



Inside Today's Blitz

- Robinhood Raises \$1B As Questions About Market Structure Linger
- Novavax Shot is 89% Effective in Study
- **NVAX** COVID vaccine 89% effective in study; **ETN** to buy Tripp; **Coinbase** to pursue direct listing; **SK Hynix** positive on memory market; **WeWork** pursuing SPAC deal

Market Outlook

Futures are indicating a weak open for the day with the **Dow** down 30 bps, the **S&P** down 45 bps, and the **Nasdaq** down 75 bps. The **Russell** is up 45 bps. Energy is up slightly with **WTI** higher by 40 bps and **Natural Gas** up 52 bps. **Gold** and **silver** are rallying more with the latter up 5.5%. **Copper** is down 20 bps. **Grains** are continuing their rally. The **dollar** is up 10 bps. **Bonds** are down 40 bps. **VIX** is 31.10. It's another weak open for stocks today and yet another morning without a real specific reason why we're selling off. There continues to be concerns about market structure with the Robinhood / Gamestop story making its way to Washington now. The brokerage was forced to draw down on some credit lines and raise \$1B from investors last night which has raised a lot of questions about the integrity of their platform and its ability to continue handling orders. Their CEO did a small media tour last night but left more questions than answers for many. Elsewhere, we got more positive COVID vaccine data last night, this time from Novavax. This comes ahead of the JNJ data next week which is likely a significant catalyst for the recovery stocks given both the company's manufacturing ability and potential for a one-shot dose. It has kind of fallen under the radar but earnings season continues to chug along and results continue to be good with positive reports last night from Visa, SWKS, MDLZ, and TEAM.

Asian markets are falling again today with Shanghai down 63 bps, the Hang Seng down 94 bps, and the Nikkei down 1.89%. Korea was the biggest laggard down 3%. In Europe, the major indices are all off by around 1%. The FTSE is the laggard so far while the DAX is holding up better. Swedish fashion retailer **H&M** was down 4.5% after reporting a weak quarter and guidance. **Ericsson** surged 7.5% after reporting a strong forecast behind 5G rollouts. **BBVA** is down 2.5% after earnings and capital return plans. **Givaudan**, a maker of fragrances and flavor products, was down 2% after affirming their mid-year guidance. **SAP** is down slightly after earnings.

Calendar

Today... Personal Income and Spending, Chicago PMI, Michigan Consumer Sentiment, Pending Home Sales, Dallas Fed; **Earnings Before the Open:** BMI, BAH, CAT, CHTR, CVX, CHD, CL, APPS, LLY, ERIC, FBP, GNTX, HON, JCI, LHX, LYB, MOG-A, PSX, PSXP, PFS, ROLL, ROP, SAP, SPR, SF, SYF, WY, WETF

Next week... we'll get January PMI and ISM data and the Jobs report on Friday. The JNJ vaccine data also expected early in the week. Earnings the major focus with NXPI, BABA, COP, PFE, UPS, XOM, AMGN, AMZN, CMG, EA, MTCH, GOOGL, EBAY, MET, QCOM, MRK, SNAP, and more.

Overnight Markets

Silver	27.38	5.60%
Gold	1862.9	1.20%
Oil (WTI)	52.57	0.45%
Natural Gas	2.672	0.30%
US Dollar	90.56	0.15%
Copper	3.569	-0.25%
Bonds	169.09	-0.30%

Technical View



Key Levels to Watch

S&P futures opened weak last night, continuing their move from the session, and traded down to 3730 where it found support. We've been basing since around 1am and now turning higher and back above VWAP at 3746, a similar look to yesterday and could get momentum again back to weekly VWAP at 3798. The 8-EMA remains in focus for the close at 3787.

Economic Data

- **Japan** industrial production fell 1.6% vs -1.5% est.
- **Taiwan** GDP was 4.94% vs 3.6% est.
- **Spain** GDP was 0.4% vs -1.4% est.
- **France** GDP was -1.3% vs -4% est.
- **Germany** GDP was 0.1% vs 0.0% est.
- **Eurozone** Money Supply was 12.3% vs 11% est.

