文

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

1545 GMT After three days of growth, Russia's ruble-traded Micex index drops 3% to 1727.21. Lower oil prices play to the downside for the Russian assets. "Russian market players start to realize that current oil levels will be here longer than expected," says Saint Petersburg bank. Friday's usual desire not to carry risks over the weekend also weighs. The dollar-traded RTS ends 2.9% lower at 768.81. Major blue-chips also suffer. Sberbank falls 4.2%, VTB sheds 2.8%, Gazprom drops 3.6% and Lukoil falls 3.5%.  
(andrey.ostroukh@wsj.com)

Contact us in London. +44-20-7842-9464

markettalk@wsj.com

1529 GMT The U.K.'s FTSE 100 trades 0.7% lower at 6058.92, ending the week on a negative note. "Investors appear to be enduring the equivalent of a post Fed hangover, as continued weakness in oil prices, as well as concerns about the Chinese economy have served to pull markets off their highs," says Michael Hewson at CMC Markets. ARM Holdings drops 1.9% on concerns about declining phone sales at Apple, which ARM supplies with chipsets. On the flip side, Anglo American climbs 5.8%, after hefty selling, as the price of gold climbs 1.7%. Next week should see limited volumes as Christmas approaches, but Wednesday sees the release of the final U.K. 3Q GDP growth number. (peter.nurse@wsj.com)

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1419 GMT The U.K.'s FTSE 100 trades 0.3% lower at 6085.58 Friday. Retailers continue to weigh, with Marks & Spencer (down 1.5%), Next (down 1.5%) and Dixons Carphone (losing 1.1%) all performing poorly. Travel companies also limp towards the weekend: easyJet drops 1.4%, British Airways-parent IAG is down 1.2%, and TUI slips 1%. It's also a bad day for telecoms, as BT falls 1.6% and Sky is down 1.5%. At the other end, miners rally: Anglo American reaps the benefits of a boost for gold and rises 6.2%. BHP Billiton, Rio Tinto, Antofagasta, and Glencore all gain between 1% and 2%. (david.hodari@wsj.com)

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0959 GMT Panmure Gordon raises its target price on Midatech Pharma to 476p from 417p, saying that Friday's acquisition of oncology product Zuplenz "reflects the wider Midatech engine gaining momentum." The broker repeats its buy recommendation. Shares are flat at 202.5p. (jana.simmons@wsj.com)

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0953 GMT Jefferies lowers its target price on N Brown to 415p from 430p, saying another mild end to the year has created challenging retail conditions through to the start of December. The broker says it continues to expect a resumption of earnings growth in fiscal 2017 and maintains its buy rating. Shares drop 2.2% to 296.5p. (jana.simmons@wsj.com)

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0816 GMT The U.K.'s FTSE 100 trades 0.2% lower Friday, at 6094.67, as it corrects from this week's strong gains. Miners are among the handful of companies which rise, with Anglo American (up 1.3% up), Fresnillo (0.7% higher), and BHP Billiton (up 0.9%) all gaining. Travel companies are hardest hit, with Carnival down 2.4%, InterContinental Hotels Group down 0.9%, and TUI down 1.1%. Retailers suffer, after many clothes retailers have reported weak November sales thanks to mild weather. Next drops 1.2%, Marks and Spencer loses 1.4% and Burberry sinks 1%. (david.hodari@wsj.com)

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0752 GMT Germany's DAX is set to fall 0.7% to 10,659 at the open, according to Lang & Schwarz. Traders say euphoria about the U.S. interest rate rise is dissipating and concerns about falling commodity prices are creeping back to center stage. Investors are also likely to be hesitant since DAX futures and options expire during the day, they add. RWE is in focus after U.K. unit npower is fined by regulators due to failings in billing and complaint procedures. Investors also to watch for EU leaders' remarks emerging from a summit in Brussels that winds up later in the day. (nikki.houston@wsj.com, thomas.leppert@wsj.com)

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December 18, 2015 10:45 ET (15:45 GMT)

文件 DJDN000020151218ebci0027r

# DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

459 字

2015 年 12 月 18 日 08:16

Dow Jones Institutional News

DJDN

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Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk,  
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December 18, 2015 03:16 ET (08:16 GMT)

文件 DJDN000020151218ebci000s3

## MARKET WEEK

Stocks --- The Trader: Stocks Drop 3.8% in Overture to Fed Meeting

By Avi Salzman

1,578 字

2015 年 12 月 14 日

Barron's

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Last week oil prices plunged, the high-yield bond market unraveled, and stocks registered their worst performance in four months. All of it felt like a prelude to Wednesday, when the Federal Reserve is almost certainly going to raise interest rates for the first time in nine years.

"The withdrawal of Fed policy creates these hissy fits," said Peter Boockvar, the chief market analyst at The Lindsey Group. "It's pretty clear everyone expects it to happen, and the decision comes with so much baggage."

The Dow Jones Industrial Average fell 582 points, or 3.3%, last week to 17,265.21, while the Standard & Poor's 500 index dropped 79 points, or 3.8%, to 2012.37. It was the S&P's steepest drop since August, and left the index in negative territory for the year, down 2.3%. The Nasdaq Composite fell 4.1% to 4933.47.

Just one Dow stock ended the week in the black -- DuPont (DD) rose 4% on news that it will merge with Dow Chemical (DOW) to create a \$130 billion giant that will eventually split into three companies. The merger could result in DuPont being taken out of the Dow index.

A sharp decline in oil prices helped precipitate the slump. On Friday, the International Energy Agency forecast that supply would stay high and demand would stay low into next year. Crude futures fell \$4.35, or 10.9%, to \$35.62 per barrel. Oil stocks fell hard, with ExxonMobil (XOM) off nearly 6%. Smaller energy companies plunged even further, with Chesapeake Energy (CHK) dropping 9% on Friday alone.

The drop in crude also accelerated a selloff Friday in junk bonds, many of which had been issued by energy companies. Two prominent exchange-traded funds that track high-yield bonds fell 2% each.

Investors are so spooked that they are stockpiling greenbacks. In the past week, money-market funds saw \$13 billion in inflows, versus \$6 billion in outflows from both bonds and equities, according to a Bank of America Merrill Lynch report issued Thursday. Junk bonds saw their largest outflows in 15 weeks, at \$3.8 billion.

"The cost of capital is going up for corporate America," Boockvar said. "Investors are realizing that credit is tightening, monetary policy is tightening, earnings have been weak. It's all coming together."

This is the stage onto which Janet Yellen will walk next week. Despite the Fed's foreshadowing of a rate increase in recent weeks, it still feels momentous, and much hangs in the balance.

### Men's Wearhouse Suits Up

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<b>S&amp;P500</b>	2012.37	-79.32	-3.79
S&PMidCap	1389.16	-59.92	-4.14
S&PSmallCap	666.08	-34.25	-4.89
Nasdaq	4933.47	-208.81	-4.06
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Last Week    Week Earlier

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Dollar		
(Finexspotindex)	97.62	98.25
T-Bond		
(CBTnearbyfutures)	157-070	153-250
Crude Oil		
(NYMlightsweetcrude)	35.62	39.97
Inflation KR-CRB		
(FuturesPriceIndex)	174.86	183.24
Gold		
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## DOW JONES NEWSWIRES

Boeing Jumps on Buyback Boost, Dividend Hike -- Barron's Blog

By Ben Levisohn

216 字

2015 年 12 月 14 日 22:57

Dow Jones Institutional News

DJDN

英文

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Shares of Boeing (BA) has gained more than 1% after the aerospace giant announced that it would buy back more shares and raised its dividend. Wells Fargo's Sam Pearlstein explains:

After the December 14th close, Boeing announced a 19.8% dividend increase and a \$14B share buyback authorization that replaces the prior authorization-this means essentially about \$9B was added to the authorization. We believe the dividend growth was higher than expectations (Bloomberg forecast: \$1.02, or +12%) and increases Boeing's yield above the **S&P500** (3.00% vs. 2.17%). Based on the remaining authorization on the current buyback, Boeing bought about \$750M worth of stock in Q4. Given our \$8.4B free cash flow estimate for 2016, the new dividend rate plus \$5B in buybacks would equate to 90-95% of free cash flow. High cash return to shareholders should drive the stock appreciation.

Shares of Boeing have gained 1.2% to \$144.75 at 5:47 p.m. in after-hours trading. It fell 1.2% during normal trading hours today.

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

December 14, 2015 17:57 ET (22:57 GMT)

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 [Boeing Jumps on Buyback Boost, Dividend Hike](#)

Barron's Blogs, 2015 年 12 月 14 日 22:57, 191 字, By Ben Levisohn, (英文)

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## DOW JONES NEWSWIRES

The Trader: Stocks Drop 3.8% In Overture To Fed Meeting -- Barron's

1,595 字

2015 年 12 月 12 日 05:09

Dow Jones Institutional News

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(FROM BARRON'S 12/14/15)

By Avi Salzman

Last week oil prices plunged, the high-yield bond market unraveled, and stocks registered their worst performance in four months. All of it felt like a prelude to Wednesday, when the Federal Reserve is almost certainly going to raise interest rates for the first time in nine years.

"The withdrawal of Fed policy creates these hissy fits," said Peter Boockvar, the chief market analyst at The Lindsey Group. "It's pretty clear everyone expects it to happen, and the decision comes with so much baggage."

The Dow Jones Industrial Average fell 582 points, or 3.3%, last week to 17,265.21, while the Standard & Poor's 500 index dropped 79 points, or 3.8%, to 2012.37. It was the S&P's steepest drop since August, and left the index in negative territory for the year, down 2.3%. The Nasdaq Composite fell 4.1% to 4933.47.

Just one Dow stock ended the week in the black -- DuPont (DD) rose 4% on news that it will merge with Dow Chemical (DOW) to create a \$130 billion giant that will eventually split into three companies. The merger could result in DuPont being taken out of the Dow index.

A sharp decline in oil prices helped precipitate the slump. On Friday, the International Energy Agency forecast that supply would stay high and demand would stay low into next year. Crude futures fell \$4.35, or 10.9%, to \$35.62 per barrel. Oil stocks fell hard, with ExxonMobil (XOM) off nearly 6%. Smaller energy companies plunged even further, with Chesapeake Energy (CHK) dropping 9% on Friday alone.

The drop in crude also accelerated a selloff Friday in junk bonds, many of which had been issued by energy companies. Two prominent exchange-traded funds that track high-yield bonds fell 2% each.

Investors are so spooked that they are stockpiling greenbacks. In the past week, money-market funds saw \$13 billion in inflows, versus \$6 billion in outflows from both bonds and equities, according to a Bank of America Merrill Lynch report issued Thursday. Junk bonds saw their largest outflows in 15 weeks, at \$3.8 billion.

"The cost of capital is going up for corporate America," Boockvar said. "Investors are realizing that credit is tightening, monetary policy is tightening, earnings have been weak. It's all coming together."

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December 12, 2015 00:09 ET (05:09 GMT)

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# DOW JONES NEWSWIRES

Press Release: Engine Capital Delivers Letter to CST Brands Board of Directors

4,509 字

2015 年 12 月 9 日 12:00

Dow Jones Institutional News

DJDN

英文

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Engine Capital Delivers Letter to CST Brands Board of Directors

Believes CST Brands is Significantly Undervalued and That There are Opportunities Within the Board's Control to Increase Shareholder Value

Expresses Concerns Regarding CST Brands' Poor Stock Performance Since Spinoff from Valero Energy

Urges the Board to Either Immediately Make the Necessary Changes to Improve CST Brands' Operations or Evaluate All Strategic Alternatives to Maximize Shareholder Value

PR Newswire

NEW YORK, Dec. 9, 2015

NEW YORK, Dec. 9, 2015 /PRNewswire/ -- Engine Capital LP (together with its affiliates, "Engine"), a shareholder of CST Brands, Inc. ("CST" or the "Company") (NYSE: CST), with ownership of approximately 1% of the outstanding shares of the Company, today announced that it has delivered a letter to the Company's Board of Directors.

The full text of Engine's letter follows:

December 9, 2015

Members of the Board of Directors

CST Brands, Inc.

One Valero Way

Building D, Suite 200

San Antonio, TX 78249

Dear Board Members:

Engine Capital LP, together with its affiliates ("Engine"), owns approximately 1% of the outstanding shares of CST Brands, Inc. ("CST" or the "Company"). CST represents a significant investment for Engine. We invested in CST because we believe the Company is deeply undervalued and that there exist opportunities readily within the control of the Board of Directors (the "Board") to substantially increase shareholder value. Over the last few months, we have shared with you a number of concerns and suggestions around the poor stock performance of CST since its spinoff from Valero Energy Corporation ("Valero"), the significant operational underperformance of the Company, executive compensation, capital allocation, real estate monetization, corporate governance matters, investor communication and board composition. We had hoped, following our discussions, to work cooperatively to increase value for all shareholders. Unfortunately, given the lack of progress to date together with the importance to act with urgency, as described in more detail below, we have little choice but to share our thoughts publicly at this time.

