



## Inside Today's Blitz

- Futures Climb as S&P Hits Another Record
- Biden Softens Tax Plan for Profitable Business; May Find Compromise on Hikes
- **COST** SSS top estimates in March; Dutch telecom **KPN** eyed in \$15B takeover; **TWTR** held talks to buy Clubhouse, per reports; **BOX**, KKR announce partnership

## Market Outlook

Futures are indicating a mixed open for the day with the Dow flat, the **S&P** up 36 bps, and the **Nasdaq** up 94 bps. The **Russell** is up 66 bps. Energy is down slightly today with **WTI** off by 75 bps. **Natural Gas** is down 1%. **Gold** and **silver** both higher with the latter up 55 bps. The **dollar** is down 6 bps. **Bonds** are up 10 bps. **VIX** is 18.70. The **10-year yield** is 1.65% and down slightly. **Bitcoin** is up 1.5%. It has been a quiet night for news and global markets are grinding higher for the most part. There are two small but notable stories out today that are driving the market higher. First, the more dovish minutes yesterday and commentary from the Fed's Brainard have reinforced the idea that the Fed doesn't view the recovery close to complete and will remain accommodative. This isn't new by any means but comes after strong data. Second, there's some relief around taxes with a report out that the White House is willing to compromise on a corporate rate at 25%, not 28%,

for Biden's infrastructure deal. Elsewhere, COVID vaccinations continue to rise in the US (globally now ~700M) but there's a growing issue in emerging markets where the virus is hitting daily records again. Canada also declared a state of emergency in Ontario and a 4-week stay-at-home order while Japan is seeing resurgence.

Asian markets are mostly higher this morning with the Hang Seng up 1.15%, Shanghai up 8 bps, and the Nikkei lagging down 7 bps as Osaka is set to declare a medical emergency due to COVID spikes. In Europe, the major indices are bouncing back with the DAX up marginally, the CAC up 50 bps, and the FTSE up 10 bps. We're seeing outperformance in industrials and tech while some weakness is being seen in travel stocks (this is mostly due to the **AstraZeneca** issues weighing in Europe, specifically). Dutch tech investor **Prosus** is up 1% after completing their block sales in Tencent today. Norwegian telecom **Telenor** is up 1% after reports they are looking to merge their Malaysian business with **Axiata**. Engineering firm **ABB** is up 1.7% after launching a new buyback. **Volvo** is up 2% after signing a deal with SSAB on production of fossil-free steel. **AstraZeneca** shares are up 1.5% despite talk that more countries in Europe will restrict use of their vaccine. Chemicals company **Johnson Matthey** rose 3.5% after they said results would be at the high-end of the range. **ASOS** is down 2.5% after the online retailer kept FY22 guidance unchanged despite a strong year. **Anglo American** is up 1.5% after they announced plans to demerge their South African thermal coal operations.

## Calendar

**Today...** Chairman Powell on a panel, Fed's Bullard speaks; **Earnings Before the Open:** STZ, CAG, APOG, NTIC; **Earnings After the Close:** LEVI, WDFC, PSMT, AFYA; **Analyst Days:** CRWD, SMG; **Roadshow Meetings:** DOCU, ADSK

**Tomorrow...** PPI, Wholesale Inventories; **International Data:** China CPI, PPI, German Industrial Production; **Earnings Before the Open:** JKS; **Roadshow Meetings:** ZM

## Overnight Markets

Copper	4.0785	0.59%
Silver	25.39	0.57%
Gold	1747.2	0.32%
Bonds	156.5	0.08%
US Dollar	92.41	-0.07%
Oil (WTI)	59.3	-0.80%
Natural Gas	2.494	-1.03%

## Technical View



### Key Levels to Watch

A strong night for S&P futures as we uncoiled out of the narrow two-day range and that wedge pattern noted yesterday above 4075 and ran to an overnight high at 4092.75. We're off a bit from that level but still set for a strong open with VWAP at 4083.5. VWAP for the week is at 4065. We hit our measured move target overnight, so potential for a fade back into that range today while upside to 4097.25.

