



Inside Today's Blitz

- US concerned Putin may threaten Nuclear weapon use
- Biden/Xi to talk as US fears China backing of Russia
- X Guides Lower; FDX Results Disappoint; EQIX expands into Chile/Peru

Market Outlook

Futures are lower into the open following some concerning comments regarding Putin's plans in Ukraine as peace talks have cooled this week and markets await Biden and Xi speaking today. We have a slow schedule today highlighted by Existing Home Sales and Fed Speakers and will have to see if investors are willing to hold recent gains into the weekend risks of further Ukraine/Russia escalation. The BOJ maintained its sizable stimulus policy highlighting risks to the economy as it goes the other direction from the US/Europe tightening phase. With today being a massive March options expiration, we could see markets somewhat volatile and pinning impact bear 4350. The **VIX** has pulled back sharply this week and is recovering off the 25 level in early action. Commodities are mostly quiet this morning with Crude Oil positive and back above \$100 while **Lumber** the main outlier with strong gains while **Natural Gas** is down more than 2%.

European stocks pulled back on Friday as participants cashed in some gains from the recent rally as recent Central Bank actions were digested and overall the best week since November 2020. Retail stocks rose the most, up 1.0%. Britain's Vodafone rose 1.3% after Reuters reported that global infrastructure funds have approached the telecom giant to invest in its \$16 billion mast company Vantage Towers. Asian stocks were also mostly lower as Oil pushed back above \$100.

Calendar

Today... Existing Home Sales & Fed Speakers; Japan BOJ Decision and CPI data

Next Week... With the Fed Meeting out of the way and earnings season over the focus will remain on the Ukraine/Russia situation while economic data is also light next week but Thursday we get a look at Flash PMIs for March which can be a good indication of how the economy has held up to recent headwinds. **Adobe, Nike, Cintas, General Mills** and **Darden** lead the quiet earnings schedule while Investor Conferences remain active.

Overnight Markets

Description	Price	Change
Natural Gas	4.899	-1.82%
Copper	4.711	0.20%
Oil (WTI)	102.86	-0.12%
Silver	25.4	-84.00%
Gold	1933.9	-0.48%
US Dollar	98.4	0.43%
VIX	26.66	3.85%
Bonds	124.7	0.29%
Bitcoin	40,410	-1.16%
Etherium	2,802	-1.10%

Technical View



Key Levels to Watch

S&P Futures (ES_F) are pulling back off highs after a strong three-day rally off the lows with 4440 VWAP from the highs and start of the year in focus as potential resistance while 4456 a 50% retracement target. Bulls will want to see 4325 defended if we head lower followed by 4275. Key retracement levels of the rally are 4288 (38.2%) and 4260 (50%), not wanting to lose the latter or the rally can fail.

Economic Data

- **Eurozone** trade deficit hits a record in January driven by a surge in energy purchases

Macro News

- **BOJ** Maintains Stimulus Policy – BOJ maintained its massive stimulus on Friday and warned of heightening risks to a fragile economic recovery from the Ukraine crisis, reinforcing expectations it will remain an outlier in the global shift towards tighter monetary policy

Sentiment

- **M&A** - Mergers and acquisitions activity has tailed off after a record-breaking 2021 amid rising geopolitical conflict, Reuters writes. Global deal making this year through mid-March is down around 20% on the same period in 2021.
- **AAll Sentiment** – Week-ending 3/16 Survey shows 22.5% bulls versus 49.8% bears, extreme pessimism
- **NAAIM Exposure Index** rebounded to 46.68 this week, a four-week high, but remains depressed

Movers

Gainers: STNE 24%

Losers: GME -8%, X -3.5%, JOAN -3%, FDX -2.5%,

Insider Buying

TPB, SOFI, CWAN, USFD, SEAT, UP, ML, STEM, DOCU, AVO, LMNR, CROX, GDYN, MYE

IPO Calendar

Nothing Notable

Stock-Specific News

Consumer Goods

- **GCO** active holder Legion Parts with a 6.2% stake sends letter calling for larger buybacks
- **Porsche AG** set out a more ambitious sales target for electric vehicles on Friday ahead of a potential stock market listing later this year saying that more than 80% of newly sold Porsche vehicles will be fully-electric in 2030
- **TSLA** restarts production at Shanghai factory after two day stoppage

Consumer / Business Services

- **JD Wetherspoon**, British Pub operator, reports 1H loss and is facing higher costs of food, drink and energy, but expects the rise in input prices to be slightly lesser than the level of inflation

Financials

- **Bank of NY (BK)** expects a \$100M revenue hit in Q1 from its Russia pullback

Energy & Materials

- **X** guides Q1 EPS below Street
- **TRGP** to acquire Southcross Energy Operating LLC for \$200M
- **SEDG** prices 2M share offering at \$295/share
- **Uranium** – US Senators introduce bill to ban Russian uranium imports; Biden administration has been weighing sanctions on Russian nuclear power company Rosatom, a major supplier of fuel and technology to power plants around the world.

