THE DAY AHEAD

MARKET RECAP at 4 pm ET

The **S&P 500** and the **Dow** advanced, regaining footing after a heavy selloff in the previous session, but concerns over inflation and the ongoing debt ceiling debate limited gains. Traders paused their selling of **Treasuries**, leaving **yields** little changed. Rising expectations for an interest rate hike supported the **dollar**, which in turned weighed on **gold** prices. **Oil** prices slipped after U.S. crude inventories rose.

STOCKS	Close	Chng	%Chng	Yr-high	Yr-low
DJIA	34390.92	90.93	0.27	35631.19	26143.77
Nasdaq	14512.44	-34.24	-0.24	15403.44	12397.05
S&P 500	4359.46	6.83	0.16	4545.85	3662.71
Toronto	20158.14	-16.00	-0.08	20897.57	15418.46
FTSE	7108.16	80.06	1.14	7224.46	6397.24
Eurofirst	1760.25	12.29	0.70	1836.57	1521.71
Nikkei	29544.29	-639.67	-2.12	30795.78	26954.81
Hang Seng	24663.50	163.11	0.67	31183.36	23771.46

TREASURIES	Yield	Price
10-year	1.5323	1 /32
2-year	0.2970	1 /32
5-year	1.0035	3 /32
30-year	2.0782	-6 /32

FOREX	Last	% Chng
Euro/Dollar	1.1591	-0.77
Dollar/Yen	111.98	0.43
Sterling/Dollar	1.3418	-0.86
Dollar/CAD	1.2752	0.53
TR/HKEX RMB	99.66	0.19

COMMODITIES ($)	Price	Chng	% chng
Front Month Crude /barrel	74.66	-0.63	-0.84
Spot gold (NY/oz)	1724.65	-9.03	-0.52
Copper U.S. (front month/lb)	0.0419	-0.0006	-1.40
CRB Index Total Return	241.44	-1.53	-0.63

S&P 500	Price	$ Chng	% Chng
GAINERS			
Dollar Tree Inc	100.51	14.23	16.49
Eli Lilly and Co	230.32	8.72	3.94
Tyson Foods Inc	80.44	2.64	3.39
LOSERS			
Generac Holdings Inc	406.25	-19.09	-4.49
HP Inc	27.32	-1.26	-4.41
Twitter Inc	60.01	-2.44	-3.91

Coming Up

The U.S. Commerce Department is scheduled to release **gross domestic product** (GDP) for the second quarter, it is likely to have increased at an annualized rate of 6.6% in the final estimate. The Labor department is scheduled to release **initial claims for state unemployment benefits**. Claims are likely to have dropped to a seasonally adjusted 335,000 for the week ended Sept. 25, from 351,000 in the previous week. The report is also expected to show the **number of people continuing to receive benefits** after an initial week of aid dropped to 2.8 million in the week ended Sept. 18, from 2.845 million in the prior week.

Federal Reserve Chairman **Jerome Powell** is scheduled to testify on Coronavirus and CARES Act before the U.S. House Committee on Financial Services. San Francisco Fed President **Mary Daly** is scheduled to participate in a virtual fireside chat before the 2021 Idaho Women and

REUTERS/Lucas Jackson

Leadership Conference hosted by the Andrus Centre for Public Policy at Boise State University. Federal Reserve Bank of Atlanta President **Raphael Bostic** is scheduled to speak on "Economic Mobility as a Tool for Sustainability" and participate in a moderated question-and-answer session before virtual Georgia Tech Library Scholars Event Network. New York Fed President **John Williams** (*pictured*) is likely to make opening remarks at a Webinar titled "Implications of Federal Reserve Actions in Response to the COVID-19 Pandemic." Federal Reserve Bank of

KEY ECONOMIC EVENTS

Events	ET	Poll	Prior
Corporate profits revised for Q2	0830	--	9.7%
GDP final for Q2	0830	6.6%	6.6%
GDP sales final for Q2	0830	--	7.9%
GDP cons spending final for Q2	0830	--	11.9%
GDP deflator final for Q2	0830	6.1%	6.2%
Core PCE prices final for Q2	0830	6.1%	6.1%
PCE prices final for Q2	0830	--	6.5%
Initial jobless claims	0830	3,35,000	3,51,000
Jobless claims 4-week average	0830	--	3,35,750
Continued jobless claims	0830	2.800 mln	2.845 mln
Chicago PMI for Sept	0945	65.0	66.8

REFINITIV™

DATA IS JUST
THE BEGINNING

Philadelphia President **Patrick Harker** is scheduled to speak virtually on "The Federal Reserve in Conversation: Developing Regulation, Sustainable Assets and Financial Markets" at the Official Monetary and Financial Institutions Forum. St. Louis Fed President **James Bullard** is scheduled to speak via Zoom at the Aspen Institute. Federal Reserve Bank of Chicago President **Charles Evans** is likely to participate in virtual moderated question-and-answer session hosted by the Bendheim Center for Finance.

Facebook Inc will testify in a Senate hearing on how its Instagram app affects the mental health of its young users. The hearing comes after the Wall Street Journal reported internal researchers knew the app was negatively affecting teen girls and their self image. U.S. Senator **Richard Blumenthal**, Chair of the Subcommittee on Consumer Protection, Product Safety and Data Security will convene the hearing and **Antigone Davis**, Director, Facebook Global Head of Safety will be at the witness table.

Closing arguments are scheduled before Orange County Superior Court Judge Peter Wilson in the trial of several California counties' case accusing **Johnson & Johnson**, **Endo**

A 3D printed Facebook logo is placed between small toy people figures in front of a keyboard in this illustration taken April 12, 2020. REUTERS/Dado Ruvic

International Plc, **AbbVie Inc** and **Teva Pharmaceutical Industries Ltd** of fueling the **opioid epidemic** by misleadingly marketing their drugs. The arguments will be conducted by video conference.

Mexico's interest rate data is expected to be announced. The country's central bank is likely to increase the key rate to 4.75% after raising it 25 basis points to 4.5% in August.

LIVECHAT-REUTERS GLOBAL MARKETS FORUM
Reuters correspondent **Elizabeth Howcroft** joins the forum to discuss the latest news and trends in the world of non-fungible tokens. (1000 ET/1400 GMT) To join the conversation, **click here**

KEY RESULTS

Company Name*	Quarter	ET	Smart Estimates	EPS Estimates**	Year Ago	Rev Estimates (mln)
Carmax	Q2	BMO	$2.00	$1.90	$1.79	$6,902.62
McCormick & Company	Q3	BMO	$0.72	$0.72	$0.77	$1,537.92
Paychex	Q1	BMO	$0.80	$0.80	$0.63	$1,042.50

*Includes companies on S&P 500 index. **Estimates may be updated or revised; release times based on company guidance or past practice.*

I/B/E/S EPS and revenue estimates, and StarMine Smart Estimates, provided by Refinitiv.

REFINITIV™
DATA IS JUST
THE BEGINNING

Market Monitor

Wall Street ended firmer in a partial rebound from the previous day's broad sell-off, with remarks from U.S. Federal Reserve Chairman Jerome Powell and the ongoing debt ceiling debate keeping a lid on gains. "We've had a rough patch, and you can't say we're done with these volatile days. September and October are weak for the market," said Peter Tuz, president of Chase Investment Counsel in Charlottesville, Virginia. "We've had seven 'up' months, so having a down month on what's usually the weakest month of the year, especially with cross-currents of inflation and the prospect of higher taxes, doesn't seem that concerning to me." **Boeing** rose 3.15% to $225.29 after China's aviation regulator's successful 737 MAX test. The **Dow Jones Industrial Average** rose 0.27% to 34,390.92, the **S&P 500** gained 0.16% at 4,359.49 and the **Nasdaq Composite** fell 0.24% to 14,512.44.

Traders slowed their selling of **U.S. Treasuries**, leaving yields little changed, as they kept an eye on government budget talks in Washington. Analysts said investors were taking stock after Treasury market moves of recent days and trying to forecast how negotiations on U.S. spending plans might resolve. "The momentum is all on the bear side of this," said Kim Rupert, senior economist for Action Economics. For now, investors expect some kind of deal that avoids big disruptions to the Treasury market, said Rupert of Action Economics and Padhraic Garvey, head of research for ING Americas. But a continued impasse would eventually pressure the market, for example if ratings agencies downgraded the United States. Benchmark **10-year notes** were 2/32 higher, yielding 1.5305%. **2-year notes** were up 1/32, to yield 0.2970%. **30-year bonds** were down 5/32, yielding 2.0768%.
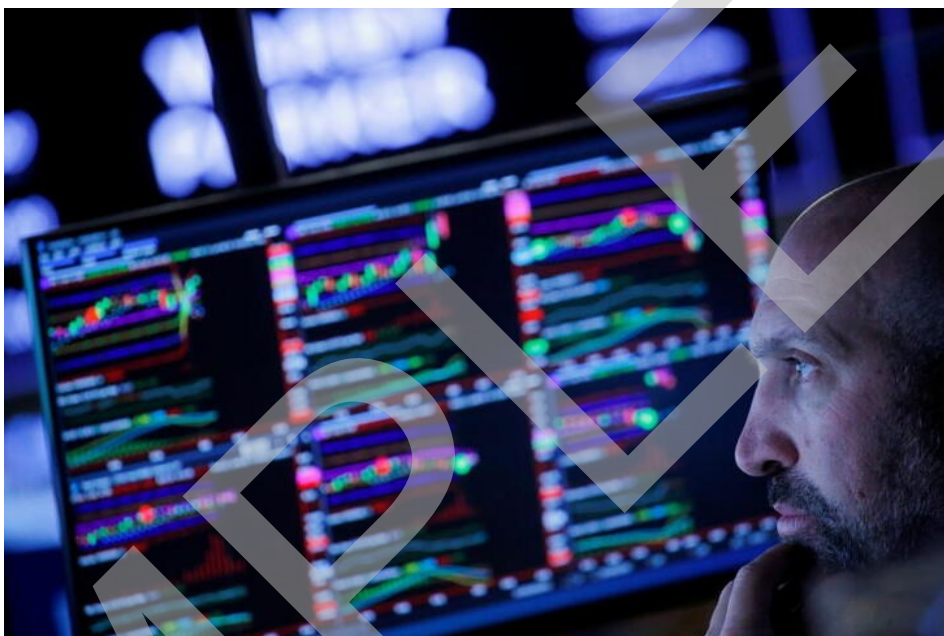
Traders work on the floor of the New York Stock Exchange in New York City, U.S., September 29. REUTERS/Brendan McDermid

The **dollar** surged against rival currencies, boosted by increased expectations for a reduction in the U.S. Federal Reserve's asset purchases by the end of the year and an interest rate hike, possibly in late 2022. "The Fed last week got on the more hawkish side, projecting more rate increases.. and sounding more worried about persistently high inflation," said Erik Nelson, macro strategist, at Wells Fargo Securities in New York. "To me, that's what helping the dollar stay well-bid here." Nelson also sees a further 2% to 3% upside in the dollar index. The **dollar index** rose 0.69% at 94.41.

Oil prices fell after U.S. crude inventories rose by more than anticipated, even as OPEC plans to maintain its deliberate approach to adding supply to the market despite strong worldwide demand. U.S. crude stockpiles rose by 4.6 million barrels last week, exceeding expectations, boosted by a rebound in output as offshore facilities shut in by two U.S. Gulf hurricanes resumed activity. **Brent crude** fell 0.90% to $78.38 a barrel and **U.S. oil** prices slipped 0.84% to $74.66 a barrel. The Organization of the Petroleum Exporting Countries and its allies including Russia, known as OPEC+, is likely to stick to an existing deal to add 400,000 barrels per day (bpd) to its output for November when it meets next week, sources said, despite pressure from consumers for more supply.

Gold fell as the dollar rose and on expectations the U.S. Federal Reserve could soon begin winding down its economic support measures. **Spot gold** was down 0.50% at $1,724.96 per ounce. **U.S. gold futures** were 0.70% lower at $1,725.30 per ounce. The appreciating dollar is limiting gold's upside, said Jim Wyckoff, senior analyst at Kitco Metals, making the metal more expensive to holders of other currencies. "(If) stock markets become unstable again, gold could see better safe-haven demand entering the historically turbulent month of October," Wyckoff added.

