



Inside Today's Blitz

- Biden to Launch Next Phase of Recovery Plan Focused on Families
- State Dept. Boosts Travel Warnings to 80% of Countries Due to COVID Surge
- CNI to launch \$30B competing bid for **KSU**, per reports; **JCOM** to separate into two companies; **PTON** urged by Consumer Reports to recall treadmill

Market Outlook

Futures indicating a weak open for the day with the **Dow** off by 41 bps, the **S&P** off by 42 bps, and the **Nasdaq** down 35 bps. The **Russell** is lagging again down 65 bps. Energy is higher with **WTI** up 70 bps. **Gold** and **silver** are muted, although the latter up 20 bps. **Copper** is up slightly. Grains are bid across the board with **soybeans** leading up almost 1.5%. The **dollar** and **bonds** are flat. **VIX** is 18.55. **Bitcoin** is up 60 bps and continues to hold the \$56,000 level. It has been a quiet night for news, overall, with a lot of focus on the next phase of President Biden's recovery plan, "American Families Plan." POTUS plans to outline the next phase over the next couple weeks but early insight says it'll focus on childcare, paid family leave, and more domestic-focused items. It'll also include tax hikes. It's good to remember at this stage, also, that Biden will have a tough road to get any of these plans to the finish line, so they're more

wishes than reality at this point. Elsewhere, the State Department is boosting the number of countries as 'no-go' zones due to COVID including India. In Europe, the focus remains on the ECB later this week. Earnings were mixed overnight.

Asian markets are mixed today with the Hang Seng up 1-2 bps, Shanghai down 13 bps, and the Nikkei down almost 2%. In Europe, the major indices are all getting hit today with the DAX down 65 bps, the CAC down 1.22%, and the FTSE off by 87 bps. We're seeing outperformance in automotive names while staples, banks, and retail all lag. **British Tobacco** is down 6% while **Imperial** and **Swedish Match** are both also weak after the US reports on nicotine yesterday. **Associated British Foods** is down 2.5% after earnings. **Danone** is off by 2.5% after reporting Q1 sales were down 9.5% Y/Y but they did reiterate the FY guidance. **BMW** is higher by 1% after reporting strong sales growth in both the US and China in Q1. **K+S** is up 2% after their got approval to sell their America's unit. **Sika** is up 1.5% after the specialty chemicals company reporting a nice quarter.

Calendar

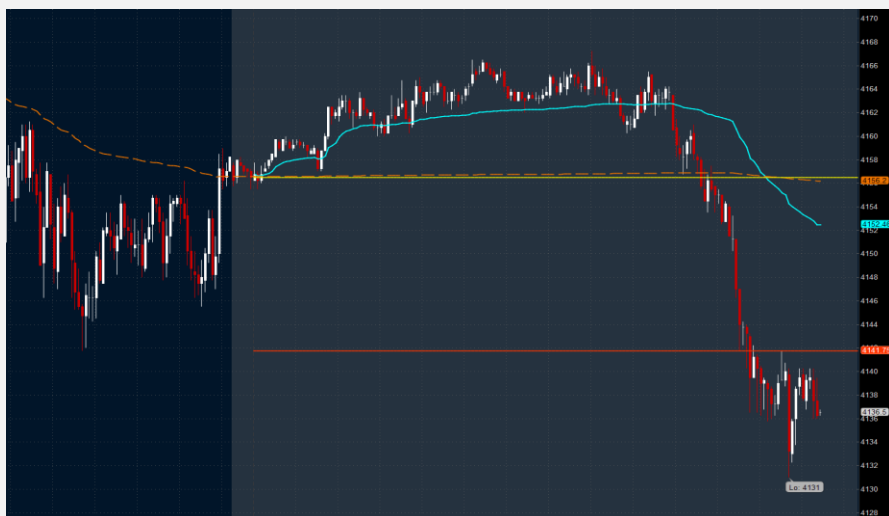
Today... International Earnings today: Kering; Earnings After the Close: CSX, EW, IBKR, ISRG, NFLX, LRN, THC