Healthcare

- **PRGO** receives final approval from FDA for OTC use of Nasonex 24HR Allergy

Industrials

- **Boeing (BA)** is in talks for a landmark Delta MAX order, Reuters writes, for up to 100 of its 737 MAX 10 jets
- **ALGT** February traffic +66.7% Y/Y; reducing capacity due to volatile fuel prices

Technology

On the Chart

GCO one of the stronger charts in Apparel with chance to clear \$72.5 highs from November out of this range

Hawk Database

BA strong bounce off a key VPOC this week with 2000 Sep. \$180 puts sold to open 3/16 and 2K Mar. 2023 \$220 calls bought to open on 3/14

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- **Tencent** is facing new license requirements as well as possibly including WeChat Pay in a newly created financial holding company; presents a fresh hurdle to the company as the China crackdown on Tech continues

Telecom & Utilities

- **EQIX** is acquiring 4 Entel data centers for \$705M as it expands into Chile and Peru
- **VOD** is higher in Europe on reports that Global infrastructure funds have approached Vodafone to invest in its \$16 billion mast company Vantage Towers but the telecoms giant's preference is for an industry merger

Analyst Notes

Upgrades

- **MDB** raised to Buy at UBS
- **GWRE** raised to Outperform at JMP
- **TRGP** raised to Buy at Mizuho
- **ALL** raised to Strong Buy from Outperform at RJF
- **STAA** raised to Buy at BTIG on improving 2H fundamentals
- **GRMN** raised to Buy at BAML; GRMN's unique, differentiated and new product offerings, coupled with its enthusiast-consumer base will continue to drive growth. GRMN's vertically integrated business model will help it navigate the supply chain headwinds with more agility than peers.
- **TSCO** raised to Outperform at OpCo on Macro tailwinds, valuation
- **STNE** raised to Buy at Citi

Downgrades

- **WING** cut to Underweight at Piper
- **HONE** cut to Underweight at Piper
- **TRU** cut to Neutral at Goldman
- **CMI** cut to Neutral at UBS
- **NNBR** cut to Neutral at KeyBanc

Initiations

- **GMS** started Buy at Loop Capital
- **REAL, TDUP, RENT, FTCH** started Buy at Jefferies
- **PFGC** started Buy at Deutsche Bank

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- **UDMY** started Buy at Berenberg

Other Notes

- **ASML** added to Conviction Buy at Goldman
- **QCOM** an attractive value says Piper
- **LRCX** added to Focus List at Citi
- **COP** target to \$131 from \$83 at Barclays; **FANG** target to \$162 from \$127; **EOG** to \$139 from \$116; **HES** to \$124 from \$105; **OXY** to \$69 from \$44; **PXD** to \$295 from \$236

Trade Ideas

Wabtec (WAB) shares with a multi-month consolidation with the rising 200-day moving average supportive for the last few weeks on dips. WAB also is nearing a bullish MACD crossover with \$88/\$97 range set for a potential breakout that measures to a \$106 target.



Technical Scans

Emerging Strength: CVE, EOG, FANG, GRMN, HES, ABMD, MRO, REYN, SM, PRVA, CENTA

RSI Leading Higher: NVDA, TMO, SCHW, RY, ADP, MRVL, ANET, HLT, BLL, AMP, RPRX, MLM, HIG, TW

21/55 Bull Cross: NVO, AVGO, UPS, CSX, ICE, RY, MET, GWW, BSX, WAB, ENPH, OLED

Seasonal Stock Setup: Wireless Leader Clearing Bullish Cup and Handle

T-Mobile (TMUS) – TMUS is a \$126.9B tech name engaged in providing wireless communications services. The stock has a very bullish chart structure as it moves out of its recent range and coiled handle pattern ahead of a strong seasonal period. Going back 15 years, TMUS has been strong between March-May being up an average of +3.9% in March, +2.5% in April, and +6.7% in May. Technically, the chart is pointing towards a breakout to 140 in the short term as there is a volume pocket into that area where there is an untested VPOC from last year. The stock has held up quite well since its January lows and had a strong gap up on earnings to start February. Since then it has spent weeks