REFINITIV™

DATA IS JUST
THE BEGINNING

Top News

Google tells EU court payments to phone makers gave Android a chance against Apple

Payments to phone makers to pre-install only Google Search on their devices were not aimed at preventing competition but were necessary for Android to seize market share from Apple, Alphabet's Google told Europe's second-top court. Google was addressing the General Court on the third day of a week-long hearing as it tries to get judges to dismiss a record 4.3-billion-euro EU antitrust fine and a European Commission order to loosen its search engine grip on Android devices. The EU competition watchdog had taken issue with two kinds of deals made with phone makers, one being payments for only pre-installing Google Search on their devices known as revenue sharing arrangements (RSAs) because these shut out rivals. This was not the case and the payments were just to encourage phone makers, which were already generating money from other apps, to give Android a place, Google lawyer Assimakis Komninos told the court.

Walmart to hire 150,000 U.S. store workers ahead of holiday season

Walmart said it was planning to hire about 150,000 new U.S. store workers, most of them permanent and full-time, in preparation for the busy holiday season. The U.S. retailer also said it would offer extra hours to many of its store workers during the period, days after rival Target also said it would provide more work hours for its retail employees amid a labor shortage in the country. Retailers have been offering pay raises and other incentives to retain staff to ensure they have enough workers during the holiday shopping season, which starts a day after Thanksgiving and continues into early January. Walmart has implemented three wage increases this year, with its U.S. average hourly wage now at $16.40. It also offers other benefits such as no-cost college tuition, similar

to many of its rivals. Walmart had previously announced it would hire 20,000 workers in its supply chain facilities to permanent roles as people have increasingly adopted curbside pickup and delivery during the COVID-19 pandemic.

Russia threatens to block YouTube, Kremlin urges 'zero tolerance'

Russia threatened to block YouTube and the Kremlin called for "zero tolerance" towards the video hosting giant after it removed Russian state-backed broadcaster RT's German-language channels from its site. The online video company owned by Alphabet deleted Russian state-backed broadcaster RT's German-language channels on Tuesday, saying they had breached its COVID-19 misinformation policy. YouTube said it would block all anti-vaccine content, moving beyond COVID-19 to include content that alleges vaccines cause chronic health effects or contains misinformation on the substances in vaccines. Russia said it was considering retaliating

against German media and also accused YouTube of "unprecedented information aggression" after the company's move against the RT channels. Separately, YouTube will block all anti-vaccine content, moving beyond its ban on false information about the COVID vaccines to include content that contains misinformation about other approved vaccines, it said in a blog post. To read more, **click here**

EU to decide on Pfizer booster on Oct. 4 – document

The EU's drugs regulator will decide on Monday whether to approve Pfizer's COVID-19 booster vaccine, but it is unlikely to give precise guidance on who should receive it, according to an internal document and two officials. If the European Medicines Agency (EMA) gives its backing for the jab, the 27-member block would join the United States, Britain and Israel which have already received the green light to deploy boosters, even though there is no consensus among scientists that

REUTERS/Brendan McDermid

The entrance to a Walmart store is seen in Bradford, Pennsylvania, U.S. July 20, 2020.

REFINITIV™

DATA IS JUST
THE BEGINNING

they are necessary. EMA has publicly said it would decide on Pfizer's booster at the start of October, but has never given a precise date. Separately, U.S. health regulators' decision on whether to approve Pfizer and BioNTech's COVID-19 vaccine for children ages 5 to 11 could spill over into November if needed, the nation's top U.S. infectious disease official said. To read more, **click here**

Electric car maker Lucid on track for 2022, 2023 output targets, CEO says

Lucid Group is on track to meet its production targets for 2022 and 2023 and is pushing to achieve this year's goal of 577 vehicles, its chief executive said. The California-based startup, which went public via a shell company this year, has secured the $4.4 billion it needed until the end of next year but would not wait until then to raise more cash, Peter Rawlinson told Reuters. "This is a capital intensive business," he said, adding that the company was on track to achieve its production target of 20,000 vehicles in 2022 and 50,000 in 2023. He said the latest funding "sees us through to the end of 2022. So it doesn't see us right through to project Gravity," a reference to the firm's electric sport utility vehicle planned for release in late 2023. "The balance sheet is okay till the end of next year. So we will not wait till the end of next year to raise money. That would be pretty crazy," he said.

Stellantis' Italian manager faces extradition to U.S. in diesel emissions probe

Sergio Pasini, a manager at former carmaker Fiat Chrysler (FCA), now part of the Stellantis group, was released after being arrested two days before as part of a U.S. inquiry into diesel emissions rigging, a source familiar with the matter said. Pasini was arrested on Monday in the northern Italian city of Ferrara during a regular patrolling service, police told Reuters. However, in a hearing the Court of Appeal of the city of Bologna ruled that Pasini should be freed as there was no risk of him escaping, the source said. Pasini was ordered to attend a hearing

in Bologna in 40 days, when all documents and a full arrest order from U.S. authorities are available, at which the court will rule on a request for extradition to the United States, the source added.

CNN denies Australians access to its Facebook pages, cites defamation risk

CNN said it is preventing Australians from accessing its Facebook pages after a court ruled that publishers can be liable for defamation in public comment sections and the social media firm refused to help it disable comments in the country. The move makes CNN, which is owned by AT&T, the first major news organisation to pull its Facebook presence in Australia since the country's highest court ruled this month that publishers were legally responsible for comments posted below articles - even if the articles themselves were not defamatory. The ruling has come under much fire with defamation lawyers accusing Australia of not keeping up with technological change and noting the contrast with the United States and Britain where laws largely protect publishers from any fallout from comments posted online. Australia is currently reviewing its defamation laws but in the meantime, other global news organisations, especially those that feel they can easily live without an Australian Facebook audience, are likely to follow CNN's lead, the lawyers said.

United Airlines CEO says vaccine mandate won't affect operations

United Airlines Chief Executive Scott Kirby said the company's decision to fire employees who defied its vaccine mandate will not affect the carrier's operations. In an interview to CNBC, Kirby also said ticket sales have bottomed out, with the bookings for lucrative business travel rebounding to the levels seen in June. The comments came a day after the Chicago-based airline said it would start the process of firing 593 employees who failed to comply with its COVID-19 vaccination policy. Six United employees filed a class action in federal court in Texas

last week claiming that workers who sought exemptions from the vaccine mandate were subjected to intrusive inquiries about their medical conditions or religious beliefs, including a requirement that they obtain letters from pastors. Separately, AT&T said it would require its union-represented employees to be vaccinated against COVID-19 before entering their work location, following a similar mandate for its management employees last month. To read more, **click here**

JetBlue to buy sustainable jet fuel for over $1 billion, to use at New York airports

JetBlue Airways said it would buy sustainable aviation fuel from bioenergy firm SG Preston for more than $1 billion and use it for flights from New York's airports. SG Preston will start delivering the fuel in 2023 over a 10-year period, the company said. JetBlue aims to convert 10% of total fuel usage to sustainable aviation fuel (SAF) — made from feedstocks such as used cooking oil and animal fat — on a blended basis by the end of the decade. JetBlue also said SAF will be blended with traditional jet fuel at an estimated 30% ratio, and will be used for its operations at John F. Kennedy International Airport, LaGuardia Airport and Newark Liberty International Airport.

Eyewear company Warby Parker valued at over $6 billion after shares climb in debut

Shares of Warby Parker jumped 35% in their U.S. market debut, notching up a valuation of over $6 billion for the eyewear company. The company's stock, which went public through a direct listing, opened at $54.05 per share compared with the reference price of $40 per share. Tiger Global Management, General Catalyst, Baillie Gifford and D1 Capital Partners are investors in Warby. It had confidentially filed for a listing in June. Shares of the company closed 35.73% higher at $54.29.
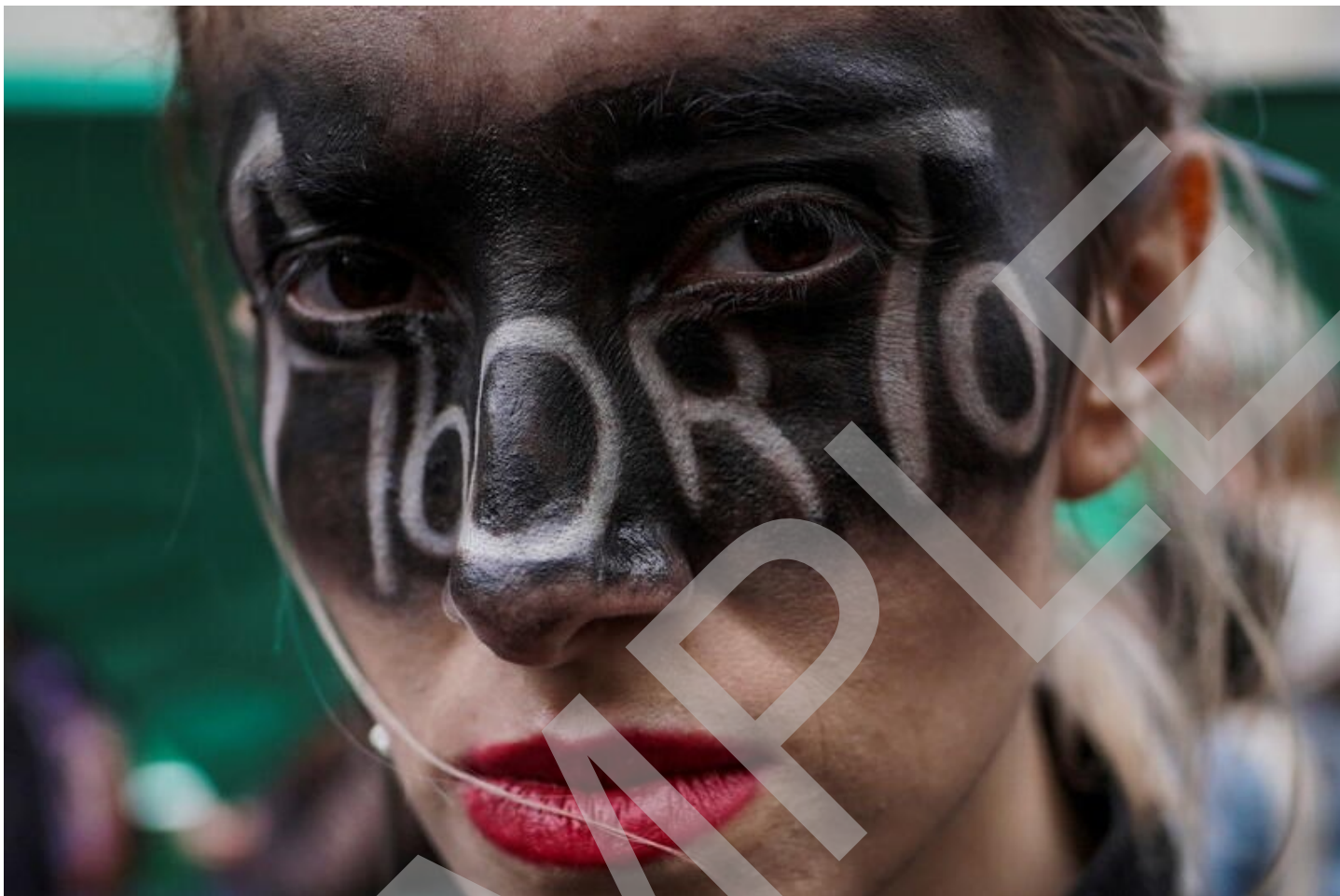
A demonstrator takes part in a rally in support of legal and safe abortion during a march to mark the International Safe Abortion Day in Bogota, Colombia, September 28. The letters painted on her face read "Abortion". REUTERS/Nathalia Angarita

Insight and Analysis

Wall Street nervous about Washington as debt-ceiling warnings sound

The slim-but-growing possibility of a fiscal crisis if Congress doesn't act on the debt ceiling is getting increasing attention from U.S. investors and is filtering into certain asset prices, though few believe the nation will ultimately default. Warnings have been rung from policymakers to Wall Street bankers of the risk that talks go down to the wire. Jamie Dimon, chief executive of JPMorgan Chase & Co, said the bank is preparing for what could be a "potentially catastrophic event," while New York Federal Reserve Bank President John Williams warned of potential negative market reaction if no solution is found to the debt-ceiling issue.

