



## Inside Today's Blitz

- China Cuts Benchmark Rates to Bolster Flagging Economy Further
- Biden-Led Bid on Voting Rights Legislation Collapses in Senate
- US Threatens Significant Response to Russia If They Move on Ukraine
- **UN** won't raise their bid for Glaxo's consumer unit; **EHC** is spinning off their home health and hospice unit; **CHK** is buying Chief Oil & Gas for \$2.4B, per reports

## Market Outlook

Futures indicating a higher open for the morning with the **Dow** up 35 bps, the **S&P** up 51 bps, and the **Nasdaq** up 90 bps. The **Russell** is up 50 bps. Energy is modestly lower with **WTI** down 15 bps and **Natural Gas** down 1.5%. **Gold** is off by 20 bps while **Silver** is up 20 bps. **Copper** is up 1.2%. The **dollar** is up 10 bps. **VIX** is 23.40. **Bitcoin** and **Ethereum** both modestly higher today with the latter up 1.9%. It's a light day for macro catalysts. Bonds are down slightly this morning but well off the overnight lows as the 10-year yield pulls back off its overnight high near 1.86%. Asian markets were the standout overnight after China eased further cutting their 1- and 5-year LPR as Beijing continues to move forward on a path of loosening monetary policy. This comes as most of the world is in the early innings of tightening and we saw Norway this morning guiding to a March rate hike while the BOE also likely raises rates again in early Feb. Elsewhere, President Biden warned of severe consequences for Russia if they move on Ukraine. He also backed the Fed's policy on inflation and pledged to tackle high oil prices in a long press conference last night. Democrats failed to move forward legislation on voting rights.

Asian markets are mostly higher this morning with the Hang Seng up 3.42%, Shanghai down 9 bps, and the Nikkei up 1.11%. In Europe, the major indices are down modestly. The DAX is up 17 bps, CAC is down 13 bps, and the FTSE is down 6 bps. There's outperformance early in tech and telecom while financials and energy are weak. Sweden's **Sandvik** rose 1% after reporting earnings and order intake above market expectations. **Unilever** rose 1.5% after the consumer goods giant said it would not raise its offer for Glaxo's consumer unit. **Deliveroo** rose 3% after the online food delivery company said the gross transaction value (GTV) of orders on its platform rose 36% in Q4. **Puma** rose 2% after it posted record sales and earnings that topped estimates.

## Calendar

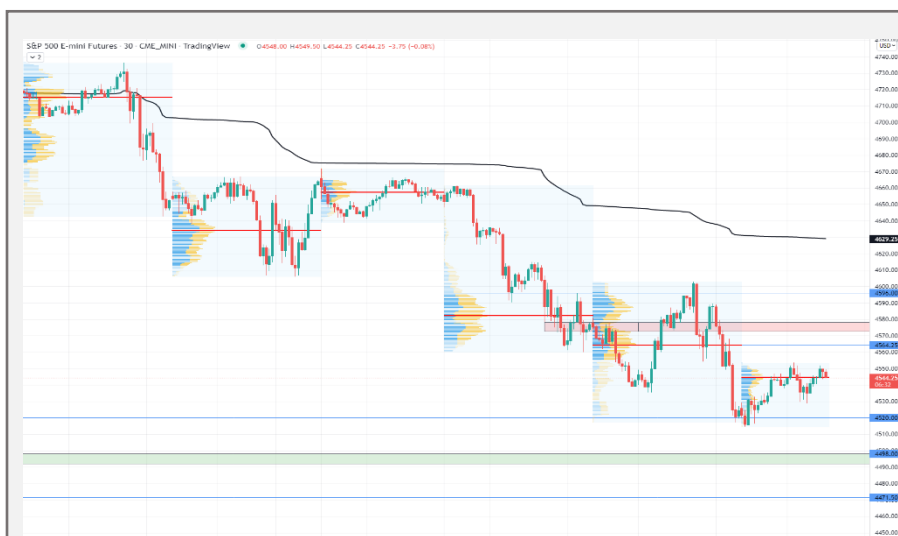
**Today... Earnings After the Close:** NFLX, ISRG, CSX, PPG, SIVB, NBHC, LLNW, OZK, BANR, PBCT, ASB, INDB, TBK, TCBI, SRCE; **Analyst Days:** CONN, CRSR; **Conferences:** Sidoti Small-Cap

