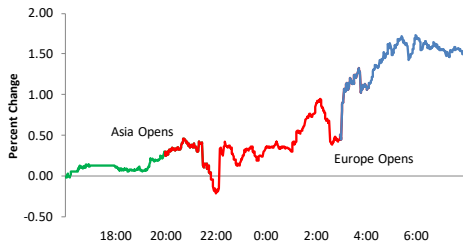




## Today's Events

### Overnight Trading



### Other Markets

Japan	↑	0.5 %
China	↑	0.0
Germany	↑	2.2
UK	↑	1.5
Oil	43.01 ↑	\$0.3
Gold	1960.1 ↓	-\$10.7
\$/Euro	0.844 ↑	0.00
\$/Yen	106.27 ↑	0.3
10-Yr	0.68 ↑	0.01

### Noteworthy Macro Events

- Futures Rally on Strength in Europe; STOXX 600 Up Nearly 2%.
- Covid Cases in US on the Rise in Midwest.

### Overnight Trading

Trading Up (\$):  
AMZN (39.96), NVDA (26.11), DOCU (19.7), CRWD (11.31), AVGO (7.46), TSLA (4.8)

Trading Down (\$):  
ZM (-7.69), NVAX (-4.33), HOME (-3.17), THO (-1.06), NKLA (-0.65), HRB (-0.35)

### Stock Specific News of Note

Ticker	News
BF/b	Beat EPS forecasts by 37 cents (0.67 vs 0.30) on stronger revenues.
CAL	Beat EPS forecasts by 45 cents (-0.57 vs -1.02) on stronger revenues.
DKNG	Michael Jordan takes equity stake in company in exchange for Board seat.
GES	Reported narrower than expected loss (-0.01 vs -0.58) on stronger sales; resumes dividend.
HOME	Beat EPS forecasts by 10 cents (1.41 vs 1.31) on inline revenues; comps up 42.3%.
HRB	Beat EPS forecasts by 22 cents (0.55 vs 0.33) on weaker revenues.
M	Reported narrower than expected loss (-0.81 vs -1.80) on stronger revenues.
SCVL	Beat EPS forecasts by 9 cents (0.71 vs 0.62) on weaker revenues.
SERV	Announces plans to sell ServiceMaster Brands businesses to Roark Capital for \$1.56 billion.
TSLA	Large holder cuts stake due to concentration rules.
VRA	Beat EPS forecasts by 39 cents (0.32 vs -0.07) on stronger revenues.

### Analyst Actions

#### Upgrades

Ticker	Firm	From	To
ARCE	UBS	Neutral	Buy
EQH	RBC Capital	Mkt Perf	Outperf
LUV	Berenberg	Hold	Buy
TDOC	Berenberg	Hold	Buy
ZG	Deutsche	Hold	Buy

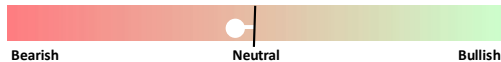
#### Downgrades

Ticker	Firm	From	To
AAL	Berenberg	Hold	Sell
DAL	Berenberg	Buy	Hold
DAO	Credit Suisse	Outperf	Neutral
SID	UBS	Neutral	Sell
WAG	Loop	Buy	Hold

#### Initiations/Reiterations

Ticker	Firm	Action	Rating
DKNG	Truist	Initiated	Hold
ISRG	Baird	Initiated	Neutral
LULU	Stifel	Reiterated	Outperf
NVDA	B of A	Reiterated	Outperf
PTON	JP Morgan	Reiterated	Outperf
SAM	Citi	Reiterated	Outperf

### Market Timing Model



Category	Expected S&P 500 Return (%)		
	One Week	Two Weeks	One Month
Sentiment	0.16	0.32	0.49
Technicals	0.11	0.18	0.60
Fundamental	0.12	0.30	0.38
<b>Overall</b>	<b>0.14</b>	<b>0.27</b>	<b>0.52</b>
Average (all days)	0.15	0.29	0.58

### Indicators/Events

Time	Event	Estimate	Last Report						
			Date	Est	Act.	Diff.	S&P	Best	Worst
8:15	ADP Employment	950	8/5	1200	167	-1033	0.64	Indu	Util
10:00	Factory Orders	6.0	8/4	5.0	6.2	1.2	0.36	Ener	HC
10:00	Fed's Williams Discusses Covid 19 Impacts								
10:30	DoE Energy Inventories								
12:00	Fed's Mester Discusses Monetary Policy								
18:00	Fed's Daly Discusses Economic Policy								

## Tomorrow

### Economic Indicators & Events

Time	Event	Estimate	Last Report		
			Date	Act. vs. Est.	S&P
8:30	Non Farm Productivity	7.5	8/14	5.8	-0.02
8:30	Unit Labor Costs	12.0	8/14	5.3	-0.02
8:30	Initial Claims	950K	8/27	6.0	0.17
8:30	Continuing Claims	14.0 mln	8/27	0.1	0.17
10:00	ISM Services	57.0	8/5	3.1	0.64