Central banks parse inflation risk as turn from pandemic policy begins

Central banks that launched massive emergency support to fight the pandemic last year are now planning a global turn in the other direction, with gaps already emerging in their perceived risk of inflation, the need to respond to it, and the pace of the likely return to normal monetary policy. They are confronted with common supply shocks and common risks around a pandemic that continues to shape commerce. "Globally we are still in for a long process," of reopening and adapting to the post-pandemic economy, St. Louis Federal Reserve President James Bullard said this week in a Reuters interview.

COLUMN-Dethroned cash can still rule in stressful times: Mike Dolan

Cash may no longer be king, but it can still rule sometimes. With central bank interest rates at historic lows for much of the past decade, most long-term investors have found "cash is trash", quickly burning a hole in their returns. Meanwhile, policy rates of the G4 have been floored to near zero or below since the coronavirus crisis hit, scuppering attempts at some monetary normalisation. As a bottlenecked pandemic recovery stokes inflation and inflation expectations, transitory or not, those cash rates have all sunk more deeply negative in real terms, making cash a lousy place to be in any size over the medium term.

REFINITIV™

DATA IS JUST
THE BEGINNING

CANADA

Market Monitor

Canada's main stock index fell with the **Toronto Stock Exchange's S&P/TSX composite index** closing 0.08% lower at 20,158.14.

"Stock markets around the world have been trying to bounce back from yesterday's selloff but have only been able to claw back some of their losses," said Colin Cieszynski, chief market strategist at SIA Wealth Management.

Technology stocks lost 1.79% to 221.07. **Energy shares** climbed 1.02% to 144.15 on weaker crude.

Domestic **producer prices** fell by 0.3% in August from July on lower prices for softwood lumber, Statistics Canada said.

The **U.S. dollar** was 0.54% higher against its **Canadian counterpart** at C$1.2753.

REUTERS/Chris Helgren

COMING UP

No major events are scheduled for the day.

TSE's S&P/TSX composite	Price	C$ chng	% chng
GAINERS			
Vermilion Energy Inc	12.79	1.18	10.16
George Weston Ltd	136.72	8.34	6.50
Birchcliff Energy Ltd	7.00	0.35	5.26
Sunopta Inc	11.72	0.55	4.92
Agnico Eagle Mines Ltd	65.40	2.37	3.76
LOSERS			
Lightspeed POS Inc	125.20	-17.56	-12.30
Labrador Iron Ore Royalty Corp	33.93	-2.82	-7.67
OceanaGold Corp	2.05	-0.13	-5.96
MAG Silver Corp	19.94	-1.16	-5.50
K92 Mining Inc	5.92	-0.32	-5.13

Top News

Toronto's underground PATH mall shops fret about hybrid work in towers above

Business is slowly starting to percolate again at the Second Cup coffee shop franchise in Toronto's PATH shopping mall as workers trickle back to major downtown office buildings above the world's biggest underground retail hub. The pandemic slashed sales by 80%, said Bryan Archee, who has owned the Second Cup location for 11 years. The return of office workers to the towers above offers a beacon of hope for his and other businesses that depend on them. Yet Archee is troubled by announcements that many employers will embrace a hybrid work model. "Hybrid will affect our business greatly," he told Reuters. "Our average cheque is not high, so we need volume. If we don't have that volume, we won't survive." The PATH is a collection of some 1,200 restaurants and shops spread over 30 kilometres (18.6 miles) under Toronto's main financial district. The city of Toronto says the PATH connects office towers held by about 35 corporate owners. Following the end

Bryan Archee, the owner of a Second Cup coffee shop franchise in Toronto's PATH, the world's biggest underground shopping mall that runs under the city's major downtown office buildings, serves a customer in Toronto, Ontario, Canada, September 28, 2021. REUTERS/Chris Helgren

of one of the world's longest continuous lockdowns, hundreds of stores remain shuttered or empty in the PATH, which bustled before the

pandemic with 200,000 office workers using it each weekday. The hubbub of throngs of office employees, who would fill its corridors during breaks or after

REFINITIV™

DATA IS JUST
THE BEGINNING

work, has been replaced by an eerie quiet. By contrast, customers have returned much more rapidly to street-facing retailers and the neighbouring Eaton Centre mall, a popular tourist and shopping destination.

REUTERS/Dan Riedlhuber

Enbridge's long-delayed Line 3 oil pipeline project to start up October 1

Enbridge said its Line 3 pipeline replacement project will begin operating on Oct. 1, the first successful major expansion of Canadian crude export capacity in six years, clearing hurdles that other projects were unable to overcome. Its completion is welcome news for the Canadian energy sector after a number of proposed pipelines, including TC Energy's Keystone XL, were scrapped due to environmental opposition and regulatory delays. The $8.2 billion project allows Enbridge to roughly double its capacity to 760,000 barrels per day on the 1,765 km-long (1097 mile-long) pipeline. Line 3, built in the 1960s, carries oil from Edmonton, Alberta, to refineries in the U.S. Midwest, but for years was transporting less than its capacity because of age and corrosion. The project was opposed by environmental and Native American groups, particularly in Minnesota, the last stage of the expansion. Construction in both the United States and Canada took more than seven years to finish, but the project succeeded where other projects have run aground because it was replacing an old line, rather than one starting from scratch, Leo Golden, Enbridge's vice president of Line 3 Project Execution, told Reuters in an interview. "This was a safety driven project about replacing existing, aging infrastructure so that set it apart from

some of those other projects," Golden said. Golden said Enbridge will start filling the line on Oct. 1 and offer full capacity of 760,000 barrels per day in November. Earlier this month, the company told shippers it would offer 620,000 bpd of crude capacity in October. The finished project assures Canadian producers their growing oil sands crude output will have access to U.S. markets and global exports via the U.S. Gulf Coast.

China's CATL expands overseas investment with Millennial Lithium deal

Chinese battery maker Contemporary Amperex Technology (CATL) said it has agreed to acquire Canada's Millennial Lithium, as it looks to shore up supply of key ingredients for electric vehicle (EV) batteries. CATL made an offer of C$3.85 per share earlier this month, Argentina-focused Millennial Lithium said, in an all-stock cash deal worth C$376.8 million. The proposal outbid July's offer of C$3.60 each by Ganfeng, one of the world's biggest producers of lithium chemicals used in EV batteries. The Fujian-based company, which supplies to carmakers Tesla and Volkswagen, said the acquisition is to secure a stable long-term supply of lithium. CATL's outright acquisition of a lithium miner follows its purchase of stakes in Argentina-focused lithium company, Neo Lithium, Greenland-focused North American Nickel and Australia's Pilbara Minerals. Millennial Lithium said CATL has also reimbursed it for the termination fee of $10 million paid to Ganfeng, which had until Monday to match the higher bid but decided against it.

Canada's CPPIB to buy Ports America from Oaktree to further infrastructure push

Canada Pension Plan Investment Board (CPPIB) said it had agreed to buy Ports America, one of the largest marine terminal operators in the United States, from investment firm Oaktree Capital Management. While no valuation was given in the

announcement statement, the deal values Ports America at over $4 billion, according to two sources familiar with the matter. The transaction comes amid heightened interest in logistics, with supply-chain disruption in focus as the global economy recovers from the paralysis caused by the coronavirus pandemic. "There are lots of tail winds for logistics assets writ large, but our approach is for the long term and so this type of strategic ports asset will be important to the U.S. for decades to come," Scott Lawrence, head of infrastructure at CPPIB, said in an interview. Under the terms of the deal, which is expected to close by the end of the year, the Canadian pension manager will take full ownership of Ports America. CPPIB had previously held a 9.4% stake in Ports America. The pension fund also owns a 34% stake in Associated British Ports, as well as stakes in toll roads, utilities and digital infrastructure providers in the Americas, Europe, Asia and Australia, according to its website.

Botswana sells troubled state-owned mine to Canada's Premium Nickel Resources

Canada's Premium Nickel Resources (PNR) will buy Botswana's defunct, state-owned BCL copper mine with a view to restarting operations within three years, Minister of Minerals, Green Technology and Energy Resources Lefoko Moagi said late on Tuesday. PNR was awarded an exclusive right to undertake six months of due diligence on BCL, placed under liquidation in 2016, in February. It has now signed a deal to purchase two of the three shafts at the site and some associated infrastructure, Moagi said, without disclosing a value. "All the assets that have not been purchased by PNR such as the smelter and dumps will undergo another bidding process by the liquidator," Moagi said. He added that PNR was negotiating a separate deal to buy another mine owned by the BCL Group, Tati Nickel Mine.

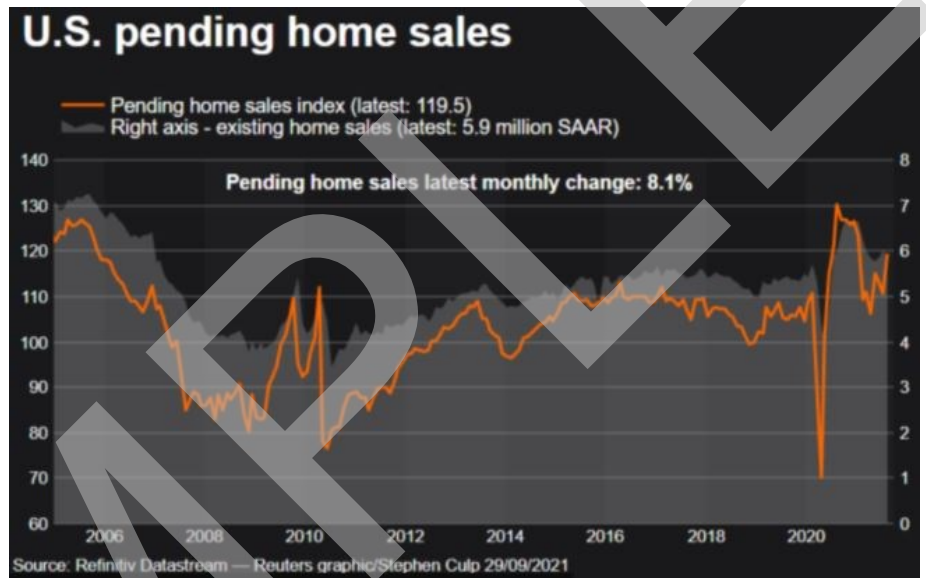# WEALTH NEWS

U.S. GOVERNMENT FUNDING
As deadline looms, Democrats scramble to avert U.S. government shutdown
Democrats in the U.S. Congress were moving to head off one of several concurrent crises they face this week, saying they would vote to avert a government shutdown before funding expires at midnight on Thursday.

ECONOMIC DATA
U.S. pending home sales jump to seven-month high; mortgage applications fall
Contracts to buy U.S. previously owned homes rebounded to a seven-month high in August, but higher prices as supply remains tight are slowing the housing market momentum. The National Association of Realtors (NAR) said its Pending Home Sales Index, based on signed contracts, jumped 8.1% last month to 119.5. That was the highest reading since January and followed two straight monthly declines. Compared with a year ago, pending home sales fell 8.3% in August. In a separate report, the Mortgage Bankers Association said applications for loans to buy a home fell 1.2% last week from the prior week. That was the highest reading since January and followed two straight monthly declines. Loan purchase applications were down 12% from a year ago. According to the MBA,

U.S. pending home sales
— Pending home sales index (latest: 119.5)
Right axis - existing home sales (latest: 5.9 million SAAR)
Pending home sales latest monthly change: 8.1%
Source: Refinitiv Datastream — Reuters graphic/Stephen Culp 29/09/2021

mortgage rates across all loan types increased since last Wednesday's announcement by the Fed, with the benchmark 30-year fixed rate reaching its highest level since early July.

POWELL ON U.S. ECONOMY
Powell: "Tension" between jobs, inflation is the chief challenge facing Fed
Resolving "tension" between high inflation and still-elevated unemployment is the most urgent issue facing the Federal Reserve right now, Fed Chair Jerome Powell said, acknowledging the central bank's two goals are in potential conflict.

OIL OUTLOOK
OPEC+ seen sticking to November output plans, despite $80 oil, sources say
OPEC+ is likely to stick to an existing deal to add 400,000 barrels per day (bpd) to its output for November when it meets next week, sources said, despite oil hitting a three-year high above $80 a barrel and pressure from consumers for more supply.

