

Nick Lampone

From: Nick Lampone
Sent: Wednesday, November 18, 2020 8:00 AM
Subject: Morning CORE
Attachments: Core logo.png

<https://www.themorningcore.com/>

US Futures-World Markets: Dow futures trade higher on the expectation that the FAA will approve Boeing 737 MAX return to service today (this is now official). The S&P continues to consolidate after its recent gains, but what's next in the short-term? Are valuations stretched or can we ride this vaccine tailwind along with a normal seasonal Q4 bump? Pfizer is preparing to seek emergency-use authorization for its vaccine from US regulators. We haven't heard much stimulus chatter lately. Will Pelosi and McConnell reach a compromise? Don't hold your breath. I have a hard seeing anything accomplished until the GA Senate runoff elections. No one in Washington compromises until no other option exists. It isn't about the American people, it's always about winning. Bitcoin continues to crush it and is trading above \$18,000 this morning. Mike Novogratz must be trading with no pants on today. Best headline I read yesterday: 'Ray Dalio says he might be missing something about Bitcoin'. US housing starts for October is at 8:30am today. S&P Futures vs. Fair Value: +14.00, 10-Yr Yield: 0.857%.

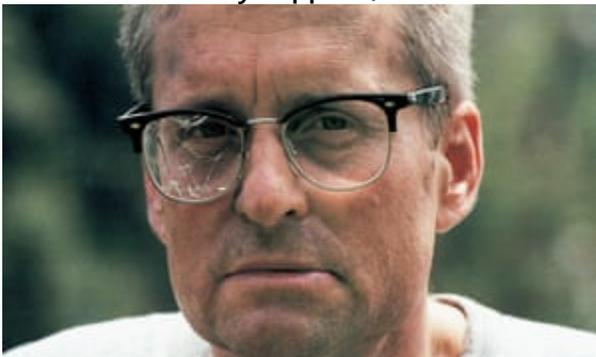
CORE Headlines:

- 37 states have business open, while 13 states have select business closures in portions of their states. 4 states have stay at home advisories and/or orders.-NYT
- Pfizer said that final results from the late-stage trial of its COVID-19 vaccine show it was 95% effective, adding it had the required two-months of safety data and would apply for emergency U.S. authorization within days.-Reuters
- Target blew past Wall Street expectations for quarterly same-store sales as more Americans used the big-box retailer's quick delivery services to buy everything from electronics to home goods during the COVID-19 pandemic.-Reuters
- Lowe's forecast holiday-quarter earnings largely below analysts' estimates, as the company invests heavily in boosting its online business and doling out employee bonuses during the COVID-19 pandemic.-Reuters
- US retail sales rose in October at their slowest pace since the spring, another sign the nation's economic recovery is losing steam as coronavirus cases surge across the country.-WSJ (More stimulus?)
- Hundreds of the companies that received stimulus aid from the Paycheck Protection Program have failed, saying the funds weren't enough to keep them going as the coronavirus and lack of additional stimulus payments weighed on their businesses.-WSJ
- House Republicans re-elected minority leader Kevin McCarthy and minority whip Steve Scalise in Tuesday's internal races, keeping in place a team that largely championed Trump, who despite losing is credited with boosting GOP turnout.-WSJ
- Roger Ferguson, TIAA's long-serving chief executive and one of Wall Street's most-prominent Black executives, has emerged as a top contender for a cabinet role in the Biden administration.-WSJ
- A Cowen poll of US consumers found that Netflix's growing library of original content is the leading draw for subscribers, ahead of price, variety, and other factors—its "rapidly expanding Originals lineup is driving subscriber growth, retention, and engagement," said analyst John Blackledge.-IBD

- More than 900 staffers at the Mayo Clinic have reportedly been diagnosed with Covid-19 in the past two weeks—93 percent of the cases were contracted in community areas, such as break rooms, while employees were eating or had their masks off.-NYP (How many were infected in March when they weren't testing these frontline workers?)
- **TESLA** chief Elon Musk vaulted past FB's Mark Zuckerberg to become the world's third-richest person after Tesla snagged a spot in the S&P 500, turbocharging the electric-car maker's stock.-NYP
- Weekday subway service in New York City could be cut in half and over 9,000 transit workers could lose their jobs under an MTA budget proposal being presented to the agency's board on Wednesday.-NYP
- China's rural poor, a tool of Communist Party strategy since Mao Zedong rallied them in his revolution, are at the center of president Xi Jinping's new antipoverty efforts, which calls for repopulating rural towns with entrepreneurs and consumers.-WSJ
- In an unusual move, governor Gretchen Whitmer of Michigan, citing environmental concerns, is shutting down an underwater pipeline that carries oil to refineries in her state and Canada, bypassing federal jurisdiction by acting under the state's public trust doctrine that protects the Great Lakes.-NYT
- British Airways plans to offer coronavirus tests on select transatlantic flights to London from New York, Dallas, and Los Angeles in a bid to convince the UK government to drop a requirement that incoming passengers quarantine.-FT
- Global policymakers on the Financial Stability Board are examining the role that hedge funds played in turmoil that hit the \$20T US Treasury market in March, warning that the Fed's intervention could fuel more aggressive trading.-FT
- Allies and reformers of Big Tech are gearing up for a spirited fight in the coming months over the types of people who will staff the Biden administration and regulate the industry, a high-stakes issue president-elect mostly avoided during his campaign.-Recode

Interesting Reads/Charts:

