



PYPL, V, MSFT, META, AMZN, AAPL

PayPal (PYPL) will report results 4/29 before the open with the Street looking for \$1.16 EPS and \$7.84B in Revenues (+1.85%) while Q2/FY25 seen at \$1.21/\$8.09B and \$5/\$32.9B implying 3.5% topline growth and 6.7% EBITDA growth in 2026. PYPL shares have closed lower the last two reports and five of the last eight with a six-quarter average max move of 9.44%. PayPal is a technology platform that enables digital payments and simplifies commerce experiences on behalf of merchants and consumers worldwide. PYPL has seen a lot of headwinds from slower growth amid rising competition. PayPal's new CEO Alex Chriss delivered an initial message that seemed to resonate with investors given the focus on execution, product improvements, disciplined capital allocation and clearer messaging. PYPL has a \$64B market cap and trades 11.7X Earnings, 9.1X EBITDA and 9.45X FCF, valuation near a decade-low and growth seen improving into 2026. Measurable progress against strategic initiatives to accelerate branded TPV is key to turning around weak sentiment, and 1Q is unlikely to be the quarter when this happens, especially amid macro turmoil. Downside risks to 2025 guidance have become more pronounced, as macro uncertainty could impact consumer discretionary spend (the majority of PYPL's volume), and tariffs could impact higher-yielding cross-border volumes (12% of TPV). Expiration of the China de minimus exception (goods <\$800 into the US) on May 2 could be a headwind as well. Bank of America aggregated credit and debit card data (Exhibit 1) showed that US online retail spending y/y growth decelerated to 2.4% in 1Q from 4.0% in 4Q. Intra-quarter, March accelerated y/y to 4.6% from -0.4% in February and 2.9% in January. PayPal has retained consistent 20% share of checkout over the last few years. The CEO believes that PayPal is "leapfrogging" the competition as PayPal is driving meaningfully improved conversion (100-400 bps) with the newest checkout integration. The advanced checkout integrations are at 30% of US merchants now, and the company has a clear line of sight to bringing that to 80% coverage by 2027, which they expect will be a key driver of accelerating from 6% Branded growth now to 8-10%. Analysts have an average target of \$84 and short interest is low at 2.9% of the float. BAML at Buy with a \$93 target on brand, balance sheet, optionality on button trends ultimately improving, and valuation. MSCO at Neutral says PayPal can likely deliver mid- to high-single-digit gross profit growth and ongoing share repurchases supporting low-double-digit EPS growth in '26-27, but see limited upside as we're still cautious on how quickly the company can monetize Venmo and think that the time needed to make improvements to Branded Checkout (~3 years) makes visibility for growth acceleration to 8-10% challenging. Compass Point initiated shares at Sell with a \$56 target last week. Seaport downgraded shares with a \$49 target seeing PYPL struggling to meet medium-term guidance. On the chart, PYPL's recent low came right near Summer 2024 support at \$57 while \$50 the Oct. 2023 low. PYPL remains deeply oversold and the high in late 2024 stalled at the 200-week EMA. PYPL has a value zone of \$57/\$66, the 21-week at \$72 potential resistance on a strong bounce but the 200-MA lines up with a measured move target up at \$75. PYPL options are pricing in a 6% earnings move and 30-day IV Skew at +7.7 is steep to the +1 52-week average. PYPL put/call open interest ratio at the 84th percentile and average IV30 crush is -32.9%. PYPL recent positioning leans bullish, 20K Dec. \$72.5 calls bought on 4/8 and buyers of Jan. 62.5 and 70 calls. PYPL also June 2026 size call buys remain in \$62.5, \$65 and \$67.5 strikes and 8K May \$60 call buyer on 4/8.

