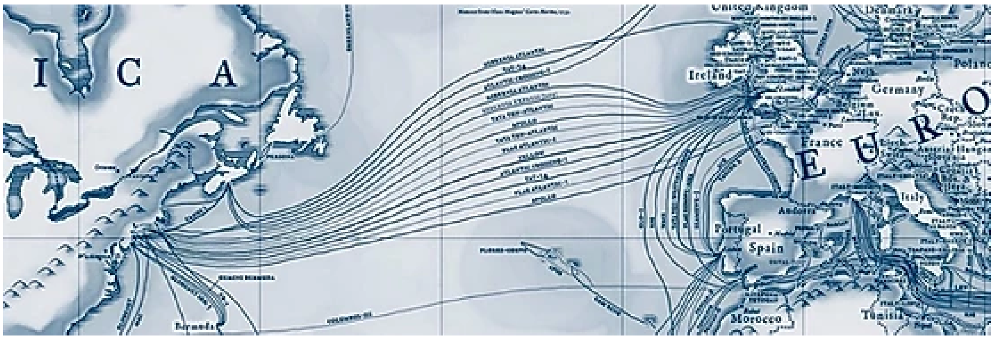
PriapusIQ May 4 15 min read

Morning Ramble - 4th May 2020



Merry Monday all, and happy NFP week!

Trust everyone had a couple of days to relax and recharge.

Looks like we have a meaty week instore for ourselves.

QE In The High Court

On Tuesday (May 5, 9:00am London time), the German Federal Constitutional Court (GFCC) will release its final judgement on the complaints launched by several groups of German individuals (academics and politicians) against the ECB's Public Sector Purchase Programme (PSPP).

Like the previous legal action against the ECB relating to the Outright Monetary Transactions (OMT) programme, these German citizens have argued that the ECB exceeded its mandate, and thereby question the compliance of the OMT and PSPP programmes with both EU law and Germany's own basic law.

Although unlikely to rock the boat, the ramifications if the judiciary did rule the ECB QE is illegal would be huge.

As the FT reports –

The German constitutional court is about to rule on the legality of the European Central Bank's quantitative easing programme. The ECB is not subject to German law, but the Bundesbank is.

Germany's central bank is the largest shareholder in the ECB. A "No" ruling from court on Tuesday would therefore take the eurozone into legally uncharted territory.

The ruling was expected in March, but the court postponed the decision to take account of the ECB's pandemic emergency purchase programme. We do not know whether the court wants to rule on the PEPP as well. If it does, we could be in for a nasty surprise. As explained by Ana Bobić and Mark Dawson, two Berlin-based legal scholars, the PEPP does not obviously meet the legal criteria set in previous court rulings.

The European Court of Justice has four criteria for asset purchases. First, the programme must leave investors in the dark about the actual assets to be bought. This is why the ECB normally limits the amount of debt it can buy. It relaxed restrictions for the PEPP, so a large share of newly issued Italian bonds could end up on the ECB's balance sheet. Second, purchases must not deter member states from pursuing sound fiscal policies. Third, the ECB should not hold bonds to maturity. Finally, it must try to offload risks to the European Stability Mechanism, the rescue fund.

There is no point trying to predict what Germany's constitutional court will do. It has been full of surprises. In the past, it roared against the euro but never went for the kill. In 1993 and 1998, German Eurosceptics hoped in vain that the court would stop the monetary union. The justices often expressed sympathy with the claimants, but always ended up ruling against them. The court also takes emergencies into account. The Covid-19 lockdown clearly qualifies. If they want to wave it through, they will find a way.

But with each ruling, the German court also narrowed the legal scope of what is allowed. When it asked the ECJ for an opinion about the legality of the ECB's backstop from 2012, the ECJ came out in support of the ECB. But the ECJ also produced a lot of small print. Eurosceptic German academics may have lost each time they have gone to trial before. But they may yet have the last laugh. They have already got the courts to produce annoying legal clarity where comforting grey zones existed before.

Many think of German judges as obstacles to modern monetary policy. I disagree. It is generally not a good idea to look at legal systems as obstacles. The laws underpinning the eurozone reflect the complex social contract between EU member states when they set up monetary union in the 1990s. Perpetual legal conflicts only mirror political and economic divisions built up since 2008.