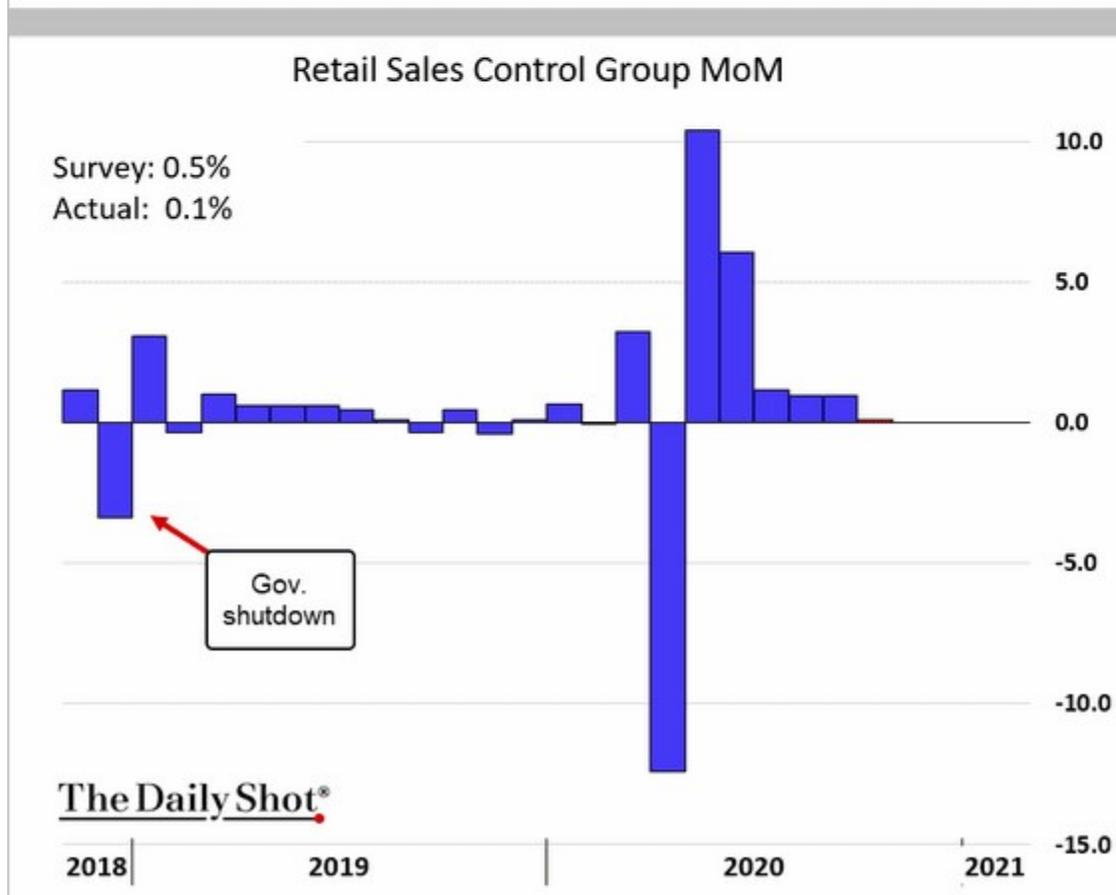
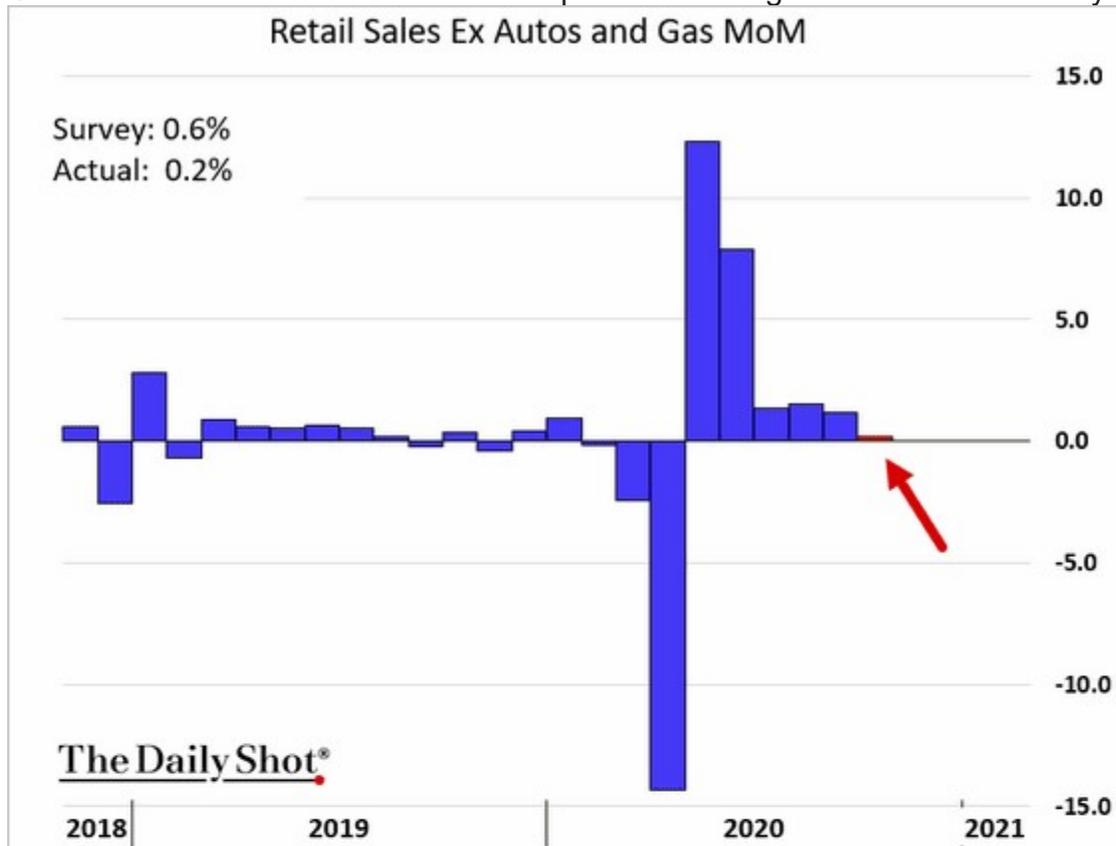
- TechCrunch: Details on Amazon Pharmacy <https://tcrn.ch/35GFvS4>
- Reason: Senate Dems want Biden to forgive billions in student loans <https://bit.ly/3lH0k3F> (Picture of me if this really happens)



