



Inside Today's Blitz

- Rising Yields Weigh on Stocks
- German Business Confidence Improves
- **CMI** IPO Segment; **PANW** Strong Outlook; **BIDU** \$5B Buyback; **RIO** Slashes Dividend; **TJX** \$2B Buyback

Market Outlook

Futures are holding steady early after the sharpest sell-off of the year to start the shortened week. The idea of higher rates for longer is weighing on stocks following recent strong economic data and investors await the FOMC Minutes later today for more clarity. Oil remains weak and Metals under pressure as the USD continues to hold strong at multi-week highs.

European stocks fell on Wednesday as rising geopolitical tensions and lingering concerns about the Federal Reserve's rate-hike path dented demand for riskier assets. German IFO Business Climate Index improved to 91.1 in February from a revised reading of 90.1 in January. Stellantis NV rallied 2.3 percent after the automaker delivered better-than-expected annual profit and announced a new share buyback program for 2023. Danone rose nearly 2 percent after the world's largest yoghurt maker delivered its fastest sales growth in more than a decade in 2022. Rio Tinto lost about 2 percent after posting a 38 percent drop in annual profit and slashing dividend.

Asian stocks fell on Wednesday as investors fretted about the potential for further Federal Reserve tightening and the impact it has on global growth. The dollar gained on rising yields and gold was unchanged. Chinese shares fell amid signs that Beijing wants to play a more active role in the Ukraine conflict. Japanese shares hit a one-month low on geopolitical tensions and U.S. rate hike worries. Fast Retailing gave up 1.8 percent after fourth-quarter earnings and forecasts from mega-retailers like Walmart and Home Depot raised concerns about the strength of the U.S. consumer. Domino's Pizza shares plummeted nearly 24 percent after the pizza chain operator reported a decline in its first-half profit.

Calendar

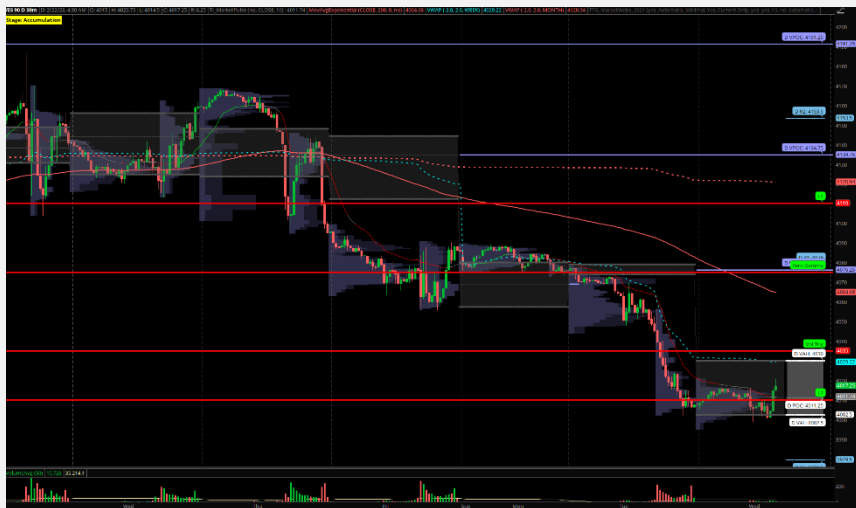
Today... G20 Meetings, FOMC Minutes; Japan PPI, German CPI, Business Climate; Earnings from BIDU, GRMN, TJX, WING, ANSS, APA, EBAY, ETSY, FIVN, MOS, NTAP, NVDA, RUN, U; Analyst Meetings at SMCI, IPGP, AXP, QSR; Barclays Industrial Conference

Tomorrow... Prelim GDP, Jobless Claims, GDP Price Index, Crude Oil Inventories; Fed's Bostic Speaks; Eurozone CPI, UK BOE's Mann Speaks; Earnings from BABA, AMT, DPZ, NTES, NICE, PLNT, W, YETI, ADSK, BKNG, SQ, CE, INTU, FND, PODD, MELI, OLED; Analyst Meetings at HUM, WAB

Overnight Markets

Description	Price	Change
Natural Gas	2.164	4.40%
Copper	4.186	-0.93%
Oil (WTI)	75.74	-0.80%
Silver	21.88	-0.05%
Gold	1848.1	0.30%
US Dollar	104.2	0.02%
VIX	23.15	1.22%
Bonds	111.16	0.08%
Bitcoin	24,240	-1.00%
Ethereum	162	-1.20%

Technical View



Key Levels to Watch

S&P Futures (ES_F) traded down to a low of 3995.50 before bouncing back to 4020 overnight but inside of daily value area so far with the key 4000 level holding and the daily POC at 4011 today. Value high resistance at 4030 and a key gamma level at 4035. The selloff Tuesday closed below monthly value are highs at 4070 so a move lower to 3962 next VPOC target below is on watch. Support below that is at 3915.

