



Inside Today's Blitz

- S&P, Dow on Track for Fourth Weekly Loss
- Russia Sees Rational Elements in US Proposal as Talks Over Ukraine Continue
- **AAPL** posts highest-ever quarterly earnings; **HD** named a new CEO; **Citi (C)** sold their consumer banking arm in Taiwan; **BIIB** is selling a sale in their JV with Samsung for \$2B+

Market Outlook

Futures indicating a weak open for the morning with the **Dow** off by 55 bps, the **S&P** down 45 bps, and the **Nasdaq** down 10 bps. The **Russell** is down 1.3%. Energy is higher again with **WTI** up 75 bps and **Brent** up 80 bps. **Natural Gas** is up 3.65%. **Gold** and **silver** both down again with the latter off by 90 bps. **Copper** is down 1.8%. The **dollar** is up 13 bps. **Bonds** are down 40 bps. **VIX** is 29.30. **Bitcoin** and **Ethereum** both down around 1-2%. Stocks are starting off the day on their back foot again this morning despite a positive report from Apple which is helping keep tech afloat (mostly) while concerns around Fed policy continue. We'll get two key inflation numbers today to watch as well – PCE and Employment Cost Index – which will give us a better read of how inflation is impacting consumer demand. Elsewhere, President Biden repeated a warning to Russia over a potential Ukraine invasion and warned the latter of potential imminent threat. The IMF is urging Japan to pullback on support and hike taxes. France and Spain posted strong GDP prints but Germany a laggard.

Asian markets are mixed this morning with the Hang Seng down 1.08%, Shanghai down 97 bps, and the Nikkei up 2%. In Europe, the major indices are all weak with the DAX down 2%, CAC down 1.75%, and the FTSE down 1.2%. We're seeing tech and energy lag. Sweden's **H&M** rose 5.5% after the fashion retailer reported higher-than-expected profit for the quarter and said it aims to double sales by 2030. **Electrolux** fell 5% after posting a drop in quarterly profit. Truck maker **AB Volvo** tumbled 3.1 percent after reporting lower earnings. Lighting maker **Signify NV** rose 15% after reporting higher quarterly earnings. **LVMH** rose 1.5% after the French luxury goods company topped estimates.

Calendar

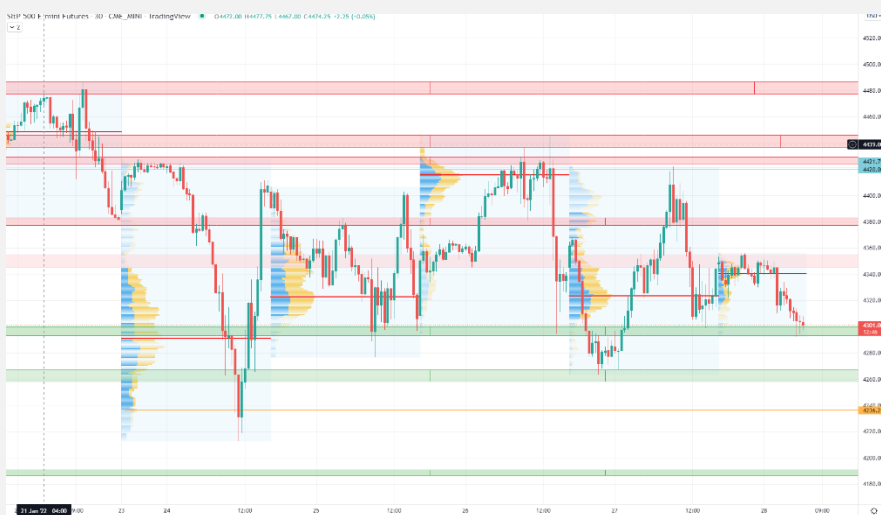
Today... Personal Income & Spending, Michigan Consumer Sentiment; **Earnings Before the Open:** ALV, BMI, BAH, CAT, CHTR, CVX, CHD, CL, GNTX, LYB, PSX, PFS, SBSI, SYF, VFC, WY, WETF; **Analyst Days:** MRVI

Next Week... will be another busy schedule with the macro focus on the jobs report on Friday morning as well as ISMs on Tuesday. Outside the US we'll get China PMIs and a few central bank decisions including the BOE and ECB on Thursday. Earnings remain the major focus with GM, LHX, NXPI, PHM, UPS, XOM, AMD, EA, GILD, GOOGL, MTCH, PYPL, SBUX, ABBV, DHI, EMR, ALL, DB, MET, QCOM, SPOT, BIIB, CHKP, CI, COP, LLY, MRK, AMZN, ATVI, F, SNAP, and many more