Macro News

- **Biden, China's Xi** could have first meeting in May at the World Economic Forum, per Reuters
- **China's repo rate** surged higher overnight as the government looks to avoid massive liquidity injections before the NY holiday, per Reuters
- **India** now sees GDP growth of 11% in F22, per Bloomberg
- **The BOJ** will likely drop its pledge to buy ETFs at its next meeting as it looks to adjust their long-term policy, per Reuters

Movers

Gainers: GME 30%, NVAX 20%, SWKS 12%, BB 7%, GES 5%, WDC 5%, QRVO 4%

Losers: BZH -5.5%, LGND -4.5%

Insider Buying

ARMP

IPO Monitor

Ortho Clinical Diagnostics (OCDX) to raise \$1.5B at a \$4.9B valuation; a pure-play in vitro diagnostics business

Qualtrics (XM) to raise \$1.2B at a \$12.6B market cap; customer and employee experience management platform

Shoals Group (SHLS) raising at a \$3.6B market cap; solar equipment company

Stock-Specific News

Consumer

- **Roblox** is postponing their IPO, says Reuters. The company has had concerns raised by the SEC lately over how they recognize revenue
- **AMC** is looking to sell more stock as its stock price spikes higher in recent days, per Reuters
- **H&M** is trading weak in Europe after warning about Q1 due to new COVID restrictions in Europe, per Reuters
- **Nerdy (NRDY)**, online education platform, to go public via SPAC with **PACE**, giving it an equity valuation of ~ \$1.7B.
- China's top bottled-water group, **Nongfu Spring's**, soars to \$85B valuation, per WSJ.

Financials

- **Robinhood** to allow limited buys of **GME, BBY, BB, AMC** and other stocks on Friday, per CNBC. The company also drew down on their credit line
- **Coinbase** to pursue a direct listing instead of a traditional IPO, says CNBC
- **BBVA** said it will buyback about 10% of its stock, per Reuters
- **FLT** acquires AP cloud software platform Roger
- **HLI** raises buyback plan to \$200M
- **WeWork** is eyeing a deal to go public via SPAC, says WSJ. The merger would have a valuation around \$10B

Healthcare

- **Novavax (NVAX)** says their UK COVID vaccine trial met its primary endpoint with 89.3% efficacy
- **Biogen (BIIB), Eisai** announce 3-month extension of review period for aducanumab BLA. The new PDUFA is June 7. BIIB recently submitted a response to an information request by the FDA, including additional analyses and clinical data
- **VRTX** says FDA approves IND for type-1 diabetes treatment VX-880

Industrials

- **Eaton (ETN)** to acquire **Tripp Lite** for \$1.65B (11X FY21 EBITDA); a leading supplier of power quality products and connectivity solutions including single-phase uninterruptible power supply systems, rack power distribution units, surge protectors, and enclosures for data centers, industrial, medical, and communications markets
- **Daimler** was out on Thursday with a strong pre-announcement noting that cash flow was significantly above forecasts, per Reuters. This was after BMW made a similar move on Thursday morning
- **GM** will completely move away from ICE by 2035, says WSJ.

On the Chart

NVAX is trading up around \$180 pre-market, right near the July peak, and a lot of positive focus on the shot vs the mRNA versions could get it continuing higher

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- **Hyundai** is hesitant about becoming a contractor for **Apple (AAPL)** and they may not move forward with a deal, says Reuters
- **SpaceX** valuation could be between \$60B and \$90B in latest funding round, per Reuters
- **LHX** approves \$6B buyback, raises dividend
- **PII** raises their dividend

Tech/Telecom

- **Ericsson** is rising in Europe after posting a strong quarter with both margins and revenue beating due to strong demand for 5G
- **SK Hynix** guides to a strong 1H with demand for memory rising sharply, per Reuters. They also warned about possible shortages
- **TSM** may be pressured by the White House to help resolve global auto chip shortages, says Bloomberg
- **UBER** has launched a prescription delivery service in NY, per Bloomberg
- **LFUS** to buy Hartland Controls
- **SWKS** starts new \$2B buyback
- **China smartphone market** declines 11% in 2020, per Canalys. They finished the year with 84M unit shipped in Q4, down 4%
- **Automotive chip** demand could slow growth for Taiwan IC suppliers, says Digitimes

Sympathy Movers

NOK could move with the ERIC numbers today while optical names like **CIEN**, **INFN**, **NPTN**, and **LITE** too