Trade to Consider: Long **PYPL** May \$65/\$70/\$72.5 Call Butterfly at \$1.45 Debit



Visa (V) will announce earnings 4/29 after the close with the Street view at \$2.68 EPS and \$9.55B in Revenues (+8.8%) while Q3/FY25 seen at \$2.83/\$9.87B and \$11.27/\$39.5B implying topline growth of 9.95% with 9.8% EBITDA growth in 2025. V shares have closed lower five of the last eight reports with a six-quarter average max move of just 3.2%. Visa is the global leader in payments with attractive leverage to the long-term secular growth driver from payment electrification. Visa's business mix has greater leverage to the US and greater skew towards debit and will likely continue to deliver HSD revenue growth and high-teens EPS growth for many years to come, supported by persistent tailwinds and the nascent growth initiatives in areas like new flows and value-added services (for both card and non-card spending). V has a \$655B market cap and trades 26.35X Earnings, 23.2X EBITDA and 32.1X FCF, valuation at the 75th percentile with the forward growth outlook steady through FY27. Card networks are seen as defensive during recessions. Banks reported a combined 5.3% increase in card spending in Q1 decelerating slightly from 6.5% last quarter. Value-added solutions related to identity/risk, cybersecurity, open banking, new payment flows (A2A, B2B, etc) and other advisory services are the key to future growth for V which now makes up 25% of business. Visa and AmEx are trying to unseat MasterCard as the Apple card network, WSJH reported recently. Analysts have an average target of \$375 and short interest is low at 1.6% of the float. Evercore started shares Neutral with a \$330 target as a steady growth name. Goldman raised its target to \$392 into earnings. SIG raised its target to \$410 following the Analyst Day. On the chart, V shares stalled near monthly VPOC last week with \$342 and \$351 key levels to clear for a move back near \$365. V has been a standout relative strength name overall, though a loss of \$325 support targets the 200-MA near \$306. Visa options are pricing in a 3.15% earnings move and 30-day IV Skew at +5.9 compares to the +2.1 52-week average. V put/call open interest ratio is at the 3rd percentile and average IV30 crush is -19.9%. V had recent notable opening sales in July \$350, \$315 and \$300 put strikes, also a buyer of 400 Oct. \$355 calls. V also with 2000 June 2027 \$340 calls bought 4/16. V has 20,000 Dec. 2026 \$410 calls bought in OI and 3500 June \$370 calls while a trade 2/12 bought 2000 January \$380 calls for \$4.2M.

Trade to Consider: Long **V** May/June \$350 Call Calendars at \$3.60 Debit



Microsoft (MSFT) will report earnings 4/30 after the close with the Street looking for \$3.22 EPS and \$68.43B in Revenues (+10.6%) while Q4/FY26 seen at \$3.32/\$72.3B and \$14.95/\$314.1B implying 13.5% topline growth and 13% profit growth for 2026. MSFT shares have closed lower the last three reports with a six-quarter average max move of 4.36%. MSFT develops and supports software, services, devices and solutions worldwide. The Productivity and Business Processes segment offers office, exchange, SharePoint, Microsoft Teams, office 365 Security and Compliance, Microsoft viva, and Microsoft 365 copilot; and office consumer services, such as Microsoft 365 consumer subscriptions, Office licensed on-premises, and other office services. The Intelligent Cloud segment offers server products and cloud services, such as azure and other cloud services; SQL and windows server, visual studio, system center, and related client access licenses, as well as nuance and GitHub; and enterprise services including enterprise support services, industry solutions, and nuance professional services. MSFT also has its Windows PC segment, XBOX gaming segment with Activision, Bing, and Linked-In. Microsoft is well positioned to double its \$60B+ commercial cloud business (Azure, Office 365, Dynamics, and LinkedIn Commercial) and Office 365 could potentially double its installed base from 255M+ to 500M given the massive number of knowledge workers worldwide. Alignment to key secular trends and benefits from vendor consolidation point to continued share gains. MSFT has a market cap of \$2.9 trillion and trades 26.4X Earnings, 18.2X EBITDA and 41.6X FCF, valuation near the 60th percentile of the past decade and the growth outlook steady through FY27 with estimates for some acceleration. Azure estimates have been lowered removing the expectation for a F2H acceleration. Microsoft is impacted near-term by the macro uncertainty with partners signaling a 'wait-and-see' approach on large transformational deals and also impacted by internal execution in the partner organization and Copilot product ramp. The focus this quarter is likely to be on Azure guidance and capex. There have been rumors that Microsoft is pulling back on capex. While Microsoft is likely shifting capex within geographies, the company remains building capacity for the long term. Analysts have an average target of \$490 and short interest is low at 0.7% of the float. MSCO notes that while the prospect around negative revisions, uncertainty around the macro environment, and angst surrounding the AI trade create a difficult setup for building ownership in shares today, we firmly believe Microsoft's overall positioning remains strong and that shares may be nearing a valuation floor which drives an attractive long-term risk-reward. BAML cut its target to \$480 but views MSFT best positioned for the AI cycle in applications and infrastructure. Citi says its intra-quarter checks were mixed, with some notable early renewals in Azure, though CoPilot uptake was lacking. Barclays noted weaker checks but the focus always on guidance and sees shares remaining in limbo with the company unlikely to cut guidance just yet. On the chart, MSFT rebounded off April lows right at a major long-term AVWAP, just above its 200-week EMA and a retest of the 2023 flag breakout. Supports on weakness at \$372.5 and \$359 followed by \$345. The 21-week EMA at \$399.50 and 200-MA at \$415 are upside targets. MSFT options are pricing in a 3.3% earnings move and 30-day IV Skew at +4.9 is above the +2.3 52-week average. MSFT put/call open interest is at the 12th percentile and average IV30 crush is -23.2%. MSFT last week saw a size buyer in June 2027 \$390 calls, a buyer of 13,000 August \$430 calls and a seller of 5000 June \$325 puts. MSFT also has size buys sitting in June \$425 call open interest and a big 12,500 Dec. \$405 put sales.