Economic Data

- **Australian** wages grew at the fastest annual pace in a decade last quarter but that was still short of market forecasts and could lessen the pressure for further aggressive hikes in interest rates, sending the local dollar lower
- **Germany** IFO Business Climate Index improved to 91.1 in February from a revised reading of 90.1 in January.

Macro News

- **New Zealand's** central bank raised interest rates by 50 basis points to a more than 14-year high of 4.75% on Wednesday, and said it expects to keep tightening further as inflation remains too high, a hawkish signal that sent the local dollar surging
- **US Mortgages** - The average interest rate on the most popular U.S. home loan rose last week to its highest since November as bond markets took fright that the Federal Reserve might have to continue tightening policy through summer to subdue inflation, data from the Mortgage Bankers Association (MBA) showed on Wednesday
- **ECB** - Investors betting on more interest rates hikes by the European Central bank have 'overreacted' to strong U.S. data and ECB communication since last week, the Banque de France Governor said in an interview published on Wednesday

Movers

Gainers: UFPI +8.6%, ONEM +8.5%, PANW +7.6%, SKT +5.9%, TWNK +5.2%, SPT +4%, SBRA +3.9%, LZB +3.7%, VNOM +3.6%, BIDU 6.7%

Losers: CSGP -14.6%, ZIP -14%, MED -9.1%, KEYS -8.7%, QTWO -5.5%, STAA -5.4%, MATX -5.2%, PUMP -3.8%, AU -6.3%

Insider Buying

DVN, CAT, COP, TCBI, VPG, FIS, BBAI, BY, GHM, RCM

IPO Calendar

No Notable IPOs

MARKET HEALTH AND STATS CHECK

INDICATOR	SIGNAL
NYSI	BEAR
WEEKLY MACD	BULL
8/21 WEEKLY MA	BULL
CUMUALTIVE A/D 89-EMA	BULL
NEW HIGH/LOW CUMULATIVE 10-MA	BULL
UP/DOWN VOLUME RATIO 150-MA	BULL
TOP OF BOOK DEPTH	NEUTRAL
YTD EQUITY FLOWS	\$8.8B
IMPLIED ERP	4%
P/E	17.5X
2023/2024 EPS GROWTH EST.	0%/6%
S&P SHORT INTEREST	1.70%

Sentiment

- Wall Street's benchmark S&P 500 index is expected to advance about 5% from Tuesday's close by year-end although high interest rates and inflation have many strategists in a Reuters poll predicting a correction within the next three months. The S&P 500 was expected to end 2023 at 4,200 points, which would amount to a 9.4% increase for the calendar year, according to the median forecast of 42 strategists polled by Reuters.

Stock-Specific News

Consumer Goods (XLP)

- **FOXF** announces that its subsidiary, Fox Factory, signed a definitive agreement to acquire Custom Wheel House for \$131.6M
- **Danone** said on Wednesday it expected better margins this year after soaring raw materials and energy costs weighed down its full-year 2022 operating margin. Sales in the final quarter topped estimates on the back of higher prices
- **JDE Peet's NV** one of the world's largest coffee companies, on Wednesday reported a slightly larger-than-expected 6% fall in full-year core profit last year, but projected a return to growth for 2023

On the Chart

FOXF nice bull flag formed looking to clear 125 highs

Consumer / Business Services (XLY)

- **NWSA** no longer engaged in discussions with **CoStar Group (CSGP)** regarding a potential sale of Move, Inc.
- **CZR** is predicting that its online betting business will be profitable in 2023, after generating cumulative losses of more than \$1.1 billion
- **TJX** raises dividend and announces \$2B Buyback

Financials (XLF)

- **INDT** to be acquired by Centerbridge Partners and GIC Real Estate for \$67/share
- **Lloyds Bank** raised its 2023 guidance and said it will buy back £2 billion of stock after delivering a 21% rise in underlying profit in the fourth quarter

Sympathy Mover

PLYM, ILPT
smaller Industrial REITs for more consolidation

Healthcare (XLV)

- **GILD** announces 'positive' data from three retrospective real-world studies which demonstrated that initiation of Veklury (remdesivir) within

the first two days of hospital admission can help reduce mortality and hospital readmission rates among all patients hospitalized with COVID-19, regardless of disease severity