Utilities

- **Duke Energy (DUK)** to sell 19.9% stake in Duke Energy Indiana to Singapore's GIC for \$2.05B

Analyst Notes

Upgrades

- **WDC** raised to Outperform at Evercore; Raised to Buy at Summit; The NAND market has "clearly bottomed" and improving supply/demand trends along with higher value product mix should drive a "meaningful uplift" to Western Digital's earnings power in the quarters ahead
- **NICE** raised to Overweight at Barclays, sees the company as well positioned to capture the transition to cloud and believes the pandemic has raised awareness among its on-premise customers about the need to adapt.
- **SLM** raised to Outperform at RBC, Sallie Mae's guidance indicates more targeted loan sales and gains, an improving student lending market, and a "very aggressive" repurchase program

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- **ZYME** upgraded to Buy at Citi, sees a better risk/reward following the recent selloff. The probability of success for ZW49 should not be lowered from the current 60% assumption because safety looks "very favorable" at the go-forward expansion dose and there is not enough information to properly evaluate efficacy
- **BA** raised to Overweight from Underweight at MSCO
- **CPRI** raised to Outperform at Baird
- **CTSH** raised to Overweight at MSCO
- **JACK** raised to Outperform at Cowen
- **UCTT, ICHR** raised to Outperform at Cowen
- **ADP** raised to Buy at Citi
- **ONEM** raised to Outperform at Leerink
- **PHM** raised to Buy at BTIG

Downgrades

- **LNC** cut to Underperform at CSFB, primary carriers, including Lincoln, and reinsurers face pressure on universal and term life written in the 1998-2004 timeframe, and thinks Lincoln will take at least an incremental \$1B of charges
- **RGA** cut to Underperform at CSFB, estimates over (\$600M) of potential pre-tax individual life reserve true-ups and/or underperformance and continued balance sheet pressure from COVID-19 mortality impacts
- **BA** cut to Sell at Nord/LB
- **BAX, PODD, GKOS, ZYXI** cut to Neutral at Piper
- **SFIX** cut to Neutral at Baird

Initiations

- **XPEV** started Overweight at MSCO, The analyst is positive on the company's in-house R&D and mass market segment, along with its targeting of mid-high end EV market that bodes well for attractive future growth potential, but also warns about competition that is likely to intensify
- **ICAD** started Overweight at Cantor Fitzgerald, calling the company's breast cancer detection software based on artificial intelligence "market leading" and poised for acceleration
- **AWH** started Overweight at Cantor Fitzgerald, The company's OVA1plus liquid biopsy-based test to assess risk of ovarian cancer in women with pelvic masses could become the standard of care
- **NRG** reinstated Buy at Goldman
- **RLGY** started Underweight at Barclays
- **XL** started Buy at Canaccord

Hawk Database

BA with over 4000 May \$210 calls opening yesterday and recent August \$220/\$180 bull risk reversals, a lot of bull flow into recent weakness

Hawk Database

CPRI in a narrow range for weeks still has 20,000 February \$45/\$55 call spreads with short \$30 puts in OI and 3500 next week \$44.5 calls bought.

Hawk Database

SFIX shares look vulnerable under \$93.75 for a sharp drop to \$84.20 and seen February and March \$85 puts bought 2000X each.

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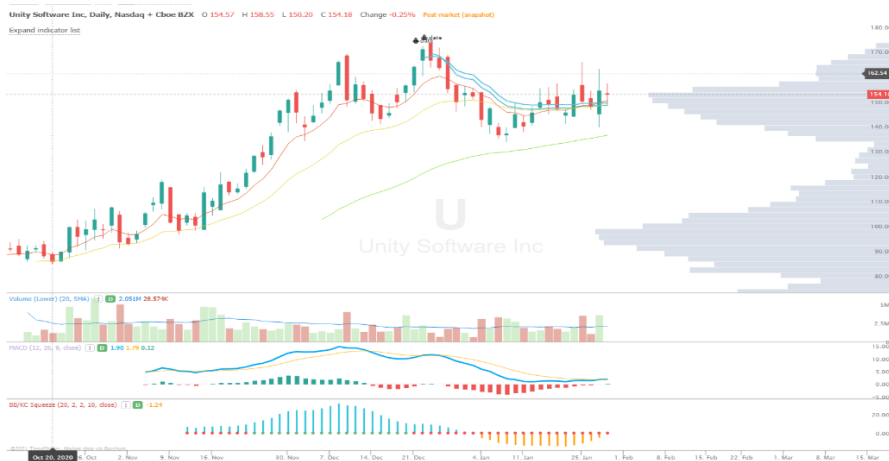
- **PEIX** started Buy at Guggenheim
- **LSCC** started Overweight at KeyBanc
- **IGMS** started Outperform at RBC