### Earnings Reports

Ticker	Date	TOD	Estimate	
			EPS	Revs.
CPB	9/3/20	AM	0.53	2,058
CIEN	9/3/20	AM	0.82	974
CONN	9/3/20	AM	-0.04	378
DCI	9/3/20	AM	0.44	611
JW.A	9/3/20	AM	0.10	415
MIK	9/3/20	AM	-0.11	1,017
PDCO	9/3/20	AM	0.24	1,178
SIG	9/3/20	AM	-1.95	822
TTC	9/3/20	AM	0.56	773
AVGO	9/3/20	PM	5.24	5,763
COO	9/3/20	PM	1.54	536
DOCU	9/3/20	PM	0.07	319
RH	9/3/20	PM	3.13	682
SWBI	9/3/20	PM	0.46	213
YEXT	9/3/20	PM	-0.12	85

### Conferences & Meetings

- 12:30 Fed's Evans Discusses Monetary Policy
- 10:30 DoE Energy Inventories
- 12:00 Fed's Mester Discusses Monetary Policy
- 18:00 Fed's Daly Discusses Economic Policy

### Dividends & Splits

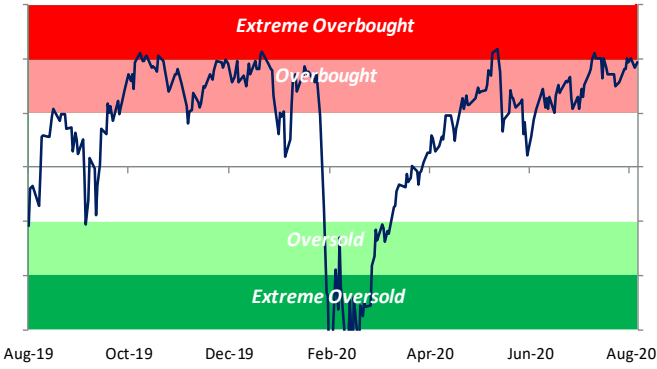
BLK	3.63	LCII	0.75
KMB	1.07	FDX	0.65
PEP	1.02	STRA	0.60
D	0.94	WM	0.55
GPC	0.79	TT	0.53

### Index Changes

None



### S&P 500 50-Day Moving Average Spread



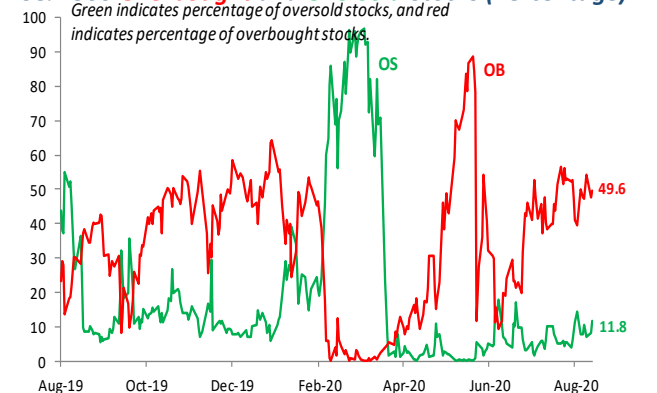
### S&P 500 Internals

Indicator	Change	Current	One Week Ago
50-Day Moving Avg Spread	↑	7.7 %	6.4 %
10-Day A/D Line	↑	87	-217
# of Overbought Stocks	↑	248	239
# of Oversold Stocks	↑	59	38
P/E Ratio			
Trailing	↑	27.47	26.82
Forward	↑	26.83	26.39
Dividend Yield	↓	1.71 %	1.75 %
Net Earnings Revisions	↑	10.7 %	7.9 %
<b>Credit Spreads (bps)</b>			
High Yield	↓	502	507
Corporate Bonds	↓	136	137

### Yesterday's Movers

Ticker	% Chg.	Occ.	Average Return (%)			
			Next Day		Next Week	
			Chg.	Percent Up	Chg.	Percent Up
REGI	15.5	6	0.0	33.3	3.1	66.7
GME	14.5	15	0.9	40.0	6.0	53.3
PENN	13.4	22	4.4	59.1	7.9	68.2
BLMN	12.3	13	3.2	53.8	1.5	53.8
SCSC	-13.3	6	3.7	83.3	4.6	66.7
QDEL	-10.0	5	-0.8	20.0	4.2	80.0
ARWR	-7.7	65	1.6	61.5	3.9	64.6
OSUR	-6.6	29	2.7	58.6	3.9	62.1

### S&P 500 Overbought and Oversold Stocks (Percentage)



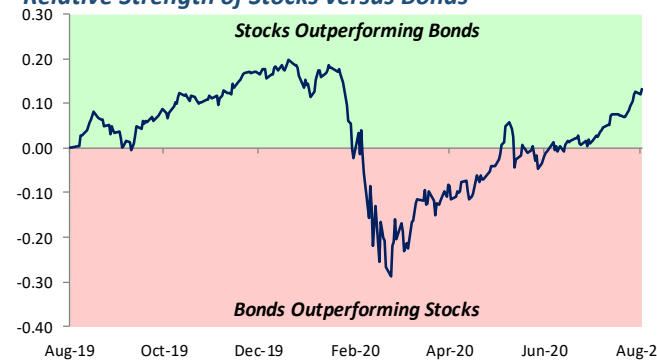
### Trading Ranges: Sectors

Index/Sector	Current	1 Wk Ago	OS	N	OB
S&P 500	OB	OB	█		█
Cons Discret.	OB	OB	█		█
Cons Staples	OB	OB	█		█
Energy	OS	OS	█		█
Financials	OB	OB	█		█
Health Care	N	N	█		█
Industrials	OB	OB	█		█
Materials	OB	OB	█		█
Technology	OB	OB	█		█
Comm. Svcs	OB	OB	█		█
Utilities	N	N	█		█