- **ONEM, AMZN** - The U.S. Federal Trade Commission will not file a complaint aimed at stopping Amazon.com's plan to buy primary care provider One Medical, an FTC official said on Tuesday
- **AZN** receives EU approval of Imfinzi plus Imjudo for patients with advanced liver and non-small cell lung cancers
- **SAGE** announces the European Medicines Agency granted Orphan Drug Designation to SAGE-718 for the treatment of Huntington's disease
- **PFE** announced that the FDA has granted Priority Review for the company's Biologics License Application (BLA) for elranatamab, an investigational B-cell maturation antigen (BCMA) CD3-targeted bispecific antibody (BsAb), for the treatment of patients with relapsed or refractory multiple myeloma (RRMM)
- **AXSM** Enters into License Agreement with Pharmanovia to Expand Commercialization and Further Develop Sunosi® (solriamfetol) in Europe
- **APLS** commenced an underwritten public offering of \$300M of its common stock

Hawk Database

AZN large buyer
15K July 72.5 Calls
last week

Industrials (XLI)

- **CMI** files IPO for its Filtration business, Atmus Filtration Technologies
- **IBP** \$200M buyback

Materials & Energy (XLB, XLE)

- **MP** and Sumitomo Corporation announce an agreement to diversify and strengthen rare earth supplies in Japan
- **CHK** has executed an agreement to sell a portion of its remaining Eagle Ford asset to INEOS Energy for \$1.4B
- **SHEL** is working with US investment bank Lazard Ltd. to evaluate options including a sale of its European retail gas and power business, Bloomberg reports
- **RIO** posted a sharp decline in its 2022 profit on Wednesday, hit chiefly by shrinking margins on its iron ore production as weak demand in China dented iron ore prices

Technology (XLK)

- **MSFT, NVDA** - Microsoft Corp has struck a 10-year deal to bring "Call of Duty" and other Activision games to Nvidia Corp's gaming platform if the Xbox maker is allowed to complete its much-contested \$69 billion acquisition of Activision

- **AAPL** may look to acquire broadcasting rights to the Pac 12 Football, NY Post reports
- **BIDU** announces \$5B buyback
- **INTC** reaffirms guidance but lowers dividend

Communications & Utilities (XLU, XLC)

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Analyst Notes

Upgrades

- **AA** raised to Buy at Citi
- **SHOP** raised to Buy at DA Davidson; views the opportunity for Shopify Audiences as underappreciated and is encouraged by Shopify's competitive positioning in the mobile market
- **MASI** raised to Outperform at RayJay
- **MRK** raised to Outperform at Wolfe given the various sources of optionality that lie ahead for Merck, either in the pipeline or in the base business, further multiple expansion of the shares is possible
- **NDSN** raised to Overweight at KeyBanc
- **WPP** raised to Outperform at CSFB
- **BCRX** raised to Buy at Needham

Downgrades

- **LOGI** cut to Neutral at UBS
- **CEG** cut to Neutral at CSFB
- **AIG** cut to Neutral at Atlantic to reflect slowing premium growth, ongoing issues in Personal P&C, negative operating leverage, and a less attractive valuation
- **ACMR** cut to Underweight at MSCO
- **ABBV** cut to Neutral at Wolfe
- **OXY** cut to Underperform at Evercore
- **TXRH** cut to Neutral at Northcoast
- **LGIH** cut to Sell at BTIG
- **BMRN** cut to Neutral at OpCo
- **HUN** cut to Neutral at Vertical

Initiations

- **OABI** started Outperform at Cowen
- **OLMA** started Outperform at CSFB

Hawk Database

AA buyer 10K April
\$55 calls and 10K
March \$55 calls
recently

On the Chart

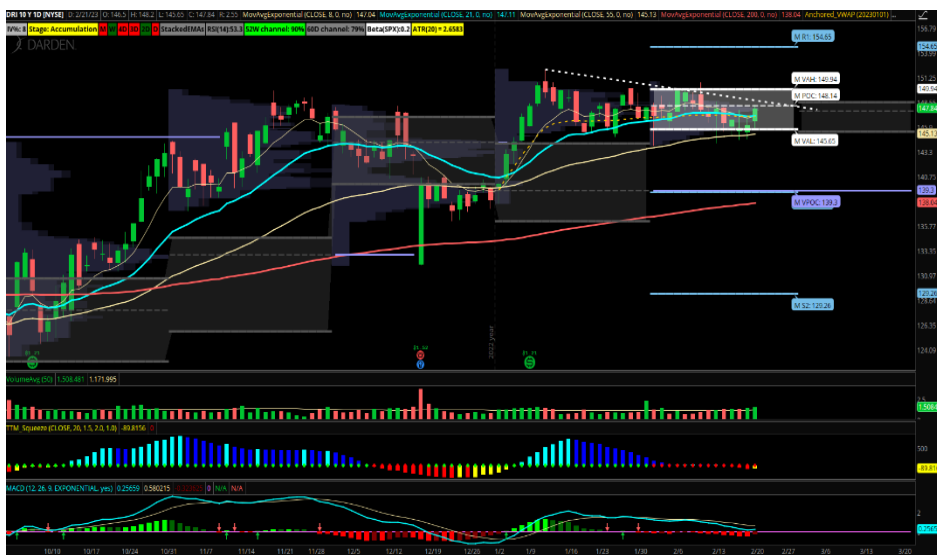
SHOP back near
key channel and
VWAP support
can rebound

Other Notes

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Trade Ideas

Darden Restaurants (DRI) shares are coiling in a tight range and closed strong Tuesday in a very weak market. DRI finished above its key 8/21 EMA's and looks poised to breakout above monthly value area highs at 150 for a move towards 155 and longer term have a strong weekly chart breakout setting up new all-time highs above 164. With the market weaker the past few days, breakouts might fail quicker, but this chart is setting up a move likely on the next market rebound day. A close below 145 would be a prudent tight stop.