Overnight Markets

Natural Gas	4.432	3.50%
VIX	29.2	1.30%
Oil (WTI)	87.27	0.75%
US Dollar	97.36	0.12%
Gold	1786.1	-0.40%
Bonds	154.75	-0.45%
Silver	22.48	-0.86%
Ethereum	2399	-1.00%
Copper	4.3425	-1.83%
Bitcoin	36448	-2.00%

Technical View



Key Levels to Watch

S&P futures (ES_F) were unable to move past overnight resistance at 4355-4345 in the early session and have now faded back into support again at the 4300 level. Overall, we remain in balance for the week against Monday's big reversal and continue to form a series of higher lows (although sentiment is a bit shaky). Support below is 4265-4257, 4236 and then 4190. Resistance above is at 4375-4382 and then an HVN at 4420 that was our reversal spot yesterday.

Economic Data

- **Hong Kong** GDP was 4.8% vs 5% est.
- **South Korean** industrial production was 6.2% vs 1.8% est.
- **German** GDP was -0.7% vs -0.3% est.

Macro News

- **President Biden** warned the President of **Ukraine** that a **Russian** attack may be imminent, per CNN
- **China** is stepping up efforts to support the domestic stock market, per Bloomberg, but unsuccessfully so far
- **China's** property sector took another hit today after PWC stepped down as auditor of Hopson Development, per Bloomberg
- **BOJ's Kuroda** again pushed back against the idea of tightening in the near-term, per Bloomberg
- **The BOE** is likely to raise rates by 50 bps next week, per Reuters

Sentiment

- **NAAIM Exposure** fell slightly again to 53.39 vs 56.73 prior but still remains just above the December low

Movers

Gainers: CLFD 11%, TEAM 10%, MITK 8%, OSCR 6%, AFRM 5.5%, V 5%, AAPL 5%, JNPR 4%

Losers: HOOD -13%, WDC -8%, KLAC -3%, MDLZ -2%

Insider Buying

SKYH, SMTK, OPK, KYMR

IPO Calendar

Credo Tech (CRDO) issuing 25M shares at \$10-\$12

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

Samsara Vision (SMSA) issuing 4.1M shares at \$5-\$7

Stock-Specific News

Consumer Goods

- **GM** CEO Barra had positive comments yesterday about their Cruise product after a recent test ride, per CNBC
- **MDLZ** is considering raising prices on more snacks, per WSJ, and they are negotiating with its suppliers and hedging to reduce costs
- **Electrolux** shares are weak today in Europe after earnings, per Reuters, as they warned about supply issues
- **Volvo** is lower in Europe this morning after earnings with operating margins missing estimates, per Reuters
- **H&M** shares are rallying this morning after a positive update and guidance for the FY, per Reuters

Consumer / Business Services

- **Home Depot (HD)** named a new CEO; Ted Decker has been the COO recently and joined HD in 2000
- **FTCH** is buying luxury beauty retailer Violet Grey, per Bloomberg
- **CCL** disclosed recent booking trends last night that came in a bit soft versus expectations, per Bloomberg
- **M** – Bloomberg with a positive profile today looking at how their CFO is looking to reshape the retailer with a focus on online shopping and smaller neighborhood stores

Financials

- **Citi (C)** is selling their consumer banking business in Taiwan to DBS; the company expects to receive \$715M in cash
- **Unicredit** is ditching plans to buy Russian bank Otkritie, per Reuters, “given the geopolitical environment”

Healthcare

- **Biogen (BIIB)** is selling their JV stake in Bioepis to Samsung Biologics for \$2.3B; The company will receive \$1B in cash at closing and \$1.25B to be deferred over two years
- **MRK** says molnupiravir active against omicron variant in in vitro studies

Energy & Materials

- **PBR, Novonor** are considering postponing their Braskem share sale, per Bloomberg

Hawk Database

HD forming a nice base recently and above \$361.50 and the 8-EMA can make a run back into a low-volume gap back to \$375-\$380

Hawk Database

BIIB has been a weak name lately but recent bull spreads bought 1000X Jan. 2023 \$280/\$340 call spreads and sold the July \$280 calls while the Jan. 2023 \$275/\$375 call spread bought 1000X on 12/23 to open