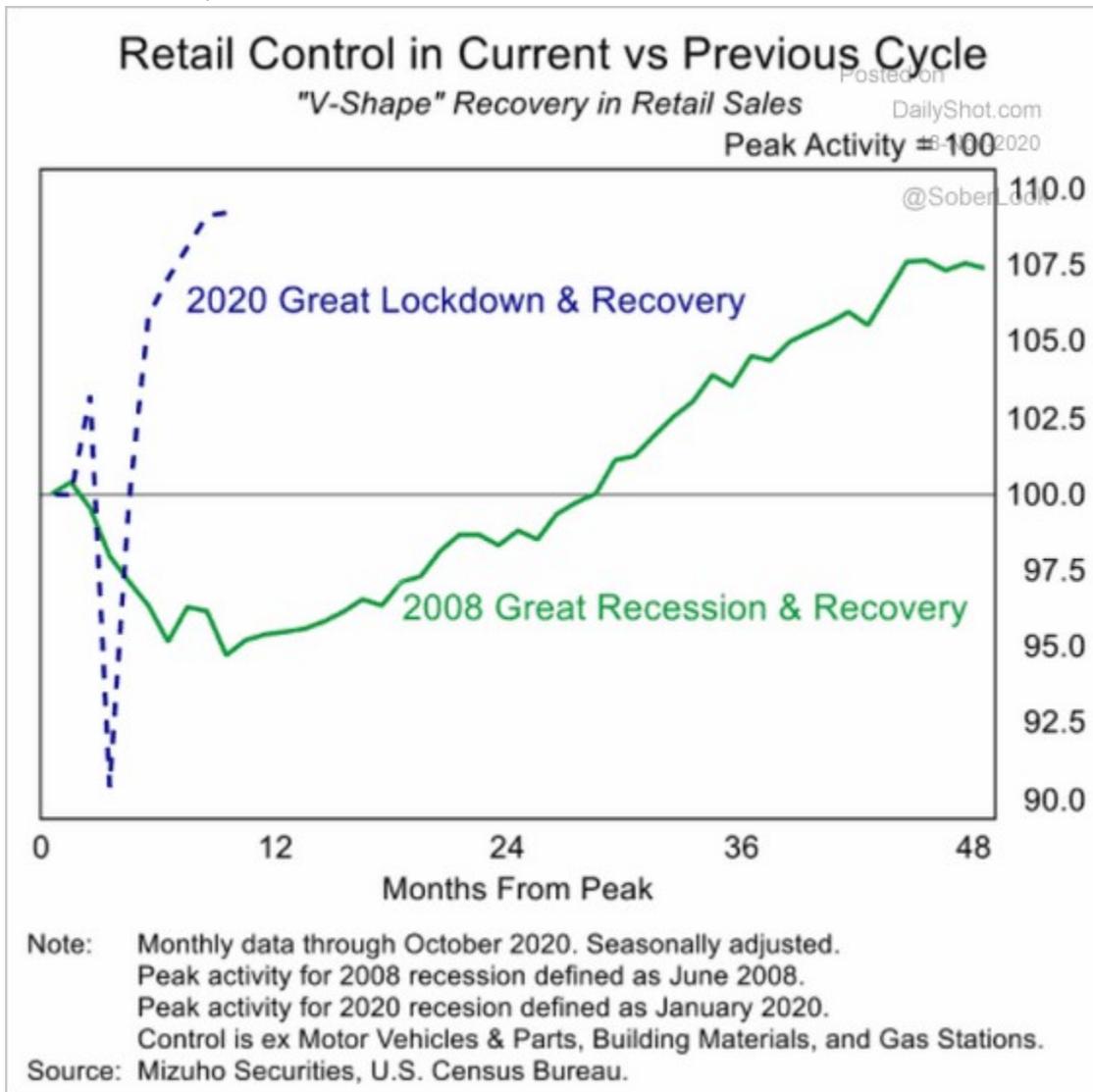
- The Ringer: Undrafted NBA talent <https://bit.ly/3nDQAcT>

Charts from The Daily Shot:

October retail sales were softer than expected amid signs of consumer activity losing momentum.

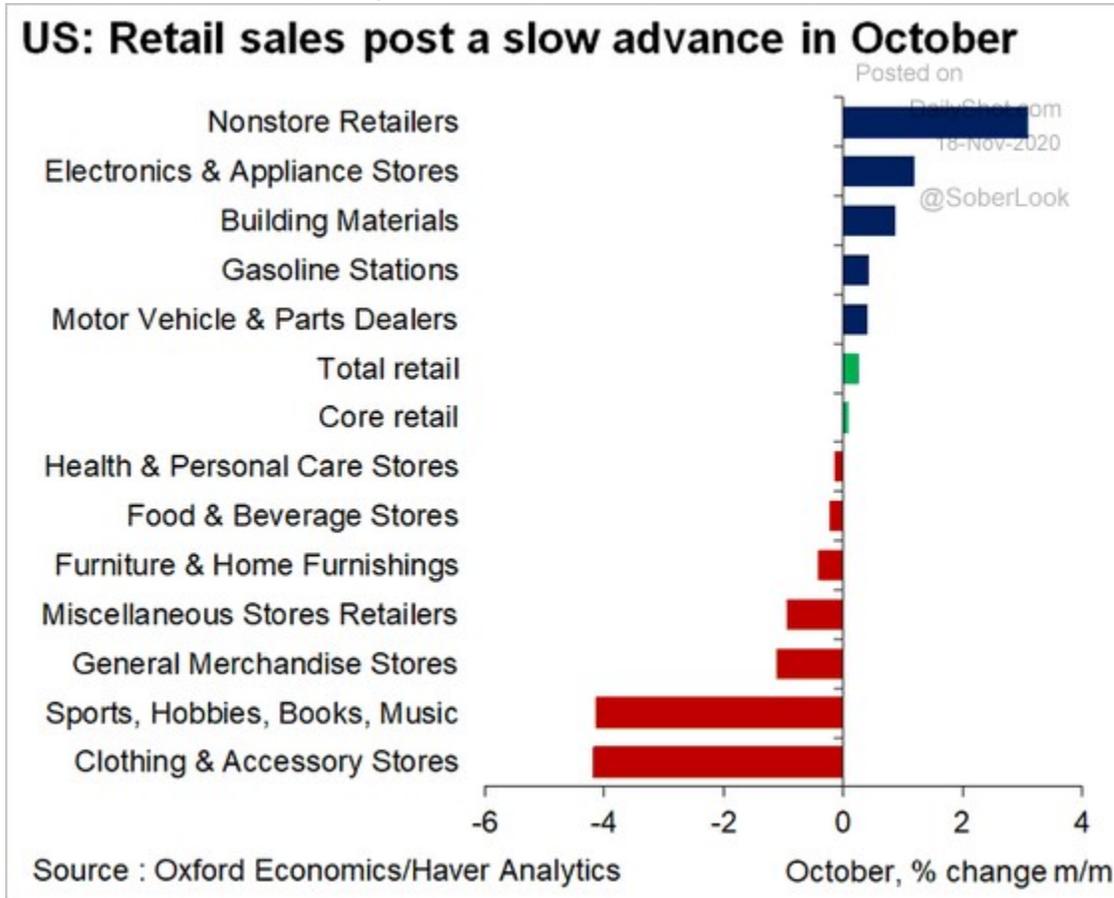


- Nonetheless, the overall rebound has been remarkable.