U.S. DEBT LIMIT
Wall Street firms dust off plans as debt limit talks go to the wire
Wall Street firms are sounding alarm bells and dusting off contingency plans as fears grow that Congress may fail to reach a deal to raise the country's debt limit in time, executives said.

U.S.-EU TRADE AND TECHNOLOGY COUNCIL
U.S., EU launch consultations on tech regulations, chips, China trade
U.S. and European Union trade and competition officials launched a new forum joining forces to better compete with China, shield sensitive technologies, boost semiconductor supplies and coordinate regulation of large technology firms.

EXECUTIVE PAY VOTING
U.S. SEC proposes rules urging hedge funds, endowments to disclose votes
The top U.S. securities regulator proposed requiring large hedge funds and endowments to disclose how they vote on executive pay, bringing this clutch of influential investors in line with other top funds that have made their pay votes public for a decade.

REFINITIV™
DATA IS JUST
THE BEGINNING

Lava is seen through the window of a kitchen from El Paso following the eruption of a volcano on the Canary Island of La Palma, Spain, September, 28. REUTERS/Jon Nazca

The Financial and Risk business of Thomson Reuters is now Refinitiv.

The Day Ahead - North America is compiled by Sourav Bose and Samrhitha Arunasalam in Bengaluru.

*For questions or comments about this report, email us at: **TheDay.Ahead@thomsonreuters.com.***

*To subscribe for The Day Ahead newsletter **click here***

Refinitiv
3 Times Square, New York, NY 10036

*Please visit: **Refinitiv** for more information.*

Privacy statement

REFINITIV™

DATA IS JUST
THE BEGINNING

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
2,716.60 (USD)	**1.4M**	**2,925.08**	**29.5**	--	**28.3%**	**24.4%**	**-5.7%**

2021 September 28
NASDAQ Exchange

	Market Cap (Consol)	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	1.9T	**1,433.23**	**27.5**	--	**220.3B**	**80.4%**	**10.8%**

AVERAGE SCORE

AVERAGE SCORE

8

POSITIVE OUTLOOK: GOOGL's current score of 8 places it among the top quartile of stocks scored.

Score Averages

Software & IT Services Group:	4.6		Mega Market Cap:	6.5
Software & IT Services Sector:	4.6		S&P 500 Index:	6.5

Average Score Trend (4-Week Moving Avg)
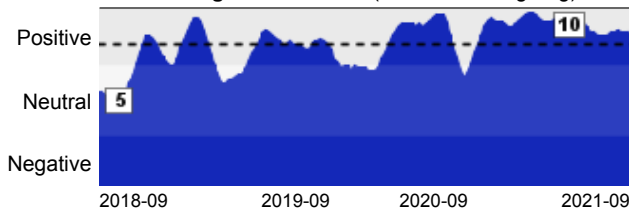
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GOOGL	9	9	9	9	8	
BABA	9	8	7	6	7	
FB	8	7	8	9	7	
BIDU	8	8	6	6	6	
YNDX	6	6	4	3	4	

HIGHLIGHTS

- The score for Alphabet Inc dropped slightly this week from 9 to 8.

- The recent change in Average Score was due to relative changes in other companies within the market as a comparison, even though the underlying component scores did not decline for this company.
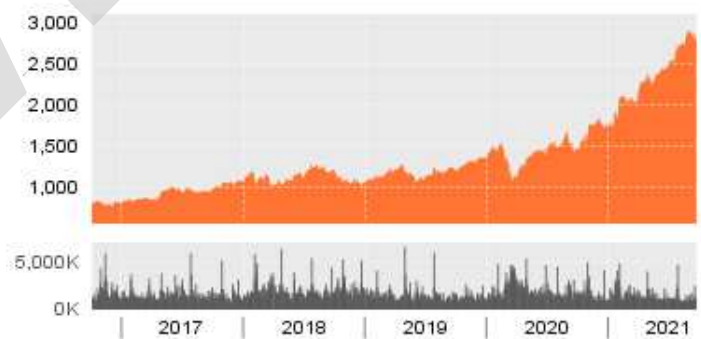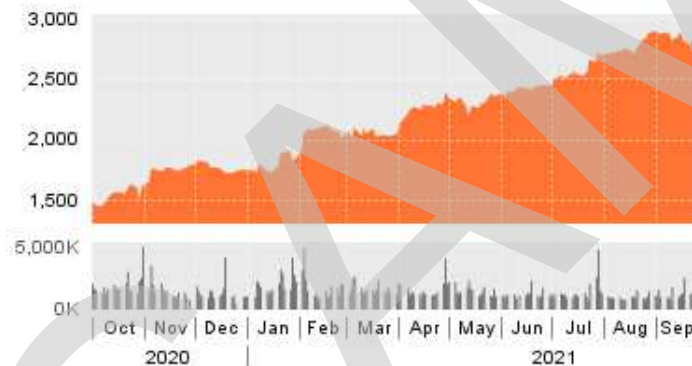
I/B/E/S MEAN

Buy
47 Analysts

Mean recommendation from all analysts covering the company on a standardized 5-point scale.

Strong Sell	Sell	Hold	Buy	Strong Buy
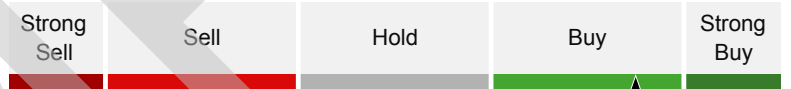
PRICE AND VOLUME CHARTS

1-Year Return: 86.2%

5-Year Return: 235.4%

BUSINESS SUMMARY

Alphabet Inc. is a holding company. The Company's segments include Google and Other Bets. The Company's Google segment includes Google Services and Google Cloud. Its Google Services products and platforms include Android, Chrome, Gmail, Google Drive, Google Maps, Google Photos, Google Play, Search, and YouTube. Its Google Cloud provides enterprise-ready cloud services, including Google Cloud Platform and Google Workspace. Its Google Cloud Platform enables developers to build, test, and deploy applications on its infrastructure. Its Google Workspace collaboration tools include applications like Gmail, Docs, Drive, Calendar, Meet. The Google segment is engaged in advertising, sales of digital content, applications and cloud offerings. Its hardware products include Pixel phones, Chromecast with Google TV and the Google Nest Hub smart display. The Other Bets segment is engaged in the sales of Internet and television services, licensing and research and development (R&D) services.

REFINITIV™
DATA IS JUST THE BEGINNING

INDICATOR COMPONENTS

AVERAGE SCORE 8

The **AVERAGE SCORE** combines the quantitative analysis of six widely-used investment decision making tools: Earnings, Fundamental, Relative Valuation, Risk, Price Momentum and Insider Trading. A simple average of the underlying component ratings is normally distributed to rank stocks on a 1-10 scale (10 being awarded to the most favorable). These factors may be evaluated differently using alternative methodologies and the importance of individual factors varies across industries, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.

	Earnings	Fundamental	Relative Valuation	Risk	Price Momentum	Insider Trading
Positive	9	9		10	10	
Neutral			5			
Negative						1
No Rating						
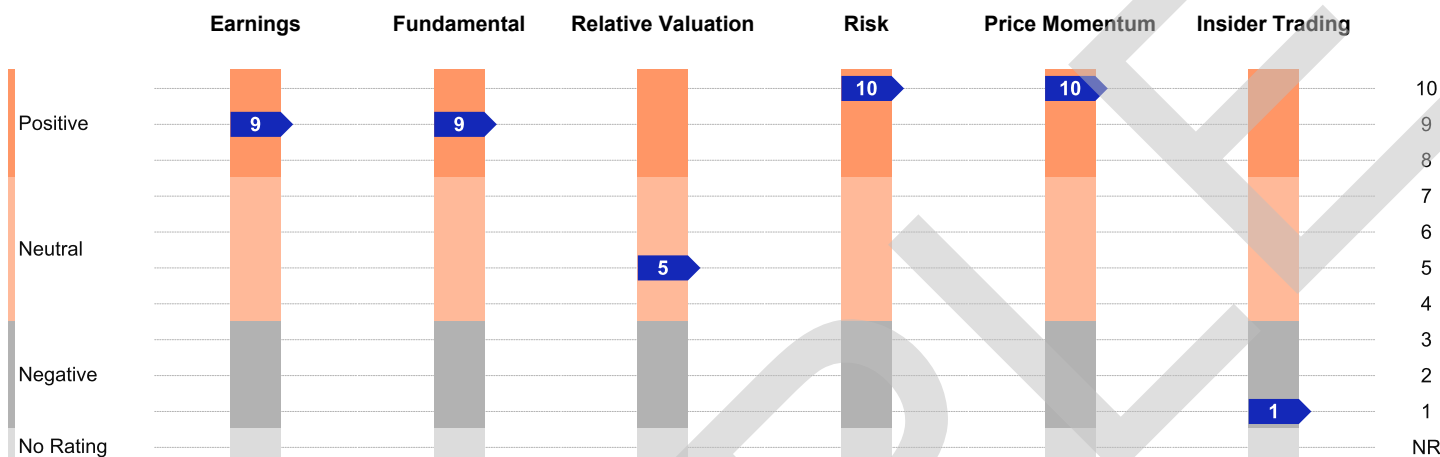
OPTIMIZED SCORE

OPTIMIZED SCORE 9

Historically, companies with an Optimized Score of 9 have tended to significantly outperform the market over the following 12-month period.

VERUS analytics™

As an alternative approach to equally weighting each of the six factors, independent research firm, Verus Analytics, conducted a backtest to empirically determine an optimal factor blend. Results and weighting vary across four different market capitalization categories. For large/mid cap stocks, Fundamental and Earnings historically provided the most explanatory power among the factors and are weighted heavily in the Optimized Score. Among the small/micro cap universe, Insider Trading joined Fundamental and Earnings as the most significant factors to explain returns.

PEER ANALYSIS
Currency in USD

Average Score	Ticker	Price (2021-09-28)	PRICE MOMENTUM 1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	VALUATION Trailing PE	Forward PE	FUNDAMENTAL Dividend Yield	Net Margin	ANALYSTS LTG Forecast	I/B/E/S Mean	# of Analysts
8	GOOGL	2,716.60	-5.7%	10.8%	86.2%	856.4B	29.5	27.5	--	28.6%	24.4%	Buy	46
7	FB	340.65	-8.6%	-4.2%	32.6%	841.4B	25.2	23.9	--	37.2%	28.6%	Buy	55
7	BABA	152.39	-4.4%	-33.3%	-44.8%	394.4B	18.3	15.4	--	19.4%	16.9%	Buy	48
6	V	225.56	-3.1%	-3.6%	12.6%	390.8B	45.6	32.9	0.6%	46.7%	19.7%	Buy	42
5	MA	351.18	-1.3%	-4.5%	3.8%	350.6B	48.8	37.8	0.5%	43.2%	27.3%	Buy	42
5	PYPL	262.19	-5.8%	-10.7%	36.5%	326.8B	64.0	51.7	--	20.4%	24.2%	Buy	49
5	NFLX	583.85	4.5%	9.5%	19.0%	262.2B	60.5	54.7	--	15.9%	43.0%	Buy	43
8	SHOP	1,369.31	-10.6%	-8.4%	41.7%	163.5B	70.7	268.4	--	62.6%	30.9%	Buy	38
4	MELI	1,682.01	-9.8%	7.1%	53.8%	92.9B	--	285.6	--	0.2%	--	Buy	23
6	BIDU	154.02	0.5%	-24.9%	22.2%	43.5B	7.8	17.8	--	37.1%	10.6%	Buy	39
4	YNDX	79.45	9.7%	12.1%	23.7%	25.8B	80.3	109.9	--	5.7%	37.9%	Buy	18
5.9	Average	719.75	-3.1%	-4.6%	26.1%	340.8B	45.1	84.1	0.5%	28.8%	26.4%	Buy	40.3

PEER COMPANIES

FB	Facebook Inc	NFLX	Netflix Inc
BABA	Alibaba Group Holding	SHOP	Shopify Inc
V	Visa Inc	MELI	Mercadolibre Inc
MA	Mastercard Inc	BIDU	Baidu Inc
PYPL	PayPal Holdings Inc	YNDX	Yandex

REFINITIV™
DATA IS JUST THE BEGINNING
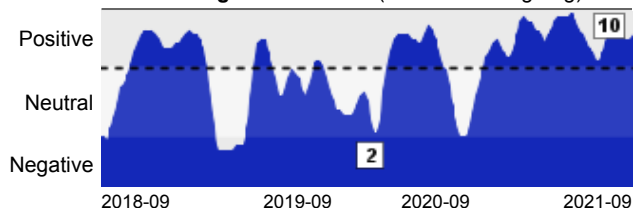
EARNINGS

Currency in USD

EARNINGS
9

POSITIVE OUTLOOK: Strong earnings with recent analyst upgrades or a history of surpassing consensus estimates.