Technical Scans

Inside Day Candle: JNJ, PFE, BMY, MDLZ, PYPL, SLB, SO, EOG, CL, MPC, BIIB, NEM, DVN, HAL, ABC, EA, BAX, WPM, EXPE, COIN, AKAM, EXAS, HOG, X, JKS

Break Lower into Monthly Value: UNH, JPM, BAC, AVGO, MS, CRM, UPS, DE, LOW, ELV, AMAT, TGT, USB, KKR, MNST, ITW, USB, TEAM, LULU, ILMN, APO, RBLX, BBY, DPZ, CCI, Z, DKS, BROS, GPS, BYND, CCL, DD

8/21 EMA Bear Cross: AMZN, V, ASML, ORCL, NKE, CAN, PLD, ELV, MU, PDD, GILD, INTU, SHOP, NTES, ICE, CP, PRU, ALB, LEN, TROW, DAL, TCOM, WY, PFG, BG, IP, LYV, EXPD, SEDG

Earnings Preview

eBay (EBAY) is reporting earnings on 2/22 after the market closes and the Street is looking for \$1.06 EPS on sales of \$2.46B. Shares have closed even the last 8 reports with a median closing move of -1.95% and average max move of 9.08%. Current implied move is +5.94%. The average IV crush for earnings is -24.14%. Historical put/call OI percentile sits at 68.26%. Short interest is at 2.81% and has decreased 3.37% the last 3 months. Shares have been strong to start the year rallying up to the 52 level recently now pulling into the top of monthly value support and YTD VWAP near 47.50. The stock has a longer term bullish weekly inverted bottom pattern in place so a breakout above 52 likely sees 55 and then 60 later this year but a drop back under 47.50 opens the door for a retest of support at 45 which is the 2022 yearly POC.

The \$26.0B company trades at 11.1x earnings, 3.1x sales, 9.0% FCF yield with revenue expected to decline -6% in FY22 and -1% growth estimated for FY23. Analysts have an average target for shares at \$48. BAML raised its target to \$52 from \$44 this week while Credit Suisse also boosted its target to \$57 and has an Outperform. Morgan Stanley is bearish and last month lowering its target to \$32 and keeps an Underweight rating while Citi initiated with a Neutral and \$47 target citing share performance and downward estimate revisions already reflect a challenging macro. With multiples still near troughs in many cases, the analyst likes the risk/reward for the space in 2023. Option flows have been mixed

with some larger near-term bets leaning bearish including the 2000 March 3rd \$50 puts bought last week at \$2.50 and then recent buyers of 2100 July \$42.50 puts for \$2.60. EBAY also has a large bear trade in OI with 1500 April \$50 puts bought on 11/1 for \$11.25. On 11/28 also saw a buyer of 2000 July \$45 calls at \$5.20 that remain in OI.

Trade to Consider: Long EBAY Feb 24th/April \$45 Put Calendar Spread at \$1.05 Debit

Open Interest Checks

Ticker	Contract	Prior OI	New OI	OI Change
TSLA	(Weeklys) 3 MAR 23 200 CAL	8,968	22,423	150.03%
GOLD	17 MAR 23 17 CALL	10,990	22,396	103.79%
NVDA	16 JUN 23 205 PUT	1,076	2,099	95.07%
TWLO	16 JUN 23 60 PUT	1,075	1,991	85.21%
PSTG	17 MAR 23 25 PUT	2,458	4,414	79.58%
V	16 JUN 23 225 PUT	1,444	2,524	74.79%
TSM	21 APR 23 95 CALL	8,145	14,168	73.95%
CL	17 MAR 23 75 CALL	3,962	6,458	63.00%
META	15 SEP 23 150 PUT	2,060	3,083	49.66%
CROX	17 MAR 23 125 PUT	1,157	1,655	43.04%
SQ	15 SEP 23 65 PUT	3,128	4,220	34.91%
JD	19 JAN 24 60 PUT	2,621	3,397	29.61%
TSM	16 JUN 23 80 CALL	1,429	1,754	22.74%
TWLO	19 JAN 24 100 CALL	2,535	2,579	1.74%
YUM	19 JAN 24 150 CALL	4,371	4,371	0.00%