Tomorrow... Mortgage applications, EIA inventories; International Earnings of Note: Akzo Nobel, Antofagasta, ASML, Heineken, Roche, Accor, Carrefour, Deutsche Boerse; Earnings Before the Open: ANTM, ASML, ERIC, HAL, KNX, LAD, NDAQ, NEE, NVR, RCI, SBNY, TEL, VZ; Earnings After the Close: CACI, CP, CMG, CHDN, CNS, CLB, CCI, DFS, EFX, GGG, KMI, LRCX, LSTR, LVS, NTGR, PLXS, XM, RHI, SLM, SEIC, SLG, SNBR, VMI, WHR

Overnight Markets

Oil (WTI)	63.77	0.55%
Silver	25.93	0.35%
Copper	4.252	0.33%
Gold	1771.3	0.05%
Bonds	157.56	0.04%
US Dollar	91.07	0.02%
Natural Gas	2.728	-0.75%

Technical View



Key Levels to Watch

It was a weak night for S&P futures as we broke below yesterday's range at 4141.75 and look set to open below the lower volume node from the afternoon. Overnight VWAP is falling at 4152, a potential spot to rebound and test, while VWAP from Sunday is at 4155. Levels of interest today to the downside include 4135, 4120.25, and then 4105.50. A move above 4165 key to further upside with 4179 on watch.

Economic Data

- **China** LPR was unchanged, as expected
- **Taiwan** exports were up 33.3% in March vs 34.9% est.
- **UK** unemployment rate was 4.9% vs 5% est. with wages slightly higher at 4.4% vs 4.2%
- **Indonesia** left rates unchanged, as expected, and cut their 2021 GDP outlook to 4.1% from 5.1%
- **German** PPI was 0.9% vs 0.6% M/M in March

Macro News

- **China's Xi** spoke last night at the Boao Forum and warned against international decoupling, per Reuters
- **Chinese leadership** has said they plan to take action to stabilize raw material prices after recent spikes, per Reuters
- **BOJ** is expected to cut their inflation forecasts as they expect to fall short of the 2% target, per Reuters
- The State Department will boost its 'Do Not Travel' warning guidance to nearly 80% of countries due to COVID's surge, per Reuters
- Biden is planning to launch the third tier of his recovery plan, "**American Families Plan**" and could cost \$1T with \$500B in tax credits, says WSJ
- POTUS is preparing to announce a **new tax on wealthy households** as part of his 'Build Back Better' program, says Politico

Movers

Gainers: KSU 17%, LPSN 4.5%, JCOM 3%, BE 3%, IBM 2.5%

Losers: FUTU -6%, ZLAB -5.5%

Insider Buying

BBBY, NRZ, APP

IPO Calendar

Ui Path (PATH) raising \$990m at a \$26b market cap; software that identifies automation opps across organizations

DoubleVerify (DV) raising \$340m at a \$4.3b valuation; enables advertisers to assess the effectiveness of the ads targeting and audience

Latham (SWIM) raising \$400M at a \$2.4b market cap; maker of in-ground residential pools

Stock-Specific News

Consumer

- Consumer Reports is urging **Peloton (PTON)** to issue recall for treadmills, says WSJ, days after a federal safety agency told people with young children or pets to stop using the units
- **Danone** shares falling in Europe today after earnings, core sales down 3.3% and FY in line; Co. expects to return to profitable growth in 2H
- **AAP** says preliminary Q1 SSS are tracking +22% to +24% with operating margins of 8.5% to 8.7%; continues to see strong demand from both DIY omnichannel and pro customers
- **LULU** is launching a trade-in and resale program
- **BJ** has announced a new CEO
- **WHR** raises dividend and authorizes new \$2B buyback
- The US House has passed legislation allowing banks to provide services to **cannabis companies**, per Reuters
- **PLAY** raises Q1 revenue view to \$252-\$257M vs. Street at \$217M