When we disagree with a law, we should try to change it. In the case of the eurozone, we direct our ire at judges because EU treaties are difficult to change. There may not be a majority among EU members for a substantive reform of how the eurozone works. But we cannot expect judges to do the job for us. If they end up declaring asset purchases illegal, they will have merely adopted a narrower interpretation of the law than we might find expedient. There may be solid technical reasons to disagree with such a ruling, but the underlying problem is the law itself.

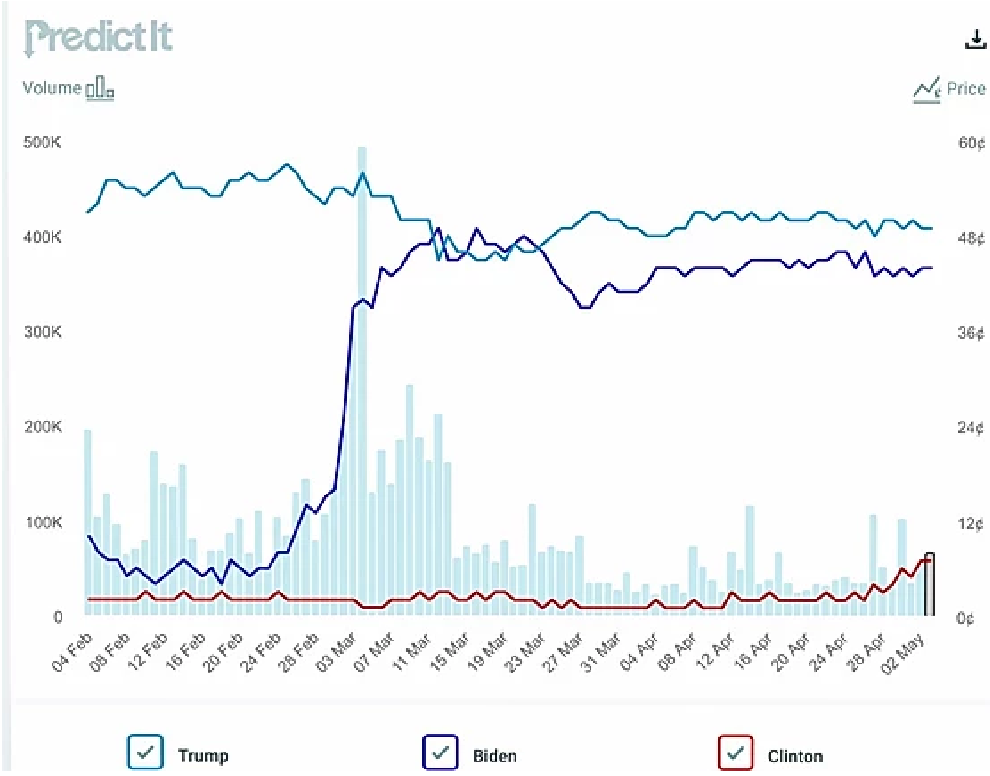
Everybody involved in eurozone policy knows that the monetary union owes its survival to successful rule-bending. It was a masterpiece of legal engineering in the last crisis to set fire to a no-bailout clause in European treaties, and then create a bailout umbrella on its ashes.

The eurozone's continued survival is contingent on such legal trickery. But in a world of independent judiciaries, this is hardly a stable basis. No matter what happens on Tuesday, this monetary union needs a new treaty.

A ruling against QE will see both Bunds and Euro get hit hard, at a time when coordinated fiscal support seems like a pipedream, tying the hands of the ECB in any fashion could have disastrous effects for the CV19 Economic Recovery.

There's a great Twitter thread and a Q&A by Goldmans which I'll put up on Twitter.

Chart Of The Day - Presidential Polling



I hate to be the bearer of bad news but we really do need to start thinking about the US Presidential Election in November.

You can be sure that Trump has it front and centre of his mind every time he makes a decision, as such, as his lead in the polls narrows or an increasing number of polls show him behind you can bet that he will become more reckless in his decision making (already a fairly low bar).

As mentioned a few times, I fully expect China to take the full brunt of this.

Stocks will become acutely aware of every detail of hostilities, as should you.

CV19 Roundup

Deaths

More than 3.52 million people have been reported to be infected by the novel coronavirus globally and 246,910 have died, according to a Reuters tally as of 0200 GMT on Monday.

Americas

* More than 1.16 million people have been infected in the United States and 67,821 have died, according to a Reuters tally, as of 0200 GMT on Monday.

* U.S. Secretary of State Mike Pompeo said there was "a significant amount of evidence" that the new coronavirus emerged from a Chinese laboratory.

* Canada's daily death toll edged up by under 5% in another sign the outbreak has peaked.

