

May 8, 2017

**Markets:** Sector watch continues to guide investors' analyses and decision, as utilities and infrastructure projects across the United States are bidding for expanded financing and additional (contracted) workforce. To be sure, Apple Inc (AAPL) is going to invest \$1 billion in creating a fund to back advanced manufacturing companies in the country, chief executive officer Tim Cook told media last week.

The transition from outsourced production back to increased domestic manufacturing has resulted into slower pace of productivity during the first quarter of 2017, in fact the most sluggish growth in a year. Meanwhile, the national economy grew at the slowest pace in three years, but the job market remained solid. Adjusted for inflation, hourly compensation fell at a 0.8% rate in the first quarter; new hires jumped.

**Stocks to Watch:** Comstock Resources Inc (CRK) jumped 5% to \$8.35 in premarket after the energy company said oil production in first quarter declined 36% to 2,940 barrels of oil per day, reflecting lack of drilling in south Texas.

Meanwhile growth in natural gas production came with successful drilling program at Haynesville shale.

In the quarter, Comstock narrowed net loss to \$22.9 million or \$1.61 per share from \$56.6 million or \$5.71 a share in year-ago period. Revenue rose 45.8% to \$53.8 million on improved hedging gains and prices.

Eagle Pharmaceuticals Inc (EGRX) dropped 1.2% to \$88.51 in premarket after the drug developer said first quarter revenue surged 159.5% from a year ago to \$76.8 million. Earnings jumped to \$22.9 million or \$1.42 per diluted share from net loss of \$0.9 million or negative six cents per diluted share a year earlier.

Product sales increased 8.5% from last year to \$15.3 million, and royalty revenue soared 284.2% to \$36.5 million. License and other revenue jumped 316.7% from last year to \$25.0 million.

Horizon Pharma Plc (HZNP) slid 31.6% to \$10.65 in premarket after the generic drug maker said first-quarter net sales surged 8% from last year to \$220.0 million. The company swung to net loss of \$90.6 million or 56 cents a share compared with net loss of \$45.4 million or 28 cents a share in year-ago quarter.

Separately, Horizon is paying today \$145 million to complete the acquisition of privately-owned protein therapy treatment company River Vision Development Corp and its late-stage biologic unit for rare eye disease and treatment development. The firm's antibody is currently in trial for thyroid bio response.

The company anticipates potential peak annual sales opportunity for the rare eye disease, if approved, in excess of \$250 million in the United States.

Kosmos Energy Ltd (KOS) traded up 6.7% at \$6.35 in premarket after the Bermuda-based oil and gas producer said first-quarter revenue surged 144.8% from previous year to \$152 million.

The company narrowed net loss to \$28.8 million or seven cents a share compared to negative income of \$59 million or 15 cents a share in prior year, while continuously reducing its net budget.

Vectren Corp (VVC) traded up 1.3% to \$59.76 in the past month as of May 5, and the utility services firm said first-quarter revenue jumped 6.8% to \$624.5 million from a year ago. Net income rose to \$55.4 million or 67 cents a share compared with \$48.3 million or 58 cents a share a year ago.

In the quarter, Vectren reported negative cash flow from financing deals.

The company reaffirmed guidance for full-year 2017 in the range of \$2.55 to \$2.65 earnings per share, reflecting positive expectations from gas infrastructure programs in Indiana and Ohio.