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consolidating the gain at its developing YTD VPOC level near 123 and now looks poised for new heights. RSI strong at 64 showing an uptrend intact as well. Options flows looking bullish as well with a massive buyer this week on 3/15 for 3000 of the June 2023 \$110 deep ITM calls at \$28.70 for over \$8.6M. Also back on 2/11 a buyer of 2000 May \$130/150 call spreads for \$5.27 remained in open interest.



Extras

Hartford (HIG) buyer 2000 April \$70 calls late aggressive above offer \$2.83 as March \$68 adjust

Borg Warner (BWA) buyers of 1200 April \$37.50 calls at \$1.95 offer

Magna (MGA) with 1000 January \$60 puts sold to open for \$8.95

CSX (CSX) with another 13,000 June \$40 calls bought \$0.70 to \$0.85 late day

Alpha and Omega (AOSL) strong weekly candle and afternoon buyers of 500 June \$60 calls up to \$6.90 offer

Nio (NIO) opening sale 2500 November \$22.50 ITM puts for \$7.15

Whole Earth (FREE) with 4000 October \$10/\$15 call spreads bought for \$0.30 to \$0.35

Geron (GERN) shares rose 13% and saw 17,000 January \$2/\$5 call spreads bought for \$0.20

Open Interest Checks

Ticker	Contract	Prior OI	New OI	OI Change
SLB	14 APR 22 42.5 CALL	3,516	17,691	403.16%
MQ	14 APR 22 12.5 CALL	7,315	20,939	186.25%
AEM	16 SEP 22 60 CALL	1,198	3,416	185.14%
SQ	20 JAN 23 80 PUT	1,567	3,787	141.67%
KBR	17 JUN 22 55 CALL	1,168	2,685	129.88%
ASAN	14 APR 22 40 CALL	1,947	3,983	104.57%
ADM	14 APR 22 85 CALL	983	1,974	100.81%
SQ	20 MAY 22 120 PUT	1,194	2,388	100.00%
DAL	17 JUN 22 37 CALL	1,339	2,547	90.22%
IGT	14 APR 22 25 PUT	2,933	5,448	85.75%
CVS	17 JUN 22 120 CALL	1,960	3,592	83.27%
NTR	16 SEP 22 120 CALL	1,449	2,336	61.21%
CSX	17 JUN 22 40 CALL	23,105	36,372	57.42%
OXY	14 APR 22 57.5 CALL	1,831	2,879	57.24%
DOW	17 JUN 22 65 CALL	3,923	5,950	51.67%
AKAM	20 MAY 22 110 PUT	1,217	1,843	51.44%
ROKU	21 OCT 22 100 PUT	2,133	3,133	46.88%
FB	(Weeklys) 1 APR 22 205 CALL	1,310	1,797	37.18%
FSLY	17 JUN 22 20 CALL	2,371	3,089	30.28%
CFLT	14 APR 22 40 CALL	1,169	1,369	17.11%
UPST	20 JAN 23 60 PUT	3,518	1,565	-55.51%
GNRC	17 JUN 22 300 CALL	982	352	-64.15%
MQ	16 SEP 22 10 CALL	7,510	2,514	-66.52%
TQQQ	18 MAR 22 42 CALL	25,296	5,077	-79.93%

What They're Saying

Lyondell (LYB) at JP Morgan Industrials Conference on the global polyethylene industry in the largest market of China....“It's something we do pay a lot of attention to. We've got the 1 cracker joint venture with Bora. It's in Northern China. And what we've seen happening since we started up that asset 18 months or so ago, the market was very strong when we started it. Demand was very good. Margins were quite good. It's a top quartile asset. So we're really excited to have that in the portfolio. But what we've seen over time is that demand in China recently has actually softened. So the second half of the year last year, we didn't see any growth in the market in China. And at the same time, you've got a lot of new capacity coming on in China. Then you've got feedstock costs rising and that has really put pressure on the Chinese market and you can see that in the spreads today. Spreads have been at historic lows in recent months, and that's not going to change until we see the Chinese economy begin to grow again. Now you're starting to see some press reports that Beijing is getting more interested in stimulating growth as their next Congress comes up for September, I do think you're going to start to see more stimulus. But today, the demand the market in China is quite weak.”