CST has a collection of valuable assets, including (i) a large portfolio of retail stores in the U.S. in populous, growing areas such as Texas, Colorado and California, (ii) a large retail presence in Ontario and Quebec, (iii) a very significant portfolio of real estate holdings, and (iv) an attractive legal and capital structure with a "sponsored MLP" relationship. The public market is not currently ascribing appropriate value for these substantial assets. CST trades at a significant discount to its public peers with Alimentation Couche-Tard ("Couche-Tard") and Casey's General Stores, Inc. ("Casey's")(1) trading at approximately 13x and 10x EBITDA, respectively versus approximately 8x for CST. CST also trades at a significant discount to what it would fetch in a sale given the scarcity value of this at-scale asset, the consolidating nature of the industry

and the recent transaction multiples. Based on recent M&A transactions, we estimate that CST would sell for between \$50 and \$55 per share, implying a premium of around 43% to the current stock price (assuming the midpoint of our valuation range).

Fundamentally, CST is in a strategic quandary. The Board and senior management view the Company as one of the industry consolidators, yet is unable to articulate how it improves operations at its target companies. A consolidation strategy works when the consolidators are the best operators and bring the most value to their targets. As we describe below, CST has consistently lagged the better operators on the key relevant metrics. In CST's case, it is the targets that tend to have the best-of-breed merchandising practices that CST is trying to acquire<sup>(2)</sup>. In this consolidation phase, CST competes with entities such as Speedway (a division of Marathon Petroleum Corporation), Sunoco LP and Couche-Tard. These three companies are top-tier operators that significantly improve the operations of their targets and that can therefore afford to pay more than CST for their acquisitions. As an example, Speedway monitors and manages its business using a statistic called Light Product Breakeven which incorporates merchandising productivity and fuel volumes to determine the fuel breakeven pricing. Speedway's breakeven cents per gallon is below 3 cents compared to approximately 7 cents for CST<sup>(3)</sup>, indicating much better merchandising and operating productivity at Speedway. Additionally, the recent and dramatic decline in value of CAPL is further exacerbating this strategic issue. Without the CAPL currency, it has become even harder for CST to compete for assets against larger players with lower cost of equity. In other words, CST has a higher cost of capital than the three natural consolidators and is not as productive on the merchandising side. CST must quickly demonstrate it can increase its merchandising and operating productivity if it is to be one of the enduring consolidators in the industry.

The recent Flash Foods deal is a case in point. As part of the deal synergies, CST has communicated that it expects a \$4 million improvement in gross profit by year three, which equates to an approximately \$24 thousand benefit per acquired store. By comparison, in the recent purchases of Hess Retail (by Marathon Petroleum Corporation) and The Pantry (by Couche-Tard), the increase in anticipated gross profit dollars per store was approximately \$56 thousand and approximately \$39 thousand, respectively<sup>(4)</sup>. These better operators can squeeze more profits from their targets and can therefore afford to pay more, which make them the natural consolidators in this space. While it is difficult to evaluate the financial attractiveness of the Flash Foods acquisition because management has not shared any financial metrics of the target, our point is that CST must become a best-in-class operator if it wants to pursue a successful consolidation strategy given the competitiveness of the M&A market.

With this as relevant industry background, we believe that two avenues exist for senior management and the Board to significantly increase shareholder value. One option is for CST to remain a standalone public company, but make the necessary changes to aggressively improve the numerous aspects of its business operations that we highlight below. If management is able to execute on this, we believe CST can compound earnings attractively over the medium to long term given the industry tailwinds which include an expanding convenience store market and competitive advantages over smaller gasoline retail players. The other option is to promptly initiate a review of the Company's strategic alternatives and explore what buyers may be willing to pay for CST in the current robust M&A market. Engine would be supportive of the option that creates the most risk-adjusted value for CST shareholders.

It is imperative that the Board act with a sense of urgency given the stock performance<sup>(5)</sup> of CST versus its peers and the S&P 500 since the Company was spun off from Valero more than two years ago.

Total Shareholder Return	Since 5/1/13	Since 1/1/14
CST	24%	2%
Casey's	116%	74%
Couche-Tard	216%	138%
Average	166%	106%
<b>S&amp;P500</b>	32%	13%

In order to become a top tier operator, CST needs to immediately improve the following areas of its business:

#### A. Merchandising Operations

Based on our research, it appears that CST is substantially lagging its peers when it comes to providing compelling merchandise and foodservice offerings, as evidenced by the lagging merchandising same store sales ("SSS") and higher Light Product Breakeven of CST versus its peers(6) in both US and Canada.

US Same Store Sales Growth	2013	2014	1Q15	2Q15	3Q15	Cumulative
CST (U.S. Retail)	-0.7%	1.1%	3.0%	3.1%	3.8%	3.7%

Couche-Tard (U.S.)	2.8%	3.6%	5.2%	5.1%	5.2%	12.0%
Speedway	4.3%	5.0%	6.2%	4.6%	3.6%	14.8%
Susser / Stripes	3.0%	4.1%	3.9%	3.1%	4.7%	11.4%
Casey's (Grocery & Other)	5.7%	7.3%	9.7%	7.0%	7.5%	22.5%
Casey's (Prepared Foods)	9.8%	12.1%	13.5%	10.3%	9.4%	36.7%
Peer average				17.0%		

Canadian Same Store Sales Growth	2013	2014	1Q15	2Q15	3Q15	Cumulative
CST (Canadian Retail)	0.4%	-0.5%	4.8%	3.6%	4.1%	4.1%
Couch-Tard (Canada)	1.8%	2.9%	3.8%	2.3%	3.6%	8.1%

The same store sales figures above do not paint the full picture of underperformance because (1) most of CST's stores are located in states with above average population growth; and (2) the SSS for CST includes a mix shift towards larger New to Industry (NTI) stores.

This is particularly concerning given that the merchandise sales per store at CST is well below the sales of its industry peers(7) .

		Industry			
\$000s	CST	Hess	Sunoco	Average	Speedway
Merchandising sales per site per year (2014)	1,288	1,399	1,524	1,749	2,228

In other words, CST started from a very low basis but is still underperforming its peers when it comes to merchandise SSS since the spinoff from Valero in 2013. By comparison, Hess, another low merchandising volume network, is seeing significant improvement following Speedway's purchase.

9 Dec 2015 07:00 ET Press Release: Engine Capital Delivers Letter to -2-

Engine believes there is significant room to grow this portion of the business with more foodservice penetration (CST has one of the lowest foodservice penetration among its peers), better private label offerings, loyalty card offerings, and better merchandising and operations in general. This is about blocking and tackling every day. Speedway, for example, expects to significantly increase the merchandise sales at its recently purchased Hess locations by introducing its leading loyalty program which will drive in-store traffic and provide merchandising opportunities. On Marathon's latest earnings call, the company stated it has realized more than two times as many synergies as anticipated in the first year of the acquisition. Sunoco has also been aggressive with its foodservice offering with the rollout of the Laredo Taco foodservice brand.

During our recent discussion, senior management and Board members emphasized the recent improvement in SSS. While the performance has slightly improved (from a negative number to 3.8% during the last quarter), it is still lagging peers consistently and substantially. As shareholders in a company pursuing a consolidation strategy, we expect top quartile performance, not just improved performance.

## B. Capital Allocation

According to CST's 2020 plan, a large component of its growth strategy will come from the growth in NTI stores. While we agree with the strategic merit of growing new store openings and increasing the portion of gross profit that comes from merchandising, we are concerned by the unlevered return metrics of the organic growth program. Management has communicated a 15% return target once these new stores mature. While 15% sounds like an acceptable return target, that number is pre-tax and pre-maintenance capital expenditures. Adjusting for these two factors, we estimate the return on capital for these projects is around 10% on an unlevered basis, which is simply too low. Top-tier players target cash-on-cash returns in the mid-teens and include tax and necessary capital expenditures in their return definition. As an illustration, during its analyst day on December 3, 2015, Marathon Petroleum disclosed that its return on "new build"

locations is 18% after tax and after maintenance capital expenditures. Based on our discussion with management, we understand that very little work has been done to test alternative designs with lower capex requirements that may generate better returns. So while we support the growth strategy, we believe that the Board needs to raise the threshold returns for the NTI program and make sure that growth initiatives are as potent as possible.

When it comes to M&A, because of the dynamics that we have discussed above, we are concerned that CST may be overpaying for its targets. CST just paid \$425 million to buy Flash Foods without sharing any relevant metrics that would allow shareholders to assess the attractiveness of the acquisition. How can shareholders assess the performance of senior management with regard to its consolidation strategy if we are kept in the dark on the price paid for its acquisitions? In its own press release, CST highlights the competitiveness of the Flash Foods auction by quoting the seller Jimmy Jones, Chairman and CEO of Flash Foods as saying "We are happy to have selected CST Brands from a formidable group of potential buyers." Given that the top-tier players are significantly improving their targets' merchandising operations, they can afford to pay higher multiples (relative to other operators). As shareholders, we would like to independently assess whether spending around 15% of the Company's market capitalization to buy Flash Foods is a better use of capital than, say, repurchasing 15% of the Company's shares outstanding.

### C. Real Estate

As we have discussed with you over the last few months, we do not believe the market is properly valuing the significant real estate holdings of CST. Given the locations (Texas, Colorado and California, in particular) and the strength of CST as a tenant, Engine believes that the cap rate of the portfolio is between 6.5% and 7.0% and is valuing the real estate portfolio at around \$2 billion. Many sites may actually be sold at significantly lower cap rates in the 1031 market where we have seen transactions between 5.0% and 5.5%. We note the recent comments from senior management on the Q3 earnings call about looking at ways to maximize the value of CST's real estate(8). While this is something that should be considered and significant value may be unlocked through a thoughtful transaction (or series of transactions), we believe that this review may need to be broader as we discuss below. We hope that the Board is getting advice from a nationally-recognized top-tier investment bank as it considers this real estate review.

### D. Executive Compensation

We are concerned that the current compensation structure fails to align executive compensation with the most relevant metrics for shareholder performance. Over the last two years, the top five employees at CST have earned close to \$20 million (the CEO close to \$10 million) while the stock performance has continually lagged CST's peers and relevant indexes. The current compensation scheme also poorly aligns executive pay with long-term value creation. For example, management compensation is not tied to ROIC (return on invested capital). Given that the Company is trying to enlarge its footprint through new stores and M&A, ROIC is an important measure of management's ability to create value by investing shareholders' capital. Also, metrics should be per-share based as opposed to absolute since the goal is to increase intrinsic value per-share. For the long-term incentive compensation, we are concerned that too much weight is given to time-based shares where an executive can still receive substantial wealth even if there is poor performance and the stock price declines. In the table below, we suggest a new compensation structure for CST's senior management and compare it to the current structure.

	CST (Today)	Engine's recommendation for CST
Short-term incentive (STI) metrics	1. Net income - 50%	1. EPS - 40%
	2. Same store merchandise gross profit growth - 30%	2. ROIC - 40%
	3. New to industry builds - 10%	3. Same store merchandise gross profit growth - 20%
	4. Individual participation in the Corner Store Time Program - 10%	
STI form of payment	Cash	Mix of cash and equity to further align management with shareholders

Long-term incentive compensation	Stock options - 50%	Performance shares - 50%
	RSU - 50%	Stock options - 25%
		Time-based shares - 25%

#### E. Corporate Governance and Board Composition

We believe that CST should adhere to corporate governance best practices. In particular, we note that the Company maintains a classified Board and a combined position of Chairman and CEO. In light of this governance structure, we question whether there is proper accountability and oversight at the board level.

We further believe that the Board could be significantly strengthened through the addition of new directors with strong, relevant backgrounds. Given the Company's business and assets, Engine thinks it is important to add new Board members with merchandising, convenience store, real estate, marketing and/or capital allocation experience. This is particularly important at CST given the non-operational background of the CEO. Furthermore, the Board would be strengthened by having stronger independent shareholder representation.

#### F. Investor Communication

We have significant concerns about the way CST communicates with its stakeholders. Here are just a few recent examples that highlight the issues:

- The Company does not disclose adequate details regarding its return of capital on its NTIs. By comparison, Marathon Petroleum disclosed return metrics for remodels, new builds and rebuilds at its investor day presentation from December 3, 2015.
  - On November 4, 2015, the Company announced that it is reviewing strategic alternatives for its California network. In its earnings call, the Company proceeded to explain why this portfolio does not fit with the Company's strategy. We think that these comments may have reduced the strategic flexibility of the Company (because it is tougher to keep the assets after CST has highlighted how it doesn't fit with its strategy) and the potential price CST could garner in any sale process (by highlighting that CST wants to sell this assets for strategic reasons). Why make the strategic review announcement in the first place? Why go into further detail about why this asset does not fit with CST's strategy? Potential bidders may bid less knowing all this information and the Company has less leverage to walk away from a sale (or to threaten to walk away as a strategy to get better pricing) after making such announcements.
  - During the second quarter 2015 earnings call on August 7, 2015, the earnings growth at CAPL caught a lot of investors by surprise. Most communication to investors regarding CAPL stressed an earnings profile that was not tied to commodity pricing. That quarter CAPL wholesale
- 9 Dec 2015 07:00 ET Press Release: Engine Capital Delivers Letter to -3-

EBITDA grew \$2m year-over-year despite spending approximately \$250m in acquisitions and management had to finally recognize the impact of falling oil prices.

These are just some recent examples of poor disclosures and lack of strategic thinking when it comes to the way the Company communicates with its stakeholders.