* Brazil reported 4,588 new cases and 275 deaths over the last 24 hours, while Mexico reported 1,383 new cases and 93 more deaths on Sunday.

Europe

* The British government had a contingency plan for Prime Minister Boris Johnson's death as he battled COVID-19 in intensive care last month, he said in an interview with The Sun newspaper.

* Confirmed cases in Germany increased by 679 and deaths by 43. The national tally of cases stands at 163,175, with 6,692 fatalities.

* Russia recorded its highest daily rise in confirmed cases with 10,633 new infections, bringing the total to 134,687.

* Travellers arriving to France from a country in Europe's Schengen open-border area or Britain will be exempt from a planned compulsory two-week quarantine.

* Serbia will end its state of emergency next week.

Asia-Pacific

* China reported three new cases for May 3, up from two the day before. Total cases in China touched 82,880 and the death toll remained at 4,633.

* Japanese Prime Minister Shinzo Abe is set to extend the country's state of emergency until the end of May.

* Australia reported 26 new cases, including a seven-year-old boy, across three states, the biggest daily jump in two weeks.

* New Zealand recorded no new cases for the first time since March 16.

Middle East & Africa

* Jordan said it had lifted all restrictions on economic activity.

* Malls in the United Arab Emirates' capital Abu Dhabi began reopening to a restricted number of customers.

* Test kits used in Tanzania were dismissed as faulty by President John Magufuli as they had returned positive results on samples taken from a goat and a pawpaw.

Economic Fallout

* The dollar inched up, equities struggled for traction and oil fell as a U.S.-China spat over the origin of the new coronavirus put brakes on optimism about an economic re-start as countries around the world ease restrictions.

* White House economic adviser Larry Kudlow said he would not rule out any element in the next potential coronavirus relief bill, including more money for state and local governments and the small business program.

* Greece expects its economy to contract by 4.7% to 8.9% this year under baseline and adverse scenarios.

* Jordan's cash-strapped economy is expected to contract around 3% in 2020.

* Bad debts at Indian banks could double after the coronavirus crisis brought the economy to a sudden halt.

Headline Roundup

Stocks Drop With Sentiment Fragile; Dollar Rises

Stocks in Asia retreated along with U.S. and European futures, indicating the risk-off move that's hit markets at the start of this month may have further to run. The dollar climbed.

S&P 500 futures declined as much as 1.8% at one point after global stocks posted a more than 2% slide on Friday. Shares in Hong Kong saw the bulk of losses, with those in Seoul and Singapore also dropping. The Sydney market edged up after tumbling the previous session. China's yuan maintained Friday's slide amid concern tensions with the U.S. are increasing.

The Australian dollar slipped along with the pound and euro, while Australian bonds nudged higher. Trading volumes may be light due to holidays in China and Japan, and Treasuries won't trade until the London open. Treasury futures climbed and oil began the week on the back foot.

The more than 10% rally in world shares in April is being tested as investors assess efforts from countries starting to ease lockdown restrictions against fears of a second wave of infections and a steady steam of bad economic data. Westpac Banking Corp. in Australia on Monday said profit tumbled and became the latest bank to delay a dividend payment. Earnings roll on this week, with firms including Disney, BMW, and Air France-KLM scheduled to report.

"While it is unlikely that we will retest the March lows, at least there is some chance that we head back toward the bottom of the April trading range -– which would be a further 7-10% downside from here, for most risk assets," said Ciaran Mulhall, managing director at Solus

Capital Partners Ltd.

Also weighing on sentiment is fresh political sparring between the U.S. and China. Secretary of State Michael Pompeo said “enormous evidence” shows the novel coronavirus outbreak began in a laboratory in Wuhan, China, but didn’t provide any proof for his claims. That comes after President Donald Trump and his aides last weeks sharpened their criticism of Beijing, demanding answers about the virus’s origin and hinting at possible retaliation.

On the virus front, Gilead Sciences Inc. plans to get its drug remdesivir to patients within days after getting U.S. backing for emergency use. New York added the fewest new deaths in more than a month, while fatalities slowed in the U.K. and Italy.

“My concern is that the market has priced in all that optimism before we have confronted the worst of the bad news on the economy and on some industries and earnings,” Michael Jones, chief executive officer at Caravel Concepts LLC, said on Bloomberg TV. “There are some challenges and setbacks that are going to be hitting us in the face over the next four weeks and we are no longer priced cheaply enough to just look past all that bad news.”