**Tomorrow...** Leading Index; **International Data:** Japan CPI, UK Retail Sales; **Earnings Before the Open:** SLB, ALLY, INFO, HBAN

## Overnight Markets

Ethereum	3145	1.90%
Copper	4.5215	1.15%
Bitcoin	42065	0.95%
Silver	24.27	0.15%
US Dollar	95.6	0.10%
Bonds	154.44	-0.08%
Oil (WTI)	85.67	-0.15%
Gold	1839.4	-0.20%
Natural Gas	3.971	-1.50%
VIX	23.4	-2.80%

## Technical View



### Key Levels to Watch

**S&P futures (ES\_F)** are balancing overnight below Wednesday's POC and the key breakdown zone at 4555-4565. The bounce has retraced just about 38.2% of yesterday's range, so not strong yet, and potential to reverse under key low at 4520. Downside targets are 4495 and then 4472-4469. The 4572-4577 area is a key inflection point above and can open up a move to 4596 and then 4629.

## Economic Data

- **South Korea** PPI was 9% vs 9.8% in November
- **Hong Kong** CPI was 2.4% vs 2.5% est.
- **Taiwan** exports rose 12.1% vs 7.3% est. in December
- **Japan** exports rose 17.5% vs 15.9% est. while imports rose 41.1% vs 43% est. in December
- **German** PPI was 24.2% in December vs 19.3% est.

## Macro News

- **China** eased monetary policy again last night, per Bloomberg, cutting their 1-year and 5-year LPR
- **China** imported Iranian oil for the first time since 2020, per Reuters
- **North Korea** may resume long-range missile testing and potentially nuclear weapons tests, per WSJ
- **Norway** says its on track for a rate hike in March, per Reuters
- **Indonesia** surprised with a 300bps hike in their RRR, per Reuters
- **ECB's Lagarde** says that the main drivers of inflation will ease over the course of 2022, per Reuters
- **Oil's rise towards \$100** may make central bankers jobs more difficult as they look to tighten in 2022, per Reuters
- **Sen. Manchin** and **Sinema** have blocked Democrat attempts to change the filibuster rules for voting rights bill, per The Hill

### Movers

**Gainers: CSPR 11%, TCOM 10%, PDD 7%, JD 6.5%, SOFI 4%, HTZ 3.5%, FSLY 3.5%, SONY 3.5%**

**Losers: GLBE -10%, TASK -8.5%, SAVA -7%, AMH -3%**

### Insider Buying

THO, ASAN, NSTS

### IPO Calendar

**Four Springs Capital (FSPR)** issuing 18M shares at \$13-\$15

**Modular Medical (MODD)** issuing 2.4M shares at \$12.50

**Rhodium (RHDM)** issuing 7.7M shares at \$12-\$14

**Samsara Vision (SMSA)** issuing 4M shares at \$5-\$7

**Verdant Earth (VDNT)** issuing 6.25M shares at \$7-\$9

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## Sentiment

- **AAII** bulls fell to 21% for the week ending 1/19, down from 24.9% last week and the lowest level since Summer 2020; Bears rose to 46.7% from 38.3% prior, the highest since early 2020

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## Stock-Specific News

### Consumer Goods

- **Beyond Meat (BYND)**, **Pepsi (PEP)** are working on a plant-based jerky, per Bloomberg, the first product of their JV
- **Unilever (UN)** said today that they won't consider raising their offer for **Glaxo's (GSK)** consumer unit above GBP50B, per WSJ. The company was seeking closer to GBP60B
- **SKIN** announced a new CEO, Andrew Stanleick, who previously led Coty's Consumer Beauty business in Europe
- **Puma** rallied 2% in Europe this morning after reporting record preliminary sales in Q4 despite supply chain problems, per Reuters

### Consumer / Business Services

- **AMZN** is opening their first-ever apparel store this year, per Reuters, with 'Style' set to debut in Los Angeles
- **HT** gave a positive update on business trends noting that in December their Florida resort properties topped expectations
- **Luckin Coffee** is planning to relist in the US, per FT, after their \$300M accounting scandal in 2019. The listing could come as soon as 2022
- **Deliveroo** is higher in Europe today after reporting a 36% rise Y/Y in Q4 for GTV, per Reuters