Financials

- **Paypal (PYPL)** plans to launch a local wallet in China focused on cross border payments, per CNBC
- **PYPL** announces that customers can now buy, hold, and sell cryptocurrency directly within the Venmo app
- **Afterpay**, the Australian 'Buy now, pay later' leader is exploring a US IPO, per Reuters. The company was last valued at \$28.7B
- **Citi (C)** may sell parts of its Asian consumer banking business, per Reuters, with DBS, MUFG, and Standard Chartered all interested
- **GNW** is planning to IPO its mortgage insurance business, says Bloomberg, as part of their strategic plan after the Oceanwide deal fell apart last year
- **TRV** adds \$5B to their buyback program, raises dividend by 4%
- **PRI** to acquire 80% of e-Telequote at a \$600M EV and has options to buy the remaining 20% over the next four years
- **RE** will face \$260M in losses in Q1 due to the Texas winter storms
- **FUTU** announces 9.5M share offering

Healthcare

- **Biogen (BIIB)** a positive editorial in the WSJ today advocating for approval of aducanumab. They argue that FDA political and bureaucratic tape could slow a treatment that has lasting benefits

Sympathy Movers

AZO, ORLY, GPC on watch with the positive announcement from AAP

On the Chart

LULU broke out of a multi-week base recently and now back-testing that level and March value, a nice spot for a further push above \$328

Hawk Database

Citi (C) with buyers recently in the May \$77.50 calls in size, over 10,000X, and the May \$80 calls over 6500X

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- **ILMN** is reiterating their commitment to the Grail acquisition today after the EC competition committee announced they would launch a review of the acquisition
- **KALV** says the FDA has put a clinical hold on their Phase 2 trial of KVD824 for the treatment of HAE
- Pamplona Capital is considering a sale of **Parexel**, per Bloomberg. The company helps drugmakers run clinical trials and could be valued at several billion dollars
- **JNJ** is raising their dividend by 5%
- **ZLAB** to sell \$750M in ADSs
- **Getinge (GETI-B:SS)** shares rise as profit jumps; said many customers were now turning their attention toward managing record-long waiting lines for surgeries delayed by the pandemic

On the Chart

ILMN has been building a nice range around March VPOC at \$400 and key area to get back above and start moving is \$415-\$420, on watch

Energy & Materials

- **Rio Tinto (RIO)** says iron ore output was lower than expected in Q1 due to internal production issues and weather, per Bloomberg
- **XOM** is launching a \$100B carbon storage initiative, per Reuters, and seeking financing from both public and private sources
- **IOSP** has launched a takeover bid for UK's Elementis, per Reuters
- China's **Ansteel** and **Bengang** are exploring a merger, per Reuters, that would create the world's largest steelmaker by output

Industrials

- **Canadian National (CNI)** plans to make a \$30B topping bid for **KC Southern (KSU)**, per WSJ. The offer would be \$325/share or \$200 in cash plus stock. The current offer from **Canadian Pacific (CP)** values them at \$275/share in cash and stock
- **Boeing (BA)** has reached a deal to sell \$2B in Chinook helicopters to the UK, per Bloomberg. The U.S. Army pushed for the deal while truncating its purchases
- **BA** announces DAE order for 15 737 MAX jets
- **TSLA** says that auto-pilot or 'self driving' wasn't engaged during the fatal crash in Texas, per Reuters. The state has requested formal data
- **AAL** is moving to return to full beverage service within domestic cabins next month, per Reuters. The company is also cutting some flights to South America due to COVID
- **Subaru** is suspending production due to chip shortages, per Reuters
- **ALV, Mersen** announce collaboration to produce EV disconnect devices

On the Chart

TSLA hammered off of the March value area yesterday and \$700 will be a key area to lean against for a potential run into earnings

Tech/Telecom

- **J2 Global (JCOM)** to separate into two companies - J2 Global and Consensus. J2 is a leading internet platform focused on key verticals, including technology & gaming, shopping, health, cybersecurity and SMB.