Meantime, North Korean troops fired at their South Korean counterparts in the demilitarized zone that divides the two countries for the first time in years. The move came a day after Kim Jong Un resurfaced at a fertilizer factory, ending weeks of speculation about his whereabouts.

Stocks

Futures on the S&P 500 Index dropped 0.7% as of 2:28 p.m. in Sydney. The gauge lost 2.8% on Friday.

Hong Kong’s Hang Seng Index fell 3.8%.

Australia’s S&P/ASX 200 Index added 0.9%.

South Korea’s Kospi index declined 1.7%.

FTSE 100 futures sank 0.6%.

Euro Stoxx 50 futures retreated 3.3%.

Currencies

The yen added 0.2% to 106.74 per dollar.

The euro bought $1.0939, down 0.4%.

The offshore yuan was little changed at 7.1337 per dollar.

The Bloomberg Dollar Spot Index rose 0.3%.

The pound fell 0.5% to $1.2446.

The Aussie lost 0.5% to 63.88 U.S. cents.

Bonds

The yield on 10-year Treasuries fell three basis points to 0.61% on Friday. Futures rose 0.2%.

Australia’s 10-year yield declined three basis points to 0.84%.

Commodities

West Texas Intermediate crude fell 5.6% to $18.68 a barrel.

Gold retreated 0.2% to $1,697.75 an ounce.

Buffett's Chance for a Blockbuster Deal Faded When Fed Stepped In

Warren Buffett struck some of his famous deals -- taking lucrative stakes in Goldman Sachs Group Inc. and General Electric Co. -- by swooping in when others panicked during the last financial crisis. He's treading more carefully this time around.

With a record $137 billion of cash piled up at his Berkshire Hathaway Inc., Buffett fielded questions over the weekend from shareholders who wanted to know why he hadn't acted as companies clamored for liquidity amid the pandemic-related shutdowns. This crisis is different, Buffett said.

"We have not done anything because we don't see anything that attractive to do," Buffett said at his annual shareholder meeting, which was held by webcast. The deals in 2008 and 2009 weren't done to make "a statement to the world," he said. "They seemed intelligent things to do and markets were such that we didn't really have much competition."

The famous investor's reputation allowed him to serve as a lender of last resort during the 2008 financial crisis, racking up deals that generated 10% annual dividends from household-name companies. But as panic about the virus and shutdowns assaulted equities in March and even began to freeze debt markets, the Federal Reserve beat him to the punch with an unprecedented set of emergency measures.

"There was a period right before the Fed acted, we were starting to get calls," Buffett said at Saturday's meeting. "They weren't attractive calls, but we were getting calls. And the companies we were getting calls from, after the Fed acted, a number of them were able to get money in the public market frankly at terms we wouldn't have given."

Buffett's cautious reaction to the latest crisis drew plenty of attention from investors. While Berkshire bought back $1.7 billion of its shares in the first quarter, it was a net seller of stocks through April as it shed stakes in four major U.S. airlines.

The approach seems to put him in the camp of other notable investors who think markets may not have seen the worst of the impact from the pandemic. Buffett said the prospect of buying back Berkshire's own stock isn't much more attractive than it was in January, even as the share price dropped.

"He received much more demanding questions," said Tom Russo, who oversees investments including Berkshire shares at Gardner Russo & Gardner LLC.

The sale of stakes in Delta Air Lines Inc., Southwest Airlines Co., American Airlines Group Inc. and United Airlines Holdings Inc. continues Buffett's tumultuous history with the industry. He swore off the sector years ago after a troubled bet on USAir, then in 2016 he dove back in. In March, he told Yahoo Finance that he wouldn't be selling airline stocks.

U.K. Business Sentiment Plunges With No Snap Recovery in Sight

U.K. business confidence slumped the most on record last quarter as financial leaders said they see no quick recovery from the coronavirus downturn.

On average, the 104 chief financial officers in Deloitte's quarterly survey said they expect revenues this year to to be more than a fifth lower than previously anticipated. Most said they do not see demand recovering to pre-pandemic levels until after the second quarter of 2021.

Almost all the CFOs said they were unwilling to take risk onto their balance sheets, although risk appetite remained above levels seen during the financial crisis. They also plan to reduce capital expenditure and hiring, the report said.

"CFOs expect the lockdown to ease in May and June and demand in their own sectors to start recovering later this year," said Ian Stewart, chief economist at Deloitte. "But there is no expectation of a quick snap back in activity."