Other Notes

- **DXCM** target to \$500 from \$465 at Piper, The analyst is "all in" on the continuous glucose monitoring category and the company's position within it. He anticipates the CGM and general sensing category will remain one of the best secular stories in all of med tech for years
- **MU** remains a top pick at Citi after Samsung commentary, Micron derives roughly 70% of its revenue from DRAM, the firm notes, whose fiscal 2022 earnings per share estimate of \$10.64 is almost 40% above consensus
- **IIPR** target raised to \$225 at JMP, The company continues to benefit from its competitive advantage in the cannabis space which combines with the needs of operators to grow. And, given the pace of capital raising, the firm is accelerating his capital deployment assumptions

Trade Ideas

Unity (U) continues to consolidate well above the 38.2% Fibonacci of the rally from November/December and putting in an inside day on Thursday. Shares cleared VWAP from the December highs and held that level yesterday at \$151.25. A run above \$157.50 and a big volume node can re-test \$165. Unity is a strong recent IPO with a bright future and CSFB starting coverage last week positive noting the company has multiple paths to potential revenue upside including a growing gaming market, runway in non-gaming verticals, additions to Unity's game services stack, and a call option on XR success



Technical Scans

Inside Days: RUN, SNPS, OLED, SAM, MDLZ, TPX, W, CHGG, AMZN, VEEV, CHWY, RACE, U, AMD

Bullish Reversals: DDOG, JD, MSCI, ACAD, AMED, CHE, GNTX, INFY, LSPD, PG, SNE, STZ, CREE, TNDM, PXD, PODD, VRSK, FIVE, VZ

Earnings Preview

On Semi (ON) reporting earnings on Monday before the open with the Street looking for \$0.28 on \$1.36B in sales. Next quarter is guided to \$0.25 and \$1.35B with the FY at \$0.78 and \$5.17B. Shares have closed mixed over the last two years with the max closing move of 14% and an average move of 4.5%. The current implied move is 9.35%. ON flows have been positive lately including over 13,000 April \$30 puts sold, 6,000 April \$28 puts sold, and 5,000 January 2023 \$30 puts sold. The March \$34 calls and April \$35 calls also in open interest from December. The \$14.2B company trades 24.7X earnings, 2.75X sales, and 8.5X cash with high-single digit growth. They have exposure to automotive, industrial, and consumer markets. Commentary around shortages in the auto side will be in focus given the media reports recently, an area where they expect to outpace the broader market given their content share. In January at the JPM Tech conference they noted that the momentum from last quarter has been continuing and they continue to rationalize inventories versus demand well. Finally, ON is an interesting situation with Starboard involved and Truist out with a note on 12/17 highlighting potential for strategic actions near- and long-term. The firm thinks the biggest catalyst for the stock is the changes to ON's strategy, tactics, and financial targets from their new CEO who was appointed in December.

Extras

Anaplan (PLAN), ZenDesk (ZEN), Blackline (BL), Twilio (TWLO), Everbridge (EVBG), Five-9 (FIVN) each saw small July and August put buys late afternoon

Target (TGT) stock buyer sold 1000 January \$195 puts for \$30.75 and sold 1000 of the \$220 calls for \$11

Intellia (NTLA) afternoon trade sold 630 April \$75 calls to buy the \$55 puts at \$0.55 credit

Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
DIS	April \$175 Calls	1,885	6,040	220.42%
MU	April \$80 Calls	5,299	14,935	181.85%
CHRW	August \$85 Calls	725	1,717	136.83%
FTCH	April \$60 Calls	1,368	2,585	88.96%
BIIB	March \$275 Puts	1,208	2,196	81.79%
FCX	February \$26 Calls	11,973	17,520	46.33%
ATVI	April \$92.5 Calls	4,829	6,918	43.26%
SU	January \$20 Calls	10,101	14,283	41.40%
NET	February \$95 Calls	4,261	5,665	32.95%
SLV	April \$26 Calls	50,428	64,660	28.22%
DISCA	March \$50 Calls	7,144	8,833	23.64%
PINS	February \$70 Calls	18,504	22,229	20.13%
SQ	June \$240 Calls	12,256	11,943	-2.55%
TSM	April \$140 Calls	14,167	12,343	-12.87%
ENPH	August \$320 Calls	7,801	6,289	-19.38%
CHEF	April \$35 Calls	4,223	2,988	-29.24%

What They're Saying

Mastercard (MA) on growth in contactless payments... As spending patterns change, it is critical to offer online and in-person capabilities, and we have solutions for both. As e-commerce accelerates, with card-not-present transaction accounting for about 45% of our switched volume in 2020, which is up from 40% in 2019, we have several efforts underway to enable safer and more seamless online purchases. Notably, we continue to scale our merchant tokenization services for card-on-file, a critical use case, with a six-fold increase in the number of unique merchants transacting in quarter 4 versus a year ago. Now recent surveys tell us that 7 in 10 e-commerce consumers have a payment card information saved with at least one merchant type. Card-on-file tokenization is particularly helpful for subscription services like Netflix, marketplaces like Etsy and ride hailing services like Didi who have just signed on this quarter. But we do believe that when restrictions ease, people will return to shopping in person, and hence, we're driving a secular shift in store as well. For example, we saw a strong acceleration of contactless in 2020 as more than 80 markets grew contactless penetration as a percentage of in-person transactions by at least 10%, which is driven by consumer demand for increased speed and safety, but of course, (inaudible) at the point of checkout.

Sherwin Williams (SHW) on targeting bolt-on deals... We believe we're uniquely positioned not to require acquisitions to grow. Our focus is on, right now, prioritization of opportunities that we have and turning them into shareholder value. So you're likely, Jeff, going to see us more doing bolt-ons, more likely in the industrial space with targets to support what we call our right to win, not just commodities or not just a book of business. We're really focusing on those high-value areas that allow us to differentiate. So a great example would be and there's a lot of talk now about infrastructure. And not to say that we're only focused on protective and marine, but I think it gives a good example. If I take bridge and highway, as an example, you're likely going to see us on the bridge side, or as we say, the HVI, the high-value infrastructure, not just chasing commodities. So our view is that those acquisitions that fit our ability to differentiate with unique solutions allow us to create value, not just trying to be everything to everyone everywhere.

McDonalds (MCD) on winning US share through value and breakfast... It is a competitive market in the U.S., probably one of the most competitive markets, if not the most competitive market in the world. Back in November, when we had our Investor Day, part of the M within MCD was that we needed to make sure we had a strong focus on affordability. And you're seeing, just as we've entered into 2021, you've seen some of the value deals that are out there from our competitors. We've also had some programs that I think have performed well for us. And that's going to be a trend that continues all through 2021. Our expectation is that you're absolutely going to need to remain competitive on value... Our breakfast business is performing well. In Q4, our breakfast business grew. We saw strong performance out of the bakery line. So our expectation is, going forward, that breakfast, the daypart, we've been pleased with how we weathered through 2020 on that. Even with the introduction of one of our competitors, didn't have a significant impact on our breakfast business. And as we look to 2021, our expectation, we're set up that breakfast for us should be a good performing daypart as people get back to, hopefully, returning to work and kind of a more regular routine, which certainly benefits traffic in the morning.

Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
EGHT	8x8	-\$0.02	-\$0.03	\$136.70	\$132.85	15.30%	FY In Line
ABCB	Ameris Bancorp	\$1.47	\$1.11	\$275.60	\$216.94	30.90%	
TEAM	Atlassian	\$0.37	\$0.32	\$501.40	\$473.87	22.60%	
AX	Axos Financial	\$0.94	\$0.74	\$162.81	\$142.35	25.60%	
BZH	Beazer Homes	\$0.40	\$0.30	\$428.30	\$421.30	2.50%	
CE	Celanese	\$2.09	\$1.72	\$1,591.00	\$1,414.40	11.10%	FY In Line
DLB	Dolby Labs	\$1.48	\$1.04	\$389.87	\$345.33	33.60%	FY In Line
EMN	Eastman Chemical		\$1.50		\$2,157.64		FY Above
ETH	Ethan Allen	\$0.69	\$0.69	\$178.83	\$178.80	2.40%	
FICO	FICO	\$2.74	\$2.30	\$312.41	\$319.65	4.70%	
HLI	Houlihan Lokey	\$1.77	\$0.98	\$537.88	\$340.02	61.30%	
JNPR	Juniper Networks	\$0.55	\$0.53	\$1,222.60	\$1,193.19	1.20%	
MATW	Matthews	\$0.68	\$0.43	\$386.70	\$358.73	5.90%	
MITK	Mitek Systems	\$0.14	\$0.12	\$25.98	\$25.26	17.70%	
MDLZ	Mondelez Int'l	\$0.67	\$0.66	\$7,298.00	\$7,149.98	5.60%	
NATI	Natl Instruments	\$0.51	\$0.43	\$367.84	\$359.59	0.10%	FY In Line
OLN	Olin	-\$0.21	-\$0.13	\$1,654.10	\$1,454.32	19.20%	
RMD	ResMed	\$1.41	\$1.28	\$800.00	\$785.07	8.70%	
RHI	Robert Half	\$0.84	\$0.68	\$1,304.09	\$1,218.22	-15.20%	
SIGI	Selective Insurance	\$1.84	\$1.22	\$798.40	\$742.81	9.50%	
SWKS	Skyworks	\$3.36	\$2.09	\$1,510.00	\$1,062.56	68.50%	FY Above
X	U.S. Steel		-\$0.65		\$2,510.01		
V	Visa	\$1.42	\$1.28	\$5,687.00	\$5,515.72	-6.10%	
WDC	Western Digital	\$0.69	\$0.53	\$3,943.00	\$3,885.25	-6.90%	FY In Line

Earnings Before the Open

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
BAH	Booz Allen Hamilton	\$1.04	\$0.83	\$1,904.00	\$2,003.40	2.90%	FY In Line
CAT	Caterpillar	\$2.12	\$1.49	\$11,235.00	\$11,239.87	-14.50%	
CHTR	Charter Comm	\$6.05	\$4.94	\$12,624.00	\$12,572.01	7.30%	

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CVX	Chevron		\$0.08		\$25,967.13		
CHD	Church & Dwight	\$0.59	\$0.52	\$1,295.30	\$1,262.56	13.20%	FY In Line
CL	Colgate-Palmolive	\$0.77	\$0.76	\$4,324.00	\$4,154.01	7.70%	
LLY	Eli Lilly	\$2.75	\$2.39	\$7,440.00	\$7,266.45	21.70%	
ERIC	Ericsson	\$2.33	\$1.82	\$69,590.00	\$67,849.27	4.80%	
GNTX	Gentex		\$0.50		\$482.66		
HON	Honeywell	\$2.07	\$2.00	\$8,900.00	\$8,386.13	-6.30%	FY In Line
JCI	Johnson Controls	\$0.43	\$0.41	\$5,341.00	\$5,270.32	-4.20%	FY In Line
LHX	L3Harris	\$3.14	\$3.10	\$4,660.00	\$4,886.02	-3.60%	
LYB	LyondellBasell	\$2.19	\$1.33	\$7,937.00	\$7,057.73	-3.00%	
ROP	Roper	\$3.56	\$3.49	\$1,510.00	\$1,528.54	7.90%	FY In Line
SAP	SAP SE	\$1.69	\$1.56	\$7,538.00	\$7,441.50	-6.30%	
SF	Stifel Financial	\$1.67	\$1.32	\$1,059.90	\$956.62	12.20%	
SYF	Synchrony Financial	\$1.24	\$0.86		\$2,716.57		
WY	Weyerhaeuser	\$0.52	\$0.48	\$2,110.00	\$1,961.68	36.30%	
WETF	WisdomTree	\$0.06	\$0.05	\$67.10	\$65.47	-2.60%	