Earnings Score Averages

Software & IT Services Group:	6.0	Mega Market Cap:	6.6
Software & IT Services Sector:	6.0	S&P 500 Index:	6.4

Earnings Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GOOGL	8	7	8	9	9	
BIDU	9	6	6	7	7	
FB	7	4	6	7	6	
BABA	4	4	5	5	5	
YNDX	6	6	1	1	1	

EARNINGS INDICATORS

Earnings Surprises
(33.3% weight)
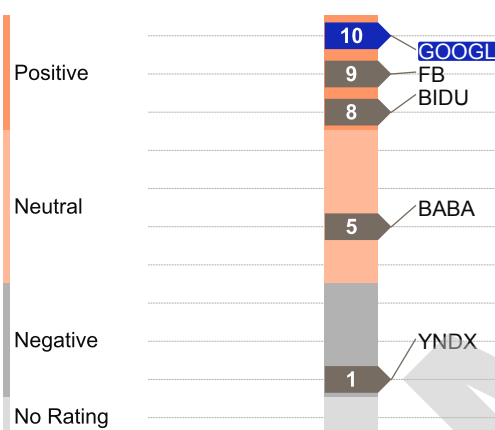
Estimate Revisions
(33.3% weight)
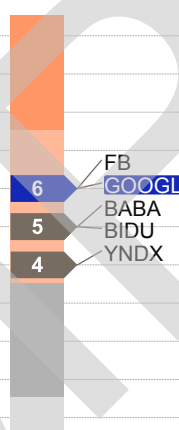
Recommendation Changes
(33.3% weight)
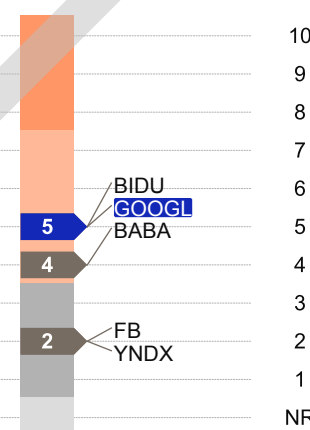
Last 4 Quarters	
# Positive Surprises (>2%)	4
# Negative Surprises (<-2%)	0
# In-Line Surprises (within 2%)	0
Avg Surprise	44.1%

Last 4 Weeks	
# Up Revisions	1
# Down Revisions	0
Avg Up Revisions	2.1%
Avg Down Revisions	0.0%

Last 120 Days	
# Broker Upgrades	1
# Broker Downgrades	1

HIGHLIGHTS

- Alphabet Inc currently has an Earnings Rating of 9, which is significantly more bullish than the Online Services industry average of 5.8.

- Over the past 90 days, the consensus price target for GOOGL has increased notably from 2,750.00 to 3,160.00, a gain of 14.9%.

- Over the past 4 quarters, the company has reported 4 positive, 0 negative, and 0 in-line surprises. The average surprise for this time period has been 44.1%. Most recently on 2021-07-27, the company reported quarterly earnings of 27.26 per share, a positive surprise of 41.0% above the consensus of 19.34.

PRICE TARGET

The chart indicates where analysts predict the stock price will be within the next 12 months, as compared to the current price.

12-Month Price Target	
Mean (USD)	3,160.00
High	4,290.00
Low	1,850.00
Target vs. Current	16.3%
# of Analysts	43

REFINITIV™
DATA IS JUST THE BEGINNING

EARNINGS PER SHARE

Earnings per share (EPS) is calculated by dividing a company's earnings by the number of shares outstanding. Analysts tend to interpret a pattern of increasing earnings as a sign of strength and flat or falling earnings as a sign of weakness.

The charts provide a comparison between a company's actual and estimated EPS, including the high and low forecasts.

Actuals / Estimates (quarterly chart)
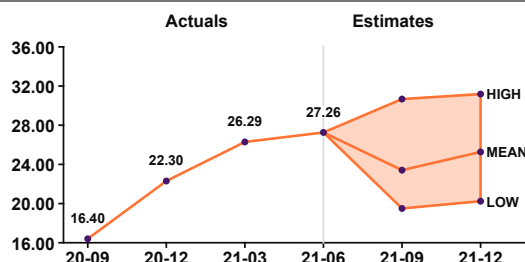
Quarterly	21-09	21-12
Mean	23.410	25.270
High	30.670	31.180
Low	19.500	20.240
# of Analysts	32	31

Actuals / Estimates (annual chart)
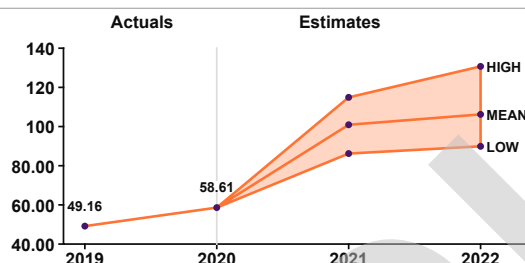
Annual	2021	2022
Mean	100.9	106.2
High	114.9	130.7
Low	86.200	89.890
# of Analysts	46	46

MEAN ESTIMATE TREND

	Q 21-09	Q 21-12	Y 2021	Y 2022	Price Target
Current	23.410	25.270	100.9	106.2	3,160.00
30 Days Ago	23.480	25.370	100.7	105.7	3,150.00
90 Days Ago	20.050	23.150	87.420	95.000	2,750.00
% Change (90 Days)	16.8%	9.2%	15.4%	11.8%	14.9%

Current Fiscal Year End: 21-12
Next Expected Report Date: 2021-10-27

ANALYST RECOMMENDATIONS

I/B/E/S Mean: **Buy** (47 Analysts)

Strong Buy	16
Buy	29
Hold	1
Sell	1
Strong Sell	0

EARNINGS SURPRISES

Comparing a company's actual earnings to the mean expectation of analysts results in a difference referred to as a 'positive' or 'negative' surprise. Research has shown that when a company reports a surprise, it is often followed by more of the same surprise type.

Surprise Summary (Last 12 Quarters)

Surprise Type	Amount	Percent
Positive Quarters (> 2%)	9	75.0%
Negative Quarters (< -2%)	3	25.0%
In-Line Quarters (within 2%)	0	--

Surprise Detail (Last 6 Periods)

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
Positive	2021-07-27	2021-06-30	27.260	19.340	41.0%
Positive	2021-04-27	2021-03-31	26.290	15.820	66.2%
Positive	2021-02-02	2020-12-31	22.300	15.900	40.3%
Positive	2020-10-29	2020-09-30	16.400	11.290	45.3%
Positive	2020-07-30	2020-06-30	10.130	8.208	23.4%
Negative	2020-04-28	2020-03-31	9.870	10.330	-4.5%

ANNUAL REVENUE

A pattern of increasing sales in conjunction with a rising EPS may influence a buy recommendation, while flat or falling sales and faltering earnings may explain a sell recommendation. A rising EPS with flat or falling sales may result from increased cost efficiency and margins, rather than market expansion. This chart shows the sales forecast trend of all analysts and the highest and lowest projections for the current and next fiscal year.

Actuals / Estimates (revenue chart)
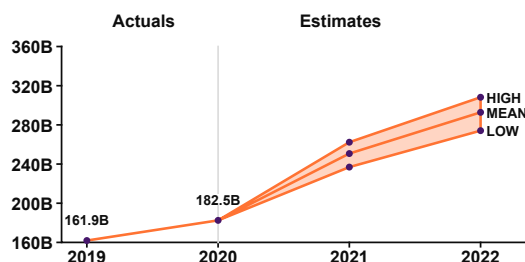
	2021	2022
Mean	250.7B	292.8B
High	262.3B	308.2B
Low	236.9B	274.1B
Forecasted Growth	37.4%	60.4%
# of Analysts	39	39

REFINITIV™
DATA IS JUST THE BEGINNING

FUNDAMENTAL

FUND-AMENTAL
9

POSITIVE OUTLOOK: Strong fundamentals such as high profit margins, low debt levels, or growing dividends.
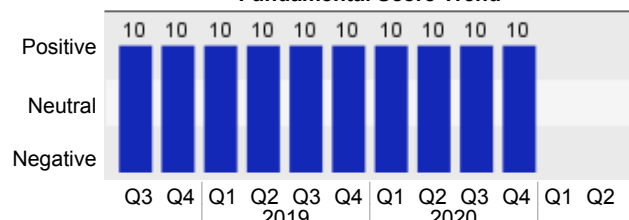
Fundamental Score Averages

Software & IT Services Group:	**5.4**	Mega Market Cap:	**6.0**
Software & IT Services Sector:	**5.4**	S&P 500 Index:	**5.7**

Fundamental Score Trend

Peers	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Current	3Y Trend
FB	9	9	NR	NR	9	
GOOGL	**10**	**10**	**NR**	**NR**	**9**	
BABA	10	6	10	9	8	
BIDU	10	9	NR	NR	7	
YNDX	8	6	NR	NR	3	

FUNDAMENTAL INDICATORS

Profitability (25% weight)

Debt (25% weight)

Earnings Quality (25% weight)

Dividend (25% weight)
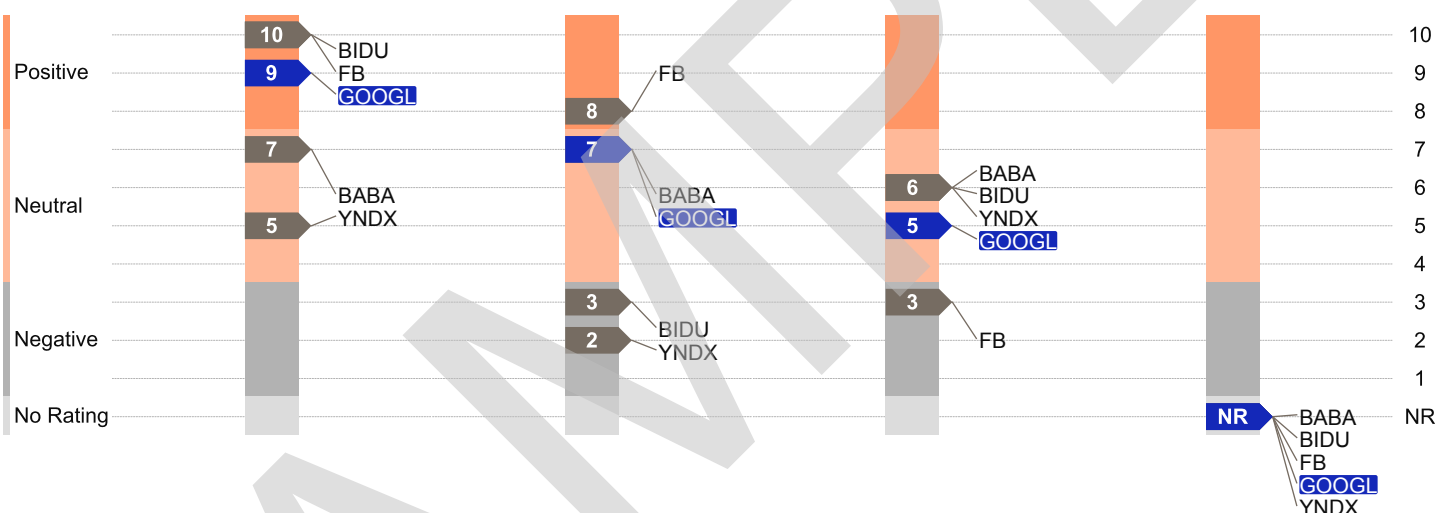
Profitability		Debt		Earnings Quality		Dividend	
Revenue Growth	32.7%	**Current Ratio**	3.2	**Oper. Cash Yield**	3.5%	**Dividend Growth**	--
For year over year ending 2021-06		For interim period ending 2021-06		For latest 12 months ending 2020-12		For year over year ending --	
Gross Margin	55.7%	**Debt-to-Capital**	5.9%	**Accruals**	8.5%	**Dividend Payout**	--
For latest 12 months ending 2021-06		For annual period ending 2020-12		For latest 12 months ending 2020-12		For latest 12 months ending --	
Return On Equity	28.3%	**Interest Funding**	0.5%	**Days Sales In Inv.**	4.4	**Dividend Coverage**	--
For interim period ending 2021-06		For interim period ending 2021-06		For annual period ending 2020-12		For annual period ending --	
Net Margin	28.6%	**Interest Coverage**	181.9	**Days Sales In Rec.**	58.9	**Current Div. Yield**	--
For latest 12 months ending 2021-06		For interim period ending 2021-06		For annual period ending 2020-12		For latest 12 months ending --	

HIGHLIGHTS

- Alphabet Inc currently has a Fundamental Rating of 9, which is significantly more bullish than the Online Services industry average of 6.0.