### S&P 500 Overbought Stocks Most Likely to Fall

Ticker	Price	Standard Deviations		Avg % Return (One Week)	Percent of Time Positive
		Above 50-Day Avg	Below 50-Day Avg		
CMG	1372.22	2.77	-1.23	36.8	

### Relative Strength of Stocks versus Bonds



### Trading Ranges: Bonds/Commodities

Commodity	Current	1 Wk Ago	OS	N	OB
\$/Euro	OS	OS	█		█
\$/Yen	N	N	█		█
2-Year	OB	N	█		█
10-Year	OS	N	█		█
Gold	N	N	█		█
Silver	OB	OB	█		█
Copper	OB	N	█		█
Crude Oil	OB	OB	█		█
Heating Oil	N	OB	█		█
Gasoline	N	OB	█		█
Natural Gas	OB	OB	█		█

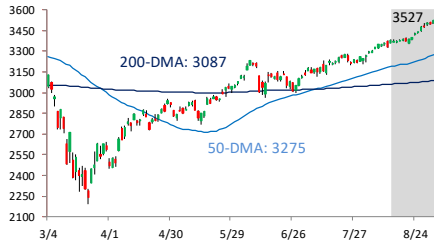
### S&P 500 Oversold Stocks Most Likely to Rise

Ticker	Price	Standard Deviations		Avg % Return (One Week)	Percent of Time Positive
		Below 50-Day Avg	Above 50-Day Avg		
CVS	60.28	-3.10	2.08	66.7	

For an explanation of the first two pages of this report, please click [here](#).



**S&P 500: Last Six Months**



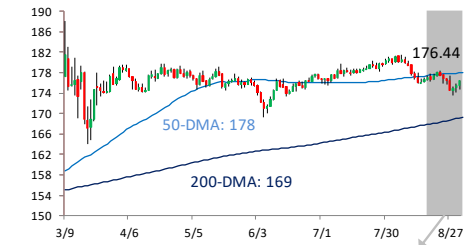
**Russell 2000: Last Six Months**



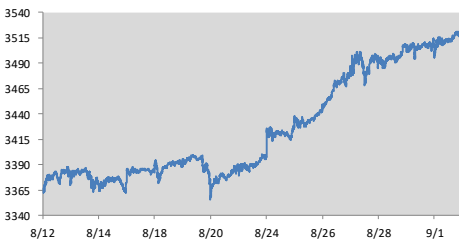
**Gold Future: Last Six Months**



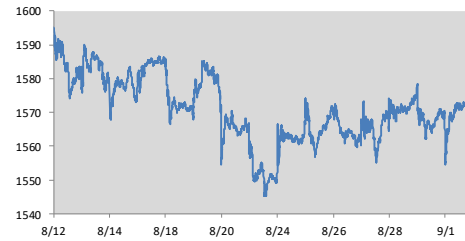
**Long Bond Future: Last Six Months**



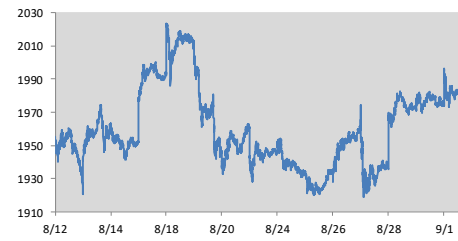
**S&P 500: Last 15 Trading Days**



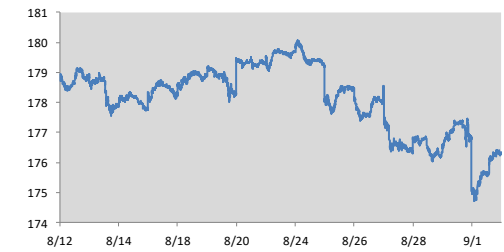
**Russell 2000: Last 15 Trading Days**



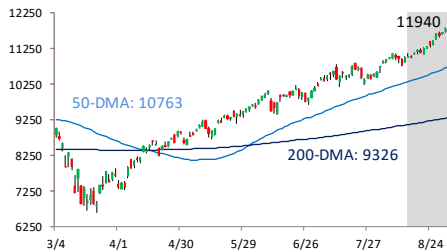
**Gold Front Month Future: Last 15 Trading Days**



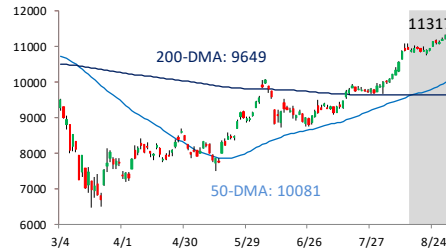
**Long Bond Future Intraday: Last 15 Trading Days**