Source: [Mizuho Securities USA](https://www.mizuho.com/us/en/insights/economy/retail-control-recovery)

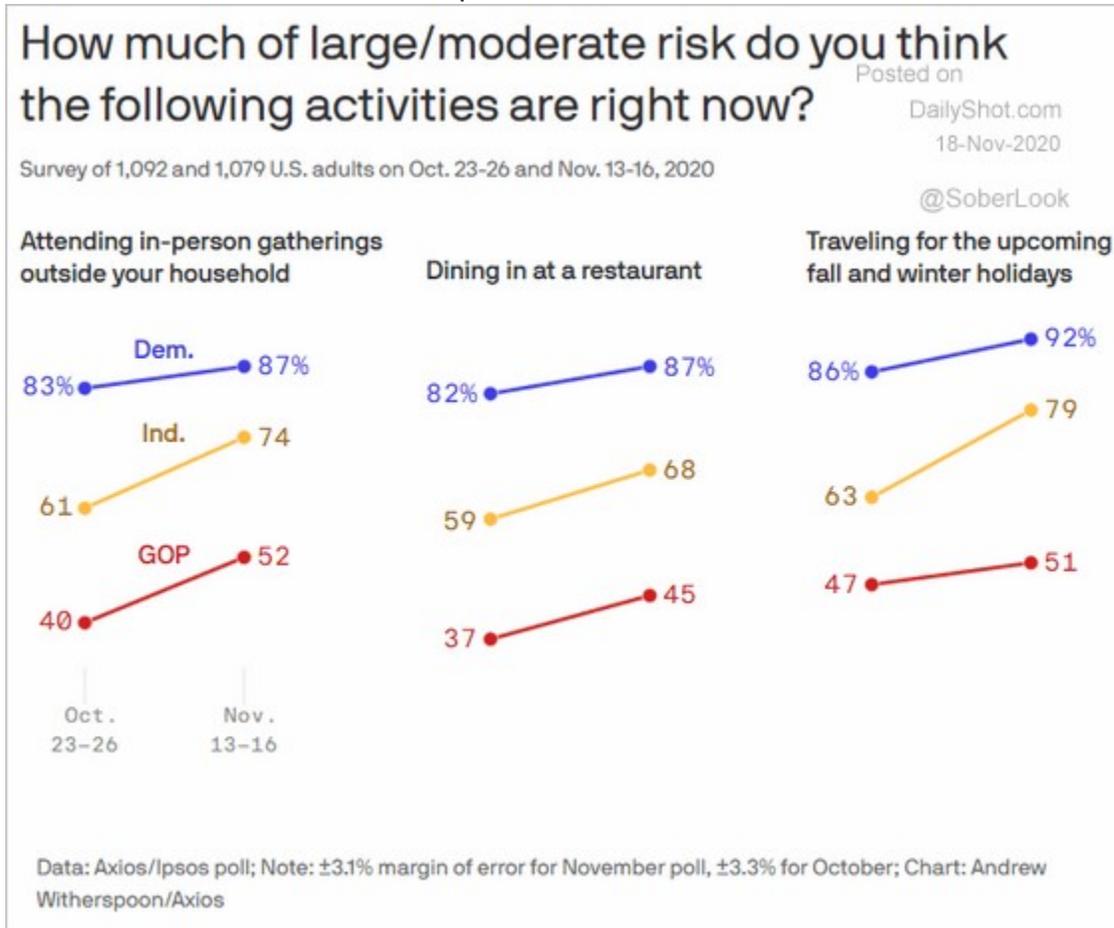
- Here is the breakdown by sector.



Source: [@GregDaco](#)

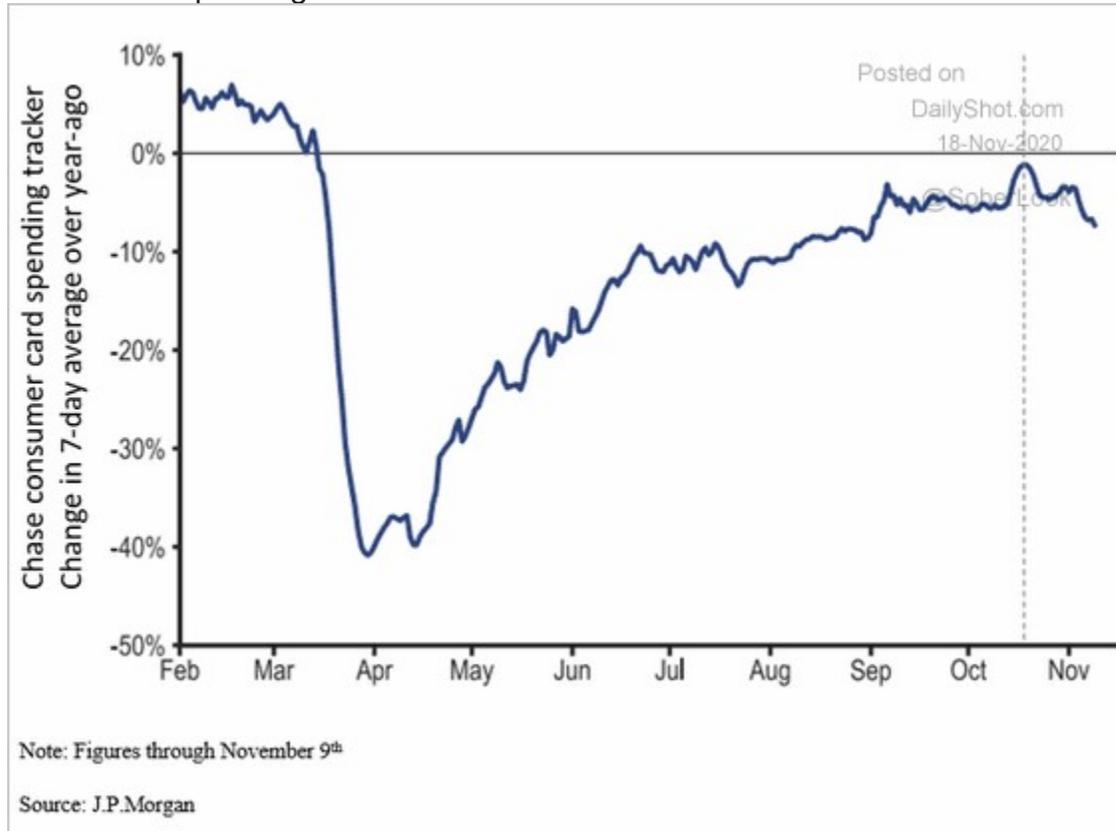
Retail sales face significant headwinds going forward.