Despite policy action to support corporate financing, the respondents reported the sharpest squeeze in credit conditions since the survey began in 2007. With availability and cost of debt both deteriorating markedly, 30% have used, or intend to access, the Bank of England's Covid Corporate Financing Facility.

Will the Aussie dollar benefit from the RBA's 'less loose' stance?

The Australian dollar was one of the biggest beneficiaries of the rebound in risk appetite last month, after plunging to its weakest level against the US dollar since 2003 in March. As a result, the currency has plenty to lose if the Reserve Bank of Australia defies market expectations that interest rates will stay on hold at its policy meeting on Tuesday, and opts instead for a cut from the current 0.25 per cent.

The RBA is one of few central banks around the world with a relatively hawkish stance because it has already started tapering the programme of asset purchases it began in March, when it tried to boost the flow of credit. By contrast, the central banks of Europe and the US have both been engaged in heavy quantitative easing measures.

Still, while that stance could benefit the Australian dollar over the long term, the short term is likely to remain volatile.

The currency, which is traditionally sensitive to global growth prospects, seems to have become more closely linked to the mood of the market since the coronavirus crisis began. Mark McCormick, global head of currency strategy at TD Securities in Toronto, said the Aussie had become "one of the critical barometers of global health."

In recent days it has been trading at just below $0.65, after dropping as low as $0.57 in March. But it remains about 7.5 per cent weaker than at the start of the year.

Mr McCormick noted that the central bank's move to taper asset purchases made its policy "less loose" than elsewhere.

US looks to exploit anger over Beijing's South China Sea ambitions

Washington hopes to capitalise on anger over persistent Chinese aggression in the South China Sea to rally rival claimants against Beijing.

China has continued to assert its dominance of the strategically important waters during the coronavirus pandemic even as other littoral states have been focused on dealing with the health crisis.

"Their harassment has not served them well. And it has helped start some conversations that we are having now about how to deal with China," said a US diplomat in south-east Asia.

The incidents have piled up in recent weeks: the sinking of a Vietnamese fishing boat by a Chinese coast guard vessel; Chinese maritime survey activity in waters off Malaysia; and

Beijing's inclusion of disputed land features in new Chinese administrative districts.

Mike Pompeo, the US secretary of state, has accused Beijing of taking advantage of the pandemic and urged members of the Association of Southeast Asian Nations (Asean) to stand up to China.

"It is important to highlight how the Chinese Communist party is exploiting the world's focus on the Covid-19 crisis by continuing its provocative behaviour. The CCP is . . . coercing its neighbours in the South China Sea," Mr Pompeo said in a videoconference with Asean foreign ministers last month.

"The United States strongly opposes China's bullying; we hope other nations will hold them to account, too."

The push comes as Washington is targeting China with increasingly fierce criticism on an ever broader range of issues from trade to coronavirus.

Analysts reject the idea that Beijing has embarked on a new South China Sea campaign during the pandemic. But they do believe the outbreak is having an effect on perceptions of Chinese policy.

"China is doing what it is always doing in the South China Sea, but it is a lot further along the road towards control than it was a few years ago," said Gregory Poling, director of the Asia Maritime Transparency Initiative at CSIS, the Washington-based think-tank.

"The US sees a window of opportunity now that Chinese diplomacy in south-east Asia is hitting a wall."

Analysts believe the latest confrontations could convince a few countries to close ranks or align more closely with the US.

"It is interesting that the Philippines expressed support for Vietnam after the fishing boat incident," said Bec Strating, a South China Sea expert at La Trobe University in Melbourne. "It is also interesting that the Australian navy exercised together with the US in some of the disputed waters."

Michael O'Hanlon, head of the foreign policy programme at Brookings, a US think-tank, said China's behaviour could play into the US's hands. "It gives us a much stronger bargaining position over things like basing," he said.

Model Portfolio

Much to the benefit of the portfolio, it appears, for now at least that the liquidity rebound driving equities higher over the past couple weeks has relaxed, for now at least.

With regards to open positions, there's not a great deal to talk about, I'm more than content to hold the current book as is.

A few things I am monitoring:

1. Looking for a decent pullback in Gold to add more length
2. Still looking for long oil exposure
3. A couple of short EM currencies (I'll let you do a bit of homework on them and we'll see if we come up with the same ones in a could of days! – Both pretty obvious, my concern is that they are too obvious and thus overcrowded)

As always, check @PiQViP for any updates throughout the day.