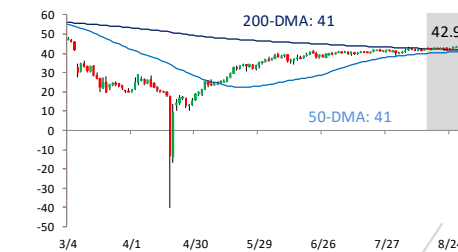
**Nasdaq Composite: Last Six Months**



**DJ Transports: Last Six Months**



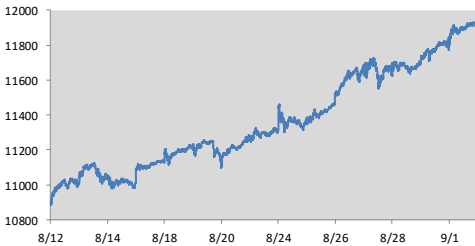
**Oil Future: Last Six Months**



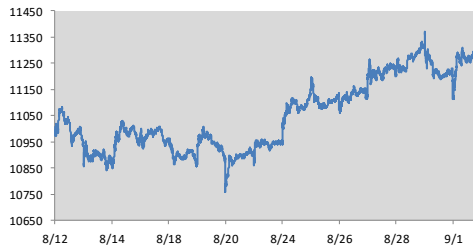
**BBG US Dollar Index: Last Six Months**



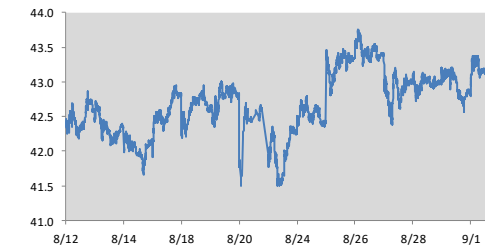
**Nasdaq Composite: Last 15 Trading Days**



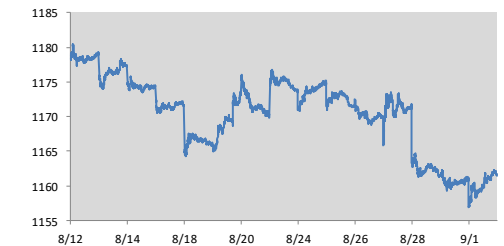
**DJ Transports: Last 15 Trading Days**



**Oil Future: Last 15 Trading Days**



**BBG US Dollar Index: Last 15 Trading Days**





## Morning Commentary

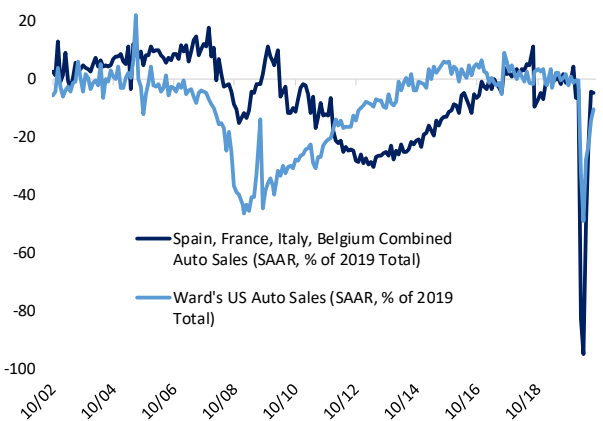
**Overview:** S&P 500 futures turned in a consistent, persistent rally that took them above 3,545 overnight, but stocks are starting to reverse as the US trading day gears up and futures are down a quarter percent since 5:00 AM highs. That still equates to a 65 bps gap higher at the open, and credit spreads are firmly in the green despite a pause in the dollar selling: the Bloomberg USD Index is up 0.3% this morning. [Global Economic Scorecard](#)

**Earnings:** The only notable report this morning is **Macy's (M)** which posted an adjusted net loss about half as large as was expected by analysts; comp sales plunged 35%, but gross margins were stronger than forecast and the company had less inventory than expected. The really bad news came from digital, where sales were up 53%; in normal times that would be amazing, but many brands are doubling YoY in the current environment. The stock is up almost 5% pre-market.

**APAC Markets:** It wasn't a spectacular night in APAC as Hong Kong and Taiwan closed red, but Australia was up 1.8% to lead the region and most other indices gained. That was despite some major weakness in regional FX including a 1.2% drop for IDR (the most in 4 months) on details of a plan for government control over the BSRI (Indonesia's central bank) to be expanded. Singapore-traded iron ore was up 2%, copper gained after a notable reversal off 52-week highs during yesterday's session, and Australian GDP plunged 7.0% QoQ versus 6.0% QoQ forecast in Q2, sending the country into its first recession (using two consecutive quarters of declining output as the definition) since 1991.

**Europe Markets:** The STOXX 600 gapped higher and has raced upwards since, gaining 2% on the day. Breadth is great at 10:1 positive, and every group is higher with Chemicals, Tech, and Personal & Household Goods all up at least 2.5% to lead the way higher on the session. German retail sales missed and fell for a second straight month, but they're still up over 4% YoY and simply returning to the pre-COVID trend of growth after a huge drop and then recovery during Q2. Similar to Asia, FX markets are showing a very different message from equities, with EURUSD down 55 bps and EURCHF off 31 bps despite market enthusiasm for equities. Rates are sharply lower as the EUR curve aggressively bull-flattens to catch up with the back half of yesterday's UST session. Credit spreads are down sharply in both cash and synthetic markets this morning. European corporate credit is making new spread lows across the board, similar to the US yesterday.