- Increased concerns about the pandemic:



Source: @axios [Read full article](#)

Chase card spending:



Source: [JP Morgan, @peterdwilliams](#)

Homebuilder optimism hit another record as demand soars (2nd chart).

17-Nov-20

NAHB Home Builder Optimism Index

Survey: 85.0
Actual: 90.0



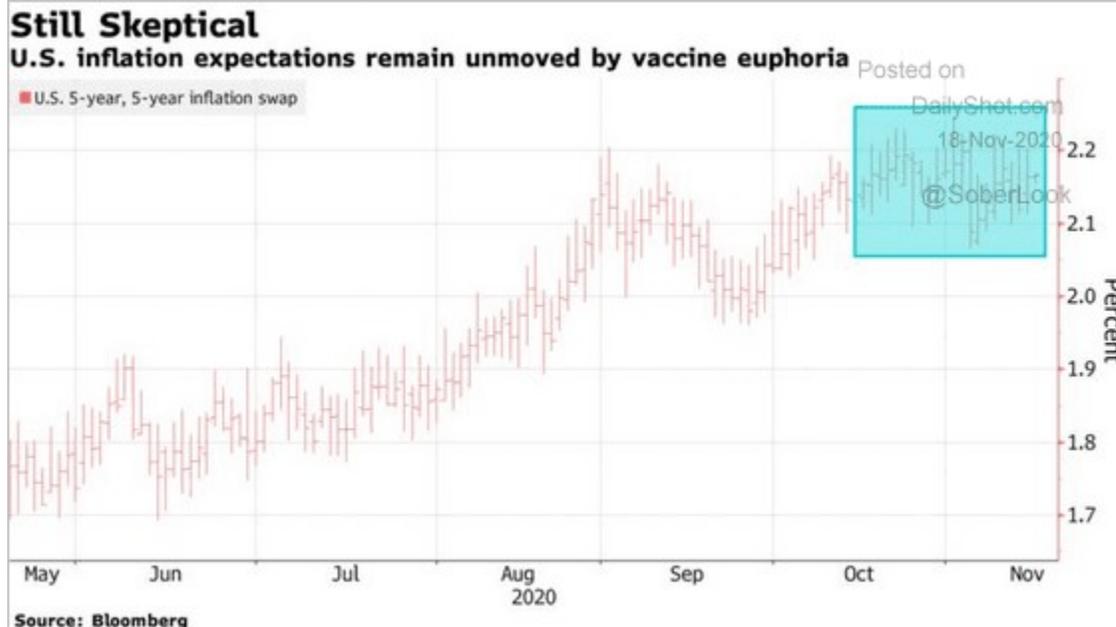
17-Nov-20

NAHB Traffic of Prospective Buyers

Latest: 77.0



market-based inflation expectations have been stable.



Source: @markets [Read full article](#)

The percentage of S&P 500 members above the 200-day moving average is the highest since 2014

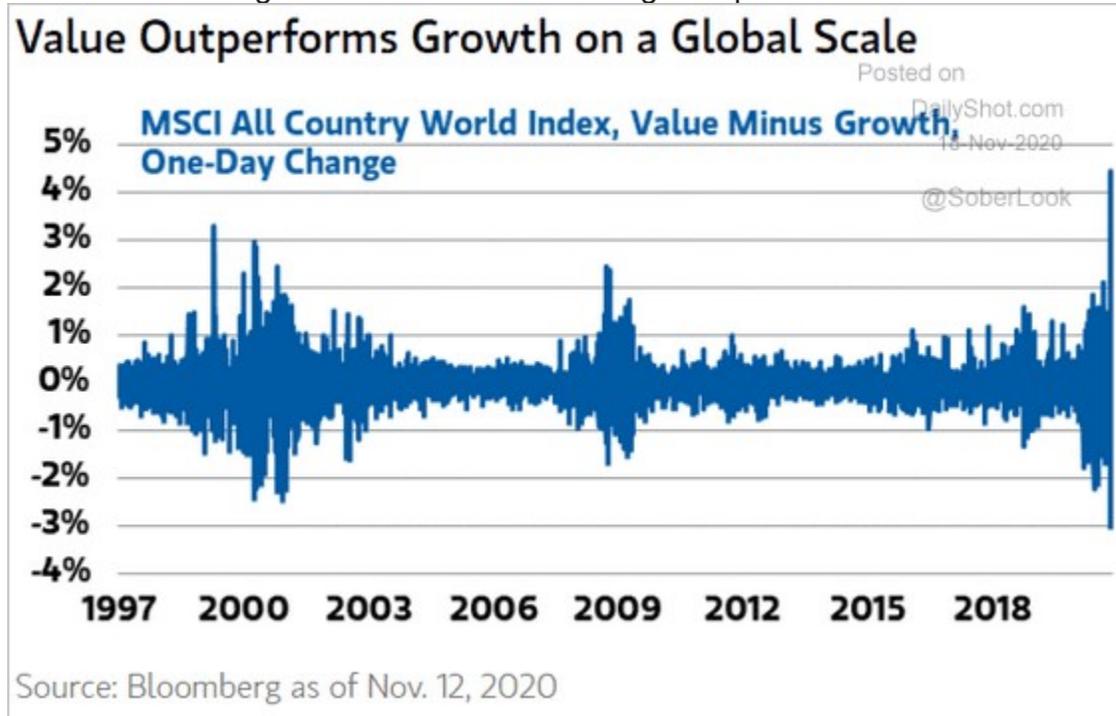


The Nasdaq 100 index is holding resistance at 1,200. The next stop would be 1,220.