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Consensus will be a provider of secure data exchange, focused primarily on the healthcare sector

- **Toshiba** says the offer letter from CVC Partners lacked sufficient details to merit an evaluation, per Bloomberg
- **AAPL** may allow Parler to return to its App Store soon if they agree to content moderation, per FT
- **FB** plans to launch a pilot from their crypto program this year with a single coin pegged to the dollar, per CNBC
- **ZM** is launching a \$100M fund to invest in startups that utilize the Zoom video platform, per FT
- French tech giant **Atos** fell in Europe this morning after earnings with Q1 revenue weak but they reiterated their FY outlook, per Bloomberg
- **Nordic Semi** is higher in Europe after posting a strong quarter and guiding Q2 above Street, per Bloomberg
- **Foxconn** is exploring buying a chip plant from Macronix to boost EV output, per Nikkei
- **NOK** chosen by Chunghwa Telecom to expand 5G network in Taiwan
- **IDCC** renews patent license agreement with Sharp

Sympathy Movers

NXPI, SLAB two peers to watch on the Nordic results and positive guidance

Analyst Notes

Upgrades

- **TCOM** raised to Buy at Goldman; now see solid recovery of the domestic business and an eventual international business recovery over 2022-23E that could drive a multi-year margin expansion trajectory over the next few years.
- **COUP** raised to Overweight at Piper, the analyst sees strong secular tailwinds tied to the largest back-office investment cycle since Y2K and highlights Coupa's track record of balancing high-growth and profitability
- **CIT** upgraded to Outperform at KBW
- **STLD** raised to Buy at BAML; **NUE** raised to Neutral

Hawk Database

TCOM pulled back to retest a former breakout level and has 3450 Jan. \$40 short puts in OI, 3000 Sep. \$48 short puts, and 7500 June \$36 long calls

Downgrades

- **NKE** cut to Neutral from Buy at Citi, the analyst believes in Nike's long-term growth and margin expansion story but he sees near-term pressures due to a slowdown in demand in China related to the Xinjiang cotton issue. Additionally, Nike will see a big step up in investments in fiscal 2022, driving lower margins relative to consensus estimates
- **CLNE** cut to Underperform at Ray-Jay

OptionsHawk Market Blitz

- **EOG** cut to Neutral from Buy at Goldman
- **CAR** cut to Neutral at BAML

Initiations

- **FRGI** started Overweight at Stephens, while it has garnered some skepticism from investors on poorly executed Pollo Tropical expansion, the analyst is more optimistic on new management team, an ongoing digital transformation, and various near-term sales drivers
- **WING** started Overweight at Stephens, long been one of the best long-term growth companies among the public company restaurant peer group and now the company expects to grow to over 6,000 locations over time from its current 1,500 stores and its path is even more convincing given the rapid acceleration in digital sales
- **BE** started Overweight at Wells Fargo, Bloom has an established market presence and visible growth trajectory in the fuel-cell stationary power business with multiple avenues for future growth if the company's hydrogen initiatives achieve commercial success
- **TDUP** started Buy at Goldman, \$20 target; ThredUp addresses a large and growing TAM in the online apparel resale market and should benefit from (1) an increased number of buyers driven by industry online apparel resale growth, as well as a demand recovery as stay-at-home measures are lifted; (2) new supply being unlocked as processing capacity is increased through the launch of new distribution centers ("DCs"), as well as increased automation across all of its DCs; and (3) new and expanding retail partnerships (RaaS), which should improve brand awareness and introduce new high margin revenue streams.
- **ZH** started Buy at Goldman; China's largest Q&A-focused online content community based on its 469mn unique visitors and 75.7mn MAUs as of 4Q20
- **FSR** started Buy at BAML; FSR's key competitive advantages are interesting/attractive product (Ocean SUV) and its platform sharing and contract manufacturing with Magna and Foxconn
- **TWLO** reinstated Buy at BAML; Twilio is poised for sustainable 30%+ top-line growth for 5+ years
- **FCEL** started Underweight at Wells Fargo
- **RXT** started Outperform at Raymond James
- **TPIC, NOVA, PLUG** started Outperform at Evercore ISI
- **GLPG, GMAB** started Buy at Deutsche Bank
- **VLDR, GOEV** started Underperform at BAML

On the Chart

WING a nice bull flag setting up above its 8-EMA and a breakout above \$140 puts it into a low-volume gap from February with room up to \$165 potentially

Other Notes

- **SQ** target raised to \$340 at Barclays, Stimulus is likely to drive Cash App acceleration in March and app data points to continued strength
- **LVS** should be bought ahead of sentiment turn, says JPM, and sees Macau's gross gaming revenue improving sequentially over the next few months as visitation recovers amidst less travel restrictions

Trade Ideas

Merck (MRK) shares flagging under \$78.25 and potential cup and handle breakout with upside to \$85. There's a small gap on the volume profile back to \$80 in the short-term. MRK had a bullish MACD crossover on Friday and RSI is back above 55, ready to run and strong relative to peers. MSCO was out positive on 4/1 as they think the cancer pipeline remains underappreciated and the next big catalyst for shares is earnings on 4/29 and then ASCO in early June.