**Eurozone Auto Sales Fell Faster, Have Rebounded Further**



**Auto Sales:** US auto sales moved back across 15mm SAAR yesterday per Ward's, which reported 15.19mm sales at annual rates versus 14.9 estimated. As shown in the chart, US auto sales are still substantially below their prior trend and are bouncing back but surprisingly European sales have bounced back further. We don't have full numbers yet but for the major markets reporting, sales are down less than 5% versus the 2017 average the last two months, after falling 95% versus that level in April thanks to harsh lockdowns in Western Europe.



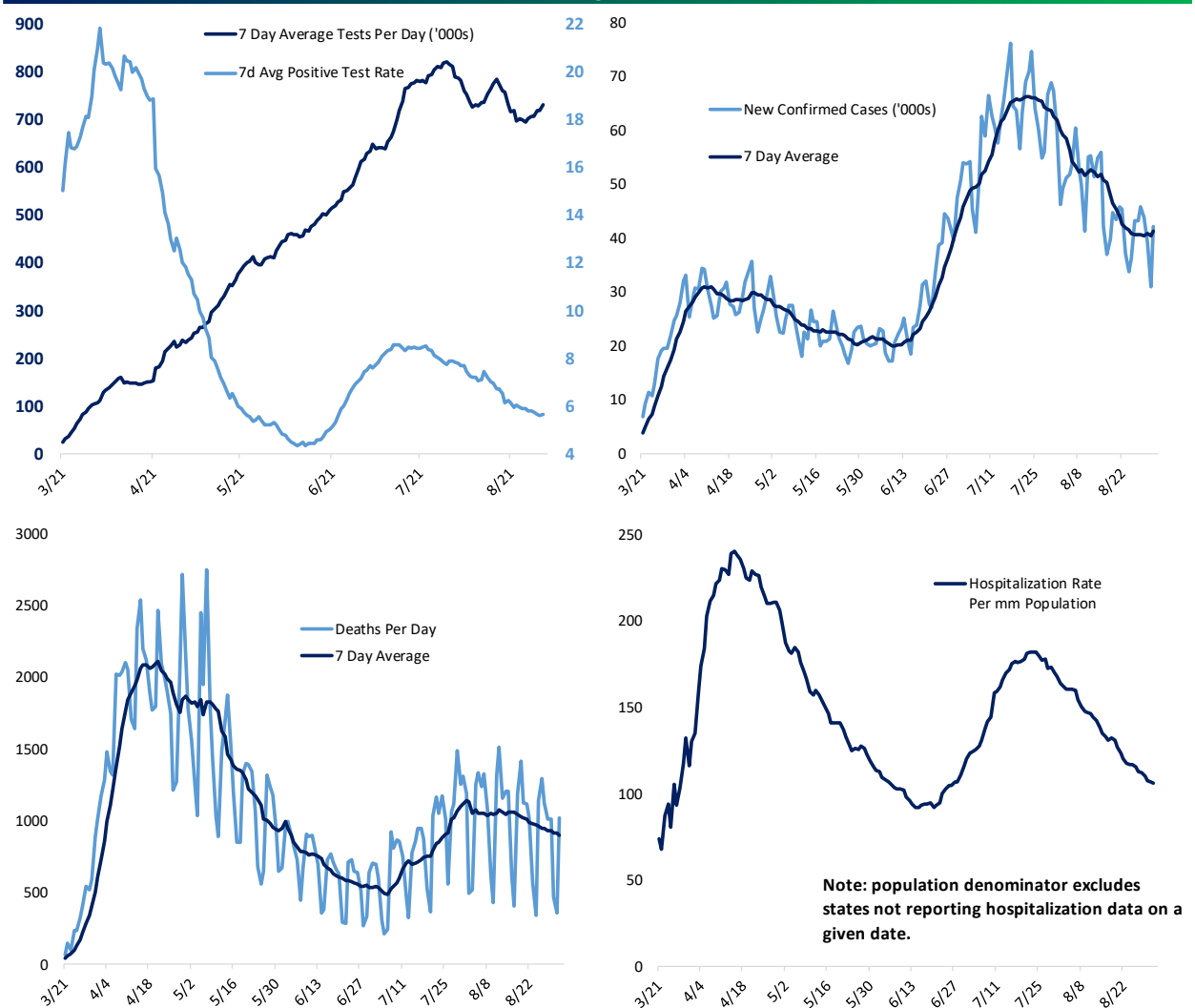
## Morning Commentary

**Coronavirus:** Total US cases reported out over the week ending yesterday are 0.7% higher than the week ending last Tuesday. Tests are rising once again, and hospitalization and deaths continue to fall, but six different states have seen an increase of at least 40 cases per million population

