Applied Materials reported a rough start to the fiscal year (ends October 27th). Revenue of $3.8 billion, toward the low end of management's guidance, was off 11% annually and 7% sequentially. Semiconductor systems, at 60% of total revenue, fell 20% annually and 7% sequentially from the October period. A pullback in memory investments was the primary source of the weakness. Display revenue rose 11% from last year, but was off 28% sequentially. Management expects wafer fabs equipment spending to fall at a mid- to high-teens rate in 2019 with demand from memory customers off significantly and spending from foundry and logic customers flat to up slightly. In the display segment, weakness in emerging markets has prompted some customers to push TV fabrication to 2020. A continued sequential decline in our estimate of $3.7 billion. Quarterly earnings are expected to reach $0.62 to $0.70 per share. We had been modeling $0.80. On the new guidance, we have lowered our second-quarter revenue and share-net estimates to $3.5 billion and $0.66. For 2019, we have lowered our top-line estimate from $15.5 billion to $14.5 billion. We look for operating profitability to decline a few percentage points on the lighter sales. Helping to offset the pressure on share earnings, Applied has been repurchasing its shares. The company spent $750 million to buy 22 million shares in the January quarter. About $3.5 billion remains under the current authorization. We figure repurchases are on track to add about $0.20 to annual share net. In all, our earnings estimate has moved from $3.45, to $2.95 per share. Past 2019, we look for a rebound in semi systems revenue, as the long-term growth drivers for chips remain in place. This stock is unfavorably ranked for year-ahead performance. But appreciation potential out to 2022-2024 is above the Value Line median.