Technical Scans

Inside Days: BX, BAH, TTC, SBAC, OTIS, ROP, TFX, HON, CE, TROW, IDXX, EW

Bullish Reversal Days: XPEV, WBA, RXT, GE, STT, SNBR

Ready to Run: LECO, NYT, EAT, CAG, MS, MRK, NUS, CFX, SLG, KEX

Bearish OBV 3-Month Lows: FTI, HAL, JD, KC, LBRT, LMND, MP, PLTR, QS, RLAY

Small-Cap Options Flow

Channel Advisor (ECOM) unusual volume yesterday with over 2,250 May \$25 calls bought into the morning lows up to \$2.10, name that trades less than 100 calls per day on average. IV30 closed up 22.45%. The small-cap sets up well with a hammer reversal to start the week off of the 20- and 50-MA with 52-week highs just above at \$28, an intriguing set up worth a deeper look.

The \$760M company has been involved in the ecommerce space for decades and has shifted into more cloud-based software presently that allows retailers to gather analytics about their marketplaces, digital marketing, DTC, shipping and fulfillment strategies and more. They currently work across over 100 different channels like Facebook, Google, Amazon, Ebay, Wayfair and many more. ECOM's software makes running and scaling a business easier by centralizing and automating different tasks and integrations. This helps manage inventories and optimize pricing instantly. They can also ensure compliance across different platforms and geographies.

OptionsHawk Market Blitz

ECOM has seen 11.5% revenue CAGR over the last seven years while growing their average revenue per customer during that same period. They have over 2800 clients and process \$10B in annual GMV. In Q4, they reported record revenue as ecommerce volumes continued to surge in 2020 including triple digit GMV growth in Q4 from channels like Target Plus, Zalando, and Shopify. They had revenue up 27% with most of their focus on brand growth. And, they think the trends will continue:

“We agree with the emerging consensus that consumer behavior has likely been changed permanently by the pandemic, and we believe that e-commerce volumes that we've seen in recent months represent the new normal. Because of this, we've also seen an increased urgency on the part of our customers and prospects to accelerate their digital plans. And in addition to investing in product innovation, we also plan to make significant investments in our service model to help our customers make the right strategic decisions and drive success. “

ECOM sees a big market to grow into over the next 5-10 years too. They noted in their February filings that SaaS solutions for ecommerce, especially among brands customers and retailers remains under-penetrated. Analysts have an average target for shares of \$21.50 with a Street High \$30 PT, albeit limited coverage. B Riley with a \$36 PT in February as fixed subscription revenue growth is projected to accelerate to the low-double digits in Q1 and is expected to remain at these levels through the remainder of fiscal 2021. William Blair upgraded shares to Outperform in October. The firm sees continued tailwinds from the shift in retail spending to online, better execution, and investments in the salesforce.

Open Interest Checks

		OI Checks		
Ticker	Contract	Prior OI	New OI	OI Change
DRI	July \$155 Calls	6,889	15,065	118.68%
SU	January 2023 \$25 Calls	5,730	10,197	77.96%
FSLY	January 2023 \$125 Calls	1,728	2,729	57.93%
ATVI	June \$100 Calls	8,151	12,865	57.83%
AMD	July \$80 Calls	6,857	8,683	26.63%
GME	May \$200 Calls	3,399	3,813	12.18%
AMD	October \$100 Calls	8,791	6,550	-25.49%
AMD	September \$100 Calls	16,100	11,834	-26.50%
CSCO	July \$48 Calls	4,946	3,093	-37.46%
VSTO	May \$40 Calls	5,422	3,349	-38.23%
TSLA	January \$800 Calls	34,423	20,502	-40.44%
MA	October \$385 Calls	5,213	1,727	-66.87%

