

# Daily Wraps

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## US shares succumb to depressed oil prices

US shares succumbed to depressed oil prices by the close on Tuesday, after earlier recovering from the Brussels terror shock.

The broad S&P500 index ended down 0.1% at 2,049 and set the tone for smaller caps too.

The S&P Midcap 400 was flat at 1,429, but elsewhere the S&P Smallcap 600 dropped by 0.23% to 675 and the wider small-cap Russell 2000 shed 0.11% to 1,097.

Although initially notching up its highest levels since December 1 during the session, the US oil benchmark West Texas Intermediate was down 0.17% to \$41.45.

Earlier in the session, markets were depressed as investors sought safer haven assets such as government bonds in the wake of terror attacks on a Brussels airport terminal and city metro system which left more than 30 dead.

### Midsession

US stocks shook off the initial shock of Brussels terror attacks and weaker oil prices, and reversed direction midsession on Tuesday to stand higher on the day.

That reversal applied not only to the broad S&P500 index, up 0.2% at 2,055, but also to the small-cap tickers. The S&P Midcap 400 was up 0.22% at 1,432 and led by Akorn (NASDAQ:AKRX) up 39% at \$26.00, after the release of its preliminary fourth-quarter and full-year financials.

The mid-sized generic pharmaceutical reported preliminary full-year sales were \$985mln, or an adjusted earnings per share (EPS) of \$1.93. Akorn also provided guidance for 2016 that includes a sales target of between \$1.06 and \$1.08bn and adjusted EPS within a range of \$2.10 to \$2.20.

Meanwhile, the S&P Smallcap 600 was flat at 676 and led by Lumber Liquidators (NYSE:LL) up 14.3% at \$13.74. Lumber shares were up after the besieged flooring retailer said it was paying \$2.5mln to settle allegations that some of its products violated California's air-safety standards.

The penalty was the latest that Lumber Liquidators has absorbed for formerly selling laminate flooring made in China. In this latest case, Lumber Liquidators faced allegations that the imported flooring contained high levels of the carcinogen formaldehyde.

Lumber shares also led the Russell 2000 index higher, up 0.13% to 1,100.

The US oil benchmark West Texas Intermediate was down 0.36% at \$41.37. Still, it was close to its highest levels since December 1 at \$41.75 struck earlier in the session.

### Open

Stocks were modestly lower at the outset, with travel firms responsible for much of the weakness of the main benchmarks.

### Share Information

#### MarketTopic Synopsis:

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The S&P 500 was off five points at 2,046 and the Dow Jones down 48 points at 17,577, with airlines and cruise companies friendless after the bomb explosions in the Belgian capital today.

Small and medium-sized companies also got off to a bad start, with the mid-cap measure, the S&P 400, down three points at 1,427 and the small-caps index, the Russell 2,000, down eight points at 1,091.

Clothes maker G-III Apparel Group, Ltd. (NASDAQ:GIII) lost almost a fifth of its value after disappointing fourth quarter results while renewable power generator Blue Earth Inc (NASDAQ:BBLU) was another big faller, down 45%, as it filed for Chapter 11 bankruptcy.

Going the other way was MER Telemangement Solutions Ltd. (NASDAQ:MTSL), the provider of billing solutions for telecommunications companies.

Shares shot up more than 50% to \$1.11 as its fourth quarter results pleased the market. Fourth quarter revenues were 11% higher than in the third quarter at \$4.2mln. The underlying net loss for the quarter narrowed to \$139,000 from \$493,000 a year earlier.

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