Entry					Exit		
Date	Product	B/S	Size (futs)	Price	Date	Price	PnL
24/01/2020	CL	S	2	53.96	31/01/2020	51.25	$5,420
24/01/2020	GCJ0	B	2	1571.00	19/02/2020	1612.50	$8,300
28/01/2020	GCJ0	B	2	1573.00	24/03/2020	1637.50	$12,900
28/01/2020	ZNH0	B	2	130 '27	27/02/2020	133 '12	$5,063
29/01/2020	CL	S	2	54.30	29/01/2020	53.20	$2,200
31/01/2020	CL	S	2	52.38	03/02/2020	51.70	$1,360
31/01/2020	CL	S	2	52.25	03/02/2020	51.70	$1,100
06/02/2020	GBPUSD	B	6	1.30	16/03/2020	1.22	-$28,538
17/02/2020	FGBLH0	S	1	174.45	03/03/2020	177.20	-$3,053
21/02/2020	RTYH0	S	2	1688.70	03/03/2020	1487.00	$20,170
21/02/2020	EURUSD	S	2	1.08	16/03/2020	1.11	-$7,963
27/02/2020	EURGBP	S	2	0.85	16/03/2020	0.88	-$18,542
27/02/2020	ZNM0	B	2	133 '7	03/04/2020	139.13	$11,842
28/02/2020	CLJ0	B	1	45.98	05/03/2020	45.98	$0
28/02/2020	CLJ0	B	1	45.98	03/03/2020	48.15	$2,200
03/03/2020	RTYH0	S	2	1521.00	12/03/2020	1150.00	$37,100
03/03/2020	FGBLM0	S	1	174.39	03/04/2020	172.14	$2,490
03/03/2020	RTYH0	S	2	1541.00	20/03/2020	1238.30	$45,500
04/03/2020	EURGBP	S	2	0.87	16/03/2020	0.91	-$11,388
05/03/2020	ESH0	S	2	3083.00	06/03/2020	2952.50	$13,050
10/03/2020	RTYH0	S	2	1350.00	20/03/2020	0.64	$26,400
13/03/2020	GCJ0	B	2	1582.60	31/03/2020	1604.40	$4,360
16/03/2020	EURGBP	S	4	0.92	OPEN	0.8800	$22,286
16/03/2020	GBPUSD	B	6	1.23	OPEN	1.2427	$6,300
16/03/2020	EURUSD	S	2	1.12	OPEN	1.0936	$7,275
18/03/2020	CLK0	B	3	21.75	02/04/2020	26.75	$15,000
19/03/2020	GCJ0	B	2	1476.40	31/03/2020	1604.40	$25,600
20/03/2020	RTYM0	S	4	1077.70	OPEN	1238.30	-$32,120
26/03/2020	RTYM0	S	2	1074.00	OPEN	1238.30	-$16,430
31/03/2020	GCM0	B	2	1618.50	15/04/2020	1736.50	$23,600
18/03/2020	CLK0	B	2	21.75	08/04/2020	24.30	$5,100
08/04/2020	RTYM0	S	2	1175.60	OPEN	1238.30	-$6,270
15/04/2020	GCM0	B	2	1618.50	OPEN	1708.30	$17,960
16/04/2020	6AM0	S	2	0.6305	OPEN	0.6379	-$1,480
24/04/2020	6CM0	S	2	0.7090	OPEN	0.7075	$300
29/04/2020	ZBM0	B	2	182 '10	OPEN	181 17/32	-$1,563
30/04/2020	6CM0	S	2	0.7193	OPEN	0.7075	$2,360
01/05/2020	CLM0	S	2	19.15	OPEN	18.32	$1,660
							$199,550

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Updated at 04/05/2020 07:17

Looking Ahead

European Manufacturing PMIs today, but given that they're A. Final readings, and B. Manufacturing PMIs I wouldn't be wasting too much time on them.

Focus today should be on the EU Sentix Index reading at 09:30BST where the market is looking for a reading of -30 vs the previous -42.9 with a range of -41.8 to -23. Very possible we see some optimism creep into the survey data here as respondents were questioned during the period when economic reopenings have been front-page news across the continent.

Across the pond, we have two juicy nuggets of data to sink out fangs into, ISM Non-Manufacturing Survey and US Factory Orders, whereas you would expect the Street is looking for a contracting of -9.8% from the previous flat (0.0%) reading. With a range of -12.2% to -3%, a print below the low range could further spook the rapidly eroding Risk On vibe in the market.