## Economic Data

- **German** factory orders rose 1.2%, in line with est.
- **German** construction PMI was 47.5 vs 41 prior
- **Eurozone** PPI was 0.5% vs 0.6% est.
- **Hong Kong** manufacturing PMI was 50.5 vs 50.2 prior

## Macro News

- **Russia** could face retaliatory measures from the US soon over various hacking scandals, per Bloomberg
- **Iran** may soon see sanctions lifted by the US, per Reuters
- **China** is accelerating their timetable on actions towards **Taiwan**, says the Pentagon, per AP
- **ECB** is hoping to taper PEPP bond purchases in Q3, says Austria's Central Bank chief, per CNBC. This is similar to comment's yesterday from other ECB members
- **Fed's Brainard** was on CNBC late in the day yesterday and note that while things are improving, they are far from the bank's objectives
- **McConnell** is open to a bill on physical **infrastructure** but not if it includes changes to the 2017 Trump tax cuts, per Reuters
- **Corporate taxes** are likely to go to 25%, not 28% as proposed, as business leaders and the White House are expected to reach a compromise, per Reuters

### Movers

**Gainers: AVCT 36%, SBBP 3.5%, COST 1%**

**Losers: OTIC -8%, BOX -6%, PRGS -5%, VIEW -2.5%, AMRS -1.5%**

### Insider Buying

AAT, HHC, SAIC

### IPO Calendar

There are no IPO's scheduled at this time.

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## Sentiment

- **Investors are souring on emerging markets**, per WSJ, as US prospects improve. Capital flows out of emerging-market stocks and bonds as U.S. real yields climb and dollar strengthens
- **AAll** bullish sentiment jumped to 57%, the highest since January 2018

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## Stock-Specific News

### Consumer

- **Costco (COST)** March SSS up 11.1%, ex-gas, vs 8.3% est.
- **GME** is appointing Ryan Cohen as Chairman, effective after their annual meeting, and shifting all directors to equity-based compensation
- **DIS** is cancelling all US cruise departures through June
- **BKE** March revenues jumped to \$139.4M vs \$41M in 2020 and \$82.3M in 2019; will resume monthly SSS
- **DLTR** plans hiring spree at US stores, distribution centers as demand climbs, per Reuters
- **DASH, Instacart** are both launching their own credit cards, says WSJ, with the latter partnering with JP Morgan
- **UBER, LYFT** are struggling to bring drivers back to the platform as demand recovers but capacity remains constrained, per FT
- POTUS will announce executive actions on Thursday around **firearms**, per Reuters, and is expected to involve wider background checks
- **Nielsen (NLSN)** is facing pressure from TV networks to acknowledge viewership measurement issues, per Variety. The company has struggled with pandemic-related counts and networks fear they could be off by 10% or more
- **MasterClass** is raising new funding at a \$2.5B valuation, per Axios. The app sells subscriptions to online courses taught by experts
- **StockX** sold \$60M in stock recently at a \$3.8B valuation, per WSJ, as the online marketplace's value jumps 35%
- Grocery delivery startup **Miss Fresh** is considering a US IPO that could raise \$500M, per SCMP
- **ASOS** saw profits jump 275% in the 1H driven by the popularity of e-commerce during the COVID-19 pandemic

### Financials

- **Credit Suisse (CS)** CEO faces tough questions after Archegos loss, per Bloomberg, and could face the board over its actions which also seemingly ignored the Greensill issues too

### On the Chart

**BKE** strong chart with shares basing above the rising 50-day MA and just below new highs at \$43 and a weekly measured move to \$50

### Sympathy Movers

**RGR, SWBI, VSTO** in focus as always with new gun laws

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- **Marsh McLennan (MMC)** continues to come under scrutiny over their role in the Greensill implosion, per FT
- **Riot Blockchain (RIOT)** is buying Texas site from **Northern Data AG** for €550M in cash and stock (€67M in cash and 11.8M shares of RIOT stock or ~12% outstanding)
- **Robinhood** is looking to boost their bank credit lines ahead of a potential IPO, says Bloomberg
- **Sonder** is set to go public via SPAC deal with **Gores Metropoulous II (GMII)**, per Bloomberg. The company refurbishes short-term rentals and lists them on their site, ABNB and EXPE
- Open banking startup **TrueLayer** is raising more money to expand Internationally, per CNBC, and take on **Visa (V)** and **Mastercard (MA)**
- **Destiny USA's** parent company is exploring a debt restructuring deal to cover the shopping REITs obligations, per WSJ
- **Century Bank (CNBKA)** to be acquired by **Eastern Bancorp (EBC)** for \$115.28/share in \$642M cash deal