### Financials

- **NYC** said that 95% of rent was collected in Q4; the company also noted that Q4 rent collection was the highest since the pandemic began
- **KKR**, **PRU** are exploring a deal to buy **Bank of NY's (BK)** credit investment unit Alcentra, per Bloomberg
- **Russia's central bank** is considering banning cryptocurrencies and mining activities, per Reuters

### Healthcare

- **Encompass (EHC)** is planning to spin off their home health and hospice business in the 1H of 2022

#### Sympathy Movers

**NKE, UAA, SKX** names to watch on the strength in Puma sales

## OptionsHawk Market Blitz

- **ZYME** is cutting their workforce as they look to reset focus in 2022 and 2023 and rebuild the pipeline
- **AMGN** receives approval of LUMAKRAS in Japan

### Industrials

- **Circor's (CIR)** CEO is stepping down; the company is hiring a search firm to look for a replacement
- **UNP** is struggling with thefts in California, per NYT, and the latest transport company to be faced with rising looting
- **CMI, Isuzu Motors** announced a new battery electric truck collaboration
- **Sandvik** shares are modestly higher this morning after earnings which saw orders above Street estimates, per Reuters

### Energy & Materials

- **Chesapeake (CHK)** is in talks to buy **Chief Oil & Gas** for \$2.4B, per Reuters. The deal includes debt and could be announced this week
- **BG** is buying a 33% stake in Sinagaro, a reseller of grains and agricultural products in Brazil's 'Cerrado' savanna region
- **IFF** named a new CEO and announced that they were separating the Chairman and CEO roles moving forward
- **EPM** is buying some non-operational assets in the Williston Basin from Foundation Energy for \$25.9M

### Technology

- **Meta (FB)** is launching a new subscription product for creators on Instagram, per Variety
- **Google (GOOGL)** has hired former PayPal executives to run its payments business as they company looks at a new strategy, per Bloomberg. Google attempted a push into banking but has since decided to retreat on the venture
- **MSFT** said on Wednesday they envision Activision helping them build out their 'Netflix of games' per Bloomberg
- **DXC** is expanding their partnership with **NOW**
- **ByteDance** revenue rose 70% in 2021 to nearly \$60B, per Reuters, down slightly from the 100% Y/Y growth in 2020

#### On the Chart

**CHK** broke out of a weekly range recently and back-testing the prior resistance this week at \$67.50 with upside on a turnaround above \$72 out to \$78.

#### Hawk Database

**IFF** with a large bull spread in open interest with the Feb. \$145 calls bought over 12,500X and the \$155 calls sold over 18,500X

## Analyst Notes

### Upgrades

- **SI** upgraded to Buy at Goldman; compelling opportunity to buy a growth oriented bank with attractive leverage to the growth in the crypto ecosystem. SI is one of the most asset sensitive names in the financial services sector and should benefit strongly from expanding net interest margins in the coming quarters.
- **CHRW** raised to Buy at BAML; recently posted its first widening of spreads (rates it receives vs. rates it pays to truckers) since 2Q19, and its global forwarding segment remains robust given the tight supply market and sustained pricing environment
- **PATH** raised to Outperform at OpCo as the analyst believes UiPath as the RPA market leader should benefit from a strong top-line driver with good business efficiency tools demand this year
- **SEE** raised to Overweight at MSCO; depends least on pass-through pricing, which enables it to deliver better price/cost performance, typically holding and often raising prices through deflationary periods
- **ETSY** raised to Overweight at KeyBanc as the firm's Key First Look Data has pointed to stable to improving quarter-over-quarter trends
- **AMRC** raised to Outperform at RJF
- **VRTX** raised to Outperform at BMO
- **VRM** raised to Overweight at KeyBanc
- **AQUA** raised to Outperform at OpCo
- **CALA** raised to Outperform at Leerink
- **PSFE** raised to Outperform at Cowen
- **NVCR** raised to Buy at Truist
- **EBS** raised to Buy at Benchmark
- **KRC** raised to Buy at Mizuho
- **WELL, VTR** raised to Buy at Mizuho
- **INT** raised to Buy from Underperform at BAML