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- **TECK** gave an update on sales and production noting that weather conditions have impacted logistics and some units may come in below their prior guidance
- **WY** declared a new \$1.45/share supplemental dividend

Technology

- **GOOGL** is planning on investing up to \$1B in India's **Bharti Airtel**, per Reuters. The move could help bolster the Indian telecom operator's digital offerings
- **MSFT, ATVI** – the WSJ says that the odds of government approval for their deal are higher than expected as some of Microsoft's moves have positioned them well
- **XM** – the WSJ 'Heard on the Street' positive on the name after its selloff calling shares 'a bargain.' They cite the balanced growth and margin profile with shares at a reasonable price
- **SK Hynix** is higher by 5% in Korea this morning following earnings, per Bloomberg, with positive comments around demand and supply chain improvements guided to mid-year
- **Softbank** says Marcelo Claure is departing, per Bloomberg
- **PC shipments** were up 3% in Q4, says Digitimes

Hawk Database

XM had buyers yesterday of the deep ITM Jan. 2023 calls at both the \$17.5 and \$20 strikes

Analyst Notes

Upgrades

- **IOVA** raised to Buy at Stifel; The two most likely scenarios that could play out from here are: lovance announces alignment with FDA and files the Biologics License Application as expected, or the company announces there's more potency validation work needed and they push the application
- **TPR** raised to Buy at Citi as the company operates in the attractive handbag category and that its Coach brand has rebounded to above pre-pandemic levels in the last two quarters
- **KEX** raised to Buy at BTIG as the analyst notes that the inland barge market suffered from oversupply in 2017-2019 and then from COVID in the last two years, but it now looks ready to inflect higher. The outlook for US GDP remains constructive, which should buoy continued growth in both refined product and petrochemical volumes
- **CHPT** raised to Overweight at JPM
- **CCI** raised to Outperform at RJF
- **CMBM** raised to Strong Buy at RJF
- **STM** raised to Outperform at Baird

Hawk Database

KEX a shipping play holding up well and potential to clear \$67.5 into a low volume pocket and extend a strong trend move to \$75+

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- **GLW** raised to Buy at SIG
- **TSCO** raised to Buy at Citi
- **OMAB** raised to Buy at UBS
- **RJF** raised to Buy at Seaport
- **COLM** raised to Buy at Seaport
- **CALX** raised to Buy at Craig Hallum

Downgrades

- **NLSN** cut to Neutral at Truist as the analyst sees uncertainty in 2022 for Nielsen with the largest media companies and ad agencies very actively testing alternative TV cross-platform measurement currencies and working with challenger providers
- **TER** cut to Hold at Stfiel
- **KR** cut to Sell at Citi
- **OXM** cut to Sell at Citi

Initiations

- **CHRW** started Buy at Benchmark as the analyst believes there is an inflection point in the company's North American Surface Transportation segment in terms of adjusted gross margins and operating margins in 2022, which should result in a higher valuation
- **CYTK** started Buy at Goldman; positive on CYTK's cardiovascular disease franchise, with particular enthusiasm for aficamten in oHCM; skeptical of the company's ALS asset reldesemtiv, our conviction for aficamten leaves us net bullish for CYTK shares on the forward
- **VEEV** started Buy at Truist
- **CORT** started Buy at Truist
- **MARA** started Buy at Jefferies
- **DNA** started Buy at BAML

Other Notes

- **ACI** early innings of multiple initiatives says RBC including improving its e-commerce capabilities, further building out its loyalty program, and growing owned brands penetration
- **GS** a short-term Buy idea at Deutsche Bank
- **AAPL** target to \$190 from \$170 at OpCo

Hawk Database

CHRW one of the healthier trends touched its rising 55-MA and has seen size May and August calls accumulate in OI as well as in February

Trade Ideas

Bristol Myers (BMY) showing relative strength lately after pulling back to the 55-EMA and looking to break out of a bull flag above \$65. Shares are holding up well above VWAP from the December lows and room above to the Summer highs near \$69 and then a big weekly range breakout that stretches back to early 2018.