## Healthcare

- **Therapy Brands** is selling a majority stake to KKR for \$1.2B, per Bloomberg. The company offers behavioral health software.
- **Village MD** is planning an IPO for Q3, per Bloomberg. The **Walgreens (WBA)**-backed primary health provider could be valued at \$10B
- **Eli Lilly (LLY), Incyte (INCY)** announce baricitinib study did not meet primary endpoint in the treatment of hospitalized COVID patients
- **MRK** says Phase 3 KEYNOTE-564 trial met primary endpoint in treatment of patients with RCC
- **RPRX** is buying the royalty interest for Oxlumo from **DRNA** for \$180M
- **SBBP** published new analysis from their study on Cushing's
- **GILD** says FDA grants regular approval to Trodelvy for triple-negative breast cancer
- **MRNA** says new NEJM study shows COVID antibody persistence out to six months after shot
- **AUPH** says Lupkynis shows efficacy in lupus nephritis
- **MRVI** prices 18M share secondary at \$31.25

## Energy & Materials

- **Sibanye (SBSW)** could make a bid for either **Anglo Gold (AU)** or **Gold Fields (GFI)**, per Reuters. This isn't new information as the CEO has talked about both recently but deal momentum is picking up
- **Codelco** says that copper supply won't be hurt by new COVID restrictions in Chile and remains on pace for an output hike, says Reuters
- UK-based **Johnson Matthey** is exploring strategic alternatives for their health business, per Reuters

### On the Chart

**GILD** flagging in a small range above its 8-EMA and the prior breakout at \$65, a move back above \$66.75 in focus for a run

### Hawk Database

**AU** has seen some April call buys as well as interest in the January 2023 \$18 calls while **GFI** with ITM May \$10 put sales

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- **ADNOC** is considering an IPO of their drilling business, per WSJ
- **RIO** discloses \$47B in 2020 taxes vs. \$45.1B last year
- **AMRS** announces \$250M offering

### Industrials

- White House is looking at \$100B in new **EV consumer rebates**, per Reuters. They are also look at \$15B to establish 500,000 new electric vehicle charging stations
- **General Motors (GM)** is testing tech to cut EV battery costs, per Reuters, looking at silicon-rich and lithium metal anodes, solid state and high voltage electrolytes, and dry processing of electrodes
- **Komatsu** is looking to cut prices on certain equipment lines in Asia as they look to fend off competition from Chinese firms, per Reuters
- **Syncreon** is said to weigh a sale, per Bloomberg, and the logistics operator could be valued at \$1.5B
- **TSLA** is looking to buy showroom space in India as they plan to launch a full-scale entry into the country, per Reuters
- **ABB** announced a new buyback plan up to \$4.3B
- **LI** prices offering of \$750M in convertible notes
- **APPH** to acquire Root AI for \$60M, an AI farming startup
- **ASUR** says March traffic up 11.3% Y/Y

#### On the Chart

**ABB** is near a multi-week breakout above \$31.50 and can move to \$34-\$35, albeit a slow mover

### Tech/Telecom

- **Twitter (TWTR)** discussed buying Clubhouse for \$4B, says Bloomberg, but talks are no longer ongoing
- **Bilibili (BILI)** is in talks to buy a stake in **YooZoo games**, per Reuters, worth about \$765M. This follows their \$2.6B HK secondary last month.
- **BOX** announces partnership with **KKR** and a \$500M investment; appointment of a new Chairperson. The company will use the proceeds to fund buybacks
- Dutch communications firm **KPN** is being eyed for a takeover by Stonepeak Infrastructure and Sweden's EQT, per WSJ. The bid could value them at \$15B+
- **Hitachi** is in talks to sell their metals unit to Bain for \$7.3B, per Nikkei. Their metals business is the largest non-tech business left as they look to streamline and focus on IT services
- **AAPL** has been forced to slow down and even postpone in some cases production of Macs and iPads due to the chip shortage, per Nikkei
- **HPQ** will outsource China printer production to **Foxconn**, per Digitimes
- **ShareChat** has raised another \$500M at a \$2.1B valuation, per Reuters, as they look to build in India amid a TikTok ban