A neat little preview of the ISM number from the guys at Newsquawk –

> ISM APRIL NON-MANUFACTURING (MON):
>
> Consensus looks for 41, falling from 52.5 in March, although it is worth highlighting uncertainty about estimates in April. While the lockdown measures took hold in March, the impact is more likely to be seen in the April data. Business activity and new orders will likely fall in the survey. Some desks also will be keeping an eye on the survey quirks around supplier deliveries, which may have the effect of partly offsetting declines in other sub-indices, flattering the headline. As a reference, the Markit flash services PMI fell to 27.0 in April, a new low for the series. Markit noted that the blow has been most heavily felt in the service sector, and especially for consumer facing companies in the recreation and travel industries. And even those companies that were still actively trading, they reported the steepest drop in demand seen since data were first available and are also struggling against twin headwinds of staff shortages and supply chain delays, Markit said. “The scale of the fall in the PMI adds to signs that the second quarter will see an historically dramatic contraction of the economy, and will add to worries about the ultimate cost of the fight against the pandemic.”

Speaker wise, there is nothing of importance scheduled, but be alert for noise coming out of Germany ahead of tomorrow’s judiciary decision, and as I mentioned on Thursday, be mindful of the noises coming out of the Trump Administration with regards to blaming China for CV19 and possible retaliatory measures.

Keep it tight!

Economic Data 4th May

BST	Country	Relevance	Indicator Name	Period	Poll	Prior	Min	Max
0:00	South Korea	Medium	CPI Growth MM	Apr	-0.30%	-0.20%	-0.60%	-0.10%
0:00	South Korea	Medium	CPI Growth YY	Apr	0.35%	1.00%	0.00%	0.50%
0:00	South Korea		CPI NSA	Apr		105.54		
1:30	South Korea		IHS Markit Mfg PMI	Apr		44.2		
2:30	Australia		ANZ Internet & NewsPaper Job	Apr		-10.30%		
7:30	Sweden	Medium	PMI Manufacturing Sect	Apr		43.2		
8:00	Netherlands	Medium	PMI - Manufacturing	Apr		50.5		
8:15	Spain	Medium	Manufacturing PMI	Apr	34	45.7	31	35.7
8:30	Switzerland	Medium	Manufacturing PMI	Apr	34.6	43.7	30	35
8:45	Italy	High	Markit/IHS Mfg PMI	Apr	30	40.3	27.5	34
8:50	France	High	Markit Mfg PMI	Apr	31.5	31.5	31	31.5
8:55	Germany	High	Markit/BME Mfg PMI	Apr	34.4	34.4	33.5	35
9:00	Spain		Car Registration MM	Apr		-60.20%		
9:00	Spain		Car Registration YY	Apr		-69.30%		
9:00	Norway	Medium	Manufacturing DNB PMI SA	Apr		41.9		
9:00	Euro Zone	High	Markit Mfg Final PMI	Apr	33.6	33.6	33	33.6
9:30	Hong Kong		GDP Advance QQ	Q1		-0.30%		
9:30	Hong Kong		GDP Advance YY	Q1		-2.90%		
9:30	Hong Kong		Gvt Cons Exp YY Adv	Q1		6.00%		
9:30	Hong Kong		Pvt Cons Exp YY Adv	Q1		-3.00%		
9:30	Hong Kong		Exp Of Goods YY Adv	Q1		-2.60%		
9:30	Hong Kong		Exp of Services YY Adv	Q1		-25.00%		
9:30	Hong Kong		Fixed Cap YY Adv	Q1		-16.20%		
9:30	Hong Kong		Imp of goods YY Adv	Q1		-7.20%		
9:30	Hong Kong		Imp of Services YY Adv	Q1		-4.90%		
9:30	Euro Zone	Medium	Sentix Index	May	-33.5	-42.9	-41.8	-23
13:00	South Africa	Low	Total New Vehicle YY	Apr		-29.70%		
13:00	South Africa	Low	Total New Vehicle Sales	Apr		33,546		
14:45	United States	Low	ISM-New York Index	Apr		849.3		
14:45	United States	Low	ISM NY Biz Conditions	Apr		12.9		
15:00	United States	Low	Durables Ex-Def, R MM	Mar		-15.80%		
15:00	United States	Low	Durable Goods, R MM	Mar		-14.40%		
15:00	United States	High	Factory Orders MM	Mar	-9.80%	0.00%	-12.20%	-3.00%
15:00	United States	Low	Durables Ex-Transpt R MM	Mar		-0.20%		
15:00	United States	Low	Nondef Cap Ex-Air R MM	Mar		0.10%		
15:00	United States	Low	Factory Ex-Transp MM	Mar		-0.90%		
16:00	United States		Export Wheat Inspected	30 Apr, w/e		501.333k		
16:00	United States		Export Corn Inspected	30 Apr, w/e		1,078.175k		
16:00	United States		Exp Soybean Inspected	30 Apr, w/e		555.748k		
23:30	Australia	Low	AIG Construction Index	Apr		37.9		
23:45	New Zealand	Low	Building Consents	Mar		4.70%		