Extras

Sunnova (NOVA) interesting opening seller 2000 October \$15 puts \$2.85

Ascendis (ASND) with 1000 April 120 calls sold to open 3.10

Grupo Financiero Galicia S.A. (GGAL) aggressive buyer 1000 October \$15 calls \$2.50

Gap (GPS) with 5000 January \$8 puts bought 0.59, stock tied

Infosys (INFY) buyer of 20,000 July \$17/\$14 put spreads at \$0.45

NVIDIA (NVDA) opening seller 1000 June 182.50 puts for 12.95

Tapestry (TPR) sweep buyer 1750 August \$42.50 puts \$4.20 offer

Polaris (PII) buyer 500 January \$120 calls \$14.80 offer to open

What They're Saying

Bio-Rad Labs (BIO) earnings call on 2023 Outlook & Focus Ahead....“Looking towards 2023, overall demand remains strong, and we continue to drive disciplined execution of our strategy. While we still have some challenges in supply chain, our primary activity is now on scaling production to reduce our instrument backlog and regrowing demand, particularly in the clinical diagnostics business, and we anticipate backlog will be normalized in the second half of the year. Also in the back half of the year, we are planning for the introduction of 2 new platforms from our development pipeline, the QX Continuum and our second-generation single-cell platform. The continuum represents a next-generation drop with digital PCR system with an integrated workflow that's designed to be cost effective. Our single-cell application targets the large single cell multiomics market. I think our focus on biopharma penetration where we're largely underrepresented still is also a very significant driver as we look to our growth in Life Science. And as a backdrop, we see Life Science funding broadly being positive and in all regions of the world. And so that's our general story on Life Sciences as I look to the clinical business. Really, it's a continued growth of quality controls, continued share gains in our immunohematology business. We've had some recent wins there, and we've got a growing demand pipeline. I would say also continued growth in Asia Pac and in particular, kind of recovery in China more in the second half of 2023. Backlog reduction will be a feature in more the first half of the year. And I think it was mentioned in our script that clinical has probably got that the larger of the backlog challenge as we enter '23, but we have a really clear line of sight now. Q4 was still a bit challenging for us. And growth will kind of improve through the year for the business overall.”

Palo Alto (PANW) earnings call on resilient cyber-sec market, vendor consolidation and SASE....“And while not expecting shocks, I do think we will see more cautious activity over the next few quarters. Clearly, caution is abundant, driving more scrutiny, making customers demand more value from their partners. We've seen some projects get delayed or descoped, none canceled, while most continue on track. We've always maintained that we expect cybersecurity to be resilient, and we continue to see evidence of that. I'm delighted that based on our field teams getting ahead of this problem, earlier this quarter, we did not see any major deals slip from the quarter. Our deal cadence quality was consistent with the same quarter last year. On an equally positive note, this environment drives the need for consolidation not just to generate clear security outcomes, but also to reduce the security vendor sprawl that has been prevalent in our customers' infrastructure and the need for a long-term security strategy based on total cost of ownership and value. We feel fortunate that with our portfolio, we are best positioned to deliver this to our customers. We now expect our 5-year revenue from a SASE customer to be more than 2.5x that of an appliance customer. We've also seen some improvements in our SASE gross margins over this period, as we have scaled to become more efficient.”