#### On the Chart

**BOX** likely sees some weakness today with a lot of people in the name lately looking for a sale and will be disappointed, key area to watch below is the 50-day and start of the run at \$20.50

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- **Corporate IT spending** is expected to rise 8.4% in 2021 to \$4.1T, per WSJ, regaining the pace set before the pandemic. The focus is on videoconferencing and collaboration tools
- **XM** announces new partnership with IBM Japan
- **AVCT** receives unsolicited bid for \$9/share; company will explore alternatives and form review committee
- **COMM** to spin off their Home Networks business
- **FEYE** names a new COO
- **GDDY** acquires 30 new domain extensions for \$120M

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## Analyst Notes

### Upgrades

- **TXT** raised to Buy at Goldman on improving business jet leading indicators especially in Textron's aircraft categories and for Cessna aircraft specifically. The company's industrial and commercial helicopter segments should also benefit from an economic recovery
- **MSM** upgraded to Outperform at William Blair, sees early signals that metalworking demand and company initiatives could soon inflect driving upward earnings revisions and accelerating growth
- **CARG** raised to Outperform at Raymond James, company will benefit from a digital auto recovery in 2021 with consensus expectations for dealer count looking conservative
- **ALRM** upgraded to Outperform at Imperial
- **VNOM** upgraded to Overweight at Simmons
- **SPNE** raised to Overweight at Wells Fargo
- **BSIG** raised to Overweight at MSCO
- **USB** raised to Overweight at JPM
- **GOGO** raised to Outperform at Cowen

### Hawk Database

**USB** has been strong and nearing a high on this run, a name that saw 16,575 January \$62.5 calls bought last September that remain in open interest.

### Downgrades

- **UN** cut to Sell from Buy at Societe Generale, Unilever's current ambition on strategic change feels limited as it is now four months from unification and the strategy presentation in February was more tactically oriented
- **LHX** cut to Neutral at Goldman, well positioned within the defense end-market, but its end-market growth rate is decelerating versus most of industrials accelerating and the deal integration is now understood

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- **LW** cut to Neutral at Goldman, Lamb's demand recovery will not be linear given COVID-related production disruptions and manufacturing inefficiencies
- **WW** cut to Equal Weight at MSCO
- **NXPI** cut to Equal Weight at MSCO
- **FFIV** cut to Neutral at CSFB

### Initiations

- **WSM** started Outperform at Cowen, thinks the company can sustain growth in the core as it locks in new shoppers acquired in FY20 and sees an attractive set up for beats-and-raises
- **SPLK, ADBE, INTU, DOCU, HUBS** resumed Buy at BAML
- **VRM** started Outperform at Raymond James
- **TPIC** started Buy at Stifel
- **TREX** started Buy at Loop Capital
- **AMRC** started Buy at Stifel
- **ZUO** started Buy at Berenberg

### Other Notes

- **TDOC** weakness a buying opportunity, says Piper. FY21 numbers are achievable, and improved retention/ pricing in the Livongo business have the potential to drive upside to TDOC's FY25 synergy targets
- **DHR** positive catalyst watch at Citi, sees Q1 earnings beat; The stock has traded roughly flat for the past six months, which does not reflect the improving base business and vaccine bioprocessing fundamentals
- **ROKU** pullback called a buying opportunity at Deutsche Bank

## Trade Ideas

**Bill.com (BILL)** hitting the 'ready to run' scan today and name holding up well in a bull wedge above VWAP from the November lows. Shares gapped up last week and now forming a small four-day consolidation above the 8-EMA, nice 'launch pad' setting up for a break above \$154.50. Shares have a low-volume node here back to \$179.50 and a composite VPOC from February. MACD crossed over bullish last week and TTM squeeze primed for a long signal and breakout.