#### Review of Strategic Alternatives

As an alternative to the standalone option, we believe the Company could also create significant value through a comprehensive review of its strategic alternatives. CST has already publicly announced that it is conducting a strategic review of its California assets and senior management has publicly commented that it is looking for ways to unlock the value of its real estate assets. Given that the California assets, as well as the real estate holdings, represent a significant component of the Company's entire value and these assets may have strategic value for potential acquirers of CST, the Board should not consider these transactions in a vacuum. It may be more prudent to engage in a price discovery process for the entire Company in parallel to

the other potential transactions that CST is currently considering. Therefore, the decision to monetize the real estate assets has broader implications that the Board needs to consider.

As we describe above, there are a number of steps that management and the Board can take to create value on a standalone basis. Yet there are significant execution risks. At the same time, a number of recent large M&A transactions in the space confirm the rapid pace of consolidation and imply a valuation for CST significantly higher than CST's current trading price.

Recent large transactions and their multiples include:(9)

		EBITDA
Purchaser	Target	Multiple
Marathon (Speedway)	Hess	16.4
ETP	Susser	10.7
Couche-Tard	The Pantry	7.8
Sunoco	Aloha	10.0
Average		11.2
CST trading multiple		8.3

Based on prior transactions, we believe a sale of CST today would take place at between 11x and 12x EBITDA which would imply a sale price of approximately \$50 to \$55 per share. Given the scarcity value of the asset, we believe there will be fierce competition and the high end of the range is the most likely outcome. A sale price of \$52.5 per share (at the midpoint of our valuation range) would imply a premium of approximately 43% based on an unaffected stock price of \$36.82(10) per share. Factoring in the time value of money and execution risk, in order to try to justify not selling the Company now, by our calculation, the Board would have to be confident that the Company's stock would reach \$74 per share within 3 years (at a 12% discount rate and assuming a \$52.50 per share transaction).

At this point, Engine has certainly not reached the conclusion that the Company should be sold. We have raised it as a value-maximizing alternative given our uncertainty at this stage as to whether senior management and the Board would commit to executing on the standalone initiatives we described above.

In conclusion, we think CST is significantly undervalued. There are many levers for management and the Board to significantly enhance shareholder value. In order to justify remaining a standalone public company and not taking advantage of this unprecedented period of M&A, CST must act quickly and make the necessary changes to improve its operations along the lines we highlight above. Alternatively, CST could evaluate all strategic alternatives to maximize shareholder value and explore what one of the large consolidators would pay for the Company's valuable assets. The one thing that is certain is that the status quo is unworkable and the Board needs to act with a sense of urgency.

We intend to monitor closely the developments at the Company. We reserve our rights to take whatever actions in the future we believe may be required to protect the best interests of shareholders.

Very truly yours,

Arnaud Ajdler	Brad Favreau
Managing Partner	Director

(1) During our discussions with the Company, management mentioned Murphy USA and TravelCenters of America as other peers to justify its lower multiple. We don't believe these companies are relevant for valuation purpose because they follow different strategies than CST or have idiosyncratic issues.

(2) Recent quotes from the CEO include "Nice N Easy is an acquisition that CST was working at not necessarily because upstate New York is a great growing geography from a market standpoint, but because it has some really nice best practices in it. They've got a very strong food program, a strong grocery set. They actually started off as grocery stores. And we're already leveraging that best practice into our systems -- our stores, particularly in the San Antonio area to test them further." (May 27 investor conference) and "On Slide 6, you'll see some examples of the food items that will be part of our offering. These are all items that are

currently available at our Nice N Easy stores, where food sales make up around 1/3 of our total inside sales. This effort underscores the added benefit to CST from our acquisition strategy as we begin to bringing acquired best practices to scale across our network." (Q2 2015 earnings call)

(3) Last publicly available figure for Speedway is 2.56 in fiscal year 2013. CST figure per Engine Capital using LTM figures through 3Q 2015.

(4) \$70 million merchandising gross profit improvement across 1,256 Hess locations per Marathon presentation on 5/22/14 and \$59 million of gross profit improvement across 1,512 Pantry locations per Bank of America research dated 3/18/15 (assumption made for gross profit impact of credit card fee reduction)

(5) Performance as of 12/4/2015

(6) Couche-Tard and Casey's fiscal years end in April. To better compare annual same store sales performance with CST, we use straight average of fiscal fourth quarter through the third quarter of the following fiscal year for Couche-Tard and Casey's. Additionally 1Q15, 2Q15 and 3Q15 for CST is compared to fiscal 4Q, 1Q and 2Q for Casey's and Couche-Tard, respectively. SSS excludes cigarette sales for Speedway. Susser 2014 SSS calculated as straight average of publicly available quarterly results. Susser 3Q15 figure is for Stripes brand and excludes Western Texas stores with exposure to oil-producing areas. Peer average calculated as straight average of Couche-Tard, Speedway, Susser and average of Casey's grocery and prepared foods figure. Cumulative figure assumes annualization of YTD 2015 results.

(7) CST merchandising sales per site per year is an annualization of core same store per day merchandising figure from company filings. Hess and Speedway figures derived using 2013 figures per Acquisition of Hess Retail presentation (May 22, 2014) grossed up by Speedway 2014 SSS. Industry average per NACS state of the industry report (2014)

(8) Kim Lubel during the Q3 2015 earnings call: "In terms of the comment on the IRS, it's simply that the IRS has recently indicated they are no longer going to give private letter rulings on a tax-free real estate spin. As a result it makes that process a little bit more complicated and we continue to analyze it and I think in case -- the market that we get on that we are going to be evaluating with the board and we'll likely be coming back out with an announcement in the first half of 2016 with respect to recommendations for how to try to get more value out of our real estate in the process"

(9) Multiple for the Pantry transaction is less relevant given the lower quality of the asset and the lower percentage of real estate ownership. Multiple of the Aloha transaction based on discussion with industry participants and includes an earn-out component.

(10) Closing price as of 12/7/15

#### ABOUT ENGINE CAPITAL

Engine Capital is a value-oriented special situations fund that invests both actively and passively in companies undergoing change.

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## MARKET WEEK

Stocks --- The Trader: Stocks Edge Up in Stomach-Churning Week

By Vito J. Racanelli

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The Dow industrials ended at 17,847.63, up 49 points, or 0.3%, and the S&P 500 edged up 0.1% or two points, to 2091.69. The Nasdaq Composite rose 0.3%, to 5142.27.

At one point Wednesday, U.S. equities were up 0.7%, only to plunge 3% from there within 24 hours. The European Central Bank announced a rate cut Thursday and more bond buying, but it nonetheless disappointed expectations, says Stephen Massocca, managing director of Wedbush Equity Management. ECB President Mario Draghi "looked like he was losing his nerve, and that was clearly negative" for European stocks. They fell sharply and the action spilled over to U.S. equities. Investors who were short the euro against the dollar scrambled to cover, he says. Friday's rally came as markets cheered U.S. Labor Department data that said the economy had added 211,000 jobs last month.

The market looks to be solidly inside the range it has inhabited all year, but the high number of huge daily moves this year and steadily weakening breadth suggest that all isn't as well as it looks.

The rally since the Aug. 25 lows and the market correction haven't "resolved anything. The divergences from the summer are back," says Douglas Ramsey, chief investment officer at Leuthold Group. "Market internals aren't great," he adds, pointing to the continued divergence of underperforming small-caps, which fell nearly 2% last week. Moreover, breadth -- declining stocks versus advancing stocks -- also remains weak, an issue this column has noted a few times in recent months. The S&P 500 index is less than 2% below its high, but on big down days 150 to 200 names are skidding to new lows, Ramsey notes. That means that the rally rests on a narrow base and is weak technically.

In testimony to Congress Thursday, Federal Reserve Chair Janet Yellen all but confirmed that the central bank would raise rates on Dec. 16, in line with market expectations.

Investors are living in an unusual world, Ramsey adds. Tuesday, the Institute for Supply Management said that its index of manufacturing activity fell to 48.6 in November from 50.1 in October, the first time it was below 50 in three years and the lowest since 2009. Readings below 50 signal economic contraction.

Manufacturing is a smaller part of the economy than it once was, but in days of old, Ramsey observes, such an ISM number was consistent with a Fed rate cut. It's perhaps no wonder that investors are confused from one day to the next.

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It has been a rough year for Mosaic, the \$11 billion market-cap miner and producer of phosphates and potash, key components of agricultural fertilizers.

The stock (ticker: MOS) has fallen more than 40%, from a high near \$54 in February to \$30.88 last Friday. The Plymouth, Minn.-based company's business has been hit by several issues, most of them macroeconomic, as we'll see below. The shares almost are back to their 2007 level, after a drop that nearly erased their entire progress in the bull market since the spring of 2009.

Long-term-oriented value investors should find Mosaic attractive at these discounted levels. With a healthy 3.6% dividend yield and a potential slackening next year of the head winds it faces, a 20% total return in the next 18 months doesn't seem outlandish.

First, the problems. As is the case for many companies with a large international revenue base -- 45% of Mosaic's sales are outside of North America -- the strong dollar has been painful, and probably will for a little while longer. Also, many believe that potash mining capacity remains too high.

The big decline in agricultural commodities, like soybeans and corn, has hurt farmers who buy those fertilizers to increase yield. In the U.S., for example, farm income is estimated to fall to \$100 billion this year from more than \$120 billion last year. Meanwhile, plunges in resource commodities, such as oil and iron ore, among others, have weakened emerging market economies. Seven of the 10 biggest importers of many fertilizers are countries like China, India, and Brazil.

For the patient contrarian investor, however, when things look gloomiest often turns out to be a good entry point for a well-run company that has a strong track record, produces essential products, and offers a sturdy balance sheet.

In the first nine months of 2015, Mosaic's sales were flat at \$6.7 billion, but thanks to a reduction in expenses, operating income was \$1.07 billion versus \$988 million in the corresponding 2014 period, excluding certain one-time items. Net income rose to \$2.33 per share from \$1.72.

Despite no shortage of challenges, says John Buckingham, the chief investment officer of AI Frank Asset Management, the company still managed to produce a good bottom line. He calls Mosaic one of his favorite stocks, and AFAM owns a stake.

Its business is now cyclically depressed, but has long-term growth potential as the world population continues to increase. There's a limit to the world's arable land, and "people have to eat," he points out. Farmers, therefore, must raise the output, or yield, of existing acreage, and the main way to do it is through fertilizers.

Fertilizers are difficult to substitute for, so there's a nice moat there. While there's an oversupply of potash, in particular, the typical rational industrial reaction will take place over time: Net potash capacity will contract, as expensive mines are closed and new ones come on-line.

The valuation seems attractive here. Compared with the market, peers, and its own history, Mosaic trades at a discount on price-to-earnings, price-to-sales, and price-to-book, Buckingham notes. For example, the stock's P/E ratio is 10.6 times consensus analyst estimates of \$2.93 next year, which would be essentially flat with expectations of \$2.89 this year. Mosaic's long-term P/E median is 14 to 15 times. It has debt of \$3.8 billion, for a debt-to-equity ratio of about 40%.

As a cyclical business, the fertilizer producer doesn't deserve a market multiple of 16 to 17, he argues, but the current P/E is too low, given Mosaic's long-term strength. At this price, either its earnings are "about to fall off a cliff," or, more likely, investors will return to the stock, he maintains.

We agree. It won't take much of a rise in the global economy to revive this stock. Investors who seed their portfolio with Mosaic shares could reap a respectable yield.

#### Skechers Set for Nice Run

Also down 40% from its highs this year is footwear company Skechers U.S.A. (SKX). It closed last Friday at \$30.48, and, like Mosaic, has fallen from a high near \$54, hit in August. And Skechers, too, has seen a negative impact from the strong dollar.

The similarities end there. To some extent, Skechers has suffered along with a weak retail sector over the past few months. But the Manhattan Beach, Calif., firm saw its stock whacked after third-quarter results were released. The quarter was strong -- just not strong enough for Wall Street, as the company missed analysts' estimates. Sales of \$856 million fell shy of the forecast by about \$20 million, and the company alluded to a "sluggish retail environment."

Perhaps the stock was overvalued, but the drop seems to be an overreaction to a shoe manufacturer whose sales growth over the past decade has averaged a robust -- if choppy -- 11%. The lower price gives investors a chance to buy into a growing concern at a discount.

There doesn't appear to be anything wrong with Skechers' business. In the nine months ended on Sept. 30, sales soared to \$2.4 billion from \$1.8 billion, while net income rose to \$202 million, or \$1.31 a share, from \$117 million, or 77 cents.

It might surprise some investors to know that Skechers is now No. 2 in athletic footwear in the U.S., with about a 5% share. That's far below Nike's (NKE) two-thirds share, but ahead of some better-known brands like Adidas (ADDYY), Under Armour (UA), and Asics (ASCCY). Skechers will have almost 1,300 retail outlets around the world by year end. Its international wholesale sales growth was 53% in the most recent quarter.

Mark Minichiello, a portfolio manager at Quincy Cass Associates in Los Angeles, calls the company's global growth prospects attractive, particularly after such a big drop. Quincy Cass has a stake in Skechers, bought during the downturn.

While Skechers' brand has been more recognized for its Shape-ups walking shoe and basic footwear, it has made strides in performance athletic shoes, he says, and, more importantly, has introduced more lines that will appeal to the average runner.

The shoemaker has signed top U.S. runners like Meb Keflezighi for endorsements and is the new sponsor of the Los Angeles marathon, points out Minichiello.