### Downgrades

- **USB** cut to Market Perform at KBW as near-term uncertainty regarding U.S. Bancorp's pace of recovery in payments, core expense growth and the timing of the Union Bank deal approval are moving the analyst to the sidelines
- **NXPI, AMD** cut to Neutral at Piper; On AMD they note the cut reflects concerns about a slowdown in the PC market during 2022, the earnings and growth headwind from closing the Xilinx deal, and the broader market dynamics around high-multiple, high-growth technology stocks

#### On the Chart

**SI** is retesting a major volume zone and vs. \$99 the reward/risk does look attractive here

#### Hawk Database

**CHRW** one of the healthier charts remaining consolidating above the 21-MA and has seen size May calls accumulate in OI and some August call buys, strong bull bias

#### On the Chart

**ETSY** is back at VWAP off the 2020 lows, quality name that could be worth a shot vs. a close under \$157

#### On the Chart

**WELL** one of the healthier charts, close above \$87.50 would break it out of its consolidation flag

## *OptionsHawk Market Blitz*

- **IP, WRK** cut to Neutral from Buy at BAML as early responses from the firm's latest survey suggests further deceleration in demand, and the analyst is no longer projecting a fourth price hike in his assumptions
- **F** cut to Hold from Buy at Jefferies
- **BLL** cut to Neutral at MSCO as premium valuation names come out of favor
- **ASH** cut to Equal Weight at Wells Fargo
- **WMT** cut to Neutral at KeyBanc
- **CVNA** cut to Neutral at KeyBanc
- **HEP** cut to Underweight at Barclays
- **NNN, GTY** cut to Underperform at BAML
- **BURL** cut to Sell at Loop
- **SAP** cut to Neutral at OpCo
- **WW** cut to Underweight at KeyBanc

### On the Chart

**CVNA** looks to have downside back to \$96 and continues to see a strong amount of put accumulation

## Initiations

- **MAXR** started Outperform at RBC; Following multiple delays on the launch of its WorldView Legion satellite constellation, the expected 2022 launch of the six-satellite constellation will be a positive catalyst and Maxar remains well positioned for the upcoming US Government EOCL contract, even with additional competition
- **VICI** started Buy at Berenberg as the company has a high-quality gaming portfolio and the analyst believes growth will be amplified by its expansion into the non-gaming space
- **MAS, JELD, MTH, DHI, OC, KBH, LEN, AZEK, FBHS** started Buy at UBS; **TREX, WMS, TOL, PHM** started Neutral; **AWI, NVR** started Sell
- **PEAR** started Outperform at CSFB
- **EVO** started Buy at Berenberg

## Other Notes

- **DVN** target to \$57 from \$39 at Citi
- **ALNY** target to \$350 from \$250 at HC Wainwright

## Trade Ideas

**Sealed Air (SEE)** showing relative strength recently and starting to break out of a multi-week flag with room up to \$72-\$73. Shares are nearing a bullish MACD cross and RSI improving as well, ready to run, with a broader weekly range target \$77. SEE has been riding the 50-MA higher since December and support below around \$65.