	AL	IA	MO	ND	NE	SD	US	
7d Positive Test Rate	17.88	18.50	13.58	20.08	9.91	22.21	5.67	
Week Change	6.22	4.33	0.82	8.66	0.02	7.75	-0.22	
Per mm Population	Deaths D/D, 7d Avg	4.75	3.21	2.28	1.31	1.03	0.97	2.70
	Week Change (%)	61.39	12.70	157.89	16.67	-33.33	-14.29	-6.53
	Cases D/D, 7d Avg	302.25	299.97	212.26	331.99	165.43	353.65	124.40
	Week Change (%)	50.76	52.54	26.32	22.39	50.94	96.24	0.67
	Tests D/D, 7d Avg	1690.16	1621.15	1563.38	1653.22	1668.58	1592.54	2206.29
	Week Change (%)	-1.71	16.83	18.67	-30.40	50.69	27.75	4.72
Current In Hospital	201.91	98.57	147.62	81.36	83.23	88.17	106.18	
Week Change (%)	-9.75	5.42	-2.05	24.00	4.55	47.17	-9.11	

per day versus where things stood a week ago; their data is summarized in the table above along with national data. All have substantially less testing than the national aggregate, but hospital usage is relatively light outside Alabama. The other states are all central Midwest states.

### US National COVID Tracking Statistics As-Of 9/1/2020





**Morning Commentary**

**COVID By State:** The table below includes a wide range of COVID-19 data points by state, as a reference. We will update it daily on this page.

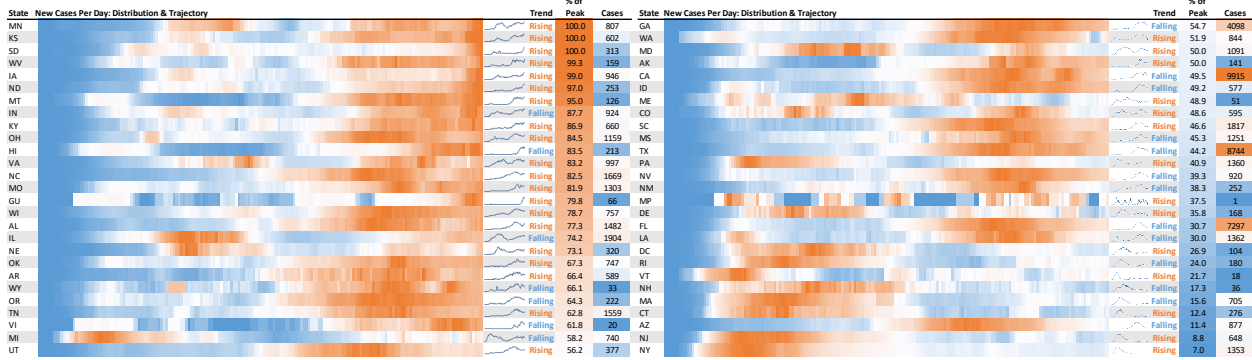
**COVID-19 Outbreak Statistics By State: Level, Growth, and Per Capita (As-Of 9/1/2020)**