### Technical Scans

**Inside Days:** ETSY, FVRR, AVGO, BMY, PGR, YUM, DOCU, SBUX, ORLY, TGT, STLD, DECK, BILL, MELI, SE, RKT

**Ready to Run:** KSS, SIX, LNC, JPM, BILL, AXS, PRU, MTDR

**Bull Reversal Days:** UNH, MUSA, CIT, CVX, EAT

**Relative Strength 52-Week Highs:** OC, SC, GOOGL, SLM

**Small Cap Profile: ZIM Shipping:** A unique digital-first shipping company with a strong industry backdrop

**ZIM Integrated Shipping Services (ZIM)** is a newer issue based in Israel with shares +125% YTD. With news overnight of Cosco Shipping seeing a profit surge with shipping rates +54% Q/Q, it is worth looking into ZIM with shares currently forming a nice bull flag.

ZIM is a global, asset-light container liner shipping company with leadership positions in niche markets. ZIM focuses on providing customers with innovative seaborne transportation and logistics services with a reputation for industry leading transit times, schedule reliability and service excellence. As of December 31, 2020, ZIM operated a fleet of 87 vessels and chartered-in 98.7% of its TEU capacity and 98.9% of the vessels in the fleet. ZIM operates across five geographic trade zones that provide it with a global footprint. These trade zones include (for the year ended December 31, 2020): (1) Transpacific (40% of carried TEUs), (2) Atlantic (21%), (3) Cross Suez (12%), (4) Intra-Asia (21%) and (5) Latin America (6%). Its niche solutions for time-sensitive cargo, which provide a compelling alternative to air freight, illustrate its agility and ability to quickly and efficiently execute in new niche lanes where ZIM can offer a unique product and become the carrier of choice for customers.

ZIM also provides value-added and tailored services, including operating several logistics subsidiaries to provide complimentary services to customers. These subsidiaries, which we operate in China, Vietnam, Canada, Brazil, India and Singapore, are asset-light and provide services such as land transportation, custom brokerage, LCL,

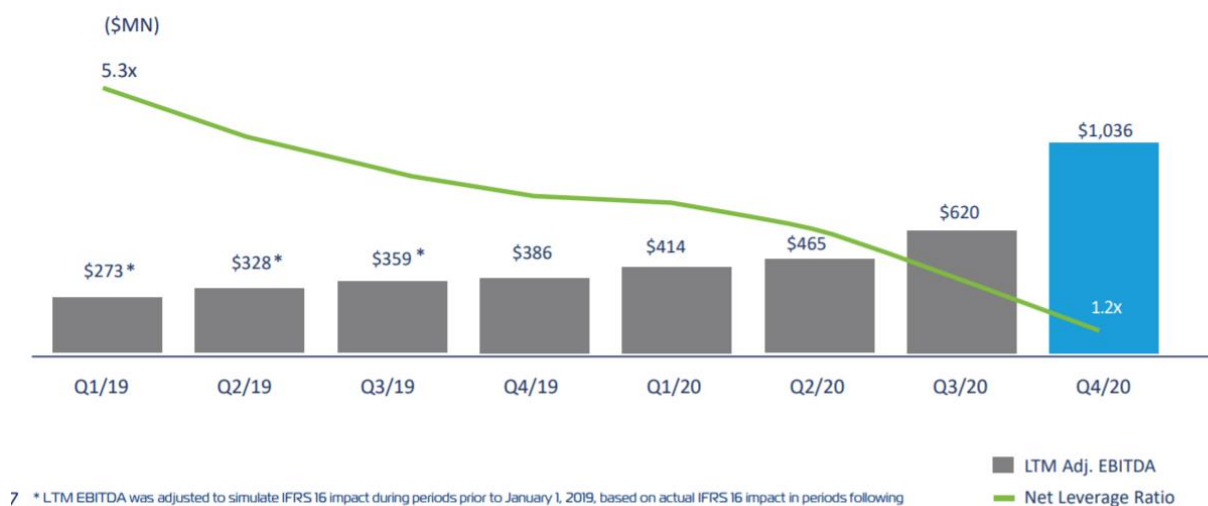


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project cargo and air freight services. ZIM's short-term charter arrangements allow it to adjust capacity quickly in anticipation of, or in response to, changing market conditions.