The average cost of Skechers' performance products are about \$80, much less than Nike's \$120. That gives Skechers some room to gain share or boost prices, says Minichiello, an avid runner himself. (Skechers sponsors his South Bay Runner's Club in Los Angeles.) The new performance shoes, like the GO Run 3 models designed by Keflezighi, have been gaining converts, he adds.

Skechers stock trades at under 15 times the consensus earnings estimate of \$2.05 next year, up 33% from a projected \$1.55 this year. The long-term median P/E is about 18 times, so there's "room to increase the valuation," contends Minichiello, who thinks the stock could eventually approach its old highs.

There is one negative note related to governance: The publicly traded class A shares have only one vote each, while class B shares have 10. The latter are all owned by CEO Robert Greenberg and his family and affiliates, effectively giving him control. And, as the recent plunge shows, the stock can be volatile. Last Thursday, when the market fell 1.5%, Skechers plunged 7%. The vicissitudes of fashion are always a risk with retail stocks, too.

So far, however, Greenberg has produced impressive results. If Skechers continues its strong sales and profit gains, investors probably will forgive and forget the third-quarter miss and run back to the stock.

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### Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17847.63	+49.14	+0.28
DJTransportation	7954.83	-260.59	-3.17
DJUtilities	561.20	-1.82	-0.32
DJ65Stocks	6129.41	-49.35	-0.80
DJUSMarket	522.32	-0.68	-0.13
NYSEComp.	10408.86	-41.67	-0.40
NYSEMKTComp.	2221.73	-41.44	-1.83
<b>S&amp;P500</b>	2091.69	+1.58	+0.08
S&PMidCap	1449.08	-19.90	-1.35
S&PSmallCap	700.33	-9.17	-1.29
Nasdaq	5142.27	+14.75	+0.29
ValueLine(arith.)	4508.83	-50.55	-1.11
Russell2000	1183.40	-18.98	-1.58
DJUSTSMFloat	21632.31	-41.97	-0.19

### Last Week Week Earlier

NYSE		
Advances	1,122	2,052
Declines	2,099	1,157
Unchanged	42	57
NewHighs	191	183

NewLows	267	203
AvDailyVol(mil)	4,034.8	2,912.2
Dollar		
(Finexspotindex)	98.25	100.08
T-Bond		
(CBTnearbyfutures)	153-250	155-080
Crude Oil		
(NYMlightsweetcrude)	39.97	41.71
Inflation KR-CRB		
(FuturesPriceIndex)	183.24	183.24
Gold		
(CMXnearbyfutures)	1084.50	1056.20
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## DOW JONES NEWSWIRES

The Trader: Stocks Edge Up In Stomach-Churning Week -- Barron's

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(FROM BARRON'S 12/7/15)

By Vito J. Racanelli

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Fertilizers are difficult to substitute for, so there's a nice moat there. While there's an oversupply of potash, in particular, the typical rational industrial reaction will take place over time: Net potash capacity will contract, as expensive mines are closed and new ones come on-line.

The valuation seems attractive here. Compared with the market, peers, and its own history, Mosaic trades at a discount on price-to-earnings, price-to-sales, and price-to-book, Buckingham notes. For example, the stock's P/E ratio is 10.6 times consensus analyst estimates of \$2.93 next year, which would be essentially flat with expectations of \$2.89 this year. Mosaic's long-term P/E median is 14 to 15 times. It has debt of \$3.8 billion, for a debt-to-equity ratio of about 40%.

As a cyclical business, the fertilizer producer doesn't deserve a market multiple of 16 to 17, he argues, but the current P/E is too low, given Mosaic's long-term strength. At this price, either its earnings are "about to fall off a cliff," or, more likely, investors will return to the stock, he maintains.

We agree. It won't take much of a rise in the global economy to revive this stock. Investors who seed their portfolio with Mosaic shares could reap a respectable yield.

#### Skechers Set for Nice Run

Also down 40% from its highs this year is footwear company Skechers U.S.A. (SKX). It closed last Friday at \$30.48, and, like Mosaic, has fallen from a high near \$54, hit in August. And Skechers, too, has seen a negative impact from the strong dollar.

The similarities end there. To some extent, Skechers has suffered along with a weak retail sector over the past few months. But the Manhattan Beach, Calif., firm saw its stock whacked after third-quarter results were released. The quarter was strong -- just not strong enough for Wall Street, as the company missed analysts' estimates. Sales of \$856 million fell shy of the forecast by about \$20 million, and the company alluded to a "sluggish retail environment."

Perhaps the stock was overvalued, but the drop seems to be an overreaction to a shoe manufacturer whose sales growth over the past decade has averaged a robust -- if choppy -- 11%. The lower price gives investors a chance to buy into a growing concern at a discount.

There doesn't appear to be anything wrong with Skechers' business. In the nine months ended on Sept. 30, sales soared to \$2.4 billion from \$1.8 billion, while net income rose to \$202 million, or \$1.31 a share, from \$117 million, or 77 cents.

It might surprise some investors to know that Skechers is now No. 2 in athletic footwear in the U.S., with about a 5% share. That's far below Nike's (NKE) two-thirds share, but ahead of some better-known brands like Adidas (ADDYY), Under Armour (UA), and Asics (ASCCY). Skechers will have almost 1,300 retail outlets around the world by year end. Its international wholesale sales growth was 53% in the most recent quarter.

Mark Minichiello, a portfolio manager at Quincy Cass Associates in Los Angeles, calls the company's global growth prospects attractive, particularly after such a big drop. Quincy Cass has a stake in Skechers, bought during the downdraft.

While Skechers' brand has been more recognized for its Shape-ups walking shoe and basic footwear, it has made strides in performance athletic shoes, he says, and, more importantly, has introduced more lines that will appeal to the average runner.

The shoemaker has signed top U.S. runners like Meb Keflezighi for endorsements and is the new sponsor of the Los Angeles marathon, points out Minichiello.

The average cost of Skechers' performance products are about \$80, much less than Nike's \$120. That gives Skechers some room to gain share or boost prices, says Minichiello, an avid runner himself. (Skechers sponsors his South Bay Runner's Club in Los Angeles.) The new performance shoes, like the GO Run 3 models designed by Keflezighi, have been gaining converts, he adds.

Skechers stock trades at under 15 times the consensus earnings estimate of \$2.05 next year, up 33% from a projected \$1.55 this year. The long-term median P/E is about 18 times, so there's "room to increase the valuation," contends Minichiello, who thinks the stock could eventually approach its old highs.

5 Dec 2015 00:08 ET The Trader: Stocks Edge Up In Stomach-Churning -2-

There is one negative note related to governance: The publicly traded class A shares have only one vote each, while class B shares have 10. The latter are all owned by CEO Robert Greenberg and his family and affiliates, effectively giving him control. And, as the recent plunge shows, the stock can be volatile. Last thursday, when the market fell 1.5%, Skechers plunged 7%. The vicissitudes of fashion are always a risk with retail stocks, too.

So far, however, Greenberg has produced impressive results. If Skechers continues its strong sales and profit gains, investors probably will forgive and forget the third-quarter miss and run back to the stock.

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## Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17847.63	+49.14	+0.28
DJTransportation	7954.83	-260.59	-3.17
DJUtilities	561.20	-1.82	-0.32
DJ65Stocks	6129.41	-49.35	-0.80
DJUSMarket	522.32	-0.68	-0.13
NYSEComp.	10408.86	-41.67	-0.40
NYSEMKTComp.	2221.73	-41.44	-1.83
<b>S&amp;P500</b>	2091.69	+1.58	+0.08
S&PMidCap	1449.08	-19.90	-1.35
S&PSmallCap	700.33	-9.17	-1.29
Nasdaq	5142.27	+14.75	+0.29
ValueLine(arith.)	4508.83	-50.55	-1.11
Russell2000	1183.40	-18.98	-1.58
DJUSTSMFloat	21632.31	-41.97	-0.19

Last Week Week Earlier

NYSE		
Advances	1,122	2,052
Declines	2,099	1,157

Unchanged	42	57
NewHighs	191	183
NewLows	267	203
AvDailyVol(mil)	4,034.8	2,912.2
Dollar		
(Finexspotindex)	98.25	100.08
T-Bond		
(CBTnearbyfutures)	153-250	155-080
Crude Oil		
(NYMlightsweetcrude)	39.97	41.71
Inflation KR-CRB		
(FuturesPriceIndex)	183.24	183.24
Gold		
(CMXnearbyfutures)	1084.50	1056.20
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## DOW JONES NEWSWIRES

Schwab's Jeffrey Kleintop says the Bears Are Wrong -- Barron's Asia

By WAYNE ARNOLD

1,000 字

2015 年 12 月 4 日 07:09

Dow Jones Institutional News

DJDN

英文

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I had the opportunity to sit down last night for a cozy chat with Charles Schwab's Chief Global Investment Strategist, Jeffrey Kleintop, and about 150 or so of Schwab's clients here in Hong Kong and to hear his latest outlook for global stocks.

Trading stocks is Schwab's business, so it's perhaps not surprising to hear that Kleintop is bullish on global stocks. He's talking his own book. What was revelatory for those of us who live and invest here in Asia is the novel way he recommends looking at the world of stocks.

Kleintop is understandably dismayed that global investors have, according to his own data, been selling stocks in favor of cash since early this year. That jibes with numbers from Jefferies: amid rising uncertainty about the global economy, particularly China, and as the U.S. Federal Reserve prepares to raise interest rates, investors have bought \$27 billion in stocks so far this year. That sounds like a lot until you read that they've also bought \$81.8 billion in bonds and put \$70.3 billion into money market funds, i.e. cash.

Kleintop worries they're going to miss out on a big global recovery in equities. Even the Cassandras at the International Monetary Fund - who were so worried about global growth that they urged the Fed not to raise rates - predict that global growth in 2016 will accelerate to almost 3.6%, from 3.1% this year. Of course, the Fund has more on its mind than whether the global economy will turn up opportunities for corporate profits: even after improving, global growth will remain below its 20-year average, with growth weakest in the world's most fragile regions - the emerging economies of Asia and Europe, the former Soviet republics, Africa and the Middle East.

For rich countries, however, 2016 is shaping up to be a better year than 2015, even if that isn't saying much. Most of Schwab's clients last night said they preferred the U.S. market to any other, given that it's the only major economy where rates are likely to rise.

Kleintop's advice? Stop investing in countries altogether. and instead think about investing in sectors. This makes sense on a variety of levels, even if it is anathema to someone like yours truly whose job depends on investors maintaining a geographic focus that favors Asia.

First of all, it helps investors avoid what Kleintop says is a home bias: most investors prefer to invest in their own country, in companies they know and with their money within their own borders. They then tend to miss out on bigger returns elsewhere. Not only that, but investing at home can compound your exposure to domestic economic risks to which you're already exposed through your job.

Beyond that, though, it recognizes that the biggest, most successful public companies aren't chained to the economy where they're listed at all. They're global. That makes them proxies for global growth. They're able to shift to where the opportunities, and sidestep the bogs of the global economy - even if sometimes they fail. As a result, Kleintop notes that indexes tracking a national industry, whether it's European consumer healthcare stocks or Japanese consumer shares, tend to move in lockstep with global indexes of healthcare or consumer stocks and not with the stock market where they're listed.

It also offers a new strategy for a world in which the best stocks are not only global players, but where national economic growth is no longer a reliable source of earnings. Asia's relatively fast growth, for example, was until the global financial crisis, a no-brainer for higher investment returns. No more. In the past five years, Asia has lagged the **S&P500**.

KLEINTOP LIKES TO REMIND CLIENTS TO STAY FOCUSED ON VALUE - in particular price-to-earnings ratios, which correspond reliably to 10-year performance. Put simply, the lower a stock's price relative to its earnings, the higher the return to investors over the long-run. Not all p-e ratios are the same, however: some stocks and markets are more volatile and risky than others, so investors tend to demand lower p-e's from them. And because they need to earn reliable returns not just every 10 years but every year or every quarter, professional investors prefer to look at stock prices relative to forecast earnings, assets, debt and cash flow.

With global trade in the dumps, commodities and industrials are deader than disco. Kleintop favors consumer discretionary stocks, which are benefitting from resilient demand in developed economies and a shift in emerging economies like China away from manufactured exports toward services. Alas, he isn't the only one: the MSCI World Consumer Discretionary Index already trades at 18.3 times projected earnings, which looks expensive. Kleintop also likes financials, because no matter which way things go, they'll benefit from volatility. Banks also tend to enjoy higher lending margins when rates rise. Luckily for investors, MSCI's World Financial index still looks a relative bargain at 13.3 times projected earnings.

Ironically for a strategist advising investors to look beyond country markets, though, Kleintop also likes Japan as a proxy for global technology demand. But investors can find better deals next door in Taiwan and South Korea. While Japan's Topix looks cheap relative to earnings, it doesn't if you factor in Japan Inc.'s flabby, over-leveraged balance sheets. But Taiwan and Korea are trading at significant discounts, with Taiwan at just 13 times projected earnings and Korea at 12.5 times. But now this Asia-focused columnist is talking his own book.