- The company's gross margin has been higher than its industry average for each of the past five years.

- The company's current ratio has been higher than its industry average for each of the past five years.

- The company's accruals ratio has been higher than its industry average for each of the past five years.

- Alphabet Inc does not currently pay a dividend. Of 137 firms within the Online Services industry, it is among the 130 companies without a dividend.

REFINITIV™
DATA IS JUST THE BEGINNING

REFINITIV® STOCK REPORTS   PLUS

DETAILED STOCK REPORT
Report Date: 2021-Sep-29

RELATIVE VALUATION

RELATIVE VALUATION 5

NEUTRAL OUTLOOK: Multiples relatively in-line with the market.

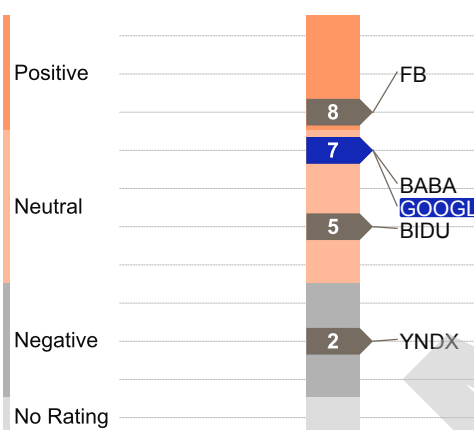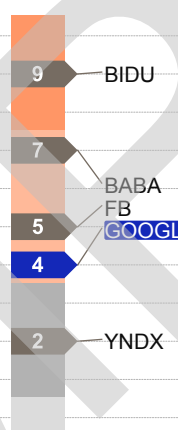### Relative Valuation Score Averages

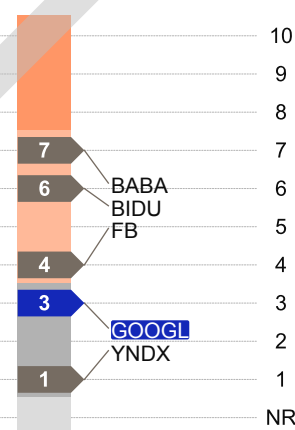|			
Software & IT Services Group:	**3.3**	Mega Market Cap:	**4.4**
Software & IT Services Sector:	**3.3**	S&P 500 Index:	**4.7**

Relative Valuation Score Trend (4-Week Moving Avg)
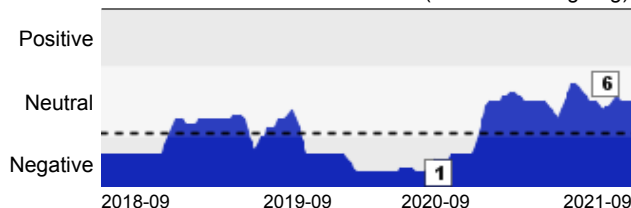
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
BABA	9	7	8	7	**8**	
BIDU	8	8	7	6	**6**	
FB	7	6	6	6	**6**	
GOOGL	**5**	**5**	**5**	**5**	**5**	
YNDX	2	2	1	1	**1**	

RELATIVE VALUATION INDICATORS

Forward PEG (50% weight)

Trailing PE (25% weight)

Forward PE (25% weight)

Forward PEG		1.1	Trailing PE		29.5	Forward PE		27.5
5-Yr Average		1.9	5-Yr Average		34.6	5-Yr Average		26.5
Rel. to 5-Yr Avg.		41% Discount	Rel. to 5-Yr Avg.		15% Discount	Rel. to 5-Yr Avg.		4% Premium
S&P 500 Index		1.1	S&P 500 Index		29.3	S&P 500 Index		21.5
Rel. to S&P 500		1% Discount	Rel. to S&P 500		0.5% Premium	Rel. to S&P 500		28% Premium

HIGHLIGHTS

- Alphabet Inc currently has a Relative Valuation Rating of 5 while the S&P 500 index has an average rating of 4.7.
- GOOGL's 1.1 Forward PEG is currently at the low end of its 5-year range (lowest 1.0 to highest 5.0).
- GOOGL's Trailing P/E of 29.5 represents a 15% Discount to its 5-year average of 34.6.
- GOOGL's Forward P/E of 27.5 represents a 4% Premium to its 5-year average of 26.5.

REFINITIV™
DATA IS JUST THE BEGINNING

PRICE TO SALES

The most recent week's close price divided by the revenue per share.

Price to Sales: 3.8
5-Year Average: 2.9
S&P 500 Index Average: 2.9
Online Services Industry Average: 3.8
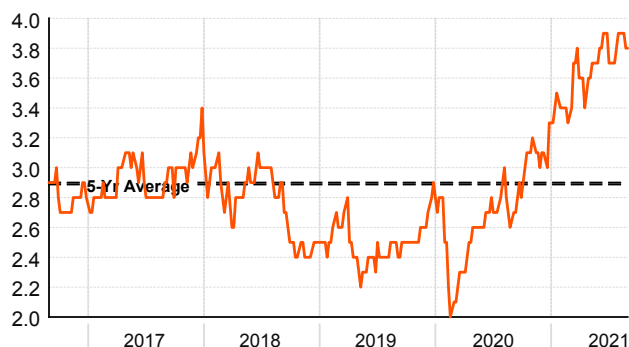

TRAILING PE

The most recent week's close price divided by the sum of the four most recently reported quarterly earnings.

Trailing PE: 29.5
5-Year Average: 34.6
S&P 500 Index Average: 29.3
Online Services Industry Average: 36.8
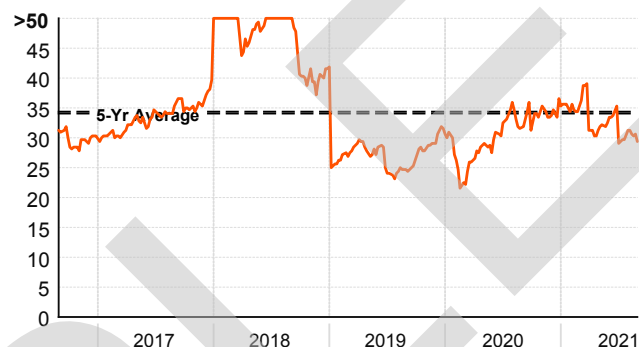
FORWARD PE

The most recent week's close price divided by the sum of the four upcoming quarterly consensus estimates.

Forward PE: 27.5
5-Year Average: 26.5
S&P 500 Index Average: 21.5
Online Services Industry Average: 33.3
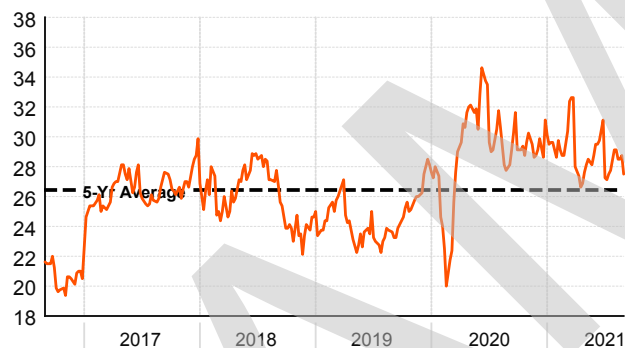
FORWARD PEG

The Forward P/E divided by the five-year forecasted growth rate.

Forward PEG: 1.1
5-Year Average: 1.9
S&P 500 Index Average: 1.1
Online Services Industry Average: 1.3
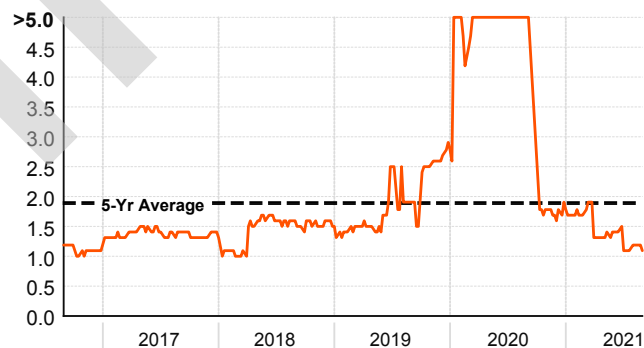
REFINITIV™
DATA IS JUST THE BEGINNING

RISK

RISK
10

POSITIVE OUTLOOK: Consistent return patterns (low volatility).

Risk Score Averages

Software & IT Services Group:	4.6	Mega Market Cap:	8.3
Software & IT Services Sector:	4.6	S&P 500 Index:	8.3

Risk Score Trend (4-Week Moving Avg)

Positive — 10
Neutral — 7
Negative

2018-09   2019-09   2020-09   2021-09
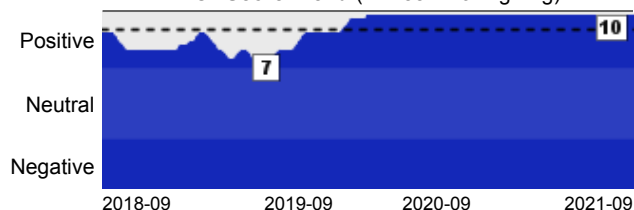
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GOOGL	10	10	10	10	**10**	
FB	10	9	9	9	**9**	
BABA	10	8	8	7	**8**	
YNDX	10	7	8	7	**8**	
BIDU	5	5	5	5	**5**	

RISK INDICATORS

Magnitude of Returns (25% weight)

Volatility (25% weight)

Beta (1-year) (25% weight)

Correlation (25% weight)

Magnitude of Returns: Positive — 10 GOOGL, 9 YNDX, 8 FB; 7; 5 BABA BIDU; Neutral; Negative; No Rating

Volatility: Positive — 10 GOOGL, 9 FB, YNDX; 7 BABA BIDU; Neutral; Negative; No Rating

Beta (1-year): 10 BABA; 6 BIDU FB; 5 GOOGL YNDX; 4

Correlation: 10 GOOGL, 9 FB; 7 YNDX BIDU; 4; 3 BABA; scale 10-1, NR
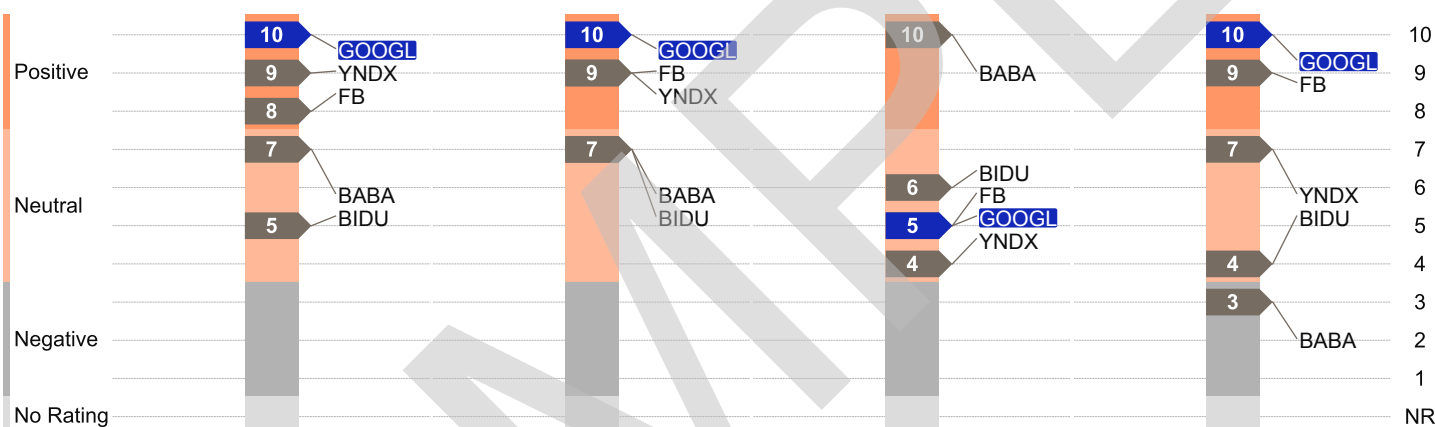
Daily Returns (Last 90 Days)		**Standard Deviation**		**Beta vs. S&P 500**	1.30	**Correlation vs. S&P 500**	
Best	3.6%	Last 90 Days	1.19	Positive Days Only	1.28	Last 90 Days	75%
Worst	-3.7%	Last 60 Months	6.21	Negative Days Only	1.54	Last 60 Months	69%
Monthly Returns (Last 60 Months)		**Intra-Day Swing** (Last 90 Days)		**Beta vs. Group**	0.43	**Correlation vs. Group**	
Best	15.9%	Average	1.4%	Positive Days Only	0.45	Last 90 Days	47%
Worst	-13.2%	Largest	3.3%	Negative Days Only	0.46	Last 60 Months	56%