ZIM has a highly diverse and global customer base with approximately 30,080 customers. In 2020, its 10 largest customers represented approximately 16% of freight revenues and its 50 largest customers represented approximately 34% of freight revenues. ZIM has focused on developing industry-leading and best in class technologies to support customers, including improvements in digital capabilities to enhance both commercial and operational excellence. Several recent examples of digital services include: (i) ZIMonitor, which is an advanced tracking device that provides 24/7 online alerts to support high value cargo, (ii) eZIM, our easy-to-use online booking platform; (iii) eZQuote, a digital tool that allows customers the ability to receive instant quotes with a fixed price and guaranteed terms; (iv) Draft B/L, an online tool that allows export users to view, edit and approve their bill of lading online without speaking with a representative; and (v) ZIMGuard, an artificial intelligence-based internal tool designed to detect possible misdeclarations of dangerous cargo in real-time.

The \$2.74B company is trading 4.2X EBITDA, 10.25X Earnings and 5X FCF. ZIM consensus forecasts see revenues growing 15.7% in 2020 and 38% in 2021 with EBITDA rising 171.3% and 63.3% respectively. ZIM has industry-leading margins and profitability through its focused strategy, commercial excellence and enhanced digital tools.



ZIM looks attractive on valuation and stands out among peers with a very strong industry backdrop. There is a strong restocking demand with retail inventory to sales ratio at a 28-year low. ZIM is positioned well with its niche approach and operational excellence with all fundamental metrics of the business positioned to increase in 2021.

### SPAC Profile

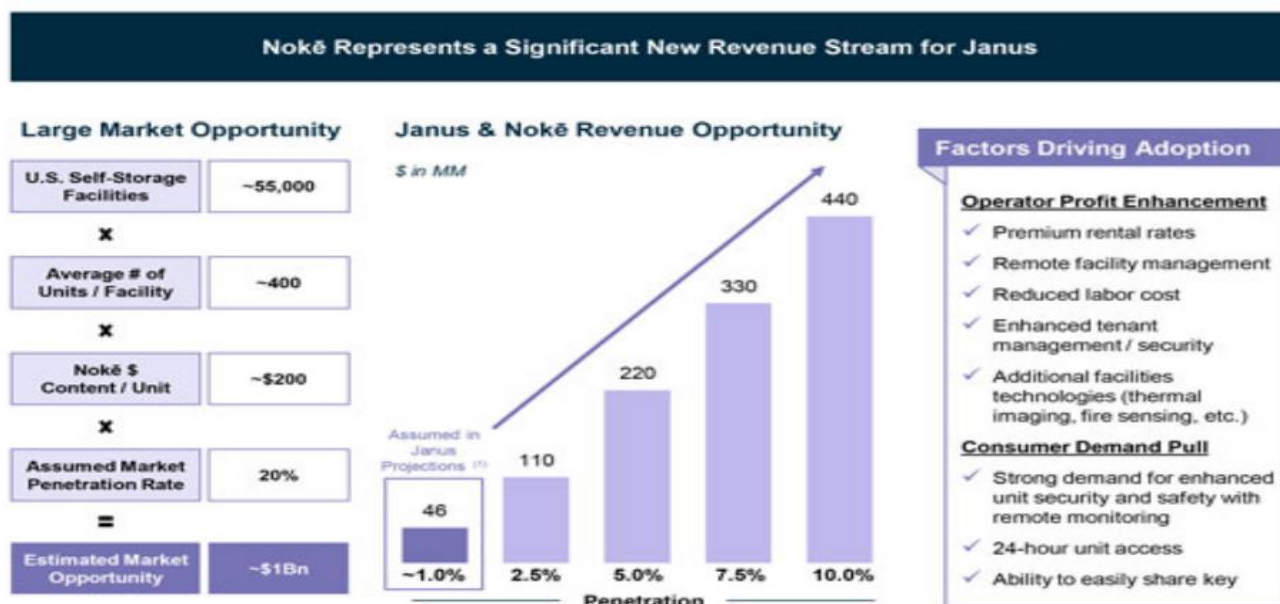
**Janus International (JBI)**, an interesting SPAC deal from late 2020 with **Juniper Industrial (JIH)**, that drew call buys this week with the August \$15 calls bought 1,500X for \$1.05 and spread with 1000 August \$20 calls sold for \$0.35. The deal was announced in December and rallied up to \$14.50 before pulling back in March. It values them at \$1.9B including debt and is backed by Baron Capital and Fidelity.