Technical Scans

Bullish Reversal Days: EQT, PINC, CLX, JKHY, ORCL, STZ, NOMD, HSY, COLM

Ready to Run: CAH, FOE, ABC, XEL, VSCO, NI, CVS, MKC, DTE, SO, DUK, CF, SAH

Breaking Below Value: ARMK, TX, BA, JLL, JBHT, INTC, COF, BBY, IPG, LAD, SMG, PDD, NTES, WAB, ABB, GT, ST, SNA, SYF, ALV, TSM

Small Cap Insider Buys

Banc of California (BANC) small-cap financial that has seen a lot of insider buying including a \$100K purchase from the CEO this week. In April 2021, a director also bought \$500K in stock at \$18.42, near the current levels as well. BANC is down 4-5% for the year and back into a high-volume node from 2021. Shares are forming a weekly bull flag under \$22 with a longer-term breakout targeting \$28. The \$1.17B company trades 11.55X earnings, 1.25X book, and 12.53X FCF with a 1.3% yield. BANC is small regional bank in California with deposit products, commercial loans, and CLOs. BANC is coming off a big merger with Pacific Mercantile in late 2021 which expanded their scale in Southern California and pushed total assets over \$9B. The company has seen strong trends including a jump in deposits from their new low-cost relationships, 16% growth in new loans and non-performing loans down 32% Q/Q. They see 2022 as a critical year for expanding operating leverage, growing within verticals, investing more in tech, and optimization of their capital. Raymond James upgraded to Outperform in July with a \$20 PT. The firm thinks the bank has continued to execute well on its strategic transformation and while the turnaround is not yet complete and management still has more opportunities to enhance franchise value, the analyst is incrementally more confident in its ability to maintain a 1%+ ROA going forward. KBW positive on the PacMerc deal as the transaction accelerates Banc of California's balance sheet transformation as it increases noninterest-bearing deposit concentration while increasing commercial loan exposure. Short interest is 1.85%, down from 5% in mid- 2021 and as high as 40% in 2017.

Extras

J&J (JNJ) with 5000 April \$175 calls bought \$3.95 to open

Goodyear (GT) late day large buyer of 10,000 February \$21 calls up to \$0.90

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Centene (CNC) with 1000 February \$73 ITM calls bought for \$5.50 with the M&A reports this morning

Seattle Genetics (SGEN) late buyers of 1000 March \$130 calls for \$4.95 to \$5

Nike (NKE) late day buyer 1000 April \$140 calls \$11.45 to \$11.55 to open

InVitae (NVTA) late day sale to open 1350 January 2023 \$10 puts \$3.50

DraftKings (DKNG) with 1500 August \$20 puts sold to open \$4.80

Open Door (OPEN) buyer 2000 January 2024 \$10 calls for \$3.45

Carnival (CCL) late day buyer 15,000 Jan. 2024 \$30 calls for \$3

Affirm (AFRM) buyer of 1350 January \$45 puts for \$13.71

Spotify (SPOT) late day buyer 2000 February \$185 calls for \$8.10, will report on 2-2

Boeing (BA) sale to open 500 August \$175 puts for \$15.40

Shake Shack (SHAK) buyer 750 September \$42.50 puts at \$3.20 offer

Monday.com (MNDY) IV sank through the afternoon with 900 June \$135 puts being sold to open for \$11

Palantir (PLTR) buyers of 3500 January 2024 \$10 puts \$2.63

Airbnb (ABNB) with 400 September \$135 puts sold to open \$20.50 and 400 Jan. 2024 \$125 puts sold to open for \$26

Open Interest Checks

Ticker	Contract	Prior OI	New OI	OI Change
DIS	17 JUN 22 155 CALL	2,231	7,124	219.32%
SQ	20 JAN 23 70 PUT	1,224	2,677	118.71%
WYNN	18 FEB 22 90 CALL	2,721	5,618	106.47%
EXEL	19 AUG 22 20 CALL	1,113	2,115	90.03%
COP	19 AUG 22 100 CALL	1,096	2,064	88.32%
UBER	(Weeklys) 11 FEB 22 40 CALL	6,125	11,371	85.65%
X	19 JAN 24 15 PUT	2,209	4,079	84.65%
NKE	18 FEB 22 150 CALL	2,739	4,560	66.48%
IBM	17 JUN 22 140 CALL	3,289	4,796	45.82%
VIAC	16 SEP 22 35 CALL	3,224	4,626	43.49%
F	18 MAR 22 20 PUT	26,955	37,317	38.44%
LYV	14 APR 22 105 CALL	4,154	5,746	38.32%
SCHW	17 JUN 22 80 PUT	2,172	2,915	34.21%
DBX	20 JAN 23 25 CALL	2,927	3,619	23.64%
VIAC	14 APR 22 32.5 CALL	1,516	1,838	21.24%
ZS	15 JUL 22 210 PUT	1,152	1,257	9.11%
COIN	14 APR 22 180 PUT	1,966	1,916	-2.54%
GLW	20 JAN 23 35 CALL	2,374	2,302	-3.03%
VIAC	14 APR 22 40 CALL	8,436	8,178	-3.06%
SPY	18 FEB 22 419 PUT	27,280	25,301	-7.25%
SEDG	18 FEB 22 185 PUT	1,290	737	-42.87%
AZN	20 JAN 23 52.5 PUT	2,417	415	-82.83%