### Technical Scans

**Bullish Reversal Days:** ATUS, DEN, QDEL, DLO, YETI, WMT, CMCSA, WBA, VIAV, FLOW, EDR, ALGN, CFX, STNE, WING

**Moving Above Value:** FNV, AEM, KL, AU, GFI, RGLD, WPM, KT, PAAS, CME, PG, ATR, TFX, D

**Testing Value High from Above:** IGT, LYV, KOF, WAB

## Insider Buying

**Univar (UNVR)** a name holding up well and popular with insiders since mid-May including a buyer of \$140K in stock this week at \$27.88 from a director. UNVR also had a big buyer of \$2.5M in stock last year around \$25.75, not far below recent lows. Shares are forming a multi-week flag under \$30 and bigger cup-and-handle pattern stretches back to early 2021 with upside to \$35. The \$4.53B company trades 13.25X earnings, 0.50X sales, and 28X FCF. UNVR is a distributor of commodity and specialty chemical products including epoxy resins, TiO2, silicones and more. The company purchases chemicals and ingredients from thousands of producers worldwide to warehouse, repackage, blend, dilute, transport and sell those chemicals to customers globally. UNVR has rebuilt their business since the acquisition of Nexeo in 2019 with their end-market exposure much less reliant on energy and agriculture and more focused on industrial, consumer solutions, and other general markets. They've also expanded their global reach with more supplier partnerships and last-mile distribution giving them a significant competitive advantage. UNVR held an investor day in November where they outlined 2024 objectives including 15% ROIC, significant capital return, further M&A, and low-double digit EBITDA growth. Analysts have an average target for shares of \$28. Deutsche Bank with a \$32 PT for shares citing chemical price inflation, higher industrial demand, cost synergies and strong commercial execution. UBS starting at Buy in September with a \$32 PT. The firm like their leading position as a North American distributor of chemical materials, noting that it has further cemented this status with the 2019 acquisition of competitor Nexeo. They think 2022 is key as the investment story is simplifying as it nears the end of integration activities and divestments while increasing the visibility of the company's transformation. Short interest is 1.45%. Hedge fund ownership rose 4%.

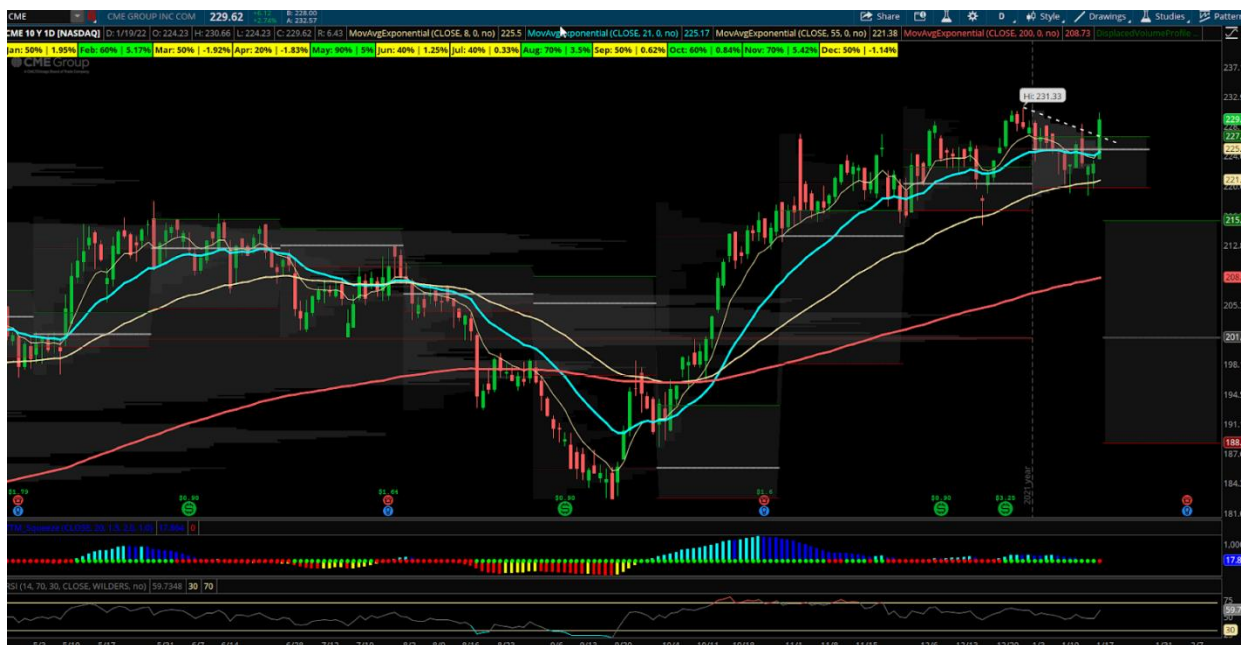
## Seasonal Stock Setup: Exchange Leader Breaking Out with Volatility Increasing

**CME Group (CME)** – The exchange stocks generally do well when market volatility pops higher as the business benefits from increased volumes and interest. CME has the best technical chart structure as it has held above its 55 EMA on every dip since October and looks poised to see new highs after a strong up move today above



## OptionsHawk Market Blitz

monthly value. Seasonally speaking it has shown a +2% average gain in January going back 10 years but the real focus is as we head into February it's one of the better calendar months for CME. Up 6 of the last 10 years in Feb for an average return of +5.2%. With it being hard enough to find stronger technical charts in the current market this name also has stronger seasonal tendencies into a potentially volatile next several weeks and also not a lot of correlation risk to the overall market. A close over 231 likely sees a clean breakout as no resistance above. CME doesn't see a lot of large options trades as its lower beta overall but back in November saw a longer term buyer in January 2024 \$170 deep ITM calls for \$61.40 for over \$614k which remain in OI.