Earnings Review

Ticker	Company	Earnings	EPS	EPS	Y/Y Growth	Revenue	Revenue	Y/Y	Forward Guidance
		Date	Reported	Consensus		Reported	Consensus (\$M)	Growth	
AFTER MARKET REPORTS									
BCC	Boise Cascade Co	2/22/2023	\$2.95	\$2.96	-30.71%	\$1,630.00	\$1,781.30	-8.54%	
CZR	Caesars Entertainment Inc	2/21/2023	(\$0.70)	(\$0.17)	-65.52%	\$2,820.00	\$2,800.30	8.84%	
CWH	Camping World Holdings Inc	2/22/2023	(\$0.20)	\$0.01	-122.22%	\$1,280.00	\$1,246.75	-7.08%	
CHK	Chesapeake Energy Corp	2/22/2023	\$4.22	\$2.99	76.57%		\$1,853.90	-100.00%	
CWAN	Clearwater Analytics Holdings Inc	2/21/2023	\$0.07	\$0.06	16.67%	\$82.70	\$80.41	18.54%	Mixed Outlook
COIN	Coinbase Global Inc	2/21/2023	(\$2.46)	(\$2.55)	-174.10%	\$629.10	\$589.86	-74.82%	
CSGP	CoStar Group Inc	2/21/2023	\$0.38	\$0.36	8.57%	\$573.00	\$575.97	13.07%	Lowers Outlook
CW	Curtiss-Wright Corp.	2/22/2023	\$2.92	\$2.91	21.67%	\$758.00	\$752.23	13.68%	In Line Outlook
FANG	Diamondback Energy Inc	2/21/2023	\$5.29	\$5.22	45.73%	\$2,030.00	\$2,086.98	0.40%	
ESI	Element Solutions Inc	2/22/2023	\$0.29	\$0.28	-6.45%	\$573.80	\$590.46	-11.30%	Solid Outlook
EXAS	Exact Sciences Corp	2/21/2023	(\$0.72)	(\$0.84)	-43.75%	\$553.00	\$528.23	16.71%	In Line Outlook
FLS	Flowserve Corp	2/22/2023	\$0.63	\$0.53	40.00%	\$1,040.00	\$1,007.86	13.11%	In Line Outlook
GFL	GFL Environmental Inc	2/22/2023	\$0.49	\$0.09	600.00%	\$1,820.00	\$1,750.48	18.22%	Raises Outlook
GMED	Globus Medical Inc	2/21/2023	\$0.59	\$0.56	20.41%	\$274.50	\$276.67	9.79%	FY23 EPS Below
HALO	Halozyme Therapeutics, Inc.	2/21/2023	\$0.48	\$0.47	14.29%	\$181.50	\$192.06	77.94%	Lowers Outlook
TWNK	Hostess Brands Inc	2/21/2023	\$0.24	\$0.24	-4.00%	\$339.45	\$331.30	14.23%	In Line Outlook
IAA	IAA Inc	2/21/2023	\$0.61	\$0.54	0.00%	\$523.50	\$533.53	-4.49%	
KEYS	Keysight Technologies Inc	2/21/2023	\$2.02	\$1.85	22.42%	\$1,380.00	\$1,371.94	10.40%	Mixed Outlook
MATX	Matson Inc	2/21/2023	\$2.10	\$1.96	-77.64%	\$801.60	\$801.22	-36.73%	
PANW	Palo Alto Networks Inc	2/21/2023	\$1.05	\$0.78	81.03%	\$1,660.00	\$1,657.39	26.05%	FY23 EPS Above
PSA	Public Storage	2/22/2023	\$4.16	\$2.65	31.23%	\$1,090.00	\$1,081.45	17.93%	In Line Outlook
O	Realty Income Corp	2/22/2023	\$1.05	\$0.32	10400.00%	\$888.65	\$855.77	30.40%	In Line Outlook
RBA	Ritchie Bros Auctioneers Inc		\$0.68	\$0.63	-57.50%	\$443.90	\$416.75	12.69%	
SBAC	SBA Communications Corp		\$3.12	\$1.08	81.40%	\$686.10	\$676.77	10.70%	FFO Above Street
SPT	Sprout Social Inc	2/21/2023	\$0.03	(\$0.02)	-160.00%	\$69.70	\$69.87	30.86%	Raises Outlook
STAA	STAAR Surgical Company	2/21/2023	\$0.14	\$0.05	40.00%	\$64.00	\$64.21	8.47%	
TOL	Toll Brothers Inc	2/22/2023	\$1.70	\$1.41	37.10%	\$1,780.00	\$1,733.43	-0.62%	Reaffirms
UFPI	Ufp Industries Inc	2/21/2023	\$2.10	\$1.83	-4.98%	\$1,910.00	\$1,902.30	-5.30%	
UNVR	Univar Solutions Inc	2/22/2023	\$0.47	\$0.54	-21.67%	\$2,600.00	\$2,664.35	4.08%	
WSC	Willscot Mobile Mini Holdings Corp	2/22/2023	\$0.40	\$0.44	25.00%	\$615.50	\$589.57	18.84%	FY23 In Line
WK	Workiva Inc	2/21/2023	\$0.08	(\$0.10)	166.67%	\$143.80	\$138.51	19.06%	Mixed Outlook
ZIP	Ziprecruiter Inc	2/21/2023	\$0.17	\$0.09	6.25%	\$210.50	\$206.28	-4.38%	

CZR – Inline Revenues- Our fourth quarter delivered another set of strong operating results as both our Las Vegas and Regional segments each set a new fourth quarter record for Adjusted EBITDA. Additionally, our Las Vegas segment set a new full year record for Adjusted EBITDA. Caesars Sportsbook delivered significantly improved operating results during the fourth quarter which sets the foundation for a strong 2023. Consumer demand remains strong in all of our verticals and we are optimistic for the year ahead.

CHK – Beats EPS and Revenues- The premium rock, returns, and runway of our outstanding assets delivered strong results in 2022, allowing us to return an industry-leading \$2.3 billion to shareholders through dividends and buybacks. While we continue to see strong long-term natural gas demand and rising LNG export capacity, our 2023 operating plan preserves margins, optimizes capital allocation and maintains our premier balance sheet as we navigate current market volatility. Behind our disciplined capital allocation, proactive hedging program, and strong balance sheet, we anticipate generating significant free cash flow from operations. When combined with proceeds from recent Eagle Ford divestitures, we expect that our plan will allow us to again deliver our leading shareholder return framework in the year ahead.