What They're Saying

Visa (V) earnings call on revenue growth staying above pre-COVID levels.... “We expect our growth this year will be well above the pre-COVID rate as cross-border recovers. This will likely continue into fiscal year '23. Beyond that, we are confident the business can sustain a revenue growth rate above pre-COVID levels for 3 reasons: first, an acceleration away from cash and check for merchant payments both domestic and cross-border as digitization becomes pervasive across consumers and businesses globally; second, acceleration of cash, check and wire transfer displacement as our new flows initiatives penetrate a broad range of new use cases with very large total addressable markets; third, sustainable high-teens growth across our value-added services, both from existing services and new offerings. As new flows and value-added services become a larger part of our revenue mix, growing faster than consumer payments, the sustainable growth rate will continue to rise. We are and will continue to invest in the capabilities required to capture the extraordinary growth opportunity ahead of us.”

Juniper (JNPR) earnings call on the Routing market... “So in routing, whenever you're talking about routing, you should really be focusing on 2 market opportunities in particular, and that's Cloud and SP. There is obviously also routing that goes into the Enterprise space, but I think our key focus is on Cloud and SP. The big inflection point that's happening right now in both of these segments is around 400-gig. And that is an opportunity for us to take share in that area. But in addition to that, specific to the SP is the Metro opportunity. So let's talk about 400-gig. I want to be very clear. I am very confident based on order momentum, right? Not yet seen in revenue because it's still early days in terms of shipping and deployments and building out these networks, but in terms of actual order momentum, where we've seen well over 50% growth for the last the quarters, we're taking share. I am very confident we're taking share. And now add to that in the SP space, the Metro, where there is no way but up for us because it's essentially a brand-new market opportunity for us. It's the fastest-growing subsegment of the routing opportunity within the SP space because that's where most of the 5G traffic needs to flow through. That is another area where I'm very confident we will take share, especially as that portfolio comes together throughout this year.”

United Rentals (URI) earnings call detailing tailwinds driving confidence in the strong growth outlook.... “One, of course, is the infrastructure bill, which will add an additional \$550 billion of funding for projects directly in our wheelhouse over the next 5 years. We've been expanding our infrastructure capabilities for years, and we have a rock-solid value proposition with traction in the right verticals for this bill. We expect to see some benefits as early as 2023. Another tailwind in our future is the relocation of manufacturing operations back to the U.S. Onshoring initially drives demand for construction followed by the need for our industrial services once they're up and running. The pandemic has caused manufacturers to rethink how they operate, and we've already seen some funding for new projects tied to this trend.”

Stryker (SYK) earnings call on its plans to plow through the year and continue to invest... “We have terrific product pipelines. We have a lot of new products we're launching this year, including a new power cut, the Insignia hip stem, a number of foot and ankle launches, 3 launches in the upper extremities space. We have the in-space balloon. So a lot of new products, but we're also gearing up for 2023, where we're planning to have a next-gen camera, a next-generation power tool, next-generation life pack. And as you know, these new products are really the lifeblood of our top line growth. So we are not going to slow down on the R&D investments. Of course, we'll look at the rest of our SG&A and be cautious just like you've seen us be cautious over the last 2 years. But yes, we are going to power through. But we do have a lot of tailwinds. We have a very strong order book and capital equipment. We're having a little trouble securing all the components to be able to ship all the products, but we have a healthy order book. We have good momentum. And obviously, we need to ride out the COVID challenges. But yes, we are going to continue to invest for the future.”

Apple (AAPL) earnings call on 5G driving iPhone unit growth.... “What I would say is that iPhone has become an integral part of so many people's lives now more than ever. And the active installed base of iPhone continues to

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grow and is now at an all-time high. And during December, as we had mentioned, we had a record number of upgraders and grew switchers strong double digit, which I think speaks to the strength of the product. And that's all [indiscernible] to some -- an enormous customer satisfaction rating of 98% and doing well throughout the geographies. And I've mentioned some of the geos that we track and how many units that we have on the top-selling model charts. And so -- and even though this is the second product announcement that has 5G in it, we're still really in the early innings of 5G, meaning if you look at the installed base and look at how many people are on 5G versus not, and we don't release those exact numbers, but you can do some math and estimate those, we maintain a very optimistic view on iPhone long term."