## Extras

**Hologic (HOLX)** with 1000 February \$70 puts bought for \$2.50, the January \$75 puts rolling out and down

**Service-Now (NOW)** spreads sold 1100 March \$620 calls to buy the \$500/\$430 put spreads, similar to the CRM spreads

**Redwood Trust (RWT)** buyer of 1200 January 2023 \$12.50 puts at \$2.05 offer

**Lennar (LEN)** buyer 1200 Feb. 4<sup>th</sup> (W) \$99 puts for \$3.30 offer in sweeps

**Nike (NKE)** afternoon buyers of 1100 July \$130 puts \$5.75 to \$6.05

**Invitation Homes (INVH)** with 2450 April \$40 puts sold to open for \$0.90

**Novavax (NVAX)** with 500 May \$80 puts sold to open \$16.05

**Robinhood (HOOD)** with June \$20/\$30 call ratio spreads opening 3000X6000

**Casper (CSPR)** with 20,000 March \$7.50 calls bought \$0.15 to \$0.25



## What They're Saying

**Fastenal (FAST)** earnings call on Onsite expectations.... “Well, the -- so our expectations our 350 to 400 in Onsite signings. I think to be very clear, I think the dynamics that made signings a challenge in 2021 -- we're exiting the year with those dynamics still in place. And so the reality is that in order to make 350 to 400, or for that matter, 23,000 to 25,000 FMI devices, we probably need to see the marketplace normalize a little bit more. And I think the challenge that we have is simply that when our customers are in short-term crisis management mode, I think they have a harder time shifting their attention to long-term strategic decision-making, right? And I think that's the fundamental issue because we absolutely believe that, over time, the marketplace can support the kind of signings that we continue to project out. So we'll see how it plays out, Hamzah. But at this point, we're assuming that we're going to have an accelerated rate of signings for our growth drivers and -- but we'll just see how the market plays out. So that should hopefully give you some color in that respect. In 2022, we're expecting our customers' environments to become a little less chaotic and we're expecting them to shift back to this question of long-term sort of growth driver signings as we think about it. And I think we're going to refill the pipeline. I think that's how this plays out. And we'll see how right we are as the year progresses. But if the environment remains chaotic in 2022 and our signings are low because of that, I think we're going to gain market share because we meet the customer where they are at the time.”

**United Health (UNH)** earnings call on care activity patterns... “At the same time, we are observing familiar correlations of care activity patterns to other periods of elevated infection rates experienced over the past 2 years. For example, in these early weeks of January, we are seeing slowing in primary care, elective visit and procedural volumes. Activity over the past several weeks shows primary care visits having declined about 10% and an even higher rate of decline in specialist visits. As always, our prime focus is on helping people get the care they need when they need it.”

## Open Interest Checks

Ticker	Contract	Prior OI	New OI	OI Change
RUN	18 FEB 22 25 PUT	2,504	6,305	151.80%
NEM	17 JUN 22 62.5 CALL	1,421	3,350	135.75%
UAL	18 MAR 22 47 CALL	1,355	3,022	123.03%
UA	14 APR 22 20 CALL	4,693	10,221	117.79%
DKNG	14 APR 22 30 PUT	5,947	12,909	117.07%
SPY	18 MAR 22 453 PUT	5,032	10,127	101.25%
QQQ	18 MAR 22 340 PUT	21,830	43,385	98.74%
HOOD	18 FEB 22 15 PUT	4,657	9,045	94.22%
LH	18 MAR 22 290 CALL	1,240	2,365	90.73%
LYFT	17 JUN 22 45 CALL	908	1,707	88.00%
NVDA	18 MAR 22 245 PUT	1,826	3,423	87.46%
EOG	18 FEB 22 105 CALL	1,082	2,004	85.21%
NVDA	16 SEP 22 210 PUT	1,458	2,690	84.50%
MO	17 JUN 22 52.5 CALL	5,971	9,735	63.04%
NKTR	20 MAY 22 20 CALL	3,171	4,024	26.90%
TMUS	17 JUN 22 110 CALL	9,217	3,830	-58.45%
K	19 JAN 24 57.5 CALL	1,476	121	-91.80%