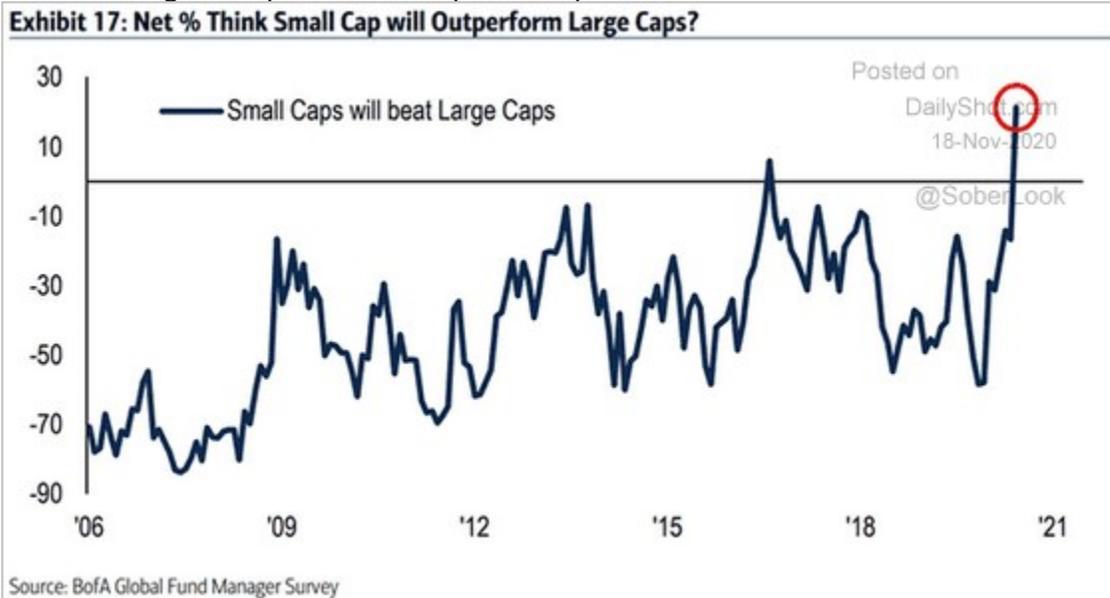
[h/t Nancy Moran](#)

The recent value-growth rotation has been a global phenomenon.



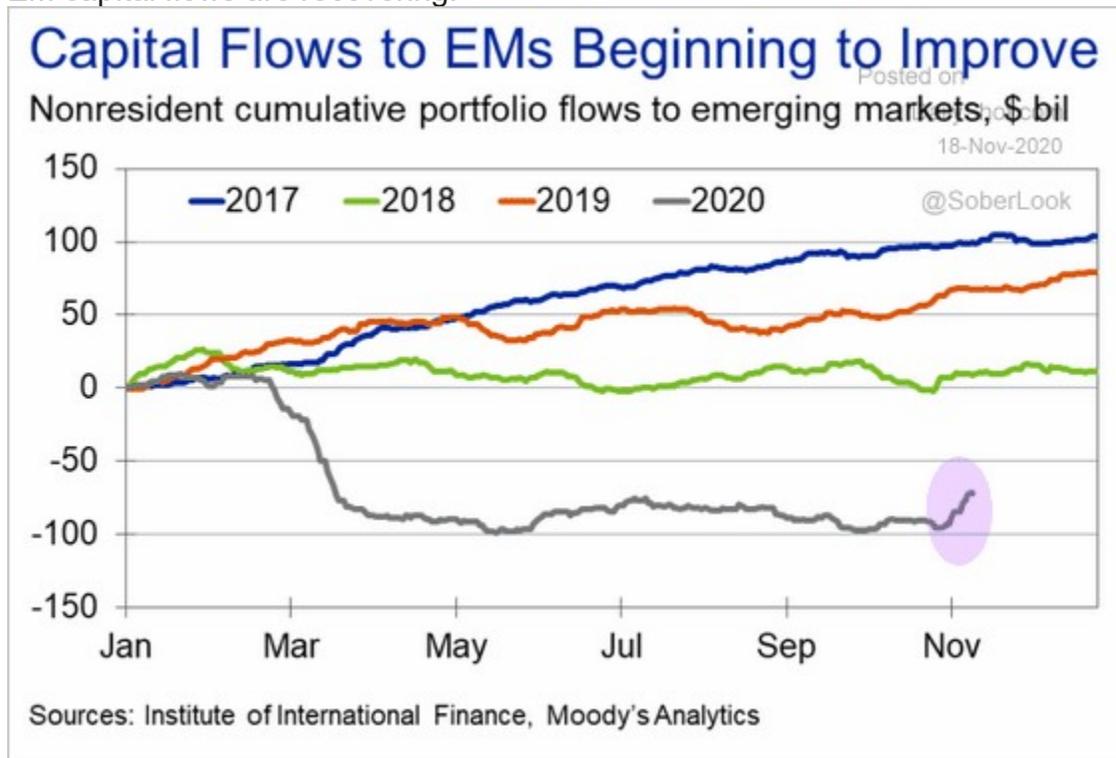
Source: [@ISABELNET_SA](#), [@MorganStanley](#)

Fund managers expect small caps to outperform.



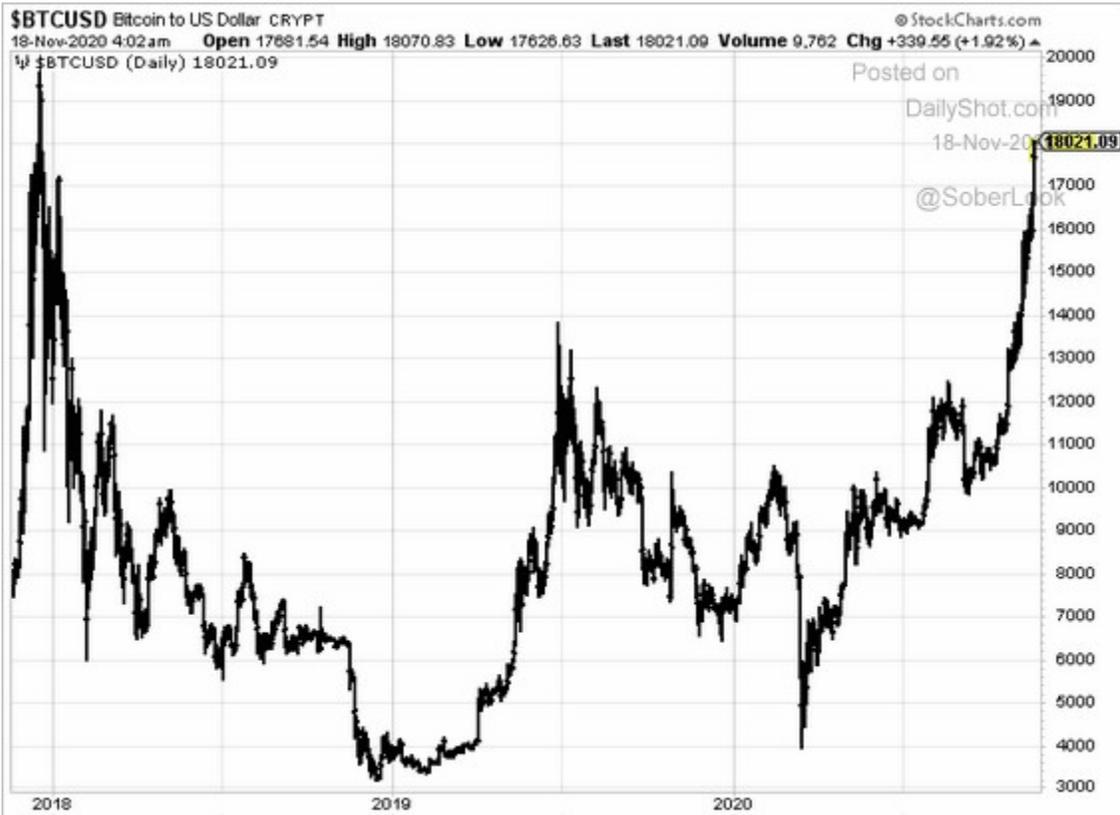
Source: @ISABELNET_SA, @BofAML

EM capital flows are recovering.