Earnings Grid

Stock	Next Earnings Date	Implied Move	Avg. 8 Q Max Move	Std. 8 Q Close Mov	Im. 8 Q Close Mov	V30 Skew	V30 Avg Crush	list Put/Call OI % til	Short Float	% Change (3mo)		
LHX	1/31/2022 BMO	Bull: \$0.29M (100%)	Higher 5 of 8	5.31%	3.58%	0.59%	1.77%	9.73	-15.06%	67.46%	0.81%	-33.05%
IT	1/31/2022 BMO	No Trades Since Last Report	Higher 4 of 6, Lower last 2	5.97%	5.35%	1.31%	6.92%	6.67	0.47%	24.35%	0.63%	-9.70%
OTIS	1/31/2022 BMO	Bull: \$2.58M (91%), Bear: \$0.26M (9%)	Higher 4 of 7	6.24%	4.70%	0.60%	9.40%	8.92	-12.72%	67.91%	0.93%	-32.71%
ATKR	1/31/2022 BMO	Bull: \$0.8M (100%)	Higher 8 of 8, Higher last 8	8.87%	11.83%	6.36%	62.36%	2.83	-19.02%	21.34%	2.02%	-11.96%

Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	
AAPL	Apple	\$2.10	\$1.89	\$123,945.00	\$118,532.78	11.30%	
AJG	Arthur J. Gallagher	\$0.98	\$0.95	\$1,941.40	\$1,905.50	16.70%	
TEAM	Atlassian	\$0.50	\$0.39	\$688.00	\$642.47	37.20%	
AX	Axos Financial	\$1.04	\$0.98	\$176.36	\$177.54	8.30%	
BZH	Beazer Homes	\$1.14	\$0.67	\$454.15	\$451.90	6.00%	
BOOT	Boot Barn Holdings	\$2.23	\$2.21	\$485.90	\$483.76	60.70%	
CP	Canadian Pacific	\$0.95	\$0.97	\$2,040.00	\$2,018.12	1.40%	
CATY	Cathay Bancorp	\$0.98	\$0.92	\$175.26	\$166.02	15.90%	
CE	Celanese	\$4.91	\$5.06	\$2,275.00	\$2,261.00	43.00%	FY In Line
EMN	Eastman Chemical	\$1.81	\$1.87	\$2,694.00	\$2,377.37	23.20%	FY In Line
ETD	Ethan Allen	\$0.95	\$0.76	\$208.09	\$187.25	16.40%	
FICO	Fair Isaac	\$3.70	\$3.36	\$322.36	\$327.89	3.20%	
FHI	Federated Hermes	\$0.71	\$0.71	\$321.65	\$331.17	-11.60%	
FFBC	First Financial	\$0.58	\$0.56	\$156.47	\$153.44	-13.10%	
FFIN	First Financial	\$0.39	\$0.38	\$129.71	\$133.28	2.70%	
FIBK	First Interstate Bancsystem	\$0.89	\$0.77	\$159.20	\$161.03	-1.90%	
GBCI	Glacier Bancorp	\$0.46	\$0.57	\$221.98	\$228.89	5.50%	
HTH	Hilltop Holdings	\$0.78	\$0.71	\$389.14	\$421.11	-29.90%	

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JNPR	Juniper Networks	\$0.56	\$0.53	\$1,299.90	\$1,269.27	6.30%	FY In Line
KLAC	KLA Corporation	\$5.59	\$5.45	\$2,352.63	\$2,332.71	42.50%	FY Below
MITK	Mitek Systems	\$0.22	\$0.16	\$32.47	\$28.53	25.00%	
MDLZ	Mondelez Int'l	\$0.71	\$0.73	\$7,658.00	\$7,584.93	4.90%	
NATI	Natl Instruments	\$0.60	\$0.55	\$420.64	\$411.42	14.40%	
OLN	Olin	\$1.89	\$2.45	\$2,430.40	\$2,393.32	46.90%	
RMD	ResMed	\$1.47	\$1.52	\$894.60	\$927.49	11.80%	
RHI	Robert Half	\$1.51	\$1.43	\$1,769.92	\$1,706.42	35.70%	
HOOD	Robinhood Markets	-\$0.49	-\$0.30	\$362.70	\$366.64	14.20%	
SYK	Stryker	\$2.71	\$2.72	\$4,701.00	\$4,646.89	10.30%	FY Below
X	U.S. Steel	\$3.64	\$4.25	\$5,622.00	\$5,348.92	119.40%	
V	Visa	\$1.81	\$1.70	\$7,059.00	\$6,793.93	24.10%	
WRB	W.R. Berkley	\$1.59	\$1.25	\$2,203.43	\$2,151.14	21.50%	
WAL	Western Alliance Bancorp	\$2.32	\$2.32	\$561.00	\$562.46	65.70%	
WDC	Western Digital	\$2.30	\$2.12	\$4,833.00	\$4,816.10	22.60%	FY Below