Janus makes 'new access control tech' for self-storage facilities, basically internet-connected doors and locks. The company has both retail and commercial exposure, the latter seeing much more use-cases as businesses have multiple users and monitoring needs over facilities. Janus has a big customer base, over 10,000 contracts

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signed, and their product reach is expanding with both interior and exterior products, retrofit and adaptation products, smart access locks, and facility management software. They also have basic products like steel doors for warehouses and industrial facilities Janus has an impressive track record with double-digit growth over the last couple years with strong margins and cash flows. The company has nearly doubled revenue since 2016 and expects to top \$620M in FY21 with a 10.3% 3-year forward sales CAGR. Janus is a market leader with more than 50% share in the institutional market with strong customer engagement given limited churn.

The company is going public at a big moment for the industry too as they estimate that the majority of existing infrastructure is currently in need of upgrades. The company notes that over 60% of installed facilities are more than 20 years old which will be a long-term benefit to their retrofit business which does around \$150M in revenue currently but in “the early infancy stages of growth.” Utilization rates are also historically high at 90%+ given current supply/demand imbalances. There are secular tailwinds too. The company said they’ve seen growth on the retail/consumer side during COVID with more people moving and creating a capacity restraint within other storage operators. For the industrial market, growth in ecommerce has been a significant boost to warehouse footprints and driving demand for better monitoring solutions.



They’ve built up through deals including a company called Noke which makes software for wireless access control. In January, CEO Ramey Jackson talked to TD Securities about the deal and their market opportunity:

*“[Noke] is a software company that we partnered with in terms of developing our wireless access control solution, so we’re a first mover in this technology and think about it as an ad based solution that allows tenants to onboard contact lists. And think about it in the era of COVID and beyond. It’s very important and it also helps them manage access to their storage units digitally. It also provides an operational savings to the operator and it gives them the ability to drive rental rates based off of usage. And if you look at the opportunity that exists today, it’s pretty simple. There’s 22 million doors that are armed with padlocks, and you know, just doing some simple math, this provides a 4 billion dollar opportunity that we plan on executing over the next four years, for a few years, rather.”*

Overall, Janus is an attractive tangential play on self-storage growth as well as the industrial/warehousing market that has grown in importance during COVID and a name with plenty of drivers for further growth. The company likely explores bundles with both installation and services in the future, as well as potential for

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recurring revenue growth through software. They also noted in December that they can execute better on a 'Honeywell-type' strategy of identifying cost and pricing strategies, supply chain opportunities, and key improvements for margin growth. Their balance sheet is also well fortified, so expect them to target M&A in 2021 and beyond to build out their inorganic growth and reach their goal of \$1B in annual sales.

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## Extras

**Expedia (EXPE)** buyer this afternoon of 4925 May \$175 calls for \$8.35 to \$9

**Jumia (JMIA)** now with 1500 June \$38 puts sold to open for \$6.70

**AVID Tech (AVID)** buyer of 1000 July \$20/\$35 call spreads this afternoon for \$3.50, a \$945M maker of A/V equipment and software for video and audio creation

**Apache (APA)** with 7000 October \$10 puts sold to open \$0.40 to \$0.38 into the close

**Match (MTCH)** with of 1000 May \$150/\$170 call spreads to open

**ProLogis (PLD)** late day action sold 2000 August \$115 calls to open for \$2.85

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## Open Interest Checks

Ticker	Contract	OI Checks		
		Prior OI	New OI	OI Change
AAL	May \$24 Calls	6,746	30,535	352.64%
SNOW	August \$315 Calls	1,091	2,381	118.24%
BP	October \$20 Calls	1,060	2,060	94.34%
HIG	June \$70 Calls	2,150	3,335	55.12%
LLY	June \$185 Calls	908	1,388	52.86%
UNFI	August \$35 Calls	2,390	3,516	47.11%
PG	January \$140 Calls	12,277	16,665	35.74%
AMD	July \$85 Calls	4,857	6,331	30.35%
ABNB	June \$185 Puts	1,501	1,523	1.47%
NFLX	September \$550 Calls	3,100	2,815	-9.19%