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Barrons Asia

Schwab's Jeffrey Kleintop Says the Bears Are Wrong

By Wayne Arnold

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Barron's Online

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Jeffrey Kleintop - Chief Investment Strategist, Charles Schwab

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## DOW JONES NEWSWIRES

Global Stocks Little Changed Ahead of ECB Meeting, U.S. Jobs Report --Update

By Christopher Whittall and Riva Gold

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Dow Jones Institutional News

DJDN

英文

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Global stocks were little changed Wednesday as investors paused ahead of a crucial European Central Bank policy meeting Thursday and the U.S. jobs report later in the week.

The Stoxx Europe 600 was up 0.2% midmorning. Futures markets pointed to a small opening gain for the **S&P500**. Changes in futures aren't necessarily reflected in market moves after the opening bell.

Asian bourses were mixed after a strong finish on Wall Street on Tuesday, where health-care stocks led gains.

European stocks have rallied in the last several weeks on hopes the ECB will bolster its vast stimulus program, and are up nearly 11% since the start of October. Global equities have been buoyed by easy-money policies from central banks over the past several years.

ECB President Mario Draghi has said the bank is prepared to act to combat ultralow inflation if it deems necessary.

Market participants have said they think an extension of the ECB's program of quantitative easing, or QE, along with another interest rate cut, is all but inevitable at Thursday's meeting.

"A lot of expectations have been built up," said Vincent Juvyns, a strategist at J.P. Morgan Asset Management, which oversees \$1.7 trillion in assets.

"The ECB has put itself in a corner by more or less already announcing that new measures will be taken," he said.

Mr. Juvyns said that recent market moves reflect investor expectation of further policy announcements. These include the euro falling against the dollar over the past several weeks, helped by expectations that the Federal Reserve could be set to raise rates this month. Higher interest rates tend to make a currency more attractive to investors.

The euro was flat against the buck Wednesday at \$1.0622, but is down nearly 5% since the start of October. Some investors think the euro's decline is overdone.

"Whatever the ECB decision, you'll see a recovery of the euro," said Tristan Abet, investment strategist at Louis Capital Markets, adding that the currency has fallen too far and too fast.

Elsewhere in currencies, the dollar was up 0.2% against the yen at Yen123.0980, and has now strengthened 2.7% since the start of October.

In Asian markets, Japan's Nikkei Stock Average ended down 0.4%. The S&P/ASX 200 was down 0.2%, despite data showing strong economic expansion in Australia, as iron-ore hit a new decade-low.

The Shanghai Composite Index gained 2.3%, reversing earlier losses.

In commodities, Brent crude oil was down 1.1% at \$43.95 a barrel as investors looked ahead to U.S. stockpile data later in the day and Friday's meeting of the Organization of the Petroleum Exporting Countries.

Gold was up 0.3% at \$1,066.70 a troy ounce.

In the U.S., private payrolls and productivity cost data will be watched later Wednesday, as well as a speech by Federal Reserve Chairwoman Janet Yellen as investors look for clues on whether the Fed will raise interest rates at its meeting this month.

"It will be interesting to see if Yellen addresses the ECB's decision tomorrow, whether it will influence the Fed's decision-making and just how important Friday's labor market data really is," said Craig Erlam, market analyst at Oanda.

Write to Christopher Whittall at [christopher.whittall@wsj.com](mailto:christopher.whittall@wsj.com) and Riva Gold at [riva.gold@wsj.com](mailto:riva.gold@wsj.com)

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# DOW JONES NEWSWIRES

\*SPDR **S&P500** Fossil Free (SPYX) Resumed Trading

22 字

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Dow Jones Institutional News

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## MARKET WEEK

### The Activist Spotlight

By Kenneth Squire

285 字

2015 年 11 月 30 日

Barron's

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Alcoa (ticker: AA)

Business: Lightweight metals manufacturing and engineering

Investor's Avg Cost: \$9.27/share

Stock Market Value: \$12.3 billion (\$9.41/share)

What's Happening: Elliott Associates supports Alcoa's recently announced spinoff and seeks to engage in a constructive dialogue about that transaction and other opportunities.

#### Key Numbers:

- 39.8%: decline in the company's stock price this year, versus an increase of 1.46% for the **S&P500**.
- \$11 per share: potential value of the company's downstream business
- \$3 per share: value of Alcoa's majority interest in an Australian mining company, without assigning any control premium
- \$1 per share: potential value of Alcoa's power-generation assets

Behind the Scenes: Although Elliott is known for activism in technology, it has been a successful activist in other sectors. While it usually takes aggressive activist positions, here it is supportive of Alcoa and its management, and a recently announced spinoff. Alcoa plans to split into two independent, publicly traded companies. The first, an "Upstream Company," will include the units that deal with global primary products -- bauxite, alumina, and aluminum -- as well as casting and energy. The second, a "Value-Add Company," will cover global rolled products, engineered products and services, and transportation and construction services.

Elliott thinks Alcoa is massively undervalued in terms of the sum of its parts. And there are profit-margin opportunities. Margins in the "Value Add" downstream business are 700 basis points (seven percentage points) below direct competitors' margins.

So, while this is a supportive activist engagement, that could always change if these issues are not addressed.

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## DOW JONES NEWSWIRES

General Electric: 'Here's What Happens Next' -- Barron's Blog

By Ben Levisohn

410 字

2015 年 11 月 30 日 15:29

Dow Jones Institutional News

DJDN

英文

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RBC's Deane Dray and team offer their predictions for what's coming next for General Electric (GE):

GE is in the throes of more change today than at any other time in its 123-year history. The sell-down of GE Capital continues at a breakneck pace, eliminating the financial services overhang that had been a lightning-rod of investor discontent since the Financial Crisis. Expect to hear specifics on the recently-closed \$10.6 bil Alstom acquisition on the Dec-3 update call, including the timing of restructuring charges. The Synchrony swap was completed successfully on Nov-16, jump starting share buybacks. Under the guidance of CFO Jeff Bornstein, GE is executing on a comprehensive cost-out program with targets for SG&A and gross margin. Lastly, GE has sized an additional \$20 bil of balance sheet capacity at the parent level. At the risk of sounding heretical, the cadence of near-term earnings is just not as critical for investors today compared to solid execution on this portfolio transformation. Activist Nelson Peltz's engagement also adds some watchdog accountability. Overall, we believe GE's catalyst-rich story can fuel sustained multiple expansion. We raise our price target by \$2 to \$34 and reiterate our Outperform rating...

GE's long-cycle mix offers high earnings visibility in an anxious macro. GE is better positioned than many industrials to weather this slow growth macro. The \$270 bil backlog represents +10 quarters of Industrial revenues, providing long-cycle earnings visibility. Note that GE equipment orders typically have a 10% nonrefundable cash deposit. GE also generates +40% of revenues / +80% of earnings from resilient, high-margin Services.

Legions of underweight portfolio managers converting into incremental buyers. We are mindful of how GE has languished among the most under-owned names in the **S&P500**, largely due to its underperformance over the last decade. The good news is that GE's pivot to +90% industrial/10% finance is a game changer. We expect a conversion of currently underweight PMs who may now feel compelled to own GE, especially in its seasonally strong 4Q.

Shares of General Electric have ticked up 0.1% to \$30.38 at 10:26 a.m. today.

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

November 30, 2015 10:29 ET (15:29 GMT)

文件 DJDN000020151130ebbu00215

 [General Electric: 'Here's What Happens Next'](#)

Barron's Blogs, 2015 年 11 月 30 日 15:29, 388 字, By Ben Levisohn, (英文)

RBC's Deane Dray and team offer their predictions for what's coming next for General Electric (GE): GE is in the throes of more change today than at any other time in its 123-year history. The sell-down of GE Capital continues at a breakneck ...

文件 WCBBE00020151130ebbu001b9

## MARKET WEEK

Stocks --- The Trader: Good Data, Bad Geopolitics Leave Stocks Flat

By Leslie P. Norton

2,051 字

2015 年 11 月 30 日

Barron's

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Give thanks for December. After a lackluster, holiday-shortened week and a tepid November, which officially ends Monday, December promises better returns for investors. Since World War II, the Standard & Poor's 500 index has risen 1.8% on average every December, versus 0.7% for the other months, reports Sam Stovall, strategist at S&P Capital IQ. Stocks have risen in December 78% of the time, versus 59% for the other 12 months. Declines are less severe in December, too.

"You can call December the free-lunch month," says Stovall.

That would be nice, after the market's recent lackluster returns. Decent economic data collided with geopolitical concerns last week to produce a flat week for U.S. shares. The S&P 500 closed the week at 2090.11, up 0.04%. The Nasdaq Composite rose 22.61, or 0.44%, to 5127.52. Meanwhile, the Dow Jones Industrial Average fell 25.32, or 0.14%, to 17,798.49, its first decline on a Thanksgiving week since 2011. With one day to go, the S&P 500 is up 0.52% for November, and has risen 1.52% for the year. Meanwhile, the yield on the 10-year Treasury fell 0.042 to 2.22% this week. The dollar strengthened against the euro.

Stocks slid Tuesday after Turkey shot down a Russian plane it believed was violating its airspace, just days after the Nov. 13 terrorist attacks in Paris. But they steadied on a number of better-than-expected economic statistics -- durable goods orders, home price data, an upward revision of third-quarter GDP growth -- suggesting the economy is strong enough to weather a widely expected minor rate hike by the Federal Reserve next month. On Friday, they shrugged off an overnight decline in Chinese shares following news that Beijing is conducting more investigations into short selling.

"With six precious weeks left in the year for money managers, no one wants to miss a rally or be caught in a downdraft," says Peter Boockvar, chief market analyst at Lindsey Group. There is little to drive shares higher until the Federal Open Market Committee meets Dec. 15-16 to consider its first rate hike in nearly a decade.

Earnings season is largely over. Drug shares rose after Pfizer (ticker: PFE) announced it would buy Allergan (AGN) for \$155 billion. For the week, the SPDR S&P Pharmaceuticals ETF (XPH) rose 3.7%. Oil shares advanced on geopolitical concerns. The Energy Select Sector SPDR (XLE) climbed as high as 69.13 on Tuesday, before closing Friday at 67.77, up 1.3% for the week.

This coming week, heavy with Class A economic data, will provide fresh clues on the Fed's intentions in 2016: The releases include the November ISM Manufacturing Index and November motor vehicle sales Tuesday, jobless claims Thursday, November payroll and trade stats Friday.

"Is the economy good enough for a first hike and a second? That's where the problem lies, particularly for the dollar bulls," who expect more rate increases in 2016, says Boockvar.

Defense shares stabilized on the week, after rising on the Nov. 13 terrorist attacks in Paris. Still, some argue the case is building for a rally in defense stocks. Strategas Research Partners' Jason DeSena Trennert and David Handloss-Stern contend that "higher defense spending needs may be a secular theme, especially in a period in which lower oil prices appear to be globally destabilizing."

The view is shared by David Rosenberg of Gluskin Sheff, who points out that NATO signatory countries have a common goal for defense spending of 2% of GDP. Just five countries will reach this target in 2015 -- the U.S., Greece, Poland, the U.K., and Estonia. France, Germany, Italy, and Canada are all below the target. If those countries were to increase spending to 2% of GDP, defense contractors could benefit from an additional \$100 billion in spending, Rosenberg notes. The iShares U.S. Aerospace & Defense ETF (ITA) ended the week at 120.67, little changed from the previous Friday.

Small Bank Stocks Shine

For that true Thanksgiving feeling you have to go to America's smaller towns, especially those with stunning fall foliage, village squares, town-hall meetings -- and banks like, oh, say, Hingham Institution for Savings of Hingham, Mass. (HIFS), or Banner Corp. (BANR) of Walla Walla, Wash. Shares of these community-centered institutions have produced large gains for investors, and for the grateful shareholders of Hennessy Small Cap Financial fund (HSFNX).

This year the fund has logged a gain of 17.3%, more than triple the 4.7% of the PowerShares S&P Small Cap Financials (PSCF) exchange-traded fund, and far outpacing the S&P 500 index. The Hennessy fund's managers are David Ellison and Ryan Kelley. Ellison has been running money for some 30 years, including an early and successful stint at Fidelity.

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DJUtilities	563.02	-8.07	-1.41
DJ65Stocks	6178.76	-36.83	-0.59
DJUSMarket	522.99	+1.17	+0.23
NYSEComp.	10450.53	+6.33	+0.06
NYSEMKTComp.	2263.17	+16.09	+0.72
<b>S&amp;P500</b>	2090.11	+0.94	+0.04
S&PMidCap	1468.98	+21.93	+1.52
S&PSmallCap	709.50	+13.61	+1.96
Nasdaq	5127.52	+22.61	+0.44
ValueLine(arith.)	4559.38	+61.47	+1.37
Russell2000	1202.38	+27.22	+2.32
DJUSTSMFloat	21674.27	+74.22	+0.34

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NYSE		
Advances	2,052	2,189
Declines	1,157	1,040
Unchanged	57	43
NewHighs	183	126
NewLows	203	311
AvDailyVol(mil)	2,912.2	3,899.4
Dollar		
(Finexspotindex)	100.08	99.61
T-Bond		
(CBTnearbyfutures)	155-080	154-140
Crude Oil		
(NYMlightsweetcrude)	41.71	40.39
Inflation KR-CRB		
(FuturesPriceIndex)	183.24	183.73
Gold		
(CMXnearbyfutures)	1056.20	1076.40

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## DOW JONES NEWSWIRES

The Trader: Good Data, Bad Geopolitics Leave Stocks Flat -- Barron's

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2015 年 11 月 28 日 05:08

Dow Jones Institutional News

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(FROM BARRON'S 11/30/15)

By Leslie P. Norton

Give thanks for December. After a lackluster, holiday-shortened week and a tepid November, which officially ends Monday, December promises better returns for investors. Since World War II, the Standard & Poor's 500 index has risen 1.8% on average every December, versus 0.7% for the other months, reports Sam Stovall, strategist at S&P Capital IQ. Stocks have risen in December 78% of the time, versus 59% for the other 12 months. Declines are less severe in December, too.