AAPL – Beat on EPS and Revs (+11.3%) – "This quarter's record results were made possible by our most innovative lineup of products and services ever. We are gratified to see the response from customers around the world at a time when staying connected has never been more important. We are doing all we can to help build a better world - making progress toward our goal of becoming carbon neutral across our supply chain and products by 2030, and pushing forward with our work in education and racial equity and justice. The very strong customer response to our recent launch of new products and services drove double-digit growth in revenue and earnings, and helped set an all-time high for our installed base of active devices. These record operating results allowed us to return nearly \$27 billion to our shareholders during the quarter, as we maintain our target of reaching a net cash neutral position over time.

TEAM – Beat on EPS and Revs (+37.2%) – "Q2 was another strong quarter for Atlassian with over 10,000 net new customers this quarter, 98% of which were in the Cloud," said Scott Farquhar, Atlassian's co-founder and co-CEO. "We also saw subscription revenue grow 64% year-over-year, which reflects our continued investment in our Cloud platform and the strong focus and effort we have put in to helping our customers seamlessly move to Cloud."

JNPR – Beat on EPS and Revs (+6.3%) – "We experienced better than expected demand during the December quarter, with strong double-digit order growth across all verticals, all customer solutions and all geographies. Our commitment to delivering products that simplify operations and deliver a superior end-user experience, what we call experience-first networking, is resonating with our customers and allowing us to capitalize on several large and growing markets. We believe this focus, along with the investments we've made in our go-to-market organization, will enable us to accelerate our growth in 2022. CFO Ken Miller says: "Our teams executed extremely well during the December quarter, delivering better than expected sales and non-GAAP earnings per share, despite the challenging supply chain environment. Our continued order strength, record backlog and

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actions to further strengthen supply, provide confidence in our ability to accelerate growth and deliver improved profitability in the upcoming year."

HOOD – Missed on EPS and Revs (+14.2%) – Transaction-based revenues for the quarter increased 12% to \$264M. Monthly active users increased 48% to 17.3M for December 2021. Assets under custody increased 56% to \$98B. Average revenues per user for the quarter decreased 39% to \$64 on an annualized basis. "We had a momentous year, nearly doubling the number of customers on the platform and making critical investments in our team and infrastructure to support growth," said Vlad Tenev, CEO and co-founder of Robinhood Markets. "This year, we'll expand our ecosystem of products that make Robinhood the best place to start investing and build wealth for the long term."

X – Missed on EPS and Beat on Revs (+119.4%) – "2021 was a year of records and we delivered with record earnings and free cash flow and record safety, environmental, quality, and reliability performance," commented U. S. Steel President and CEO David B. Burritt. "We enter 2022 from a position of strength and are relentlessly focused on continuing our disciplined approach to creating stockholder value. Our balance sheet has been transformed, record cash significantly de-risks strategy execution, and our capital allocation priorities have enhanced direct stockholder returns. We are a fundamentally different company from a year ago and expect 2022 to be another strong year."

V – Beat on EPS and Revs (+24.1%) – CEO Alfred Kelly says: "Visa delivered very strong results with revenue, net income and EPS all growing at 24% or higher. The strength of our network, the growth in eCommerce, better than expected progress in the return of cross-border travel and a continuation of the recovery all contributed to an excellent quarter. As we look ahead, we do not believe the current surge in the pandemic will curtail the recovery. We see economies around the world continuing to improve and, as restrictions are lifted, cross-border travel will continue to recover. We remain confident that we are well positioned, via our multi-pronged growth strategy, to deliver strong results well into the future."