TEAM – Beat on EPS and Revs – "Our Q2 results reflect steady progress towards our long-term goals as we crossed \$500 million in quarterly revenue for the first time, up 23% year-over-year, and drove subscription revenue growth of 36% year-over-year," said Scott Farquhar, Atlassian's co-founder and co-CEO. "Total customers rose to 194,000, an increase of over 11,600 during the quarter. This increase is a new record illustrating our progress and commitment to continuous customer innovation in the cloud. Through the strength of our cloud platform, we're delivering customers powerful new products like Jira Service Management, which unleashes the potential of technical teams in the ITSM market," said Mike Cannon-Brookes, Atlassian's co-founder and co-CEO. "This is one example of the value we deliver to organizations large and small across the Fortune 500,000 to power their most mission-critical workflows. We're excited to continue that momentum in the second half of fiscal year 2021."

BZH – Beat on EPS and Revs – Net new orders of 1,442, up 15.3% on a 42.4% increase in orders/community/month to 3.5 and a 19.0% decrease in average community count to 136. "We finished the first quarter of our fiscal year with very strong operational and financial results," said Allan P. Merrill, the company's Chairman and Chief Executive Officer. "We generated a significantly higher sales pace relative to the same quarter last year, more than offsetting a temporary reduction in our community count. At the same time, we increased the number of lots we own or control as we position for enhanced growth in the coming years. On the financial side, profitability expanded meaningfully with notable improvements in both gross margin and overhead cost efficiency leading to higher Adjusted EBITDA and Net Income."

MDLZ – Beat on EPS and Revs - 2020 was a successful year for Mondelez International and I am proud of our performance, including record share gains, in a challenging operating environment. Our categories were resilient, with the exception of gum which represented 5% of our revenue in 2020. The strength of our brands was evident, as was the dedication of colleagues around the world who executed with excellence in difficult

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circumstances. We made meaningful progress with our strategic agenda in 2020, continuing to increase investment in brands and capabilities, simplifying our portfolio, expanding into adjacent categories and making acquisitions in high growth areas of snacking. We moved quickly to mitigate incremental COVID-related costs and delivered on our commitment to generate strong cash flow. We enter 2021 in a strong position financially and in the marketplace which gives us confidence that we can deliver on our long-term growth targets in 2021 and beyond.

SWKS – Beat on EPS and Revs – "Skyworks delivered all-time record quarterly results, leveraging our expansive technology reach," said Liam K. Griffin, president and chief executive officer of Skyworks. "Demand for our proven solutions continues to accelerate across a growing set of customers and end markets, powering the world's most impactful use cases, from 5G mobile platforms to IoT, wireless infrastructure, autonomous transport and machine-to-machine installations."

LLY – Beats EPS and Revenues (+21.7%), Reaffirms Outlook – We finished the year with strong momentum in our core business areas, as volume-based revenue growth for our newest medicines and initial sales of our COVID-19 antibody therapy, coupled with our ongoing productivity agenda, drove robust margin expansion and solid earnings growth. I am also encouraged by exciting recent data readouts for three of our most important pipeline assets: tirzepatide, LOXO-305 and donanemab. Each of these potential medicines has a chance to significantly improve patient outcomes in areas of high unmet medical need, and, should they go on to receive approvals, reinforce our growth prospects for the decade ahead. Excluding bamlanivimab revenue, worldwide revenue grew by 7 percent. Key growth products launched since 2014, consisting of Trulicity[®], Verzenio[®], Taltz[®], Tyvyt[®], Olumiant[®], Jardiance, Emgality[®], Cyramza[®], Retevmo[™], Baqsimi[™] and Basaglar[®] contributed nearly 12 percentage points of revenue growth and represented approximately 48 percent of total revenue for the quarter, or 55 percent of total revenue excluding bamlanivimab.

CAT – Beats EPS, Misses Revenues (-14.5%) – Total sales and revenues for the fourth quarter of 2020 were \$11.235 billion, a decrease of \$1.909 billion, or 15%, compared with \$13.144 billion in the fourth quarter of 2019. The decline was mostly due to lower sales volume driven by lower end-user demand for equipment and services and the impact from changes in dealer inventories. Dealers decreased inventories more during the fourth quarter of 2020 than during the fourth quarter of 2019. Sales were lower across the three primary segments, with the largest decline in Energy & Transportation.