"You can call December the free-lunch month," says Stovall.

That would be nice, after the market's recent lackluster returns. Decent economic data collided with geopolitical concerns last week to produce a flat week for U.S. shares. The S&P 500 closed the week at 2090.11, up 0.04%. The Nasdaq Composite rose 22.61, or 0.44%, to 5127.52. Meanwhile, the Dow Jones Industrial Average fell 25.32, or 0.14%, to 17,798.49, its first decline on a Thanksgiving week since 2011. With one day to go, the S&P 500 is up 0.52% for November, and has risen 1.52% for the year. Meanwhile, the yield on the 10-year Treasury fell 0.042 to 2.22% this week. The dollar strengthened against the euro.

Stocks slid Tuesday after Turkey shot down a Russian plane it believed was violating its airspace, just days after the Nov. 13 terrorist attacks in Paris. But they steadied on a number of better-than-expected economic statistics -- durable goods orders, home price data, an upward revision of third-quarter GDP growth -- suggesting the economy is strong enough to weather a widely expected minor rate hike by the Federal Reserve next month. On Friday, they shrugged off an overnight decline in Chinese shares following news that Beijing is conducting more investigations into short selling.

"With six precious weeks left in the year for money managers, no one wants to miss a rally or be caught in a downdraft," says Peter Boockvar, chief market analyst at Lindsey Group. There is little to drive shares higher until the Federal Open Market Committee meets Dec. 15-16 to consider its first rate hike in nearly a decade.

Earnings season is largely over. Drug shares rose after Pfizer (ticker: PFE) announced it would buy Allergan (AGN) for \$155 billion. For the week, the SPDR S&P Pharmaceuticals ETF (XPH) rose 3.7%. Oil shares advanced on geopolitical concerns. The Energy Select Sector SPDR (XLE) climbed as high as 69.13 on Tuesday, before closing Friday at 67.77, up 1.3% for the week.

This coming week, heavy with Class A economic data, will provide fresh clues on the Fed's intentions in 2016: The releases include the November ISM Manufacturing Index and November motor vehicle sales Tuesday, jobless claims Thursday, November payroll and trade stats Friday.

"Is the economy good enough for a first hike and a second? That's where the problem lies, particularly for the dollar bulls," who expect more rate increases in 2016, says Boockvar.

Defense shares stabilized on the week, after rising on the Nov. 13 terrorist attacks in Paris. Still, some argue the case is building for a rally in defense stocks. Strategas Research Partners' Jason DeSena Trennert and David Handloss-Stern contend that "higher defense spending needs may be a secular theme, especially in a period in which lower oil prices appear to be globally destabilizing."

The view is shared by David Rosenberg of Gluskin Sheff, who points out that NATO signatory countries have a common goal for defense spending of 2% of GDP. Just five countries will reach this target in 2015 -- the U.S., Greece, Poland, the U.K., and Estonia. France, Germany, Italy, and Canada are all below the target. If those countries were to increase spending to 2% of GDP, defense contractors could benefit from an additional \$100 billion in spending, Rosenberg notes. The iShares U.S. Aerospace & Defense ETF (ITA) ended the week at 120.67, little changed from the previous Friday.

## Small Bank Stocks Shine

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28 Nov 2015 00:08 ET The Trader: Good Data, Bad Geopolitics Leave -2-

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November 28, 2015 00:08 ET (05:08 GMT)

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13d Filings

Home

Plus seven other filings by big investors

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2015 年 11 月 28 日

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13Ds are filed with the Securities and Exchange Commission within 10 days of an entity's attaining a greater than 5% position in any class of a company's securities. Subsequent changes in holdings or intentions must be reported in amended filings. This material has been extracted from filings released by the SEC from Nov. 19 through Nov. 25, 2015. Source: InsiderScore.com

## Activist Filings

### Pico Holdings (PICO)

On Nov. 23, Central Square Management sent a letter to the board of Pico, stating its frustration with the board's "laissez-faire attitude toward the need for change." The investor said it had been hopeful following its Oct. 29 talk with Kristina Leslie, the board chair, but Pico's investor-day presentation on Nov. 17 indicated the company had no intention to change.

Central Square said it believes that any steps to address the issues currently facing the company "cannot be implemented by the same individuals who should be held accountable for the company's failures." It also named three candidates to be immediately seated on the board, and called on the board to hold Pico's annual shareholder meeting by April 25, 2016.

Central Square reported ownership of 1,349,253 shares (5.9% of the outstanding total) after it bought 116,058 from Oct. 22 to Nov. 16 for \$9 to \$10.94 per share. The fund also sold 87,175 shares from Nov. 18 to Nov. 20 at \$10.51 to \$10.70 apiece.

## Original Filings

### Hawaiian Telecom (HCOM)

Black Diamond Capital Management disclosed ownership of 2,649,110 shares (23.1%) without effecting any transactions in the past 60 days. It reported that it has engaged with, and may further engage with, Hawaiian Telecom regarding its operations and governance and the possibility of appointing a director.

### Xerox (XRX)

Icahn Capital revealed its stake of 72,218,801 shares (7.1%), including forward contracts for 64,062,560 shares, following the purchase of 491,545 on Nov. 3 at \$9.74 apiece. Icahn called the shares "undervalued," and said he intends to have discussions with management and the board on "improving operational performance and pursuing strategic alternatives, as well as the possibility of board representation."

## Increases in Holdings

### Bristow Group (BRS)

Caledonia Investments upped its stake to 2,579,417 shares (10.6%) after buying 452,732 from Nov. 11 to Nov. 16 for \$28.98 to \$29.60 each. Caledonia said in its filing that Bristow's shares represent "good value and an attractive investment opportunity."

### Journal Media Group (JMG)

Gamco Investors (GBL) increased its holdings to 2,579,417 shares (10.6%) following the purchase of 277,995 shares from Oct. 26 to Nov. 23 at prices ranging from \$11.91 to \$12.23. Gamco also sold 6,532 shares from \$11.93 to \$12.20.

Previously, on Oct. 8, Journal Media announced that it will be acquired by Gannett (GCI) for \$12 per share, a 44.6% premium to the previous day's closing price.

#### Unisys (UIS)

JHL Capital upped its stake to 3,500,000 shares (7.0%) after it bought 50,000 on Sept. 16 and Sept. 17 at prices of \$13.45 and \$13.84. JHL said it expects to engage with management more extensively regarding Unisys "operations, potential acquisitions, strategic direction, capital structure, and corporate governance."

#### Decreases in Holdings

##### Computer Sciences (CSC)

Jana Partners decreased its holdings to 5,707,386 shares (4.1%) by selling 1,625,000 from Oct. 13 to Nov. 20 at prices of \$64.45 to \$70.32. Jana also purchased 100,000 shares on Sept. 24 at \$59.25.

Though Jana said it sold the shares for "regular portfolio management activities," it says it remains "highly supportive of the recent steps taken by the board of directors and management, including its recent decision to separate its global commercial business from its U.S. public-sector unit."

##### ZELTIQ Aesthetics (ZLTQ)

Aisling Capital sold 244,008 shares on Nov. 18 and Nov. 19 for \$29.46 to \$31.77 each, leaving it with 2,360,672 (6.0%).

#### The Activist Spotlight

##### Alcoa (ticker: AA)

Business: Lightweight metals manufacturing and engineering Investor's Avg Cost: \$9.27/share Stock Market Value: \$12.3 billion (\$9.41/share) What's Happening: Elliott Associates supports Alcoa's recently announced spinoff and seeks to engage in a constructive dialogue about that transaction and other opportunities.

Key Numbers: 39.8%: decline in the company's stock price this year, versus an increase of 1.46% for the **S&P500**. \$11 per share: potential value of the company's downstream business \$3 per share: value of Alcoa's majority interest in an Australian mining company, without assigning any control premium \$1 per share: potential value of Alcoa's power-generation assets

BEHIND THE SCENES: Although Elliott is known for activism in technology, it has been a successful activist in other sectors. While it usually takes aggressive activist positions, here it is supportive of Alcoa and its management, and a recently announced spinoff. Alcoa plans to split into two independent, publicly traded companies. The first, an "Upstream Company," will include the units that deal with global primary products—bauxite, alumina, and aluminum—as well as casting and energy. The second, a "Value-Add Company," will cover global rolled products, engineered products and services, and transportation and construction services.

Elliott thinks Alcoa is massively undervalued in terms of the sum of its parts. And there are profit-margin opportunities. Margins in the "Value Add" downstream business are 700 basis points (seven percentage points) below direct competitors' margins.

So, while this is a supportive activist engagement, that could always change if these issues are not addressed. —Kenneth Squire

The 13D Activist Fund, a mutual fund run by an affiliate of the author and not connected to Barron's, has no position in the securities mentioned here. In addition, the author publishes and sells 13D research reports, whose buyers may include representatives of participants in, and targets of, shareholder activism.

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# DOW JONES NEWSWIRES

The Activist Spotlight -- Barron's

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2015 年 11 月 28 日 05:06

Dow Jones Institutional News

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(FROM BARRON'S 11/30/15)

By Kenneth Squire

Alcoa (ticker: AA)

Business: Lightweight metals manufacturing and engineering

Investor's Avg Cost: \$9.27/share

Stock Market Value: \$12.3 billion (\$9.41/share)

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November 28, 2015 00:06 ET (05:06 GMT)

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## DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

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2015 年 11 月 25 日 16:03

Dow Jones Institutional News

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

1603 GMT Moscow stocks finish higher Wednesday, following the lead of the European stock indexes. Travel shares recover as tensions caused by the downing of a Russian jet aircraft by Turkey start to ease. Micex ends up 1.1% at 1830.48 and dollar-denominated RTS is up 1% at 876.47. Sberbank ends up 2.8%, Gazprom down 1.1% and VTB up 2.3%. (olga.razumovskaya@wsj.com)

Contact us in London. +44-20-7842-9464

markettalk@wsj.com

0839 GMT The FTSE 100 trades higher early Wednesday, up 0.5% at 6309.40. The housebuilders are pushing higher ahead of Chancellor George Osborne's Autumn Statement, with Persimmon up 2.2%, Barratt 2.1% higher and Taylor Wimpey up 1.7%. Investors seen to be expecting Mr. Osborne to offer up some largesse to help ease the country's housing difficulties. Off the main index, Thomas Cook climbs almost 10% after posting a bullish update about current travel conditions, and this appears to be rubbing off on TUI, up 1.6%. Pain resumes, though, for mining companies: Anglo American is 1.4% lower and BHP Billiton loses 0.8%. (david.hodari@wsj.com)

Contact us in London. +44-20-7842-9464

markettalk@wsj.com

0734 GMT Frankfurt's DAX is expected Wednesday to open 0.2% higher at 10.956, according to Lang & Schwarz, but geopolitics-triggered caution is likely to cap gains of the overall market. Investors may look at Metro after the company said it would increase dividend payout ratio to about 45%-55% from around 40%-50%. There won't be any macro indicators out of Germany on Wednesday but Italian, German and Portuguese bond auctions have the potential to show investors' actual risk appetite. (emese.bartha@wsj.com; @EmeseBartha)

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markettalk@wsj.com

0733 GMT Nordic markets are seen opening slightly higher Wednesday, with IG calling the OMXS30 up 0.3% at around 1493. "In general, markets are still awaiting the policy actions by the Fed and the ECB at their meetings in December," says Danske Bank. "Risk appetite is mixed. Euro closed in red yesterday. In the U.S., **S&P500** closed slightly higher despite trading lower most of the day thus reversing Monday's decline." Ahead of Thanksgiving on Thursday and Black Friday, U.S. data will be in focus today with personal income and spending, durable goods orders, PCE inflation, initial jobless claims and University of Michigan confidence. Regional eyes will be on Swedish consumer confidence and PPI as well as Norwegian unemployment. OMXS30 closed at 1488.89, OMXN40 at 1551.05 and OBX at 558.16. (dominic.chopping@wsj.com)

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(END) Dow Jones Newswires

November 25, 2015 11:03 ET (16:03 GMT)

文件 DJDN000020151125ebbp002c1

# DOW JONES NEWSWIRES

UK Market Talk Roundup: Brokers Comments

312 字

2015 年 11 月 25 日 07:34

Dow Jones Institutional News

DJDN

英文

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Broker comments in the UK today. Compiled by Dow Jones Newswires Markets Desk,

markets.eu@dowjones.com

0734 GMT Frankfurt's DAX is expected Wednesday to open 0.2% higher at 10.956, according to Lang & Schwarz, but geopolitics-triggered caution is likely to cap gains of the overall market. Investors may look at Metro after the company said it would increase dividend payout ratio to about 45%-55% from around 40%-50%. There won't be any macro indicators out of Germany on Wednesday but Italian, German and Portuguese bond auctions have the potential to show investors' actual risk appetite. (emese.bartha@wsj.com; @EmeseBartha)

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November 25, 2015 02:34 ET (07:34 GMT)

文件 DJDN000020151125ebbp000sa

## DOW JONES NEWSWIRES

Nordic Stocks Seen Opening Slightly Higher -- Market Talk

177 字

2015 年 11 月 25 日 07:33

Dow Jones Institutional News

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November 25, 2015 02:33 ET (07:33 GMT)

文件 DJDN000020151125ebbp000s7

## DOW JONES NEWSWIRES

Press Release: Carnival Corporation's P&O Cruises Australia Debuts Two More Ships, Expands Country's Largest Year-Round Fleet

1,190 字

2015 年 11 月 24 日 23:00

Dow Jones Institutional News

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Carnival Corporation's P&O Cruises Australia Debuts Two More Ships, Expands Country's Largest Year-Round Fleet

With addition of its two latest ships Pacific Aria and Pacific Eden, P&O Cruises has five ships cruising year-round from eight homeports in Australia, New Zealand and Singapore

Australia's leading cruise line makes history on Sydney Harbour with first-ever five-ship spectacular and social media naming ceremony

PR Newswire

MIAMI, Nov. 24, 2015

MIAMI, Nov. 24, 2015 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK), the world's largest travel and leisure company, today announced its P&O Cruises Australia brand has introduced its two latest ships, Pacific Aria and Pacific Eden, expanding Australia's largest year-round fleet to five cruise ships.