Extras

Berry (BERY) buyer 2000 May \$67.5 OTM calls \$0.725, earnings 5-4

Splunk (SPLK) late day buyers of 1000 January 2023 \$130 puts for \$26.15 to \$26.30. SPLK also with 400 January 2023 \$145 calls bought \$24.50 offer

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VMware (VMW) stock replacement bought 1500 October \$185 calls to open \$8.90

Diamondback (FANG) opening sale 350 January \$85 puts ITM \$19.10

Roblox (RBLX) opening seller 400 October \$75 puts ITM to open \$15.80

Generac (GNRC) into afternoon weakness with 445 June \$300 calls bought \$31.10 to open

Far-Fetch (FTCH) with 800 January 2023 \$30 calls bought \$23.85 to \$24.20 to open deep ITM

What They're Saying

Coca Cola (KO) earnings call on its “big bets” for 2021... “Our more disciplined innovation approach is yielding results as we balance big bets with intelligent experimentation. Our big bets for 2021 include ongoing work to scale our coffee platform under Costa. We're expanding ready-to-drink coffee in China and taking a portfolio approach to complement our powerful Georgia coffee brand in Japan. We're also rolling out an enhanced formula and package design for Coca-Cola Zero Sugar this month in Europe and Latin America and across markets globally later this year. The improved recipe brings its taste even closer to that as the iconic Coca-Cola original taste. This was influenced by consumer insight and our focus on constant improvement. Finally, it's early days, but we're excited to come back and report on our expanded experimentation in flavored alcoholic beverages with Topo Chico Hard Seltzer in Latin America, Europe, and most recently, the U.S.”

IBM earnings call on its Hybrid Cloud and AI strategy... “I have immense confidence in our strategy around the transformative power of hybrid cloud and AI and the decisive moves we are making provide a solid foundation for us to unlock future growth. As I've told you before, we see the hybrid cloud opportunity at \$1 trillion with less than 25% of workloads having moved to the cloud so far. We are reshaping our future as a hybrid cloud platform and AI company. For us, the case for hybrid cloud is clear, businesses have made massive investments in their IT infrastructure and are dealing with specific constraints such as compliance, data sovereignty and latency needs in their operations. They need an environment that is not only hybrid, but a hybrid platform that is flexible, secure and built from open source innovation. This gives them a credible path to modernizing legacy systems with advanced cloud services and building cloud-native apps. This is what we have built our platform for and why we have such confidence in our strategy. IBM's approach is platform centric. Linux, containers and Kubernetes are the foundation of our hybrid cloud platform, which is based on Red Hat OpenShift. We have a vast software portfolio, cloud packs, modernized to run cloud-native anywhere. Our GBS expertise is a key factor in driving consumption and in helping our clients accelerate their digital transformation journeys. And our systems and industry-specific public cloud provide differentiated infrastructure. The economics of our platform are designed to drive growth across all of IBM. The platform itself contributes but then for every dollar of platform spend, clients spend \$3 to \$5 in software and \$6 to \$8 in services. IBM, together with our growing ecosystem partners are positioned to capture that value.”