Allison (ALSN) at JPM Industrials Conference on Oil prices driving demand for fuel efficiency....“Certainly, with the oil prices or energy prices in general beyond even energy reaching the levels that they are, we're certainly seeing increased interest from our on-highway end users in terms of fuel efficiency on the conventional components. And as you all know, for a number of years, we pushed improvements there through design changes to our transmissions as well as our advanced controls. We just recently came out with our next-generation controls, which further expands our ability to deliver more fuel-efficient solutions. So certainly, with energy prices being where they are, it's created more interest in fuel efficiency. There's a number of different options we can provide. Some of those are

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actually changes to the mechanics of the transmissions, others are simply calibration of software changes. So that's evident. I would also note across a number of our different end markets, it's not only on-highway, we're seeing both North America as well as outside North America interest and fuel efficiency as well as in our Wheeled Defense business. We continue to see strong interest in alternative energy. Specific to electrification, the status of the technology and its readiness for commercialization is largely unchanged. We continue to work across a number of different OEMs and end-use duty cycles, but the fact remains it has a ways to go for the industry. And I would say the challenges you're very familiar with in terms of infrastructure and otherwise, that's not going to be a light switch. So to the extent there is, could be some increased interest."

Earnings Grid

Stock	Next Earn Date	Time	Open Interest	Historical Moves (8 Q)	Implied Move	Avg. 8 Q Max Move	Med. 8 Q Close Move	Sum. 8 Q Close Move	IV30 Skew	IV30 Avg Crush	Hist Put/Call OI %-tile	Short Float	SI Change (3mo)
SMAR	3/15/2022	AMC	Bear: \$1.49M (100%)	Even of 8	11.49%	14.94%	-0.54%	-32.10%	9.72	-19.00%	93.04%	3.40%	-22.24%
YY	3/15/2022	AMC	Bear: \$0.97M (65%), Stock: \$0.53M (35%)	Higher 5 of 8, Higher last 2	13.34%	11.57%	0.68%	10.50%	22.1	-10.90%	2.37%	5.69%	-30.62%
CAL	3/15/2022	AMC	No Trades Since Last Report	Even of 8	8.89%	12.73%	-1.24%	-0.37%	12.1	-14.90%	42.96%	7.94%	14.17%
LX	3/15/2022	AMC	No Trades Since Last Report	Lower 5 of 8	13.42%	15.35%	-4.56%	-8.56%	0.15	-9.06%	61.50%	nan	nan
JBL	3/16/2022	BMO	No Trades Since Last Report	Higher 7 of 8	6.23%	7.40%	2.81%	22.43%	11.8	-17.65%	14.96%	1.20%	-15.43%
TLS	3/16/2022	BMO	No Trades Since Last Report	Lower 4 of 6, Lower last 2	11.37%	17.67%	-3.46%	-21.63%	-2.51	-9.16%	44.49%	5.23%	-24.85%
LE	3/16/2022	BMO	No Trades Since Last Report	Lower 5 of 8, Lower last 2	13.30%	18.94%	-5.76%	26.40%	9.2	-19.30%	91.85%	7.18%	-33.24%
LEN	3/16/2022	AMC	Bull: \$3.72M (57%), Bear: \$2.81M (43%)	Higher 5 of 8, Lower last 2	5.99%	6.37%	0.69%	17.86%	7.17	-13.50%	68.71%	3.45%	22.27%