WDC – Beat on EPS and Revs (+22.6%) – "I'm proud of the Western Digital team for delivering another quarter of strong results that exceeded guidance, even in the midst of ongoing supply chain disruptions and COVID-related challenges," said David Goekeler, Western Digital CEO. "While we continue to experience strong demand across our end markets, these challenges continue to present a headwind to near-term results. We've executed well in building a solid foundation for future profitable growth driven by innovative products within our flash and hard drive businesses. As these transitory headwinds subside, we expect to emerge in a stronger position to drive better through-cycle results, creating value for our shareholders, employees and customers."

Earnings Before the Open

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	
ALV	Autoliv	\$1.30	\$1.17	\$2,119.00	\$2,200.60	-15.80%	
BMI	Badger Meter		\$0.46		\$127.83		
BAH	Booz Allen Hamilton	\$1.02	\$0.99	\$2,030.50	\$2,128.12	6.60%	FY In Line
CAT	Caterpillar	\$2.69	\$2.26	\$13,798.00	\$13,223.68	22.80%	
CHTR	Charter Comm	\$8.93	\$7.12	\$13,212.00	\$13,247.97	4.70%	
CVX	Chevron	\$2.56	\$3.13	\$48,219.00	\$45,218.62	91.00%	
CHD	Church & Dwight	\$0.64	\$0.60	\$1,368.70	\$1,345.32	5.70%	FY In Line

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CL	Colgate-Palmolive	\$0.79	\$0.79	\$4,403.00	\$4,419.51	1.80%	
GNTX	Gentex		\$0.34		\$417.52		
LYB	LyondellBasell	\$3.63	\$3.86	\$12,830.00	\$12,184.94	61.60%	
MOG.A	Moog		\$1.18		\$707.91		
PSX	Phillips 66	\$2.94	\$1.95		\$27,112.45		
PFS	Provident Finl		\$0.47		\$115.16		
SYF	Synchrony Financial	\$1.48	\$1.41		\$2,598.58		
VFC	V.F. Corp	\$1.35	\$1.22	\$3,624.40	\$3,606.45	22.00%	FY In Line
WY	Weyerhaeuser	\$0.49	\$0.48	\$2,206.00	\$2,171.14	6.90%	
WETF	WisdomTree	\$0.10	\$0.09	\$79.20	\$78.62	18.00%	

CAT – Beats EPS and Revenues (+22.8%) – Amid ongoing supply chain constraints, our team continues to execute our strategy for long-term profitable growth while striving to meet customer demand. The increase was mostly due to higher sales volume, driven by higher end-user demand for equipment and services and the impact from changes in dealer inventories, along with favorable price realization. Dealers decreased inventories during the fourth quarter of 2020, compared to remaining about flat during the fourth quarter of 2021.

LYB – Misses EPS, Beats Revenues (+61.6%) - LyondellBasell achieved record profitability in 2021 supported by robust demand, tight markets and the company's recent growth investments. Our Olefins & Polyolefins Americas and Technology segments both posted record annual EBITDA. Profit margins reached all-time highs across many of LyondellBasell's businesses. During the fourth quarter, higher costs for energy and feedstocks compressed margins, particularly in Europe. Strong demand drove LyondellBasell's U.S. ethylene cracker operating rates to 97 percent while planned maintenance constrained production at two of our European crackers. The resumption of our acetic acid production increased volumes in our Intermediates & Derivatives segment and offset weaker Oxyfuels margins. Improving demand for transportation fuels drove higher margins which enabled our Refining segment to post its second consecutive quarter of positive results. We are continuing to pursue a highly disciplined capital allocation strategy that aims to provide significant returns for shareholders. With forecasts for above-average GDP growth in 2022, we expect continued strength in demand for our products. Supply chain disruptions and virus surges have been restraining pent-up consumer demand across the global economy. As vaccinations facilitate a more sustainable global reopening and supply chains normalize, LyondellBasell's businesses should benefit from increased demand for both goods and services. We are closely monitoring rising feedstock and energy costs, particularly at our European operations. Elevated levels of ethylene industry maintenance activities scheduled for the first half of 2022 are likely to constrain supply. We expect tight markets for acetyls and propylene oxide will continue to drive strong profitability within our I&D segment. In January, our Advanced Polymers Solutions segment benefited from increased order volumes for our products used in automotive production. LyondellBasell's earnings and cash flows are stepping up from levels seen over the last decade. We are expanding our production with the commissioning of new facilities in China and the U.S. during 2022. We announced that we are accelerating our commitments to help address climate change. With our new CEO Peter Vanacker joining the company at the end of the second quarter, LyondellBasell is well poised to continue delivering on our track record of substantial cash generation and strong returns for shareholders.

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.

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