## Earnings Grid

Stk	Next Earn D	1d	Open Interest	Historical Moves (8 Q)	Implied Move	Avg. 8 Q Max Move	Red. 8 Q Close Move	Imm. 8 Q Close Move	V30 Skew	V30 Ave Crust	Est Put/Call OI % All	Short Float	1 Chance (Time)
NELX	1/20/2022	AMC	\$15.51M (36%), Bull: \$9.67M (23%), Stock: \$8.87M (21%), Bear: \$8.79M (21%)	Lower 7 of 8, Lower last 3	6.51%	7.40%	-3.43%	-15.88%	4.12	-27.18%	90.05%	1.91%	-9.58%
ISRG	1/20/2022	AMC	Bull: \$12.8M (88%), Bear: \$1.69M (12%)	Higher 5 of 8	4.46%	4.88%	1.31%	7.06%	4.53	-11.70%	45.45%	26.75%	-7.59%
CSX	1/20/2022	AMC	Vol: \$0.55M (49%), Bull: \$0.34M (30%), Bear: \$0.24M (21%)	Higher 5 of 8, Higher last 3	4.14%	4.66%	1.28%	7.00%	4.53	-17.18%	77.66%	22.04%	-16.21%
PPG	1/20/2022	AMC	Bull: \$0.17M (100%)	Lower 5 of 8	3.45%	5.41%	-2.74%	-6.72%	4.63	-11.59%	83.42%	0.95%	-23.81%
DEVN	1/20/2022		No Trades Since Last Report	Higher 2 of 3	7.06%	7.56%	2.21%	1.55%	-0.62	-27.94%	42.19%	2.55%	-5.77%
HTLD	1/20/2022		No Trades Since Last Report	Even of 8	3.51%	3.76%	0.65%	0.29%	0.48	-17.10%	94.32%	2.21%	-1.92%
SLB	1/21/2022	BMO	Bull: \$11.66M (70%), Bear: \$3.25M (20%), Stock: \$1.71M (10%)	Higher 5 of 8	3.58%	4.43%	0.92%	2.96%	0.93	-7.29%	32.40%	14.24%	-18.16%
ALLY	1/21/2022	BMO	Bull: \$2.04M (57%), Bear: \$1.57M (43%)	Higher 5 of 8	6.24%	6.08%	0.92%	5.23%	3.21	-11.04%	99.83%	2.78%	-21.60%
AGL	1/21/2022		Bear: \$0.46M (100%)	Higher 1 of 1	9.99%	3.52%	1.37%	1.37%	8.65	-23.99%	98.63%	7.20%	132.36%
PACK	1/21/2022		Bear: \$0.49M (78%), Stock: \$0.13M (22%)	Higher 2 of 3	4.78%	11.70%	4.27%	3.27%	23.21	-5.30%	67.71%	4.27%	36.84%
OPRA	1/21/2022		No Trades Since Last Report	Lower 4 of 6, Lower last 2	22.42%	11.06%	-1.91%	-27.58%	0.06	-20.10%	9.41%	95.21%	23.37%

## Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
AA	Alcoa	\$2.50	\$1.99	\$3,300.00	\$3,346.19	38.00%	
DFS	Discover Financial	\$3.64	\$3.68	\$2,936.00	\$3,017.84	4.00%	
FNB	F.N.B. Corp	\$0.30	\$0.30	\$302.30	\$297.70	-0.20%	
FUL	H.B. Fuller	\$1.09	\$1.08	\$897.40	\$896.95	15.40%	FY In Line
KMI	Kinder Morgan	\$0.27	\$0.26	\$4,425.00	\$3,606.53	42.10%	
STL	Sterling Bancorp	\$0.64	\$0.50	\$258.57	\$251.70	1.00%	
UMPQ	Umpqua Holdings	\$0.41	\$0.43	\$316.12	\$307.57	-11.90%	
UAL	United Airlines	-\$1.60	-\$2.09	\$8,192.00	\$7,963.46	140.10%	
WTRF	Wintrust Fin	\$1.58	\$1.54	\$429.74	\$417.42	2.90%	