Earnings Grid

Stock	Open Interest	Historical Moves	Avg. 6 Q Max Move	Implied Move	Short Float	SI Change (\$mo)	IV90 Skew
ASML	No Notable OI	Lower Last 5	3.28%	3.33%	0.35%	13.9%	0.72%
VZ	5000 Weekly \$59 Calls Bought / 3K June \$52.5 and Sep \$55 Calls Bought / 3500 Jan 2023 \$57.5 Calls Bought	Lower 7 of 9	2.17%	1.90%	0.65%	13.5%	-20.24%
NEE	11,500 June \$80 Calls Bought / Size May \$75 Calls Bought, Puts Sold, 5K June \$72.5 Calls Bought / 19K Jan \$75 Calls Bought	Lower Last 3	2.70%	4.54%	1.18%	-13.3%	1.54%
ISRG	1350 Jan. 2023 \$800 Calls Bought in OI / 775 Jan 2023 \$700 Calls Bought / 1700 Jan \$580 and \$600 Calls Bought	Higher 4 of 6	5.08%	3.69%	1.87%	4.6%	2.54%
ANTM	1750 June \$340 Puts, 940 June \$350 Puts Bought / June \$390 and \$410 Calls Sold	Lower 3 of 5	6.06%	3.28%	1.42%	18.4%	4.26%
CSX	2500 May \$90 Calls Bought / 1K Jan \$80 Calls Bought / 1250 June \$105 Short Calls	Red/Green Last 9, Red Last Q	4.53%	3.23%	0.98%	-13.1%	0.62%
EW	4250 May \$85/\$70 Bull Risk Reversals in OI	Lower 3 of 5	5.75%	3.53%	3.22%	18.1%	24.14%
ERIC	18,000 May \$15 Calls Bought / 12K May \$14 Calls Bought / 10K May \$13 Short Puts, 4K Jan 2023 \$10 Calls Bought	Higher Last 4	9.93%	7.53%	0.35%	-42.4%	-3.34%
NDAQ	No Notable OI	Higher 5 of 6	3.45%	4.30%	1.43%	-5.3%	2.18%
HAL	9K May \$25 Short Calls / 4500 July \$22 Short Puts / 3K July \$20 Short Puts / 10K Jan \$17.5 Long Calls	Lower 3 of 5	6.23%	4.89%	4.82%	-45.6%	1.13%
KNX	5500 May \$45 Calls Bought in OI and 3500 May \$50 Calls	Higher 9 of 10, Lower Last 1	5.92%	6.31%	2.20%	16.1%	1.27%

Earnings Review

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
ACC	American Campus	\$0.57	\$0.55	\$232.70	\$217.18	-6.70%	FY In Line
CCK	Crown	\$1.83	\$1.39	\$3,080.0	\$2,978.58	11.6%	
ELS	Equity Lifestyle	\$0.64	\$0.60	\$296.00	\$282.29	5.50%	
HXL	Hexcel	-\$0.10	-\$0.14	\$310.30	\$300.48	-42.60%	
IBM	IBM	\$1.77	\$1.62	\$17,730.00	\$17,354.24	0.90%	
STLD	Steel Dynamics	\$2.03	\$1.99	\$3,544.60	\$3,405.53	37.60%	FY In Line
UAL	United Airlines	-\$7.50	-\$6.82	\$3,200.00	\$3,282.36	-59.90%	

Earning Before the Open

Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
ABT	Abbott Labs	\$1.32	\$1.27	\$10,446.0	\$10,716.11	35.2%	
AN	AutoNation	\$2.79	\$1.82	\$5,903.8	\$5,033.12	26.5%	
DOV	Dover	\$1.81	\$1.45	\$1,868.00	\$1,727.47	12.80%	FY Above
GATX	GATX		\$0.89		\$303.17		
IRDM	Iridium Communications	-\$0.04	-\$0.05	\$146.54	\$146.31	0.90%	
JNJ	Johnson & Johnson	\$2.59	\$2.33	\$22,300.00	\$21,997.33	7.80%	FY In Line
KEY	KeyCorp	\$0.61	\$0.47	\$1,750.00	\$1,679.46	19.40%	
LMT	Lockheed Martin	\$6.56	\$6.32	\$16,258.0	\$16,415.23	3.9%	
MAN	Manpower	\$1.11	\$0.67	\$4,900.0	\$4,662.17	6.5%	FY Above
EDU	New Oriental	\$0.10	\$0.07	\$1,190.50	\$1,130.95	29.00%	FY In Line
OMC	Omnicom	\$1.33	\$1.12	\$3,426.90	\$3,295.39	0.60%	

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PM	Philip Morris International	\$1.57	\$1.40	\$7,585.00	\$7,333.12	6.00%	FY Above
PG	Procter & Gamble	\$1.26	\$1.20	\$18,100.00	\$18,002.20	5.10%	
SNV	Synovus	\$1.21	\$0.92	\$485.60	\$483.00	1.60%	
TRV	Travelers	\$2.73	\$3.01	\$7,386.00	\$7,446.07	2.20%	
XRX	Xerox	\$0.22	\$0.29	\$1,710.00	\$1,587.38	-8.10%	