EDR	3/16/2022	AMC	No Trades Since Last Report	Higher 5 of 8	10.82%	3.10%	0.56%	2.17%	3.18	-1.06%	40.46%	4.76%	11.65%
ZTO	3/16/2022	AMC	Bull: \$0.18M (100%)	Lower 5 of 8	12.17%	10.22%	-4.17%	-16.80%	8.35	-14.19%	80.85%	1.94%	-19.55%
WSM	3/16/2022	AMC	Bull: \$1.48M (61%), Bear: \$0.93M (39%)	Higher 5 of 8	7.59%	14.85%	7.97%	63.63%	10.7	-22.07%	88.70%	8.20%	-2.43%
SMTC	3/16/2022	AMC	No Trades Since Last Report	Higher 5 of 8, Higher last 3	7.39%	7.91%	2.33%	7.78%	7.14	-16.20%	49.91%	2.16%	89.64%
PD	3/16/2022	AMC	Bull: \$0.8M (100%)	Even of 8, Higher last 2	14.45%	18.38%	2.27%	18.69%	12.6	-28.59%	77.87%	10.40%	-16.43%
GES	3/16/2022	AMC	Bull: \$1.8M (54%), Bear: \$1.34M (40%), Vol: \$0.22M (6%)	Higher 5 of 8	11.99%	36.18%	7.68%	137.18%	19.5	-21.56%	44.48%	14.10%	-6.02%
CGNT	3/16/2022	None	No Trades Since Last Report	Even of 2	15.09%	11.95%	0.44%	0.87%	2.97	-20.17%	28.95%	1.33%	53.15%
ACN	3/17/2022	BMO	Bull: \$2.44M (60%), Bear: \$1.64M (40%)	Higher 7 of 8, Higher last 5	5.56%	7.87%	3.68%	24.65%	10.7	-15.82%	4.95%	0.57%	-15.44%
DG	3/17/2022	BMO	Bull: \$3.44M (24%), Vol: \$1.2M (8%)	Lower 7 of 8, Lower last 2	5.07%	5.59%	-2.39%	-23.67%	7.49	-15.75%	81.39%	2.67%	82.89%
CMC	3/17/2022	BMO	Bull: \$1.27M (100%)	Even of 8	6.02%	7.01%	-1.05%	1.40%	5.44	-12.76%	56.32%	2.11%	-17.61%
SIG	3/17/2022	BMO	Bear: \$0.5M (82%), Bull: \$0.11M (18%)	Even of 8	-11.65%	16.47%	1.11%	26.64%	8.89	-21.70%	5.04%	7.12%	-21.34%
CSIQ	3/17/2022	BMO	Bull: \$1.65M (87%), Bear: \$0.26M (13%)	Higher 6 of 8, Higher last 4	8.76%	10.17%	2.23%	21.10%	8.6	-13.00%	49.40%	10.99%	-7.85%
GIII	3/17/2022	BMO	No Trades Since Last Report	Higher 7 of 8, Higher last 4	9.54%	18.77%	6.09%	112.00%	11.3	-16.50%	78.47%	9.69%	1.48%
DBI	3/17/2022	BMO	No Trades Since Last Report	Lower 7 of 8	-10.23%	17.96%	-8.27%	-71.77%	6.62	-20.14%	64.05%	12.00%	31.36%
FDX	3/17/2022	AMC	Bull: \$7.16M (49%), Bear: \$7.02M (48%), Stock: \$0.31M (2%)	Even of 8	7.39%	8.20%	1.04%	7.21%	7.54	-21.89%	78.66%	1.14%	-18.71%
GME	3/17/2022	AMC	Bear: \$8.28M (81%), Stock: \$1.99M (19%)	Lower 6 of 8	13.25%	19.14%	-12.80%	-107.75%	1.02	-14.96%	13.13%	10.80%	-10.44%
STNE	3/17/2022	AMC	Bull: \$3.78M (57%), Bear: \$2.33M (35%), Stock: \$0.49M (7%)	Lower 5 of 8, Lower last 2	15.42%	14.37%	-5.64%	-28.14%	2.18	-12.76%	6.00%	5.28%	69.44%
VNET	3/17/2022	None	Bull: \$0.28M (100%)	Lower 5 of 8	21.78%	15.47%	-3.72%	-11.27%	0.57	-11.09%	5.45%	nan	nan

Earnings Review

Earnings After the Close (Thursday)							
Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
FDX	FedEx	\$4.59	\$4.65	\$23,600.00	\$23,321.27	9.90%	FY22 In Line
GME	GameStop	-\$1.86	\$0.84	\$2,250.00	\$2,215.03	6.20%	
JOAN	JOANN Inc.	\$1.16	\$1.04	\$735.30	\$752.33	-12.50%	Comps -12.4%
STNE	StoneCo	\$0.13	\$0.21	\$1,870.00	\$1,709.75	87.00%	
CURV	Torrid	\$0.09	\$0.05	\$314.00	\$302.60	5.50%	FY22 Above

Earnings Before Market Open (Friday)							
Ticker	Company	EPS Actual	EPS Estimate	Revs Actual	Revs Estimate	Growth	Notes
ONON	On	\$0.06	\$0.00	\$180.00	\$180.06	53.70%	FY22 Above

Disclosures

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