COIN – Misses EPS, Beats Revenues- Coinbase and crypto proved to be largely resilient in 2022 despite major shocks to the system. Idiosyncratic events throughout 2022 exacerbated already weak macro conditions. As a

result, crypto market capitalization declined 64% or \$1.5 trillion Y/Y in 2022 and volatility reached multi-year lows. However, Coinbase and the crypto economy have proven to be resilient and long-term fundamentals remain strong. We are operating toward a goal of improving full-year 2023 Adjusted EBITDA in absolute dollar terms versus full year 2022 and believe our recent cost reduction efforts help position us to do so. When Coinbase went public, our goal was to operate at roughly break even across each crypto cycle. We have evolved our approach and are now setting our sights on positioning the company to generate Adjusted EBITDA in all market conditions.

FANG – Beats EPS, Misses Revenues- 2022 was a record year for Diamondback. I am proud of our team who, in the face of significant inflationary headwinds, were able to execute our capital plan within our original budget while beating volume expectations for the year. As a result, Diamondback was able to generate nearly \$4.6 billion of Free Cash Flow and return approximately \$3.1 billion of cash to our stockholders through a combination of our growing base dividend, variable dividend and share repurchase program. On top of that, we added over 80,000 net acres and 500 locations through the FireBird and Lario Acquisitions, extending our inventory runway while also providing immediate cash flow accretion for our stockholders. As we move into 2023, I am confident in our ability to maintain our status as a best-in-class operator. Our well results have steadily improved over the past four years, and our capital costs and cash margins continue to be among the best in the industry. This year, we expect to produce approximately 260,000 barrels of oil per day while spending approximately \$2.6 billion in capex. We intend to continue to return at least 75% of our Free Cash Flow to our stockholders and we expect to further strengthen our investment grade balance sheet by reducing debt through cash flow and our increased target of at least \$1 billion of non-core asset sales.

KEYS – Beats EPS, Inline Revenues, Mixed Guidance- Keysight delivered strong first quarter financial results, with revenue and earnings per share exceeding the high end of guidance. Our consistent performance is due to the resilience of our business, deep customer collaborations, and differentiated solutions portfolio. With demand moderating, we are staying disciplined and remain confident in the secular, long-term growth trends of our markets.

BCC – Beats EPS, Misses Revenues- As we close out 2022, I first want to recognize our associates for their tireless work, as they made our outstanding results possible. In addition to our financial results, we had strong performance in safety during a challenging period. I am also very pleased that we were able to take meaningful steps via acquisition and organic initiatives that will allow us to expand our EWP capacity and further grow our distribution capabilities. Our balance sheet remains well positioned for us to execute the growth initiatives started during 2022. In addition, we have the flexibility to further demonstrate our balanced approach to capital allocation, including the ability to pursue additional growth initiatives that align with our strategy. We recognize the industry will face challenges during 2023 given current economic uncertainties and weaker near-term demand for new residential construction; however, we remain committed to providing high service levels to our vendor and customer partners through industry cycles.

FLS – Beats EPS and Revenues, Guides Inline- We demonstrated improved operational performance in the fourth quarter, resulting in the highest quarterly level of revenue since 2019 and expanded year-over-year adjusted operating margin. In addition, we delivered another quarter of strong bookings that increased our near-record backlog. Our Diversification, Decarbonization and Digitization growth strategy, which is directly aligned to serve the needs of a changing energy landscape, is delivering results and accelerating our growth. Our recently announced acquisition of Velan Inc. will also further our 3D strategy, while enhancing our FCD valve offerings, with highly complementary products in the nuclear, cryogenic and defense markets following close. In 2023, I am confident we can build on our fourth quarter momentum while continuing to capitalize on supportive end-

markets, which reflect the need for increased energy security and enhanced decarbonization investments. With our near record \$2.7 billion backlog, continued executional improvement and planned cost initiatives to address inflationary pressures, we fully expect our results in 2023 will generate significant long-term value for all stakeholders.

PANW – Beats EPS, Inline Revenues, Mixed Guidance- We continue to see our teams execute well in the midst of macroeconomic challenges, helping customers consolidate their security architectures. The performance of our software-based and cloud-delivered portfolio validates the significant investments we have made over the last several years and has enabled us to raise our billings and NGS ARR guidance. Our focus on driving profitable growth is reflected in our Q2 results. As a result, we are raising our cash flow margin and operating profitability targets as we remain focused on driving efficiency in our business.