Trade to Consider: Long **MSFT** May \$400/\$410 Call Spreads at \$3.70 Debit



Amazon (AMZN) will announce results 5/1 after the close with the Street expecting \$1.36 EPS and \$155.1B in Revenues (+8.2%) while Q2/FY25 seen at \$1.41/\$161.29B and \$6.25/\$694.94B implying 8.93% topline growth and 14.7% EBITDA growth in 2025. AMZN shares have closed higher on results five of the last seven reports with a six-quarter average max move of 7.94%. Amazon continues to have a massive retail business that faces headwinds of slowing consumer spending and rising costs but the focus remains on AWS, a behemoth in cloud which continues to scale and see increased spending. AMZN also has a massive opportunity in Advertising and has been making moves into Healthcare. Prime Video Ads is a potential boost to the advertising businesses. AMZN has a \$2 trillion market cap and trades 25.35X Earnings, 12.5X EBITDA and 61X FCF putting valuation near record lows despite an outlook for steady topline growth and accelerating profit growth. Tariffs are a big focus for AMZN investors with concerns on how long it takes to work through inventory levels and for supply chain adjustments. AWS also in focus given declining business confidence indicators, potentially slowing workload optimizations and Cloud migration. GMV growth, 1P tariffs, 3P tariffs, advertising, logistics costs, and AWS and capex are all in focus for investors this quarter. Analysts have an average target of \$245 and short interest is low at 0.7% of the float. BAML sees AMZN well positioned for both AI growth and retail margin efficiencies and stays at Buy rating with a \$225 target. Stifel expects e-commerce and marketplace GMV growth to slow or decline as consumers face increased prices. BMO notes cloud demand softened in March, and given the fluid macro and reduced visibility, the second half of 2025 is more uncertain. MSCO says Amazon's focus on buyers and sellers and long-term growth over near-term profit, as well as its low Retail margins, mean it will likely require multiple quarters for investors to have confidence in second half of 2025 and 2026 estimates. DA Davidson adds that regardless of how the current tariff regime plays out, it sees a slowdown in consumer activity and corporate investment, at least for the next couple of quarters. On the chart, AMZN recently bounced at key lows just above the 200-week EMA and 50% retracement level at \$162. AMZN has upside resistance at \$200 where a bunch of key moving averages come into play along with AVWAP off highs but limited resistance above. Support levels are at \$180 and \$172. AMZN options are pricing in a 4.6% earnings move and 30-day IV Skew at +5.5 compares to the +2.5 52-week average. AMZN put/call open interest is at the 46th percentile and average IV30 crush is -32.95%. AMZN recent size buys of June 2027 \$180 and \$185 calls, 1500 March \$160 calls and 4000 June \$185 calls. AMZN still has 40K June \$180 calls bought in open interest.