Speakers/Events

BST	Country	Event
12:00	United Kingdom	Bank of England Deputy Governor Sam Woods delivers speech at City Week COVID-19 Webinar Series, "Regulators' Briefing for the UK Financial Services Industry"
13:00	France	OECD to update on progress rewriting international tax rules
13:00	EU	EU Commission Vice-President Margrethe Vestager discusses EU measures to tackle the COVID-19 crisis and ways the digital transformation can boost recovery will be discussed with EU lawmakers
14:00	EU	EU Commissioner for internal market Thierry Breton and for education, culture and research Mariya Gabriel debate the impact of covid-19 on culture, education and media with EU lawmakers
14:00	EU	EU hosts an international pledging conference with the aim of raising at least 7.5 billion euros to fund global research in vaccine, treatments and diagnostics to tackle COVID-19

			YTD	Mkt Cap	Consensus 1Q 2020				P/E
Sector	Company name	Ticker	Return	($ bil)	EPS	Std. Dev.	3 Mo Revision	Yr/Yr Growth	(NTM)
Monday, May 4, 2020									
Communication Services	**DISH Network Corp.**	DISH	(35)%	$ 7	$ 0.58	$ 0.07	18 %	(10)%	10.3 x
Consumer Discretionary	**Leggett & Platt**	LEG	(43)%	$ 4	$ 0.35	$ 0.13	(35)%	(28)%	18.7 x
	Mohawk Industries	MHK	(43)	6	1.67	0.13	(18)	(22)	11.4
Consumer Staples	**Tyson Foods Inc.**	TSN	(33)%	$ 18	$ 1.08	$ 0.13	(26)%	(10)%	10.2 x
Energy	**Diamondback Energy**	FANG	(60)%	$ 6	$ 1.32	$ 0.28	(37)%	(5)%	12.2 x
	Williams Companies	WMB	(24)	21	0.27	0.03	6	22	17.4
Financials	**American Intl Group**	AIG	(55)%	$ 20	$ 0.79	$ 0.26	(38)%	(50)%	5.6 x
	Loews Corp.	L	(37)	10			NM	NM	NM
	Unum Group	UNM	(49)	3	1.38	0.03	(1)	5	2.7
Health Care	**STERIS Plc**	STE	(2)%	$ 13	$ 1.59	$ 0.05	(1)%	4 %	25.3 x
	Varian Medical Systems	VAR	(24)	10	0.83	0.17	(33)	(21)	29.5
Industrials	**Westinghouse Air Brake**	WAB	(33)%	$ 10	$ 1.00	$ 0.06	(16)%	(5)%	12.7 x
Information Technology	**Jack Henry & Associates**	JKHY	8 %	$ 12	$ 0.81	$ 0.02	4 %	5 %	41.3 x
	Skyworks Solutions	SWKS	(23)	16	1.33	0.04	(9)	(9)	15.5
Materials	**Mosaic Co.**	MOS	(48)%	$ 4	$(0.09)	$ 0.09	NM	NM	38.0 x

			YTD	Mkt Cap	Consensus 1Q 2020				P/E
Sector	Company name	Ticker	Return	($ bil)	EPS	Std. Dev.	3 Mo Revision	Yr/Yr Growth	(NTM)
Monday, May 4, 2020 (continued)									
Real Estate	**Realty Income Corp.**	O	(32)%	$ 17	$ 0.85	$ 0.02	(1)%	4 %	14.4 x
	Vornado Realty Trust	VNO	(43)	7	0.84	0.27	(9)	(36)	11.2
Utilities	**Public Service Enterprise Grp**	PEG	(14)%	$ 25	$ 1.02	$ 0.03	(9)%	(5)%	15.1 x
	Sempra Energy	SRE	(16)	35	2.25	0.20	15	17	17.5
	WEC Energy Group	WEC	3	30	1.32	0.01	5	(1)	25.3