State	Row Count (7 Day Average)				7 Day +ve			Per 1mm Population					
	Deaths	Week	Cases	Week	Tests	Week	Test Rate	Deaths	Week	Cases	Week	Tests	Week
	Day/Day	Change	Day/Day	Change	Day/Day	Change	(%)	Day/Day	Change	Day/Day	Change	Day/Day	Change
AK	0	-1	71	1	5,775	2,372	1.2	0.6	-0.8	96.5	1.0	7,894.1	3,242.1
AL	23	9	1,482	499	8,287	-144	17.9	4.7	1.8	302.3	101.8	1,690.2	-29.4
AR	15	2	589	34	8,120	2,246	7.3	4.9	0.5	195.2	11.2	2,690.7	744.1
AZ	36	-1	438	-183	6,684	-1,632	6.6	5.0	-0.2	60.2	-25.2	918.3	-224.2
CA	109	-22	4,957	-818	101,170	-754	4.9	2.8	-0.6	125.5	-20.7	2,560.5	-19.1
CO	4	-3	298	16	8,904	-581	3.3	0.6	-0.5	51.7	2.8	1,546.1	-100.9
CT	0	-1	138	26	15,662	2,808	0.9	0.1	-0.2	38.7	7.3	4,392.8	787.6
DC	0	0	52	1	3,032	-132	1.7	0.6	-0.4	73.9	1.2	4,295.7	-186.6
DE	0	-1	84	31	1,871	230	4.5	0.3	-1.3	86.4	32.3	1,921.1	236.5
FL	115	-3	3,648	-5	29,906	3,123	12.2	5.3	-0.1	169.9	-0.2	1,392.4	145.4
GA	67	0	2,049	-333	19,664	-4,698	10.4	6.3	0.0	193.0	-31.4	1,852.1	-442.4
GU	1	1	66	8	560	-179	11.8	5.2	3.4	399.1	48.3	3,379.2	-1,082.7
HI	3	2	213	-40	2,476	97	8.6	2.1	1.2	150.1	-28.4	1,748.7	68.7
IA	10	1	946	326	5,115	737	18.5	3.2	0.4	300.0	103.3	1,621.2	233.6
ID	7	1	288	-16	2,513	624	11.5	3.8	0.5	161.3	-8.8	1,406.5	349.2
IL	21	2	1,904	-90	43,765	-5,072	4.4	1.7	0.2	150.3	-7.1	3,453.7	-400.3
IN	10	-1	924	-15	10,398	-1,369	8.9	1.5	-0.1	137.3	-2.2	1,544.5	-203.4
KS	3	0	602	140	3,756	-915	16.0	1.0	0.0	206.5	47.9	1,289.3	-314.0
KY	8	-2	660	50	7,850	912	8.4	1.7	-0.4	147.6	11.1	1,757.2	204.2
LA	27	-8	681	-32	13,680	-1,187	5.0	5.7	-1.7	146.5	-6.9	2,942.8	-255.3
MA	15	-2	353	-52	21,396	1,705	1.6	2.1	-0.3	50.7	-7.5	3,078.7	245.3
MD	8	0	545	1	11,907	-701	4.6	1.3	-0.1	90.2	0.1	1,969.6	-116.0
ME	0	0	26	4	4,480	1,188	0.6	0.1	-0.3	19.1	2.7	3,332.9	883.5
MI	12	1	740	-7	30,033	-917	2.5	1.2	0.1	74.1	-0.7	3,007.3	-91.8
MN	7	-2	807	143	8,628	-1,261	9.4	1.2	-0.3	143.1	25.4	1,529.9	-223.5
MO	14	9	1,303	271	9,595	1,510	13.6	2.3	1.4	212.3	44.2	1,563.4	246.0
MP	0	0	0	0	89	89	0.5	0.0	0.0	7.8	7.8	1,609.9	1,607.3
MS	25	-1	625	-232	4,322	1,197	14.5	8.5	-0.4	210.1	-77.8	1,452.3	402.2
MT	1	-1	126	15	2,256	-2,172	5.6	1.1	-0.7	118.3	14.3	2,110.4	-2,032.5
NC	24	0	1,669	103	27,620	6,014	6.0	2.3	0.0	159.1	9.8	2,633.5	573.4
ND	1	0	253	46	1,260	-550	20.1	1.3	0.2	332.0	60.7	1,653.2	-722.1
NE	2	-1	320	108	3,228	1,086	9.9	1.0	-0.5	165.4	55.8	1,668.6	561.3
NH	0	0	18	-1	1,578	-274	1.1	0.3	-0.2	13.1	-0.8	1,160.4	-201.6
NJ	5	-1	324	49	23,022	-571	1.4	0.5	-0.1	36.5	5.6	2,591.9	-64.3
NM	5	0	126	-12	5,296	-1,368	2.4	2.2	0.2	60.2	-5.9	2,525.8	-652.5
NV	12	-6	460	-79	3,010	-612	15.3	3.8	-2.1	149.3	-25.7	977.1	-198.8
NY	5	0	677	76	84,226	4,445	0.8	0.2	0.0	34.8	3.9	4,329.6	228.5
OH	24	6	1,159	220	34,542	11,846	3.4	2.1	0.5	99.2	18.9	2,955.1	1,013.4
OK	9	0	747	54	8,012	36	9.3	2.3	0.1	188.7	13.8	2,024.7	9.0
OR	5	1	222	-23	4,827	303	4.6	1.3	0.2	52.7	-5.4	1,144.5	71.8
PA	12	-3	680	43	14,223	560	4.8	1.0	-0.2	53.1	3.4	1,111.0	43.7
RI	2	-1	90	-7	7,301	1,130	1.2	1.5	-0.5	85.0	-6.7	6,891.6	1,067.1
SC	33	6	908	77	6,899	125	13.2	6.3	1.2	176.4	15.0	1,340.0	24.2
SD	1	0	313	153	1,409	306	22.2	1.0	-0.2	353.6	173.4	1,592.5	345.9
TN	22	-7	1,559	182	20,448	-5,300	7.6	3.2	-1.0	228.1	26.6	2,992.5	-775.6
TX	158	-32	4,372	-842	44,142	12,154	9.9	5.4	-1.1	150.8	-29.0	1,522.4	419.2
UT	2	-2	377	4	4,846	1,406	7.8	0.5	-0.7	117.5	1.2	1,511.6	438.4
VA	17	3	997	90	14,103	-1,564	7.1	2.0	0.3	116.8	10.5	1,652.2	-183.2
VI	0	0	20	-9	254	-24	7.9	4.1	0.0	192.0	-83.1	2,418.3	-232.8
VT	0	0	9	3	2,338	1,170	0.4	0.0	0.0	14.4	4.8	3,747.3	1,874.3
WA	7	-5	422	177	13,314	6,052	3.2	0.9	-0.6	55.4	23.3	1,748.4	794.7
WI	5	-1	757	59	8,578	227	8.8	0.9	-0.1	130.0	10.2	1,473.2	39.0
WV	5	2	159	64	4,982	-425	3.2	2.8	1.0	88.6	35.7	2,779.7	-237.1
WY	1	0	33	-6	863	-293	3.8	1.0	0.2	57.3	-9.6	1,490.6	-505.5
US	897	-63	41,287	274	732,213	33,001	5.7	2.7	-0.2	124.4	0.8	2,206.3	99.4