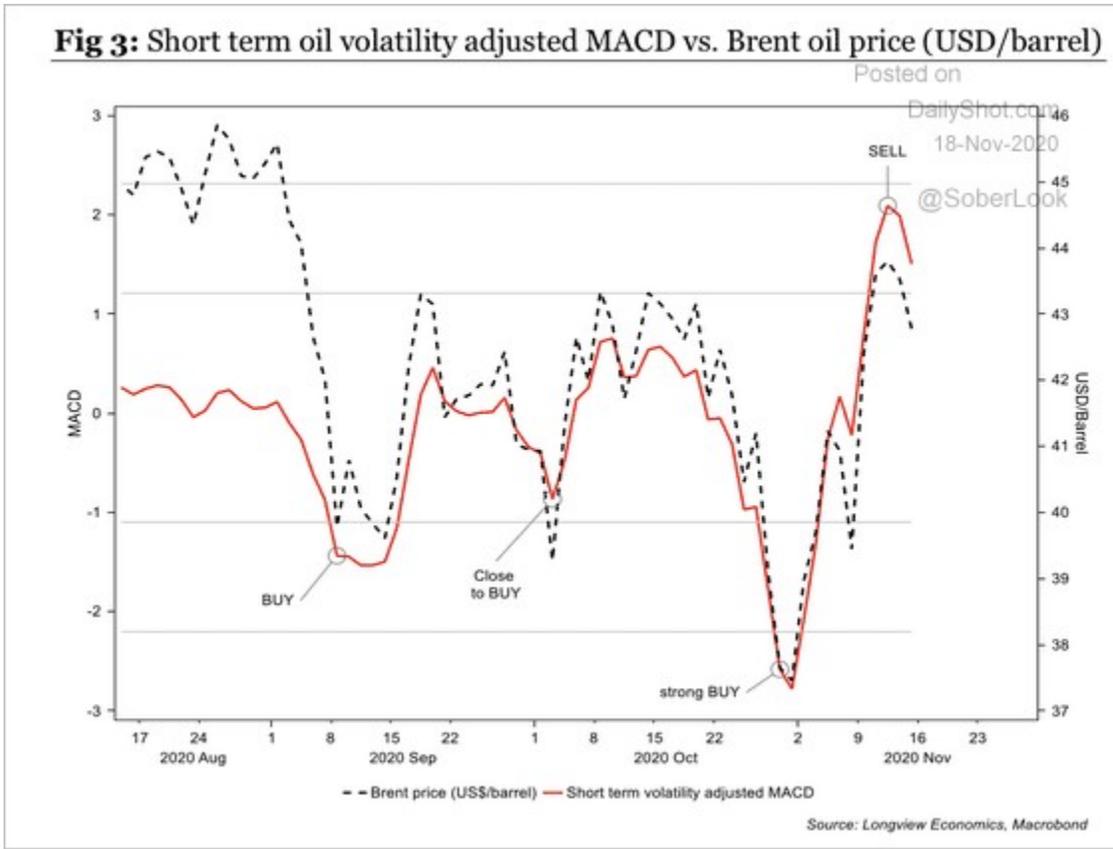
Source: [Moody's Analytics](#)

Bitcoin blasted past \$18k and is now up nearly 60% over the past month.



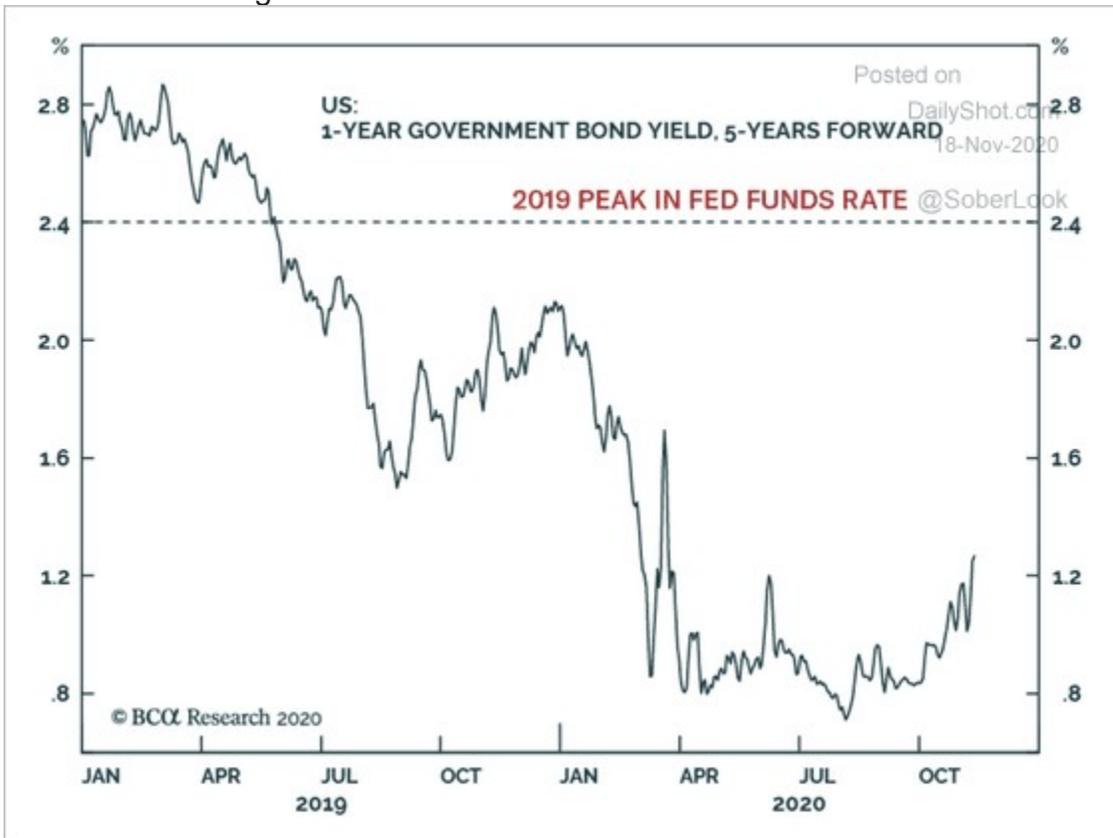


Technical analysis suggests that Brent oil is overbought in the near-term.