PSA – Beats EPS, Misses Revenues, Guides Inline- Public Storage's industry-leading platform achieved record financial results in 2022. I want to thank the entire team for their focus and determination throughout the year. We enter 2023 in a position of strength, with our digital and operating model transformation enhancing the industry's highest direct operating margins, strong-growth properties in our non-same store pool comprising more than 25% of the portfolio, and a balance sheet positioned to fund broad opportunity across acquisitions, development, and redevelopment. Our ability to drive unmatched levels of performance and profitability uniquely positions us for growth and value creation into the future.

TOL – Beats EPS and Revenues, Reaffirms Guidance- We are very pleased with our strong first quarter results, as we exceeded the midpoint of our guidance on all key metrics. We delivered 1,826 homes and generated \$1.75 billion in home building revenue, increased our adjusted gross margin by 190 basis points year-over-year to 27.5%, and decreased our SG&A expense, as a percentage of revenue, by 130 basis points compared to last year's first quarter. As a result, we grew pre-tax income by 26% year-over-year and earnings per share by 37%. With a quarter-end backlog of \$8.6 billion and 7,733 homes, we continue to project solid results in FY 2023. We are therefore reaffirming our full FY 2023 guidance of an adjusted gross margin of 27.0% and \$8.00 to \$9.00 of earnings per share. Since the start of the calendar year, we have seen a marked increase in demand beyond normal seasonality as buyer confidence appears to be improving. We believe the recent pick-up in demand is a sign that the long-term fundamentals underpinning the housing market remain intact. These include favorable demographic and migration trends, a very tight resale market, and growing pent-up demand resulting from over a decade of underproduction. Notwithstanding near-term uncertainty in the economy, we expect these factors will continue to support the housing market well into the future.

UNVR – Misses EPS and Revenues- In 2022 our organization reached high-water marks in our financial results, customer satisfaction, employee engagement, and safety. We believe our operating agility and deep industry expertise, coupled with our service model that puts the customer at the centre of all we do, is driving outstanding results. And we believe that our balanced capital allocation strategy, anchored to meaningful capital returns to shareholders, will enhance long-term shareholder value. My colleagues and I are extraordinarily proud of Univar Solutions having been named to Newsweek's list of America's Most Responsible Companies 2023. Our focus on environmental sustainability, social impact and good governance is just one way in which we are fulfilling our purpose and commitments to our people and communities.

Ticker	Company	EPS	EPS Est.	Revs	Revs Est.	% Change	Notes
ALLE	Allegion	\$1.60	\$1.38	\$861.50	\$849.15	21.50%	Raises Outlook
BIDU	Baidu	\$16.87	\$14.09	\$32,540.00	\$31,795.59	-1.70%	
BCO	Brinks	\$2.10	\$1.88	\$1,191.00	\$1,189.24	8.50%	In Line Outlook
CRL	Charles River	\$2.98	\$2.75	\$1,099.84	\$1,035.03	21.50%	FY23 EPS Below
DRVN	Driven Brands	\$0.25	\$0.24	\$539.65	\$548.97	37.70%	EPS Below Street
FVRR	Fiverr	\$0.26	\$0.18	\$83.10	\$83.46	4.10%	Weak Outlook
GRMN	Garmin	\$1.35	\$1.17	\$1,306.36	\$1,322.65	-6.10%	Lowers Outlook
GIL	Gildan Activewear	\$0.65	\$0.68	\$720.00	\$761.15	-8.20%	Mixed Outlook
GLBE	Global-E Online	(\$0.18)	\$0.09	\$139.87	\$138.70	69.10%	In Line Outlook
IBP	Installed Building Products	\$2.43	\$2.19	\$686.50	\$682.23		
IART	Integra	\$0.94	\$0.90	\$398.00	\$398.57	-1.80%	Weak Outlook
IONS	Ionis Pharma	(\$0.37)	(\$0.86)	\$152.00	\$160.21	-65.50%	Weak Outlook
LIVN	LivaNova	\$0.81	\$0.73	\$274.90	\$262.16		In Line Outlook
NI	NiSource	\$0.50	\$0.47		\$1,456.76		Raises Outlook
OSTK	Overstock.com	(\$0.04)	(\$0.02)	\$404.90	\$448.66	-33.90%	
RGEN	Repligen	\$0.68	\$0.58	\$186.80	\$184.41		Mixed Outlook
SBGI	Sinclair Broadcast	\$0.79	\$0.48	\$960.00	\$980.34	-35.00%	Weak Outlook
TJX	TJX	\$0.89	\$0.89	\$14,520.00	\$14,074.97		Lowers Outlook
TNL	Travel + Leisure Co	\$1.30	\$1.22	\$899.00	\$913.96	3.30%	
UTHR	United Therapeutics	2.67c	\$5.21	\$491.50	\$519.20	18.40%	
WING	Wingstop		\$0.41		\$100.96		
WIX	Wix.com	\$0.61	\$0.10	\$355.00	\$351.88	8.10%	Raises Outlook

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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