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## What They're Saying

**RPM International (RPM)** earnings call on the M&A Pipeline... "The M&A pipeline is really strong. We commented that we completed 2 acquisitions just this past month. Bison, which is a great addition to our fiber grade business and I think also has some applicability to other parts of RPM. That's a patented level -- floor leveling system that we can use with grating or other systems. And then Tuff Coat, again, a nonskid marine product that is already getting some interest from other parts of RPM and industrial settings. So we're very excited about both of those. You've got management teams that are going to stay and run those, even though

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we'll be pulling them in to our MS-168 manufacturing process and our centralized procurement activities. So there's more of that out there in general in our space. There are a lot of bigger transactions out there, and I'll just repeat what I've said in the past. I don't see us paying 15x or 16x EBITDA for anything. And so to the extent that there's large transactions and people are willing to pay those relatively peak multiples in a period of time where their peak earnings, that will not likely be RPM. But if there are some larger transactions that we can get done and what we believe to be a reasonable multiple with a reasonable IRR, we certainly wouldn't preclude looking at them."

**Lumen Tech (LUMN)** Analyst Day on its shift to a tech platform company... "We're in the early innings, but we've got a great platform. We're in the -- we've been working on this for several years. We've got a great platform in place. We've got great partnerships that Shaun talked about in our ecosystem. Some of them are cloud providers. Some of them are other types of network providers. Some of them are infrastructure applications providers within the cloud ecosystem. We'll continue to create new applications that sit on top of that platform, and we'll continue to expand our ecosystem. But we're super excited, because it opens up a lot of addressable markets that have not been addressable for Lumen in the past. And those markets are growing markets. So growing markets and more addressable markets are both really positive aspects of what we've been doing with our cloud, our Edge Cloud and with our overall platform. We have -- 75% of our revenue comes from business customers. About 20%, 25% comes from consumers in mass market. And even within those categories, our Quantum Fiber business is growing even in the mass market business, and we'll continue to invest in those growth areas. If you look at our business enterprise customers, IGAM, enterprise, mid-market customers and in the categories that we want to see growing, computing applications, IP and data services, fiber and infrastructure, those types of categories, it's about 70% of our revenue. And so -- 70% of our business revenue. And so I -- we are investing to make sure that we're growing in those areas, and we see good opportunity to do so."

**Okta (OKTA)** Analyst Day on its new products & expanding TAM... "We'll solve 2 new major customer requests with 2 new products: Okta Privilege Access and Okta Identity Governance. Both of these announcements represent further penetration in the workforce identity market. For Okta Privilege Access, we're not building a product for the way people used to work nor for the way infrastructure used to be. We're building for the way infrastructure is today and will be in the future, cloud deployed and just in time the way critical infrastructure access has to be. When it comes to Okta Identity Governance, We're reimagining IGA for a cloud-first world where the number of resources accessed by an organization has dramatically transformed. And just as critically, the potential for customer identity is massive for every organization today. Everyone is moving their business online. And with that push comes the need not only to deliver safe and secure experiences but to create meaningful ones for customers. That's why I'm so excited that we're joining forces with Auth0. Over the past year, we believe there has been a meaningful increase in our TAM related to expanded opportunities within enterprise customers as well as our new product introductions that address more use cases. The workforce identity market has grown from 30 billion to 35 billion. In addition, You heard the exciting news that we're expanding into IGA in PAM, which adds another 15 billion for a total workforce TAM of 50 billion. Looking at customer identity, that market has grown from 25 billion to 30 billion. We accelerated our penetration into this market with the complementary platform of Voro. In total, it's a massive \$80 billion market opportunity, and I believe we're still in the early days of what we can accomplish."

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Ticker	Stock	EPS Actual	EPS Est.	Revs Actual	Revs Est.	Y/Y Change	Notes
APOG	Apogee	\$0.63	\$0.56	\$308.60	\$310.23	-8.50%	FY Below
CAG	Conagra		\$0.58		\$2,715.98		
STZ	Constellation Brands		\$1.52		\$1,865.55		

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## Disclosures

### Not Investment Advice or Recommendation

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