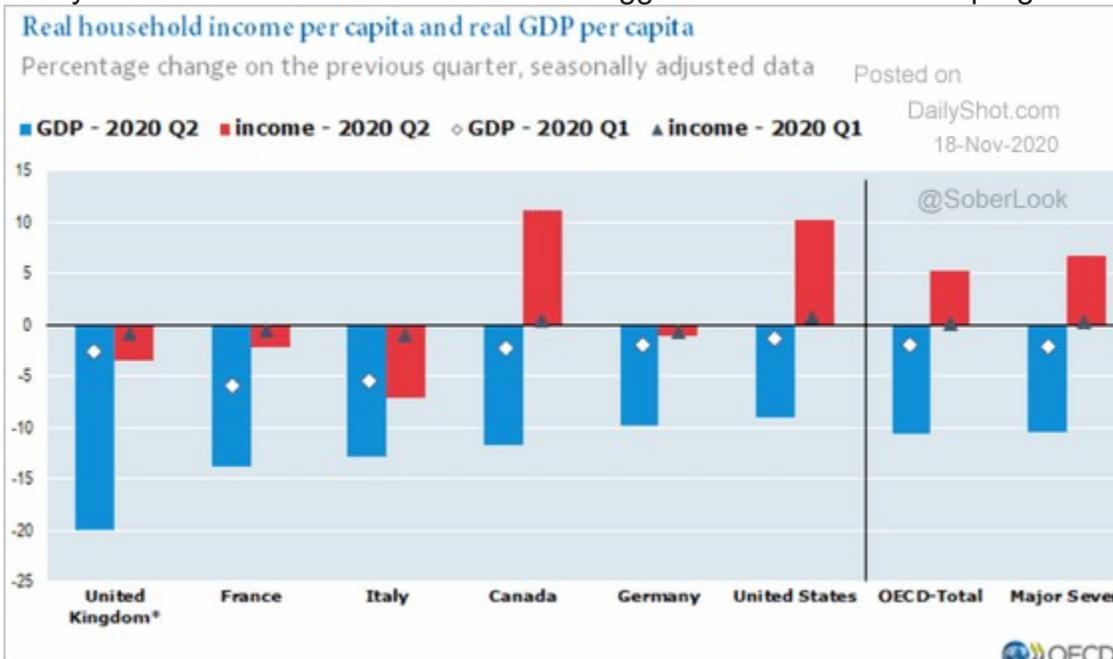
Source: [Longview Economics](https://www.longvieweconomics.com/)

The market expects short-term rates to remain extremely low **five years** out. Will the Fed remain this dovish for that long?



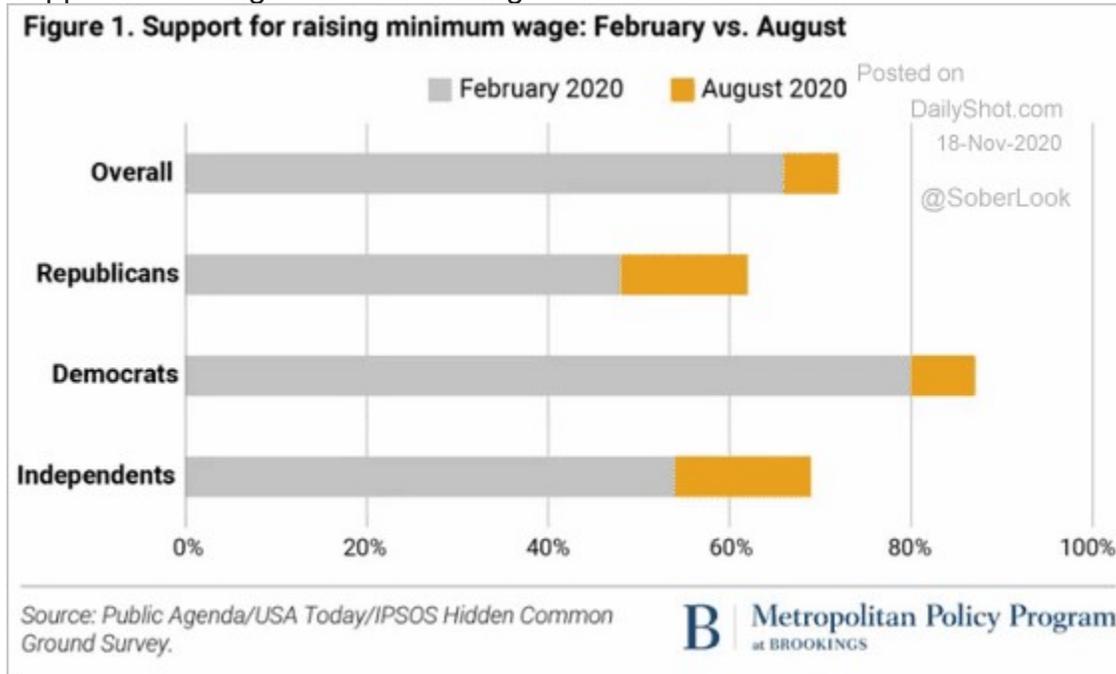
Source: [BCA Research](#)

Can you tell which countries had the most aggressive fiscal stimulus programs?



Source: OECD [Read full article](#)

Support for raising the minimum wage:



Source: [The Brookings Institution](https://www.brookings.edu/)

Nothing on this email/website constitutes legal, tax, accounting or other professional expert advice. When reviewing the attached material, it is important to remember that past performance is not indicative of future results.

Nicholas Lampone
Dalzell Trading
Principal & Director of Trading
Direct: 617-340-5316
Main: 617-340-5313
Cell: 267-980-3481
Five Neshaminy Interplex
Suite 307
Trevose, PA 19053
nlampone@dalzelltrading.com
<http://www.dalzelltrading.com/>