With the addition of Pacific Aria and Pacific Eden, P&O Cruises Australia now has five ships cruising year-round from eight homeports in Australia, New Zealand and Singapore. During the celebration to welcome its two latest ships, Australia's leading cruise line made history by staging two first-ever events: a five-ship spectacular in the world-renowned Sydney Harbour and a social media naming ceremony.

Ann Sherry, CEO of Carnival Australia, which operates P&O Cruises Australia, said the event marked a new era for P&O, Australia's only homegrown cruise line, which has grown its fleet in response to increasing demand for cruise vacations.

"P&O Cruises has been sailing from Australia for more than 80 years, so we are thrilled to be able to celebrate the expansion of our fleet with so many Sydneysiders today," said Sherry. "The addition of Pacific Aria and Pacific Eden represents a 50 percent expansion in our guest capacity and heralds a new look and feel for our cruise line that is inspired by modern Australia."

With Australian cruise passenger numbers having grown by an average of 20 percent a year over the past decade to break through the one million mark in 2014, P&O Cruises Australia is well positioned to continue meeting Australians' surging demand for cruise vacations. The addition of Pacific Aria and Pacific Eden has paved the way for exciting new cruise options including deployments from every mainland state in Australia, an extended deployment from Auckland and a season of cruising from Singapore.

Carnival Corporation, which owns 10 cruise line brands, including P&O Cruises Australia, is the largest cruise operator in Australia and the only cruise company to have ships based full-time in Australian waters.

Over the past 10 years, Carnival Corporation's presence in Australia has grown rapidly with its local fleet increasing from two full-time ships, both with P&O Cruises, to nine full-time ships from three of the company's brands -- five P&O Cruises ships, three Princess Cruises ships and one Carnival Cruise Line ship.

P&O Cruises marked the debut of Pacific Aria and Pacific Eden with a social media naming ceremony, which saw popular Australian singer Jessica Mauboy and actress Kate Ritchie simultaneously christening the ships via Twitter as the two vessels sailed by Fort Denison, in the middle of Sydney Harbour.

Notable cruise industry officials and two special guests attended the ceremony -- young Sydney sisters Aria and Eden Mulligan, invited by P&O to perform the role of "junior godmothers" for the sister ships, which coincidentally share their names.

In a nod to maritime tradition, a bottle of Champagne was smashed on the bow of each ship as they sailed by Fort Denison, with all five ships sounding their whistles to mark Australia's first dual cruise ship christening.

Thousands of Sydneysiders watched the cruise ship spectacular from the shore, while more than 12,000 guests and crew onboard the five ships joined in the celebrations.

The five ships are to remain on Sydney Harbour all day, with guests onboard enjoying a series of live concerts from more than 25 music acts, including performances by leading local performers Jessica Mauboy, The Veronicas, Justice Crew, Samantha Jade and Stan Walker. The celebration will conclude with a special fireworks display above the harbour.

Designed to be game changers for the Australian cruise industry, Pacific Aria and Pacific Eden offer a relaxed vibe in a contemporary and stylish setting.

Both ships feature a range of dining options, including the revolutionary new Pantry, which replaces the traditional ship's buffet with an international food market showcasing eight delicious outlets. Other onboard offerings include stylish new lounges and bars, a stunning poolside area, new Pandora jewelry boutiques and a range of entertainment options including Bianco, the new P&O White party.

Continuing the cruise line's modern Australian evolution, P&O Cruises has another ship on the horizon to be named Pacific Explorer. The ship will build on the fresh and contemporary design of newcomers Pacific Aria and Pacific Eden. The 77,000-ton ship, currently sailing as Princess Cruises' Dawn Princess, is scheduled to enter the P&O Australia fleet in May 2017 and will sail from Sydney during its inaugural season. Details of its sailings will be released in the near future.

#### About P&O Cruises

P&O Cruises, Australia's largest and longest-serving cruise operator, leads the way in cruising as Australia's only 'home brand' and its favorite cruise line. P&O Cruises has been sailing the region for more than 80 years and has pioneered new destinations around Australia, the Pacific and Asia, including Papua New Guinea.

#### About Carnival Corporation & plc

Carnival Corporation & plc is the largest cruise company in the world, with a portfolio of 10 cruise brands in North America, Europe, Australia and Asia, comprised of Carnival Cruise Line, Fathom, Holland America Line, Princess Cruises, Seabourn, AIDA Cruises, Costa Cruises, Cunard, P&O Cruises (Australia) and P&O Cruises (UK).

Together, these brands operate 99 ships totaling 216,000 lower berths with 18 new ships scheduled to be delivered between 2016 and 2022. Carnival Corporation & plc also operates Holland America Princess Alaska Tours, the leading tour companies in Alaska and the Canadian Yukon. Traded on both the New York and London Stock Exchanges, Carnival Corporation & plc is the only group in the world to be included in both the **S&P500** and the FTSE 100 indices.

Additional information can be found on [www.carnival.com](http://www.carnival.com), [www.fathom.org](http://www.fathom.org), [www.hollandamerica.com](http://www.hollandamerica.com), [www.princess.com](http://www.princess.com), [www.seabourn.com](http://www.seabourn.com), [www.aida.de](http://www.aida.de), [www.costacruise.com](http://www.costacruise.com), [www.cunard.com](http://www.cunard.com), [www.pocruises.com.au](http://www.pocruises.com.au) and [www.pocruises.com](http://www.pocruises.com).

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SOURCE Carnival Corporation & plc

/Web site: <http://www.carnival.com>

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November 24, 2015 18:00 ET (23:00 GMT)

文件 DJDN000020151124ebbo0042x

# DOW JONES NEWSWIRES

\*Carnival Corporation & Plc Announces Share Repurchase Program >CCL.LN

357 字

2015 年 11 月 24 日 16:30

Dow Jones Institutional News

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24 Nov 2015 11:30 ET Press Release: Carnival Corporation & plc Announces Share Repurchase Program

Carnival Corporation & plc Announces Share Repurchase Program

PR Newswire

MIAMI, Nov. 24, 2015

MIAMI, Nov. 24, 2015 /PRNewswire/ -- Carnival Corporation & plc (NYSE/LSE: CCL; NYSE: CUK) announces that it has initiated repurchasing stock under its currently authorized \$1 billion share repurchase program. The company began repurchasing shares during its third fiscal quarter of 2015, has continued repurchasing shares during its fourth fiscal quarter of 2015 and intends to enter into a 10B-5 program to repurchase stock during its regularly scheduled close periods.

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To view the original version on PR Newswire, visit:

<http://www.prnewswire.com/news-releases/carnival-corporation--plc-announces-share-repurchase-program-300183842.html>

SOURCE Carnival Corporation & plc

/Web site: <http://www.Carnivalcorp.com>

24 Nov 2015 11:31 ET \*Carnival Started Repurchasing Stock Under Its Authorized \$1 Billion Buyback Program

(MORE TO FOLLOW) Dow Jones Newswires (212-416-2800)

November 24, 2015 11:31 ET (16:31 GMT)

文件 DJDN000020151124ebbo002g7

## MARKET WEEK

Stocks --- The Trader: Rate-Hike Certainty Sends Stocks Soaring

By Vito J. Racanelli

2,087 字

2015 年 11 月 23 日

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The Federal Reserve signaled it's good-to-go for an interest-rate increase next month. Investors are OK with that and sent the stock market roaring to its best weekly finish this year, up over 3%.

Mounting certainty that the Fed will finally raise rates next month, the first time in nearly a decade, bolstered investor confidence. A hike would indicate the Fed believes the economy is showing enough strength to justify monetary tightening.

More importantly, there's a wide-ranging conviction now that the central bank will move slowly next year. U.S. stocks also received support from across the Atlantic, as European equities rose 3.3% on dovish rate talk Friday from European Central Bank President Mario Draghi that the central bank "won't hesitate" to expand its monetary stimulus.

The Dow Jones Industrial Average jumped 3.4%, or 579 points, last week to 17,823.81, while the Standard & Poor's 500 index gained 66, or 3.3%, to 2089.17. The Nasdaq Composite advanced 3.6% to 5104.92.

After many weeks flip-flopping over whether a rate hike is a good thing for stocks, investors opted to celebrate what is typically a key market aspiration: certainty. Fed speakers last week were generally clear that a hike of the benchmark federal-funds rate is in the cards at the next meeting of the Federal Open Market Committee, Dec. 15-16. But Wednesday's release of minutes of the previous FOMC meeting surprised equity markets and made the bulls happy.

The minutes suggest the Fed will "pause and reassess" after the first move. Investors had been uncertain about whether a hike would be one-and-done or the start of a series of stepped increases, as has been the Fed's history, says Kevin Kelly, chief investment officer of Recon Capital Partners.

Consequently, says Michael Arone, chief investment strategist at State Street Global Advisors, the market took that to mean that "the Fed will be slow and gradual" when it comes to future tightening. "It was a relief to the fears of continual hikes," he adds.

Raymond James chief investment strategist Jeffrey Saut says the market will be spurred on during the rest of 2015 by "performance anxiety," that is, underperforming money managers trying to catch up and boost their annual return by buying during a traditionally bullish season for equities. History shows "it's tough to put the equity market down in December," he notes.

With earnings largely out of the way, the market's likely to be driven by macroeconomic factors until January.

For the record, with 481 of the S&P 500 index companies having reported third-quarter results, earnings were down 1.6% and revenue fell 3.9%, says John Butters, an analyst at FactSet Research. Without energy companies, the comps would have been positive. Analysts are projecting a 4% earnings drop and 2.9% revenue decline in the fourth quarter, he says.

### Macy's on Sale

At \$38.60, shares of Macy's (ticker: M) are down nearly 50% from highs of \$74 in July and around \$50 just before its poor third-quarter results were released Nov. 11.

For investors with a long-term focus, however, Macy's looks cheap. As the company gets back on track over the next 12 to 18 months, a double-digit annual total return seems to be in store. Part of that is supplied by the 3.7% dividend yield.

In the third quarter, Macy's sales fell 5% to \$5.9 billion and net earnings per share to 56 cents, excluding one-time charges, from 61 cents a year earlier. More importantly the company lowered its 2015 guidance, on EPS, sales, and same-store sales.

Macy's blamed the weakness on tepid consumer spending and a slowdown in buying by international visitors. Several big retailers, particularly department stores and clothing retailers, had a tough third quarter, and some blamed the unusually warm weather.

It's more likely, says Ivan Feinseth, an analyst at broker Tigress Financial Partners, that consumers are currently spending their gasoline windfall on big-ticket items and hard goods. Car sales are booming, and home-improvement retailers are doing well.

There are reasons to shop for Macy's stock. The shares trade at a price/earnings ratio of nine times the consensus analysts' EPS expectation of \$4.14 next year. Granted, the estimate might drop some more, but the P/E is much cheaper than Macy's long-term average of 12 to 13 times.

The retailer faces head winds, but they aren't insurmountable to a company with a strong operational track record. Macy's is making changes that should boost the bottom line significantly, Feinseth notes.

In addition to plans to close 35 to 40 underperforming stores, out of 800, the retailer will cut annual selling, general, and administrative costs \$500 million by 2018. Management will roll out 50 new Macy's Backstage outlets, an off-price retail concept selling brand clothes at a 20% to 25% discount, and add 40 Bluemercury self-standing beauty specialty stores inside its department stores. The giant retailer just signed a deal to open LensCrafters outlets inside as many as 500 stores.

Feinseth, who has a Buy rating on the stock, says these moves are potential catalysts that will boost store traffic and reignite sales growth.

There's also a safety cushion from Macy's extensive real estate. The high summer stock level came because activist investors pressured Macy's to use a real estate investment trust to unlock value from the company's marquee properties.