HIGHLIGHTS

- Alphabet Inc currently has a Risk Rating of 10 while the S&P 500 index has an average rating of 8.3.
- On days when the market is up, GOOGL shares tends to outperform the S&P 500 index. However, on days when the market is down, the shares generally decrease by more than the index.
- In both short-term and long-term periods, GOOGL has shown high correlation (>= 0.4) with the S&P 500 index. Thus, this stock would provide only low levels of diversification to a portfolio similar to the broader market.
- Over the last 90 days, GOOGL shares have been less volatile than the overall market, as the stock's daily price has fluctuated less than 80% of S&P 500 index firms.

RISK ANALYSIS

	Last 90 Days					Last 60 Months	
Peers	Best Daily Return	Worst Daily Return	# Days Up	# Days Down	Largest Intra-Day Swing	Best Monthly Return	Worst Monthly Return
GOOGL	3.6%	-3.7%	40	24	3.3%	15.9%	-13.2%
BABA	6.6%	-7.2%	24	40	7.2%	22.9%	-19.6%
BIDU	8.6%	-6.0%	28	36	5.3%	55.6%	-33.8%
FB	5.3%	-4.0%	33	31	4.9%	27.2%	-13.3%
YNDX	5.2%	-3.2%	29	35	4.4%	24.7%	-16.2%
S&P 500	**1.5%**	**-1.7%**	**35**	**28**	**2.2%**	**12.7%**	**-12.5%**

REFINITIV™
DATA IS JUST THE BEGINNING
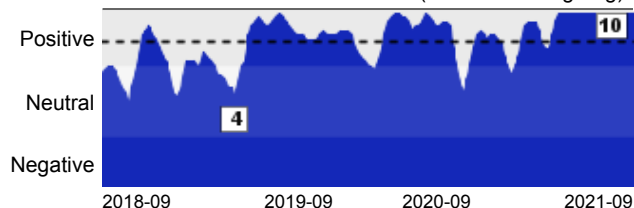
PRICE MOMENTUM

PRICE MOMENTUM **10**

Currency in USD

POSITIVE OUTLOOK: Strong recent price performance or entering historically favorable seasonal period.
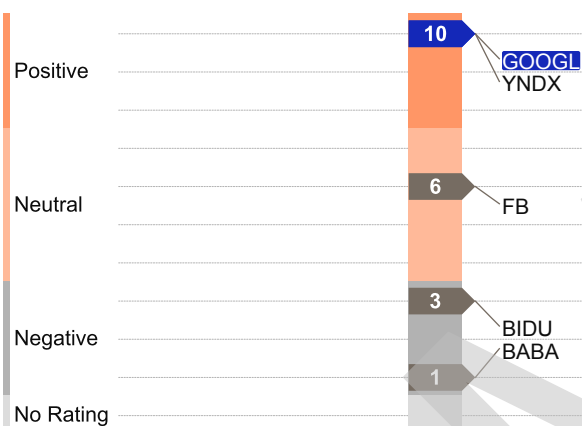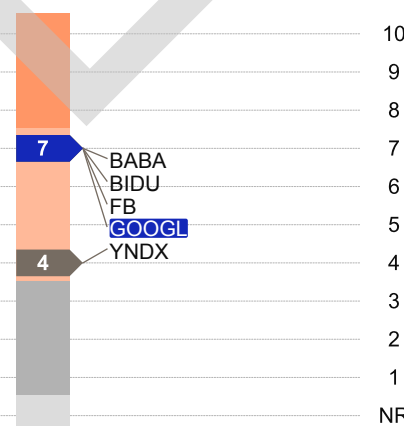
Price Momentum Score Averages

Software & IT Services Group:	**5.4**	Mega Market Cap:	**7.0**
Software & IT Services Sector:	**5.4**	S&P 500 Index:	**6.6**

Price Momentum Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GOOGL	8	10	10	10	**10**	
YNDX	4	10	9	9	**9**	
FB	8	10	10	9	**7**	
BIDU	2	6	2	4	**3**	
BABA	3	7	2	2	**2**	

PRICE MOMENTUM INDICATORS

Relative Strength
(70% weight)

- Positive — 10 GOOGL / YNDX
- Neutral — 6 FB
- Negative — 3 BIDU / BABA
- No Rating — 1

Seasonality
(30% weight)

- 7 BABA / BIDU / FB / GOOGL
- 4 YNDX

Relative Strength Indicator (Scale from 1 to 100)

	GOOGL	Industry Avg
Last 1 Month	44	47
Last 3 Months	56	48
Last 6 Months	58	50

Average Monthly Return (Last 10 Years)

	Sep	Oct	Nov
Company Avg	0.5%	4.5%	1.7%
Industry Avg	0.5%	1.3%	2.9%
Industry Rank	26 of 124	58 of 123	82 of 124

PRICE PERFORMANCE

Daily close prices are used to calculate the performance of the stock as compared to a relevant index over five time periods.

■ GOOGL
▣ NASDAQ 100

- 1-Week: -2.3% / -1.7%
- 1-Month: -5.7% / -4.3%
- 3-Month: 10.8% / 1.7%
- YTD: 55% / 14.6%
- 1-Year: 86.2% / 30%
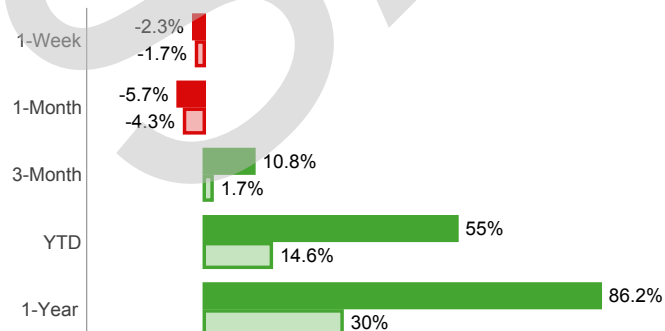
	GOOGL	NASDAQ 100
Close Price (2021-09-28)	2,716.60	14,770
52-Week High	2,925.08	15,676
52-Week Low	1,433.23	11,053

- The Price Momentum Rating for Alphabet Inc is at its 3-year high of 10.

- On 2021-09-28, GOOGL closed at 2,716.60, 7.1% below its 52-week high and 89.5% above its 52-week low.

- GOOGL shares are currently trading 2.2% below their 50-day moving average of 2,778.46, and 17.1% above their 200-day moving average of 2,320.20.

REFINITIV™
DATA IS JUST THE BEGINNING

INSIDER TRADING

INSIDER TRADING 1
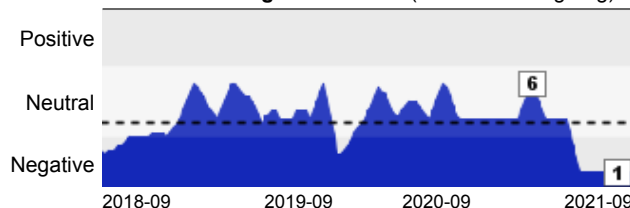
Currency in USD

NEGATIVE OUTLOOK: Recent or longer-term trend of selling by company insiders.
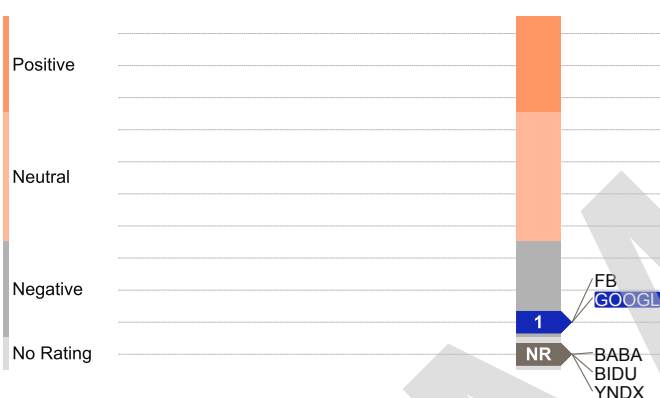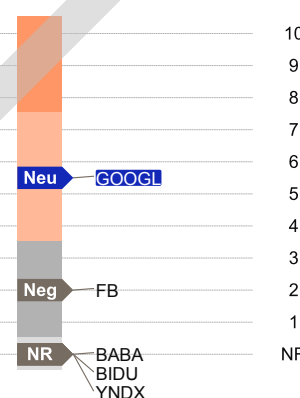
Insider Trading Score Averages

Software & IT Services Group: **3.5**	Mega Market Cap: **3.4**
Software & IT Services Sector: **3.5**	S&P 500 Index: **3.9**

Insider Trading Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
FB	1	1	1	1	**1**	
GOOGL	4	1	1	1	**1**	
BABA	NR	NR	NR	NR	**NR**	
BIDU	NR	NR	NR	NR	**NR**	
YNDX	NR	NR	NR	NR	**NR**	

INSIDER TRADING INDICATORS

Short-Term Insider (70% weight)

Long-Term Insider (30% weight)

Most Recent Buys and Sells (Last 90 Days)

Insider Name	Role	Tran Date	Tran Type	Shares
Page, Lawrence	DO	2021-09-21 - 2021-09-23	S	41,667
Pichai, Sundar	CEO	2021-09-15	S	175
Brin, Sergey	DO	2021-09-07 - 2021-09-09	S	41,667

Insider Summary (Last 6 Months)

Total Shares Acquired	429,379
Total Shares Disposed	418,082
Net Shares	11,297
Sector Average	2,904,382

HIGHLIGHTS

- There is no significant insider activity for this company.

MONTHLY BUYS AND SELLS

$ Market Value

No insider activity during the past year

Excludes derivative and option exercises
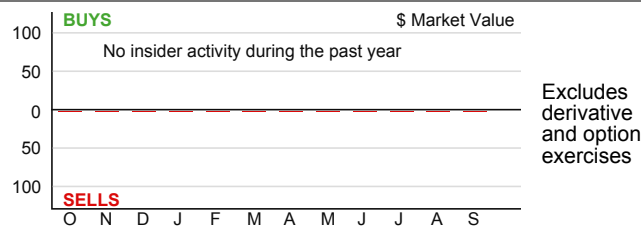
TOP INSTITUTIONAL HOLDERS

Institution Name	Inst. Type	% O/S	Shares Held	Reported Date
The Vanguard Group Inc	Inv Mgmt	7.6%	22.8M	2021-06-30
BlackRock Institutional	Inv Mgmt	4.3%	12.9M	2021-06-30
Fidelity Management	Inv Mgmt	4.2%	12.7M	2021-06-30
State Street Global	Inv Mgmt	3.7%	11.1M	2021-06-30
T. Rowe Price Associates	Inv Mgmt	2.4%	7.15M	2021-06-30

Updated daily as of 2021-09-28

TOP EXECUTIVE HOLDERS

Insider Name	Role	Direct Shares	Value	Reported Date
Shriram, Kavitark Ram	D	64,112	176M	2021-07-09
Pichai, Sundar	CEO	4,832	13.3M	2021-08-18
Doerr, L John	D	3,485	9.58M	2021-07-09
Page, Lawrence	DO	1,600	4.40M	2021-07-28
Brin, Sergey	DO	1,479	4.07M	2021-05-11

Updated monthly as of 2021-08-22

REFINITIV™

DATA IS JUST THE BEGINNING

DETAILED STOCK REPORT TIPS

The Stock Report from Refinitiv is a comprehensive, company-specific analysis that includes a proprietary Stock Rating along with underlying component indicators and supportive data elements. The report is updated daily, although some of the data elements and the ratings are updated weekly.