LYB – Beats EPS and Revenues (-3%) – Our strengths in operational excellence, cost management and capital discipline served us well as we quickly adapted to dynamic conditions by aggressively managing inventories, minimizing working capital and bolstering liquidity by rapidly accessing capital markets and efficiently generating cash. During the fourth quarter, strong and persistent consumer-driven demand, industry supply constraints and continued recovery in durable goods markets reduced the impact of typical end-of-year slowdowns for our businesses. During this period, we operated well and met robust demand for polyolefins used in consumer packaging and healthcare applications. Margins improved for Olefins and Polyolefins, Propylene Oxide & Derivatives and Intermediate Chemicals businesses driven by higher demand and tight markets. Rebounding automotive manufacturing drove increased volumes for our Advanced Polymer Solutions businesses. The Refining and Oxyfuels & Related Products businesses continued to face headwinds from low global mobility resulting in stagnant demand for transportation fuels. Improving trends seen in the closing weeks of December are continuing into the first quarter of 2021 and providing a bridge to the seasonal upticks typically seen in our businesses during the second and third quarters. Elevated export demand to China and Latin America combined with tight markets are supporting strong margins for our Olefins and Polyolefins businesses. Increased demand from automotive and construction markets has pushed the January order book for our Advanced Polymer

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Solutions segment to higher levels than the fourth quarter 2020 average. With wider deployment of coronavirus vaccines, we anticipate that increasing mobility and transportation fuel demand could provide significant upside for our oxyfuels and refining businesses during the latter half of this year.

HON – Beats on EPS and Revenues (-6.3%), FY21 In Line – We finished a challenging 2020 with another quarter of sequential improvements in sales growth, margin expansion, and adjusted earnings per share. Our focus on delivering differentiated solutions drove double-digit organic sales growth in our defense and space, warehouse automation, personal protective equipment, and recurring connected software businesses for the second consecutive quarter. We continued to prudently reduce costs in the quarter, bringing our full-year total fixed cost savings to \$1.5 billion. We entered 2021 with positive momentum following two quarters of sequential improvement. I am confident we are well-positioned for the economic recovery and will continue to perform for our shareowners, our customers, and our employees in the short and long term. **Aerospace** sales for the fourth quarter were down 19% on an organic basis driven by lower commercial aftermarket demand due to the ongoing impact of reduced flight hours and lower volumes in commercial original equipment, partially offset by double-digit growth in Defense and Space. **Honeywell Building Technologies** sales for the fourth quarter were down 4% on an organic basis driven by timing of Building Solutions projects and lower demand for security products and building management systems, partially offset by growth in commercial fire. Building Solutions orders were up double digits year-over-year, driven by large project bookings in the Americas and Europe. **Performance Materials and Technologies** sales for the fourth quarter were down 12% on an organic basis driven by continued delays in Process Solutions automation projects as well as volume declines in smart energy and thermal solutions, and lower gas processing projects, catalyst shipments, licensing, and engineering due to softness in the oil and gas sector in UOP, partially offset by return to growth in Advanced Materials driven by demand for fluorine products. **Safety and Productivity Solutions** sales for the fourth quarter were up 27% on an organic basis driven by double-digit Intelligrated and personal protective equipment growth as well as strength in productivity solutions and services. Orders were up double digits year-over-year for the fifth straight quarter, driven by strong personal protective equipment and productivity solutions and services orders growth.

CHTR – Beats EPS and Revenues (+7.3%) – Fourth quarter revenue of \$12.6 billion grew by 7.3% year-over-year, driven by residential revenue growth of 5.0%, mobile revenue growth of 80.9% and advertising revenue growth of 43.9%. We added nearly two million customer relationships in 2020—800,000 more than we added in 2019—and demand for our connectivity products remains strong. As we look forward, we remain focused on the continued execution of our operating strategy, driving customer, revenue and free cash flow growth, enhancing value for our shareholders. Fourth quarter 2020 residential revenue per residential customer (excluding mobile) totaled \$111.85, and declined by 1.7% compared to the prior year period, given a higher percentage of non-video customers, a higher mix of lower priced video packages within Charter's video customer base and lower installation revenue, partly offset by promotional rate step-ups and rate adjustments.

Disclosures

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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