Trade to Consider: Long **AMZN** May/June \$200 Call Calendar Spreads at \$2.85 Debit



Apple (AAPL) will report earnings 5/1 after the close with the Street view at \$1.61 EPS and \$94.06B in Revenues (+3.65) while Q3/FY25 seen at \$1.47/\$88.99B and \$7.25/\$407.47B implying 4.2% topline growth and 5% EBITDA growth for 2025 which is seen to then accelerate to better growth in 2026. Apple designs, manufactures, and markets smartphones, personal computers, tablets, wearables, and accessories worldwide. Apple's industry-leading retention rates and expanding ecosystem of hardware and services has already created one of the world's most valuable technology platforms that centralizes and controls everything from traditional communication to entertainment, social media engagement, photo & video development, gaming, business, payments, travel, fitness, and more. Given Apple has stopped disclosing unit volumes for its products investors should be increasingly focused on ARPU trends. The Apple business model is shifting from one that maximizes hardware shipment growth to one that maximizes installed base monetization, underscored by increased services and installed base disclosures, and a move away from reporting units and ASPs. If Apple were to monetize advertising beyond the App Store, it could potentially be a \$20B business by 2026. Apple enters a multi-year iPhone upgrade cycle driven by need for the latest hardware to enable Generative AI features to be introduced in 2024/2025. Services has been the key to growth as a higher margin mix and as the installed base continued to grow. Apple continues to drive upside from Services with the ever-expanding ecosystem while also a capital return heavyweight. AAPL has a \$3.1 trillion market cap and trades 26.3X Earnings, 21.9X EBITDA and 32X FCF putting valuation above the 80th percentile despite an outlook for fairly modest growth through 2027. AAPL quarterly results may exceed estimates due to pull-forward impact but the outlook may weaken for higher costs of navigating a more complex supply chain and for delays in launching an AI enabled Siri. The weaker USD should provide a positive boost and Services growth is likely to remain robust. Apple's launch of an AI-enabled Siri has been delayed and can cause a further pushout of iPhones upgrades. The launch of a slim iPhone "Air" in Sep 2025 and a potential foldable iPhone in Sep 2026 should spur some form factor based replacement demand. Analysts have an average target of \$236 and short interest is low at 0.7% of the float. UBS cut its target to \$210 noting Apple expedited roughly at least 1M iPhone shipments leading to year over year growth in iPhone revenue during the March quarter against flattish to slightly up sell-through demand. Goldman with a \$256 target says Apple should deliver strong fundamental results driven by new product innovation and resulting channel fill, sell-through pull-forward on tariff-related price increase concerns, rising U.S. carrier competitive intensity, and solid Services performance. On the chart, AAPL put in a big weekly reversal right at the test of a major VPOC and its 200-week EMA. AAPL is trying to get back inside monthly value above 210.50 with room back to the VPOC and 55-MA at \$220 followed by the 200-MA at \$227.65. AAPL options are pricing in a 3.1% earnings move and 30-day IV Skew at +7.3 compares to the +3 52-week average. AAPL put/call open interest ratio is at the 37th percentile and average IV crush is -21.7%. AAPL a recent buy 13,000 May 9th (W) \$212.50 puts also saw a big opening sale of 6000 August \$160 puts. AAPL has a massive buy in July \$230 calls 40,000X from 4/14 and a 4/11 trade bought 10,000 more June \$230 calls while July \$250 calls bought 15,000X on 4/2.

Trade to Consider: Sell the **AAPL** May 2nd (W) \$190 Straddle for \$10.90 Credit



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