In its third-quarter release, Macy's ruled out a REIT for the time being, but it is looking at ways to monetize some of its real estate. During the summer, Macy's property was estimated roughly at \$40 to \$60 per share by activists. Even if that's off by 50%, it would still equal a big chunk of the current price. REIT excitement probably pushed the stock too far in one direction, but the earnings pessimism has made the stock too cheap to ignore.

#### Nutty Value for Snyder's Lance

Sometimes a snack is a guilty pleasure, and sometimes you should just walk away.

The latter seems to be the case for Snyder's Lance (LNCE), a \$2.7 billion market-cap maker of pretzels, chips, sandwich crackers, and cookies, among other products. It's the second-largest salty-snack maker by sales, after Frito-Lay, owned by PepsiCo (PEP). Bullish investors, looking at its stated 6% to 8% sales growth in an otherwise stale food industry, have bid the shares to \$38.74, up 30% in the past 12 months, near the high.

What we see, however, once several recent acquisitions and divestments are stripped out, is humdrum, industry-like 2% growth or less at Snyder's underlying legacy brands. The stock looks significantly overvalued and could drop sharply if the company were again to miss expectations in 2016, as it did in the 2015 third quarter.

The Charlotte, N.C.-based company owns brands like Snyder's pretzels, Stella D'Oro cookies, Cape Cod chips, Archway ginger snaps, and Lance sandwich crackers, among others.

Snyder's P/E is 36 times consensus analyst estimates of \$1.09 this year, about 33% higher than its peers, some of which are much bigger and own significantly better brands. That's rich for a food company, particularly one in which EPS estimates have been trending down for two years.

The company depends heavily on acquisitions to fuel growth, but the stock gets a valuation typically awarded to companies with strong organic brand growth.

While revenue from acquisitions is real money, the stock's premium to both the industry and the broad market suggests investors are mistaking the deal-generated sales rise for sustainable organic growth.

The acquisitions and divestments obscure the reality that this company isn't growing as fast as the market thinks, if at all, says Yale Fergang, a portfolio manager at Royal Capital Management. Middle-single-digit

operating margins are not expanding despite the fact that management has promised double-digit margins for the past five years, he adds. Royal Capital is short the stock.

In the 2014 10-K filing, the company said total sales rose 7.8% to \$1.62 billion from \$1.5 billion in 2013. Once acquisitions and a 53rd week last year are excluded, revenue was up a more pedestrian 2.8%. Moreover, Snyder's artificially flatters its revenue comparisons in other ways, the portfolio manager says. In the filing, Snyder's restated 2011-2013 sales lower by removing revenue generated by its private brands segment -- sold last year -- making 2014 growth look better than it really was, both revenue and EPS. In 2014, revenue actually fell 8% from the \$1.76 billion in the 2013 10-K filing, which includes private segment revenue, he says.

Net income in 2014, including discontinued operations, jumped 12% to \$192.5 million. But income from continuing operations rose just 3.7% to \$59 million, again closer to what food companies typically show. Operating margins from continuing operations have been flat at around 3.3% to 3.7%. Sales for 2015's third quarter and nine months rose 1.8% and 5.9%, respectively, but again primarily due to acquisitions done in 2014.

Excitement over the proposed \$1.9 billion purchase of snack-and-nut company Diamond Foods (DMND) seems overdone, too. The price is high for a company with flat annual sales in the past four years.

The deal, announced on the same day that poor third-quarter earnings were released -- hammering the stock down as much as 11% at one point -- got investors jazzed again, sending the stock back to highs. The deal should raise Snyder's revenue to \$2.6 billion in 2016 from \$1.7 billion this year.

The combined company will have about \$1.6 billion in debt pro forma, or a high 4.3 times pro-forma earnings before interest, taxes, depreciation, and amortization (Ebitda). When about \$138 million in off-balance-sheet liabilities are thrown in, Fergang adds, the ratio rises to 4.7 times. While the company says that synergies will get the ratio to three times -- the peer average -- by 2017, he says, "its synergy assumptions are far from realistic."

Snyder's offer is 15 to 16 times Diamond's annual Ebitda. The company says the ratio will fall to about 10 times after \$75 million in synergies. That's equal to 8% to 9% of Diamond's annual sales and roughly three times average synergies seen in the food industry. Snyder's doesn't have a track record of such aggressive cost cutting.

Snyder's declined to comment.

Given Snyder's need for bigger and bigger targets to move the sales needle and its overoptimistic synergy expectations, it won't take much of another miss to send this stock down 20% to 30%. Combine all these potential risks with a rich P/E, and you get a stock that could give investors indigestion next year.

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## Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17823.81	+578.57	+3.35
DJTransportation	8301.80	+291.53	+3.64
DJUtilities	571.09	+10.51	+1.87
DJ65Stocks	6215.59	+193.22	+3.21
DJUSMarket	521.82	+15.97	+3.16
NYSEComp.	10444.20	+289.13	+2.85
NYSEMKTComp.	2247.08	+60.51	+2.77
<b>S&amp;P500</b>	2089.17	+66.13	+3.27
S&PMidCap	1447.05	+40.99	+2.92
S&PSmallCap	695.89	+20.04	+2.97
Nasdaq	5104.92	+177.04	+3.59
ValueLine(arith.)	4497.91	+116.95	+2.67
Russell2000	1175.15	+28.60	+2.49
DJUSTSMFloat	21600.06	+650.84	+3.11

Last Week    Week Earlier

NYSE

Advances	2,189	654
Declines	1,040	2,578
Unchanged	43	36
NewHighs	126	118
NewLows	311	328
AvDailyVol(mil)	3,899.4	3,887.4
Dollar		
(Finexspotindex)	99.61	98.80
T-Bond		
(CBTnearbyfutures)	154-140	153-120
Crude Oil		
(NYMlightsweetcrude)	40.39	40.74
Inflation KR-CRB		
(FuturesPriceIndex)	183.73	184.77
Gold		
(CMXnearbyfutures)	1076.40	1080.80

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## DOW JONES NEWSWIRES

The Trader: Rate-Hike Certainty Sends Stocks Soaring -- Barron's

2,118 字

2015 年 11 月 21 日 05:08

Dow Jones Institutional News

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(FROM BARRON'S 11/23/15)

By Vito J. Racanelli

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It's more likely, says Ivan Feinseth, an analyst at broker Tigress Financial Partners, that consumers are currently spending their gasoline windfall on big-ticket items and hard goods. Car sales are booming, and home-improvement retailers are doing well.

There are reasons to shop for Macy's stock. The shares trade at a price/earnings ratio of nine times the consensus analysts' EPS expectation of \$4.14 next year. Granted, the estimate might drop some more, but the P/E is much cheaper than Macy's long-term average of 12 to 13 times.

The retailer faces headwinds, but they aren't insurmountable to a company with a strong operational track record. Macy's is making changes that should boost the bottom line significantly, Feinseth notes.

In addition to plans to close 35 to 40 underperforming stores, out of 800, the retailer will cut annual selling, general, and administrative costs \$500 million by 2018. Management will roll out 50 new Macy's Backstage outlets, an off-price retail concept selling brand clothes at a 20% to 25% discount, and add 40 Bluemercury self-standing beauty specialty stores inside its department stores. The giant retailer just signed a deal to open LensCrafters outlets inside as many as 500 stores.

Feinseth, who has a Buy rating on the stock, says these moves are potential catalysts that will boost store traffic and reignite sales growth.

There's also a safety cushion from Macy's extensive real estate. The high summer stock level came because activist investors pressured Macy's to use a real estate investment trust to unlock value from the company's marquee properties.

In its third-quarter release, Macy's ruled out a REIT for the time being, but it is looking at ways to monetize some of its real estate. During the summer, Macy's property was estimated roughly at \$40 to \$60 per share by activists. Even if that's off by 50%, it would still equal a big chunk of the current price. REIT excitement probably pushed the stock too far in one direction, but the earnings pessimism has made the stock too cheap to ignore.

#### Nutty Value for Snyder's Lance

Sometimes a snack is a guilty pleasure, and sometimes you should just walk away.

The latter seems to be the case for Snyder's Lance (LNCE), a \$2.7 billion market-cap maker of pretzels, chips, sandwich crackers, and cookies, among other products. It's the second-largest salty-snack maker by sales, after Frito-Lay, owned by PepsiCo (PEP). Bullish investors, looking at its stated 6% to 8% sales growth in an otherwise stale food industry, have bid the shares to \$38.74, up 30% in the past 12 months, near the high.

What we see, however, once several recent acquisitions and divestments are stripped out, is humdrum, industry-like 2% growth or less at Snyder's underlying legacy brands. The stock looks significantly overvalued and could drop sharply if the company were again to miss expectations in 2016, as it did in the 2015 third quarter.

The Charlotte, N.C.-based company owns brands like Snyder's pretzels, Stella D'Oro cookies, Cape Cod chips, Archway ginger snaps, and Lance sandwich crackers, among others.

Snyder's P/E is 36 times consensus analyst estimates of \$1.09 this year, about 33% higher than its peers, some of which are much bigger and own significantly better brands. That's rich for a food company, particularly one in which EPS estimates have been trending down for two years.

The company depends heavily on acquisitions to fuel growth, but the stock gets a valuation typically awarded to companies with strong organic brand growth.

While revenue from acquisitions is real money, the stock's premium to both the industry and the broad market suggests investors are mistaking the deal-generated sales rise for sustainable organic growth.

The acquisitions and divestments obscure the reality that this company isn't growing as fast as the market thinks, if at all, says Yale Fergang, a portfolio manager at Royal Capital Management. Middle-single-digit

operating margins are not expanding despite the fact that management has promised double-digit margins for the past five years, he adds. Royal Capital is short the stock.

In the 2014 10-K filing, the company said total sales rose 7.8% to \$1.62 billion from \$1.5 billion in 2013. Once acquisitions and a 53rd week last year are excluded, revenue was up a more pedestrian 2.8%. Moreover, Snyder's artificially flatters its revenue comparisons in other ways, the portfolio manager says. In the filing, Snyder's restated 2011-2013 sales lower by removing revenue generated by its private brands segment -- sold last year -- making 2014 growth look better than it really was, both revenue and EPS. In 2014, revenue actually fell 8% from the \$1.76 billion in the 2013 10-K filing, which includes private segment revenue, he says.

Net income in 2014, including discontinued operations, jumped 12% to \$192.5 million. But income from continuing operations rose just 3.7% to \$59 million, again closer to what food companies typically show. Operating margins from continuing operations have been flat at around 3.3% to 3.7%. Sales for 2015's third quarter and nine months rose 1.8% and 5.9%, respectively, but again primarily due to acquisitions done in 2014.

Excitement over the proposed \$1.9 billion purchase of snack-and-nut company Diamond Foods (DMND) seems overdone, too. The price is high for a company with flat annual sales in the past four years.

The deal, announced on the same day that poor third-quarter earnings were released -- hammering the stock down as much as 11% at one point -- got investors jazzed again, sending the stock back to highs. The deal should raise Snyder's revenue to \$2.6 billion in 2016 from \$1.7 billion this year.

The combined company will have about \$1.6 billion in debt pro forma, or a high 4.3 times pro-forma earnings before interest, taxes, depreciation, and amortization (Ebitda). When about \$138 million in off-balance-sheet liabilities are thrown in, Fergang adds, the ratio rises to 4.7 times. While the company says that synergies will get the ratio to three times -- the peer average -- by 2017, he says, "its synergy assumptions are far from realistic."

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Snyder's offer is 15 to 16 times Diamond's annual Ebitda. The company says the ratio will fall to about 10 times after \$75 million in synergies. That's equal to 8% to 9% of Diamond's annual sales and roughly three times average synergies seen in the food industry. Snyder's doesn't have a track record of such aggressive cost cutting.

Snyder's declined to comment.

Given Snyder's need for bigger and bigger targets to move the sales needle and its overoptimistic synergy expectations, it won't take much of another miss to send this stock down 20% to 30%. Combine all these potential risks with a rich P/E, and you get a stock that could give investors indigestion next year.

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# Vital Signs

	Friday's Close	Week's Change	Week's % Chg.
DJIndustrials	17823.81	+578.57	+3.35
DJTransportation	8301.80	+291.53	+3.64
DJUtilities	571.09	+10.51	+1.87
DJ65Stocks	6215.59	+193.22	+3.21
DJUSMarket	521.82	+15.97	+3.16
NYSEComp.	10444.20	+289.13	+2.85
NYSEMKTComp.	2247.08	+60.51	+2.77
<b>S&amp;P500</b>	2089.17	+66.13	+3.27
S&PMidCap	1447.05	+40.99	+2.92
S&PSmallCap	695.89	+20.04	+2.97
Nasdaq	5104.92	+177.04	+3.59
ValueLine(arith.)	4497.91	+116.95	+2.67
Russell2000	1175.15	+28.60	+2.49
DJUSTSMFloat	21600.06	+650.84	+3.11

Last Week    Week Earlier

NYSE		
Advances	2,189	654
Declines	1,040	2,578
Unchanged	43	36
NewHighs	126	118
NewLows	311	328
AvDailyVol(mil)	3,899.4	3,887.4
Dollar		
(Finexspotindex)	99.61	98.80
T-Bond		
(CBTnearbyfutures)	154-140	153-120
Crude Oil		
(NYMlightsweetcrude)	40.39	40.74
Inflation KR-CRB		
(FuturesPriceIndex)	183.73	184.77
Gold		
(CMXnearbyfutures)	1076.40	1080.80
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