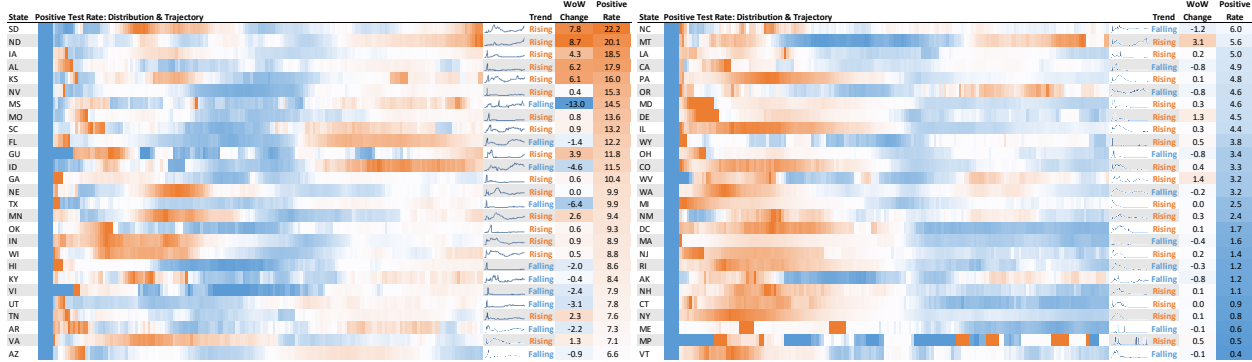


## Morning Commentary

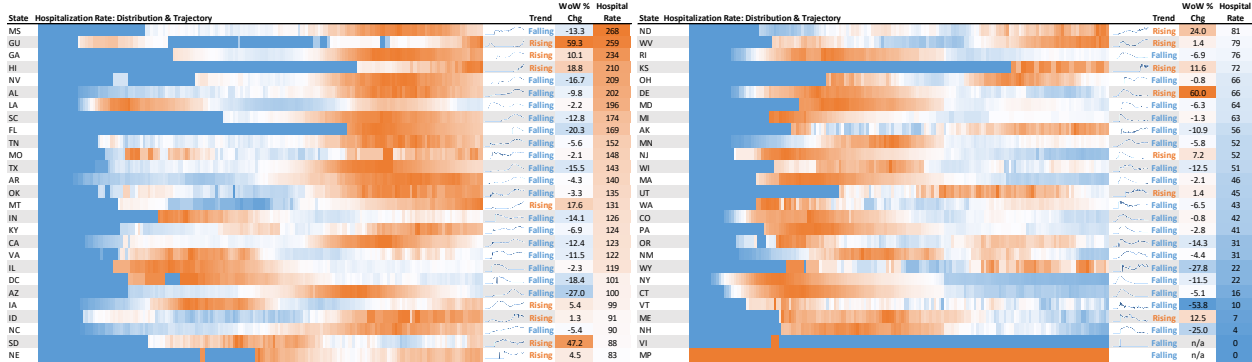
COVID-19 Case Count By State: 7 Day Moving Average As-Of 9/1/20



COVID-19 Positive Test Rate By State/Territory: 7 Day Moving Average As-Of 9/1/20



COVID-19 Per Capita Hospitalization By State/Territory: 7 Day Moving Average As-Of 9/1/20





## Morning Commentary

**US Calendar:** ADP's estimate for August's employment gains missed expectations by a mile (428K vs 1,000K expected), and we also get factory orders (revised durable goods and a first look at nondurables for July) as well as the Fed's Beige Book at 2:00 PM this afternoon. To stay on top of all the latest reports, make sure to check out our [Interactive Earnings Calendar](#). You can also follow US and Global data with our [Economic Scorecard](#).

### Bespoke Major Asset Class Dashboard

Equity Futs					Commodity				
Asset	Level	Change	5d Chg	3m Chart	Asset	Level	Change	5d Chg	3m Chart
S&P 500	3547.75	58.8	194.7		Gold	1964.70	-71.8	11.2	
Russell	1587.20	55.1	154.2		Silver	27.77	-305.5	-9.0	
VIX Fut	28.07	-90.0	734.2		WTI	43.02	60.8	-89.8	
TSX	989.00	0.0	-182.6		Copper	303.35	16.5	131.9	
Trsy Yields					Int'l Equity				
2 Year	13.48	0.4	13.3		Nikkei	23247.15	47.1	-18.8	
5 Year	25.79	0.5	25.5		CSI 300	4843.89	3.7	292.7	
10 Year	67.54	0.7	66.9		ASX 200	6063.21	184.4	-86.9	
30 Year	142.00	0.0	140.6		STOXX 600	372.47	198.2	-17.4	
Curves/BE					FX				
2s10s	53.67	0.3	0.1		BBG USD	1164.80	28.2	-42.1	
5s30s	115.89	-0.6	3.3		EURUSD	1.1854	-48.7	20.3	
5 Yr BE	167.48	1.2	165.8		USDJPY	106.25	27.4	24.5	
10 Yr BE	178.64	1.5	176.9		EM FX	55.38	-35.8	106.4	
Eurodollars					Credit				
Sep '20	99.77	-0.2	0.00		CDX IG	61.71	-0.5	-4.9	
Dec '20	99.71	-1.0	-0.01		iTraxx IG	50.23	-3.5	-3.8	
Mar '21	99.79	-1.0	0.01		CDX HY	349.24	-0.9	-21.8	
Jun '21	99.81	-0.5	0.02		iTraxx HY	303.17	-2.8	-20.6	