IBM – Beat on EPS and Revs – Q1 Global Business Services revenue \$4.2B, up 2.4%. Reports Q1 Global Technology Services revenue \$6.4B, down 1.5%. Reports Q1 Systems revenue \$1.4B, up 4.3%. Reports Q1 Global Financing revenue \$240M, down 20% "Strong performance this quarter in cloud, driven by increasing client adoption of our hybrid cloud platform, and growth in software and consulting enabled us to get off to a solid start for the year," said Arvind Krishna, IBM chairman and chief executive officer. "While we have more work to do, we are confident we can achieve full-year revenue growth and meet our adjusted free cash flow target in 2021."

UAL – Missed on EPS and Revs - "The United team has now spent a year facing down the most disruptive crisis our industry has ever faced and because of their skill and dedication to our customers, we're poised to emerge from this pandemic with a future that is brighter than ever," said United Airlines CEO Scott Kirby. "We've shifted our focus to the next milestone on the horizon and now see a clear path to profitability. We're encouraged by the strong evidence of pent-up demand for air travel and our continued ability to nimbly match it, which is why we're as confident as ever that we'll hit our goal to exceed 2019 adjusted EBITDA margins in 2023, if not sooner."

JNJ – Beats on EPS and Revenues (+7.8%), FY21 Revenue View Light – Consumer Health worldwide operational sales, excluding the net impact of acquisitions and divestitures, declined 2.9%* primarily driven by negative prior year comparisons related to the COVID-19 pantry loading in Q1 2020, mainly in over-the counter products. Partially offsetting the decline is growth in LISTERINE in oral care products, JOHNSON'S BABY in baby care products, international skin health/beauty products and NICORETTE in international over-the-counter products. Pharmaceutical worldwide operational sales, excluding the net impact of acquisitions and divestitures, grew 7.4%. Medical Devices worldwide operational sales, excluding the net impact of acquisitions and divestitures, grew 8.8%*, and reflects the benefit of market recovery from COVID-19 impacts in the prior year. Contributors to growth were electrophysiology products in the Interventional Solutions business, worldwide biosurgery and energy products, and international endocutters in Advanced Surgery, wound closure products in General Surgery, contact lenses and surgery in the Vision business and trauma products in Orthopaedics; partially offset by knee products in Orthopaedics.

DOV – Beats EPS and Revenues (+12.8%), Raises Outlook – Our businesses capitalized on the improving demand conditions in their markets and delivered strong volume growth despite some notable supply chain disruptions during the quarter. Comparable operating margins increased in the quarter on volume leverage, favorable product mix, and continued progress on our center-led efficiency initiatives. Order trends were strong and improved throughout the quarter across the majority of our businesses. We saw particularly healthy new order activity in biopharma connectors and pumps, plastics & polymer processing, food retail, industrial pumps, refuse collection, and automotive-exposed markets. Several markets that are still recovering, such as foodservice equipment, digital printing and industrial winches have also been posting encouraging trends. As a result of strong orders, our backlog at the end of the first quarter was substantially higher than the backlog we carried into the quarter. As we look forward, our strong end market demand, bookings rates, and robust backlog give us confidence that market demand for our products will remain durable as we progress through the year. There are challenges to navigate going forward such as material cost inflation, supply chain bottlenecks, and labor

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availability, but our first quarter performance gives us grounds for optimism that we are up to the challenge. Furthermore, our balance sheet remains healthy and we have substantial capacity for inorganic capital deployment to continue enhancing our portfolio.

PM -Beats EPS and Revenues (+6%), Raises FY21 – This performance was driven by the continued strength of IQOS, in particular, reflecting excellent user, volume and market share momentum, as well as further progress with manufacturing and operating cost efficiencies. Our results also benefited from the timing of specific factors, notably associated with shipments in certain markets and the phasing of commercial investments, which are expected to partially reverse in the second quarter.

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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