**AA** – Beat on EPS and Missed on Revs (+38%) - In 2022, Alcoa projects total bauxite shipments to range between 48.0 and 49.0 million dry metric tons, consistent with 2021. Total alumina shipments are expected to be between 14.2 and 14.4 million metric tons, an increase from 2021 with the resolution of the San Ciprian strike and recovery from the outage of a bauxite unloader at Alumar. The Aluminum segment is expected to ship between 2.5 and 2.6 million metric tons, a net decrease from 2021 primarily related to the divestiture of the Warrick Rolling Mill and changes in the smelting portfolio. Alcoa anticipates Adjusted EBITDA and Adjusted net income levels for the first quarter of 2022 to be similar to the fourth quarter of 2021 based on current pricing. Alcoa expects that current metal index price benefits will roughly offset the raw materials and energy challenges, and that improvements from portfolio actions and sales contract pricing will mitigate other seasonal changes and headwinds. Outside of the market changes, in the first quarter of 2022, Alcoa anticipates lower quarterly performance results in the Bauxite segment due primarily to seasonally lower volumes and higher maintenance, and favorable annual true ups that do not recur in the first quarter. In the Alumina and Aluminum segments, the Company expects improvements related to the San Ciprian strike resolution and smelter curtailment, as well as higher raw materials and energy costs and the non-recurrence of value added tax credits.

**DFS** – Missed on EPS and Revs (+4%) – "Our record results in 2021 reflect the benefits of our integrated digital banking and payments model, the strength of our value proposition, and a supportive macroeconomic backdrop," said Roger Hochschild, CEO and President of Discover "It's great to see that our investments in

acquisition, brand, and technology contributed to our return to loan growth this past year, and should drive accelerated growth in 2022."

**KMI** – Beat on EPS and Revs (+42.1%) – "Our assets once again generated robust Adjusted Earnings and strong coverage of this quarter's dividend. The company provides our investors with dependable value grounded on stable cash flows and a time-honored corporate philosophy: fund our expansion capital opportunities internally, maintain a healthy balance sheet, and return excess cash to our shareholders through dividend increases and/or share repurchases," said KMI Executive Chairman Richard D. Kinder

**UAL** – Beat on EPS and Revs (+140.1%) - The United team has been fighting through unprecedented obstacles to, once again, overcome the new and daunting challenges that COVID-19 is bringing to aviation, and I am grateful to each one of them for their commitment to taking care of our customers," said United Airlines CEO Scott Kirby. "While Omicron is impacting near term demand, we remain optimistic about the spring and excited about the summer and beyond. We look forward to beginning to return the Pratt & Whitney 777s to service this quarter and getting the full airline back to normal utilization - as we ramp up along with demand this year. By investing in innovative technology, focusing on process improvements and implementing a transformative United Next strategy, we're poised to emerge as an aviation leader that's more efficient than before and serves our customers better than ever."

#### Earnings Before the Open

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
BKR	Baker Hughes	\$0.25	\$0.29	\$5,519.00	\$5,497.99	0.40%	
KEY	KeyCorp	\$0.64	\$0.56	\$1,947.00	\$1,801.26	5.50%	
MTB	M&T Bank	\$3.37	\$3.26		\$1,470.43		
PPBI	Pacific Premier	\$0.89	\$0.84	\$198.00	\$195.31	3.40%	
RF	Regions Fincl	\$0.43	\$0.50	\$1,634.00	\$1,631.77	-3.10%	
TRV	Travelers		\$3.80		\$7,999.23		
UNP	Union Pacific		\$2.62		\$5,608.69		
WNS	WNS	\$0.88	\$0.83	\$261.20	\$255.75	16.30%	FY Above
AAL	American Airlines	-\$1.42	-\$1.48	\$9,427.00	\$9,378.06	134.10%	Q1 Below

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## Disclosures

### Disclaimer:

### Not Investment Advice or Recommendation

*Any descriptions "to buy", "to sell", "long", "short" or any other trade related terminology should not be seen as a recommendation. The Author may or may not take positions in any of the names mentioned, and is not obligated to disclose positions, nor position sizes.*

## *OptionsHawk Market Blitz*

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