Average Score
The Stock Reports Plus Average Score combines a quantitative analysis of six widely-used investment decision making tools - Earnings, Fundamental, Relative Valuation, Risk, Price Momentum, and Insider Trading. First, a simple average of the six underlying component ratings is calculated. Then, a normal distribution is used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A score of 8 to 10 is considered positive, 4 to 7 is neutral, and 1 to 3 is negative. These six factors may be evaluated differently using alternative methodologies, and the importance of individual factors varies across groups, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.

A company must have sufficient data available for at least four of the six component indicators in order to receive an overall Average Score. Approximately 85% of the stocks within the coverage universe meet the criteria to generate a score.

Optimized Score
As an alternative to the Average Score, the Stock Report includes an Optimized Score generated by independent research firm Verus Analytics. It uses the same six component ratings, but rather than equally weighting each of the factors, the weighting varies by market capitalization of the underlying security based on backtesting research. These scores are also updated weekly and distributed normally on a 1 to 10 scale, with 10 being best. The variable size is assigned monthly by ranking the market capitalization and assigning the appropriate category as follows:

Large	-	Top 5.55%
Mid	-	Next 13.87%
Small	-	Next 34.68%
Micro	-	Remaining 45.9%

Indicator Components
The six indicators that comprise the stock rating are displayed. Like the stock rating, the component rating scale is 1 to 10, with 10 being best. A company will receive an 'NR' for No Rating if the required data elements or criteria are not met. A detailed section for each component is included in the report.

Indicator Trends
Within each component section, historical score trends are displayed, typically using a 4-week moving average over a timeframe of the past three years. The dotted orange line indicates the average of the scores over those three years. The most recent occurrences of the best and worst scores are also displayed on the chart in grey boxes to put the current score into historical context.

Next to the trend chart for the company, current score averages are included, along with peer company comparisons of values from 6 months ago, 3 months ago, 1 month ago, the most recent value from 1 week ago, and the current score. The four closest industry peers are presented based on similar market capitalization.

Peer Analysis
- The Refinitiv Business Classification (TRBC) schema is used for industry comparisons. It is designed to track and display the primary business of a corporation by grouping together correlated companies that offer products and services into similar end markets. The system includes 10 Economic Sectors, 28 Business Sectors, 54 Industry Groups, and 136 Industries.
- The Peer Analysis section of the report compares the company to its ten closest peers. The peers are selected from the industry based on similar market capitalization. The peer listing may have fewer than ten companies if there are fewer than ten companies classified within that industry.

Highlights
The automated text-generation system from Refinitiv creates highlights summarizing the most noteworthy data. The bullets will vary by company and will change from week to week as different criteria are met.

Earnings
The Earnings Rating is based on a combination of three factors: earnings surprises, estimate revisions, and recommendation changes. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the three earnings factors in order to receive a score.

- Earnings Surprises - The number of positive and negative surprises within the last 4 quarters.
- Estimate Revisions - The number of up and down revisions and the average percentage change of those revisions within a 4 week period.
- Recommendation Changes - The number of broker upgrades and downgrades in the last 120 days.

Price Target
The price target is based on the predictions of analysts covering the stock and shows the high, low and mean price expected within the next 12 months.

Earnings Per Share
The quarterly and annual earnings per share are presented when available, along with the mean, high and low. Quarterly data is displayed for the past 4 quarters (actual) and the next 2 quarters (estimated). Annual data is displayed for the past 2 years (actual) and the next 2 years (estimated).

Mean Estimate Trend
The mean estimates show how the consensus has changed over the past 30 days and 90 days for the upcoming two quarters and two years. The percentage change is calculated for the company as a means for comparison by measuring the difference between the current consensus estimate and that of 90 days ago.

Analyst Recommendations
The I/B/E/S Mean is the average recommendation of all analysts covering the stock, as provided by I/B/E/S, the Institutional Brokers Estimate System, from Refinitiv. The recommendations are presented on a five-point standardized scale: strong buy, buy, hold, reduce, and sell.

Earnings Surprises
- The surprise summary includes the total number of quarters (and percentage) in the past 12 quarters in which earnings surprises were positive, negative, or in-line. In order to be recognized as a positive or negative surprise, the percent must be greater than 2% above or 2% below the consensus, respectively.
- The surprise detail section includes a listing of the company's quarterly earnings reported for the most recent 6 quarters. The consensus analyst estimate is provided to determine if the actual earnings report represented a positive surprise, negative surprise, or in-line result.

Fundamental
The Fundamental Rating is based on a combination of four factors: profitability, debt, earnings quality, and dividend. Companies that do not pay a dividend are not penalized. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the four fundamental factors present for a given fiscal quarter in order to receive a score.

- Profitability is comprised of four data elements.
  - Revenue Growth: (Net Sales – Previous Net Sales) / Previous Net Sales
  - Gross Margin: Gross Profit / Net Sales
  - Return on Equity: Net Income / Total Equity
  - Net Margin: Net Profit / Net Sales
- Debt is comprised of four data elements.
  - Current Ratio: Current Assets / Current Liabilities
  - Debt-to-Capital: Total Debt / Total Capital
  - Interest Funding: (Interest Expense on Debt + Preferred Cash Dividends) / Funds from Operations
  - Interest Coverage: Earnings before Interest and Taxes / (Interest Expense on Debt + Preferred Cash Dividends)
- Earnings Quality is comprised of four data elements.
  - Operating Cash Yield: (Operating Cash Flow – Net Income) / Net Income
  - Accruals: (Net Income – Operating Cash Flow – Investing Cash Flow) / Average Net Operating Assets
  - Days Sales in Inventory: 365 / (Cost of Goods Sold / Inventory)
  - Days Sales in Receivables: 365 / (Net Sales / Receivables)
- Dividend is comprised of four data elements. The company must have a current dividend yield.
  - Dividend Growth Rate: (Dividends per Share – Previous Dividends per Share) / Previous Dividends per Share
  - Dividend Payout: Dividends per Share / Earnings per Share
  - Dividend Coverage: Funds from Operations / Cash Dividends
  - Dividend Yield: Annual Dividends per Share / Current Market Price per Share

Indicator Trend
The fundamental indicator trend displays quarterly scores over the past three years. The best and worst scores over that timeframe can be easily determined from the values shown on the chart for each quarter.

REFINITIV™

DATA IS JUST THE BEGINNING

Relative Valuation

The Relative Valuation Rating is based on a combination of three factors: Forward PEG (50% weight), Trailing P/E (25% weight), and Forward P/E (25% weight). After the weightings are considered to combine individual factors, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. These common valuation metrics are evaluated against the overall market, the index, and the company's own historic 5-year averages. A stock needs to have at least one of the three relative valuation factors in order to receive a score.

- Trailing P/E: Close Price / Most Recent 4 Quarters of Earnings
- Forward P/E: Close Price/ Upcoming 4 Quarters of Earnings
- Forward PEG: Forward P/E / Long-Term Forecasted Growth Rate

Valuation Averages

Negative values are excluded when calculating the averages. A maximum value of 100 is placed on Trailing P/E and Forward P/E, a maximum value of 5 is placed on Forward PEG, and a maximum value of 20 is placed on Price to Sales when calculating the averages. Higher values are rounded down to the maximum for the averages.

Valuation Multiples

The valuation multiples provide the Trailing P/E, Forward P/E, Forward PEG, and Price to Sales for the company and the S&P 500 index average. In addition, a comparison of the current company's values to its 5-year average and an industry average are presented. A discount occurs when the company's ratio is valued more favorably (lower) than that to which it is compared.

Risk

The Risk Rating displays stocks on a scale of 1 to 10 with 10 being awarded to the least risky stocks. It is derived by looking at a series of long-term (5-year) and short-term (90-day) stock performance measures including volatility, magnitude of returns, beta, and correlation. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market. A stock needs to have at least two of the four risk factors in order to receive a score.

- Magnitude of Returns – The best / worst daily returns in the past 90 days and the best / worst monthly returns in the past 60 months.
- Volatility – The standard deviation of the stock price over the last 90 days and last 60 months, along with the average and largest intra-day stock swing.
- Beta – Measures the tendency of a security's returns to respond to swings in the market, based on the beta of the company versus the relevant index.
- Correlation – Determines how closely the returns of the stock and the relevant index move together, measured over the last 90 days and last 60 months.

Risk Analysis

Price analysis for the company and the S&P 500 is provided over two time periods. Daily analysis is provided for the last 90 days, whereas monthly statistics are used for the last 60 months.

Price Momentum

The Price Momentum Rating is based on a combination of two technical performance factors: relative strength (70% weight) and seasonality (30% weight). After the weightings are considered to combine individual factors, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have data for the relative strength factor in order to receive a score.

- Relative Strength – The relative strength of the company for the last 1 month, 3 months, and 6 months on a scale of 1 to 100.
- Seasonality – The average monthly return (price performance) for the current month and next 2 months for the company and industry, over the past 10 years. A lower industry rank indicates a higher return.

Price Performance

Daily close prices are used to calculate the price performance of the stock. The performance of the S&P 500 is also displayed as a means of comparison.

Insider Trading

The Insider Trading Rating is based on short-term (70% weight) and long-term (30% weight) legal insider trading behavior. After the weightings are considered to combine individual factors, a function similar to a normal distribution is used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least one of the two insider trading factors in order to receive a score.

- Short-Term Insider – Uses insider buy and sell transactions within the past 90 days. This factor is based on the quantitative insider trading model from Refinitiv that considers the insider's role, consensus, number of shares, market capitalization of the company, and the historic stock performance following trades by the given insider.

- Long-Term Insider – Looks at buying, selling and option exercise decisions over the past six months relative to other stocks within the same business sector. The net shares are presented alongside the business sector average as a means of comparison.

Monthly Buys and Sells

The total market value of open-market buying and selling is displayed by month in the chart for easy comparison. Transactions by trusts and corporations are excluded, along with buys greater than $10 million and sales greater than $50 million. Transactions for the exercise of derivatives and option exercises are excluded from the totals.

Institutional Holders

The top five institutional holders of the company are listed in descending order, based on their total share holdings. Possible values for the institution type include Brokerage, Funds, Inv Mgmt, or Strategic.

Executive Holders

The top five executive insiders of the company are listed in descending order, based on their total direct common share holdings (options are not considered). Indirect holdings are excluded, as the owner may not actually have investment discretion over these shares. This table is updated monthly. Insiders who have not filed any transactions or holdings over the past two years are excluded as this may indicate that the individual is no longer associated with the company. Additionally, direct shares held must be greater than 1,000 to be considered.

Insider Roles

These role codes may appear in the data for recent insider buys and sells or top executive holders:

AF - Affiliate	IA - Investment Advisor
AI - Affiliate of Advisor	MC - Member of Committee
B - Beneficial Owner	MD - Managing Director
C - Controller	O - Officer
CB - Chairman	OB - Officer / Beneficial Owner
CEO - Chief Executive Officer	OD - Officer / Director
CFO - Chief Financial Officer	OE - Other Executive
CI - Chief Investment Officer	OS - Officer of Subsidiary
CO - Chief Operating Officer	OT - Officer / Treasurer
CT - Chief Technology Officer	OX - Divisional Officer
D - Director	P - President
DO - Director / Beneficial Owner	R - Retired
DS - Indirect Shareholder	S - Secretary
EC - Member of Exec Committee	SH - Shareholder
EVP - Exec Vice President	SVP - Senior Vice President
FO - Former	T - Trustee
GC - General Counsel	UT - Unknown
GP - General Partner	VC - Vice Chairman
H - Officer / Director / Owner	VP - Vice President

DISCLAIMER

REFINITIV™

DATA IS JUST THE BEGINNING